Readiness for Change at Directorate General of State Assets Management (DJKN) of North Sumatera

Muhammad Anggy Fajar Purba, Ferry Novliadi

Faculty of Psychology, University of North Sumatera, Indonesia

Abstract— *This study was to determine the readiness for change to employees of the Directorate General of State Assets Management (DJKN) of North Sumatera. This study involved 165 employees of the Directorate General of State Assets Management (DJKN) of North Sumatera. The measuring instruments used in this study are the scale of readiness for change. The results show that most employees have a high level of readiness for change. The meaning is, most employees are classified as ready to make organizational changes. This research can be a reference for the organization in implementing organizational changes, especially for Institutional Transformation currently being held by the organization.*

Keywords— *Directorate General of State Assets Management (DJKN), DJKN Institutional Transformation, readiness for change.*

I. INTRODUCTION

Changes in the organization are critical things to be able to maintain their existence and increase the effectiveness of the organization. All changes made by the organization refer to increasing the effectiveness of the organization to seek to improve the ability of the organization to adjust to changes in the environment and changes in organizational behavior of members (Robbins, 2008). Organizations that will make changes need open employee support so they can prepare themselves so that the organization is ready to change (Eby, Adams, Russel & Gaby, 2000).

Smith (2005) argues that organizational change is a whole part of how management of human aspects in the process of change because employees are the real source and "vehicle" for change. Furthermore, Madsen, John, and Miller (2005) said that organizational change would not work effectively without the preparation of its employees. Change readiness in individuals within the organization can provide various benefits for the implementation of organizational change. Ming-chu & Meng-hsiu (2015) also explained that with the readiness to change, individuals would be able to reduce the rejection of change significantly. Therefore, organizations that want to change need to ensure that each has needs and readiness to change, and as an initial step is through an assessment of change readiness (Armenakis, Harris & Mossholder, 1993).

Holt, Armenakis, Feild and Harris (2007) describe individual readiness to change as a comprehensive attitude that is simultaneously influenced by content (what changes), process (how changes are implemented), context (the environment in which change occurs), and individuals (characteristics individuals who are asked to change) who are involved in a change. Because if employees are not ready to change, they will not be able to follow and will feel

difficulties with the speed of organizational change that is happening (Hanpachern, Morgan & Griego, 1998).

Holt et al. (2007) explained that readiness for change is a multidimensional construct consisting of appropriateness, management support, change specific efficacy, and personal valence. Appropriateness is a belief that the proposed changes will be appropriate for organizations and organizations to benefit from implementing changes. Management support is an individual's belief or a perception that leaders and management will support and commit to planned changes. Change specific efficacy is the belief of individuals about their ability to implement desired changes, where they feel they have the skills and ability to carry out tasks related to change. Personal valence is about the perceived benefits of an individual. Personally, that would be obtained if the change is implemented.

Lizar, Mangundjaya, and Rahchmawan (2015) classify two factors that can affect an individual's readiness to change namely individual factors and organizational factors. These individual factors such as organizational commitment and employee engagement are the essential elements that influence employee change readiness (Echols, 2005; Crabtree, 2005; Mangundjaya, 2012), while for organizational factors such as organizational support and organizational justice characterized by allocating fair results, involving employees in decision making, communication about good change, and positive treatment of superiors towards employees can also be antecedents of readiness for change (Krause, 2008).

Currently, the Directorate General of State Assets Management (DJKN) is implementing the Institutional Transformation program. In this Institutional Transformation Program, the DJKN implements 9 Strategic Initiatives. The Strategic Initiative is a series of specific strategic actions carried out to achieve the Strategic Transformation targets at the DJKN. Nine Strategic Initiatives consist of 6 Strategic Initiatives in the Field of Asset Management and 3 Strategic Initiatives in the Special Mission Field. The strategic initiative is implemented in 3 phases namely short term (2013 - 2014), medium term (2015 - 2019) and long term (2020-2025).

The Directorate General of State Assets Management (DJKN) of North Sumatera as the Vertical Office of the DJKN is also inseparable from the transformation. Because every element of the DJKN, both the Head Office and the Vertical Office, should succeed in the entire Strategic Initiative. In the scheme for implementing institutional transformation, each Head Office plays a role in preparing work plans and coordinating the implementation of strategic initiatives. Meanwhile, the Vertical Office has a role in supporting and

providing feedback on the implementation of ongoing strategic initiatives.

Following what was stated by Weber and Weber (2001) that when changes are made, employees will be faced with a new situation that is not clear, causing uncertainty, tension, and anxiety among employees. Therefore, organizations must continue to pay attention to how their employees are prepared to deal with changes so that organizational changes can be carried out properly. Therefore, the organization must be careful in implementing changes because if it fails, it will harm the organization both in the short and long term (Petterson, 2009)

Based on the things described above, the researchers want to know and want to see the extent of readiness for change in the employees of the Directorate General of State Assets Management (DJKN) of North Sumatera about the implementation of Institutional Transformation that is currently being carried out.

II. OBJECTIVES AND METHODS

The method used in this research is a descriptive method because this research was conducted to see the readiness for change to employees of the Directorate General of State Assets Management (DJKN) of North Sumatera. The population in this study were employees of the Directorate General of State Assets Management (DJKN) of North Sumatera. This study uses the population as the subject of research. The number of subjects in this study was 165 employees. Data were collected using a scale of readiness for change. The scale of readiness for change was based on the theory proposed by Holt et al. (2007) which included appropriateness, management support, change specific efficacy, and personal valence. Scale in this research used Likert model in which items used statements with five choices of an answer: very inappropriate, inappropriate, neutral, appropriate, and very appropriate. The scores would move from 1 to 5, and the scale was presented in the form of statements of favorable (support) and unfavorable (not support). Readiness for change scale has reliability (rxx)= .855 and has a corrected item-total correlation value moving from .331 - .718.

III. RESULT AND DISCUSSION

Overview score readiness for change employees of the Directorate General of State Assets Management (DJKN) of North Sumatera can be obtained through the test significance of differences between hypothetical mean and the empirical mean of the score scale of readiness to change. The following are hypothetical and empirical values which can be seen in Table I.

TABLE I. Overview of hypothetical and empirical value

Hypothetical				Empirical			
Min	Max	Mean	SD	Min	Max	Mean	SD
14	70	42	9.33	42	70	59.70	6.30

Based on Table I, the mean empirical readiness for change is 59.70 with a standard deviation of 6.30. While the

hypothetical mean is 42 with a standard deviation of 9.33. Furthermore, based on the mean and standard deviation of the hypothetical, do the categorization of readiness for change as shown in Table II below:

TABLE II. Overview of the value of readiness for change

Range of Values	Categories	Frequency	Percentage
$X < 32.67$	Less ready	0	0 %
$32.67 \leq X \leq 51.33$	Quite ready	16	9.70 %
$51.33 < X$	Ready	149	90.30 %
Total		165	100 %

Based on the values in Table II, it can be seen that most employees of the Directorate General of State Assets Management (DJKN) of North Sumatera which are classified as ready to change are 149 employees (90.30%). The rest are employees who are quite ready to change. Namely, 16 people (9.70%) and no employees are classified as less ready to change.

According Armenakis et al. (1993) that employees who are ready for change believe that the organization will make progress if the organization were to change, besides that they will also have a positive attitude toward organizational change and have a desire to be involved in the implementation of organizational changes. Employees who are ready to change will approve, accept and adopt specific plans related to changes that will be made (Holt et al., 2007).

Employees who have a higher level of readiness for change will be more effective in carrying out the planned change process compared to employees who have a low level of readiness for change (Backer, 1995). Cunningham, Woodward, Shannon, MacIntosh, Lendrum, Rosenbloom, & Brown (2002) said that one of the factors that can influence the level of readiness for change employees is an employee's confidence in his ability to implement change successfully.

Change readiness in individuals can bring various benefits to the implementation of organizational change. Changing readiness that has been formed before the implementation of change will bring a positive effect on employee satisfaction on system accuracy, ease of use, including in the post-implementation stage (Jones, Jimmieson, & Griffiths, 2005). Individual readiness in dealing with change becomes an important thing that must be considered in each change process because the readiness of individuals to change can bridge the change management strategy with the expected output, namely success in implementing the strategy (Palmer, Dunford & Akin, 2009).

IV. CONCLUSION

Based on the results of the study, employees of the Directorate General of State Assets Management (DJKN) of North Sumatera are categorized as having high readiness for change. Thus, the employees of the Directorate General of State Assets Management (DJKN) of North Sumatera are ready to implement and succeed the planned organizational changes. This research implies that the organization can find out how far the readiness for change to their employees, so it can be used as a reference for planning and making implementation strategy for organizational change, especially

in Institutional Transformation program which is being conducted at this time.

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