

UNIVERSITY OF MACEDONIA

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Thesis

**REWARD AND MOTIVATION SYSTEMS AS A DAMPENING FACTOR TO
RESISTANCE TO CHANGE**

BY

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to my wife and daughters

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Abstract

The purpose of this research is to find causal relations between work motivation, rewards, job autonomy, self efficacy, outcome performance and resistance to change (RTC). Partial least squares (PLS) structural equation modeling (SEM) was used in a sample of 202 employees working in Sales divisions in Pharmaceuticals and Food & Beverages companies in Greece. The findings showed that the expected relations were not statistically significant thus concluding that work motivation and rewards do not seem to have a direct impact on resistance to change. Work motivation and outcome performance hinted a negative relation with RTC. Lastly, rewards, even though not statistically significant, seemed to have a positive relation to RTC.

Keywords: Motivation, Rewards, Performance, Autonomy, Self Efficacy, Resistance to Change, Sales

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1. Introduction

Literature on organizational resistance to change varies from reasons underlying it to its effects on employees and their organization. Studies on the subject suggest that a successful implementation of an organizational change is expected when employees feel supported during the change period (Schalk et al, 1998) or if they feel they contribute to the process. This paper is aiming at a deeper understanding of factors that can mediate or help overcome organizational resistance to change. The effect on change on employee behavior and attitude has been studied by Schalk et al (1998). However, the effect of employee behavior on organizational resistance to change has not been thoroughly examined. Intrinsic and extrinsic motivators such as job autonomy and rewards or work motivation itself and self efficacy have not been related to resistance to change.

The role of personality factors like self efficacy, level of education and perceived control, in coping with organizational change has been tested by Ravi Kumar and Kamalanabhan in 2005. Their study concluded that personality traits like the ones mentioned earlier and others like optimism are positively related to coping with organizational change. The conclusion that a self efficacious and confident for her/his abilities employee will not easily be deterred by change seems logical. So, if a company has the ability to enhance such personality traits, it will result in an edge given to any change initiative.

This research's goal is to find whether motivation and rewards systems have the potential to help an employer or, in general, a company's employees' resistance to change.

This paper consists mainly of two parts, literature review and the proposed model and its statistical analysis. Literature review covers aspects of change, resistance to change and prerequisites for its successful implementation. Next, motivation and its factors are analyzed with emphasis on Generation Y that will dominate the work force in the following decade. Finally, different types of rewards that are found in the literature, both monetary and non monetary are presented.

The basis of the questionnaire used is presented as well as its measures and tools for its analysis. Both SPSS and SmartPLS software were used and results are shown in the respective chapters.

2. Literature review

2.1 Change

“It is not the strongest of the species that survives,

nor the most intelligent that survives.

It is the one that is most adaptable to change.”

Charles Darwin

Change is a fundamental element in our everyday life. Over two and a half millennia ago the Greek philosopher Heraclitus stated that everything around us is in a constant flux, with nothing ever staying the same. So, in an ever-changing world, the key to survival is the ability to adapt, and better yet, foresee change.

In an organizational environment, change can be translated as the transition to new ways of operating, meaning new technologies, products, ideas etc. Change may be proactive or reactive, depending on the ability of the organization to foresee opportunities and changes to the organization’s environment or to simply go along with the current one/ones from the necessity to survive. It is needless to say that a proactive organizational change tends to be the most effective.

2.1.1. Resistance to Change

Inertia during a change period is well known phenomenon. It is so common to resist to a change that is happening that even physics’ laws apply. Two millennia after Heraclitus, English physicist Sir Isaac Newton stated in his First Law of Motion, that “an object either remains at rest or continues to move at a constant velocity, unless acted upon by a force”. So, although change is happening, something or someone has to force us to adapt to it. Hence the resistance...

Searching through textbooks and articles we come across various definitions of resistance. The most common element of those definitions is that resistance comes from the person’s need and struggle to maintain the status quo. Through every change it is important to remember that there is always the fear of the unknown and the potential loss of something familiar or earned.

Resistance to Organizational Change has many sources. John Kotter and Leonard Schlesinger (1979) identify four reasons that make people resist change:

- Parochial Self –Interest
- Misunderstanding
- Low tolerance
- Different assessments of the Situation

Resistance to change is a natural phenomenon that stems from both situational and personality factors. Vecchio and Appelbaum (1995) suggested that an ideally created organizational climate should provide opportunities for independence, recognition and responsibilities. However, Appelbaum, St-Pierre and Glavas (1998) hypothesized that extrinsic job satisfaction factors, such as working rules and conditions, pay and benefits may act as motivators through an organizational change period. The ability of an organization to motivate employees, intrinsically or extrinsically, to achieve high performance levels must be also related to a rewards system. Appelbaum et al (1998) proposed that the largest obstacle when it comes to change is change that involves people.

Folger and Skarlicki (1999) addressed resistance to change from a different angle. They focus on resentment-based resistance that stems from perceived injustice through an organizational change. Distributive, procedural and interactional justice, all have to be taken into account if an organization is to predict possible resistance to change. Examples of those types of injustice include asking for more from your employees (increasing the demands) without giving anything in return (distributive), not allowing an employee to voice her/his opinion (procedural) or not explaining the reason behind a decision (interactional). A case study is also presented where due to reward systems, human resource programs and over-communication of the organization's vision to employees, employee satisfaction and performance increased through layoffs and a general organizational restructuring process.

Managing employee resistance includes dealing with behavioral resistance to change. Bovey and Hede (2001) found that a high level of maladaptive defence mechanisms such as projection, acting out, isolation of affect, dissociation and denial, will lead to high level of resistance to change too. On the other hand, however, high level of adaptive defence mechanisms like humor will have an opposite result leading to lower level of behavioral resistance to change. Searching for personality traits among

employees to better understand when an employee is in a better position to cope with organizational change, Ravi Kumar and Kamalanabhan (2005) found that employees who are better at controlling their behavior, are optimistic in general and believe in themselves and their abilities to handle change will, in fact, be able to cope with change more easily than others. Taking this into account leads us to our second hypothesis:

H1: Self – efficacy will be negatively related to resistance to change

Oddly enough, employees' self esteem was not related to coping with change. In the same research demographic elements were also tested for possible relation to coping with change. Results showed that education and seniority have a significant relationship with coping with change whereas gender does not.

2.1.2. Successful Implementation of Change

Change itself must be examined before the underlying resistance is attributed to employees' mere dislike of change. Self and Schraeder (2009) attempted to relate readiness strategies to a somewhat more manageable resistance to change. When implementing a change in an organization five questions must be examined and answered (Armenakis et al 1999). The first question that needs to be answered is if, in fact, there is an actual need for change. A change may be proposed by the management of an organization for the survival or expansion of the organization, which stands to reason, but it may also be proposed due to change in management, for example, and the need of a new manager to leave her/his mark on the organization. After checking if a change is necessary the management of the organization must consider if it is also the proper one. A complete vision of what this change will add to the organization or what it will improve is fundamental.

For the successful implementation of a change within an organization, support from members of the organization is crucial. Employees who have been in the organization long enough to have gone through previous changes are vital to the implementation of the new change. If the organizations track record of past changes is satisfactory and there are employees that have witnessed it, it will act as a point of reference and help gain supporters for the new change process. Having supporters is a tremendous help to the organization through a change process. However, the change process may be

hindered by a, seemingly, simple problem: Can the organization successfully make this change?

Past implemented changes of the organization do give a clue of what to anticipate when a new challenge presents itself but it is not enough. The organization may be certain of a change from the point of the desired outcome and may also have a clear view of the current state. If, however, the introduced change is something completely new, it is quite possible for the organization to just not know how to get there. In this case, trained and apt leaders are necessary.

Last but not least, from the employees' standpoint comes a reasonable question, what they will get in return for their effort or through this change. If the employees perceive that through this new change potential losses outweigh possible gains it is more likely to resist than embrace change. During a period of organizational change in an organization many employees remain disengaged. However, if employees perceive that the implemented change will increase the employees' value to the organization, intrinsic motivation towards the successful implementation of change is manifested. Stumpf et al (2013) found that there is a significant correlation between intrinsic motivation, specifically meaningfulness and choice, and a decrease intention for employee turnover during a change period. From this point comes our third hypothesis:

H2: Work motivation will be negatively related to resistance to change

2.2. Motivation

“Whether you think you can or you think you can’t, you are right”

Henry Ford

Motivation is not an ability, it is not something that can be bought, learned or mastered. Motivation is what drives a person to do more than she/he would normally do, to overcome obstacles, to excel. Motivation is tightly related to high performance and that is something that companies want from their employees. Abraham Maslow’s Hierarchy of needs shows the usual order of needs a person seeks to cover. From physiological to safety, love/belonging and ultimately esteem and self actualization needs, a person’s needs get more refined step by step. A truly motivated employee will seek to climb up the ladder and become the most she/he can be within an organization whereas a less motivated employee will be happy with a salary that covers hers/his basic needs.

According to Nohria and Lawrence (2001), there are four non interchangeable drives underlying employees’ motivation. The insatiable drive to acquire, an almost primitive need that satisfies every person’s sense of well being by obtaining goods, usually the more one has compared to the nearest person the better she/he feels. The drive to bond comes next, with an enhanced feeling of belonging to the organization, of being part of it and protected by it. The drive to comprehend stems from the desire to make a contribution and leave one’s mark. Challenging tasks and opportunities to grow and learn seems to motivate employees. Last, the drive to defend is an employee’s need to maintain all things earned or that are important to her/him.

Ruth Kanfer (1992) proposes three (3) approaches to work motivation:

- Goal/Self-regulation perspectives
- Cognitive choice/decision approaches
- Personality-based views

The first approach, goal/self – regulation is based on the belief that goal setting leads to high performance. During the last decades a rapidly growing number of companies use goal setting programs and monthly and yearly performance reports are related to the goals met. If the goals set are demanding to the point an employee feels they are achievable, the goal setting method effectiveness depends on employees’ goal commitment and orientation. On the other hand, a cognitive choice/decision approach of work motivation tries to predict an employee’s choices and decisions while keeping in

mind that each employee may be motivated by something different than another. In contrast to the previous two approaches, personality – based views do not predict employees' behavior but simply helps us understand the reason for which an employee is motivated or not.

Carolyn Wiley (1997) gathered surveys from as early as the 1940's to see what motivates employees. In average, the earliest surveys concluded that the most important factor in employees' motivation was appreciation for their work. Later surveys, 1980 and 1986, showed that interesting work had become the most important factor that motivated employees at work. The last survey conducted was in 1992 where the most important factor was, again, something different. In the 1992 survey the most important factor for motivation at work was good wages.

Good wages and job security seems to be what employees seek the most. However, after viewing the last survey more closely, results sorted by sub-groups (like gender, age, employment status etc) we see that even though a good salary is a top motivating factor, appreciation for an employee's work (for females especially) is of great importance. In fact, a 1989 Wall Street Journal survey indicated that 27 per cent of the employees having been interviewed would quit their job and make a transition to a company that is known to be acknowledging an employee's work and giving praise. Yet we often observe this useful tool, recognition, being left unused by managers.

The above findings suggest that motivation is rather a dynamic variable affected by environmental and personality factors and not a constant. What motivates employees, as seen in surveys that spread through forty years, changes as people change (higher levels of education) or the environment changes (long prosperity period and not post war or post economic depression period).

2.2.1. Motivation for Generation Y

Millennials represent a significant percentage of the workforce and are the main pool for employers to attract new employees. Since millenials are digital natives, they are more comfortable with the use of technology, whether that is for work or leisure. It is a generation that has seen many changes and they are not easily intimidated by them. Kultalahti and Viitala (2014) came to some interesting results while studying about millennials' motivation. Millennials tend to place a great deal of effort to maintain a

healthy balance between their professional and social lives. As Pregolato et al (2017) found, millennials perceive work/life balance as a more important factor than career development when they are in search of an employer. Kultalahti and Viitala (2014) go on to explain how millennials are eager to learn but also want to be surrounded by co-workers that are as engaged at work as they are. A very important motivation or demotivation figure at work is a millennial's supervisor. A skilled supervisor that can mentor and guide a millennial is almost certain that will also keep the millennial motivated. As noted by Nohria et al (2008) the role of a direct manager is not one to be viewed light heartedly. The ability of a millennial to adapt to change can also work as a demotivation factor if not taken into account. A millennial will become easily bored if the work itself is dull, mundane and not interesting enough. Routines that cling to the past, like bureaucracy, are demotivating factors as well. So it is likely that millennials will not be showing much resistance to organizational change and may find the new possibilities endearing and challenging thus change may lead them to higher outcome performance. In general, we may hypothesize that through low resistance to change, challenging tasks could lead to higher performance:

H3: Resistance to change is negatively related to outcome performance

Stephen Flynn, an HR Director, proposed that one cannot simply motivate an employee. Flynn (2011) quotes that "Motivation is personal and internal". Depending on the maturity level of an organization different types of motivational frameworks are available to employees. Management efforts to directly motivate employees are not only futile but can also prove disastrous to the anticipated result. The first tool always used to motivate employees is a financial incentive or reward and this type of motivation is related to the lowest level of maturity. When an organization has reached higher levels of maturity and other motivation frameworks like career opportunities emerge, it is not wise to exert effort from employees with a stick and carrot approach. An effort to solely extrinsically motivate employees may lead to a serious damage to intrinsic motivation.

A leadership style that increases task related intrinsic motivation is that of empowering leadership. Mingze Li et al (2016) found that employees with high level perceived autonomy thrive at work and are more likely to perform change oriented organizational citizenship behaviors like identifying problems and promoting organizational change. Our final Hypothesis is:

H4: Job autonomy is negatively related to resistance to change.

2.3. Rewards

“Clients do not come first.

Employees come first.

If you take care of your employees,
they will take care of the clients”

Sir Richard Branson

“Is money the panacea?”, the brilliant title of Markova’s and Ford’s (2011) article, is an idea on which most reward systems are based on. There was a time, when it was common belief that compensation is the main drive for employee motivation and high performance, that reward systems were built in a way to support that belief (Lawler 1971). To this day many companies adjust employees’ salary according to their positions’ needs. However, when a company wants to attract the best suited candidates for a position in their firm they choose to pay for the employee’s skills and abilities. Nohria’s drive to acquire is easily satisfied by rewards. If the rewarding system is fair, rewards separate good performers from poor ones and give opportunities for advancement. Kanter (1989) suggests that performance-based rewards may be the key to high performance but traditional pay systems do not seem to have a strong effect on employees’ motivation and willingness to go the extra mile at work.

Employees of an organization is one of the organization’s most important investments, so, in order to attract and also retain employees, rewards and salaries of the organization in question must be attractive enough. Stredwick (2001) presents, through a multinational pharmaceutical company’s case study, a new way of determining wages and aligning bonuses to employees. An argument is made on how salaries should be flexible and adjustable depending on circumstances like performance or national income. Moreover, rewards for high performance and goal achievement should be a big part of the remuneration package of an employee. Instead of paying for the years of service to a company, an employee’s salary should be based on her/his skills and performance, thus urging employees to bring better results according to the company’s goals and keep learning and evolving to adapt to any changes. A broad-banded basic pay system will also make it possible for an employer or a supervisor to give a substantial raise to an employee for her/his competence, performance or extra responsibilities without the need for a promotion. This strategy will also make

redundant the need to narrowly describe a job position's responsibilities. On the downside, of course, employees with years of service and without the potential of a promotion will eventually reach a plateau in basic pay or, contrariwise, employees that meet the required criteria for a pay rise are denied the raise due to budget restrictions. Both cases may lead to disgruntled employees. Taking this view on to a next level a question arises, can rewards be used to overcome resistance to change?

H5: Rewards will be negatively related to resistance to change

2.3.1. Non monetary rewards

Whilst many employers may think that a market-level pay or even a slightly higher one is enough incentive for an employee to be motivated and productive at work, experts have concluded that non monetary rewards are important for a "total reward" approach. Pulina Whitaker (2009), head of employment and benefits at King and Spalding Int, suggest that even simple forms of non monetary rewards can have a substantial effect on employees' performance and loyalty. Such rewards can be reduced working hours, additional holidays or even simpler ones like a Friday afternoon off as a thank you for a goal achieved during the last month. Another underused motivation tool in the form of non monetary rewards is giving praise to an employee for her/his accomplishments as well as recognition for one's contribution (Zani et al, 2011). However, it is very important to keep in mind that non monetary rewards should not be use as a means to counter low wages or salaries (Whitaker 2009). Despite the fact that non monetary rewards is a good way to keep employees happy, such rewards alone are not enough to retain employees and avoid employee turnover. Schlechter et al (2015) also concluded that employees that are offered non monetary rewards along with monetary incentives will find a job offer more alluring.

Nowadays, many of the employees that staff multinational companies, and sometimes even smaller companies, hold a master's degree. The high level of education among the company's employee has made significant changes to the expected rewards from the company. Whilst traditional rewards packages mostly contained monetary rewards, non financial elements like training, development possibilities and flexible hours that allow work/life balance are becoming more appealing to employees. Markova and Ford (2011) focused their article on knowledge workers and found that non-monetary

rewards have a significant positive correlation to intrinsic motivation that resulted in more work time, whereas monetary rewards did not have a significant relation to work hours devoted to an employee's work. Kultalahti and Viitala (2014) also found that millennials were far more interested in intrinsic than extrinsic motivation factors.

3. Method

3.1. Sample and Procedure

For the purpose of this research an on line questionnaire was developed. We surveyed employees from sales divisions of Food & Beverages and Pharmaceutical Companies in Greece. Both domestic and multinational companies were targeted from both industries. Questionnaires were translated to Greek and sent randomly via email, Facebook messenger and LinkedIn InMail to employees of said divisions regardless their position in the firm (salespersons, medical representatives, team leaders, managers). Since questionnaires were sent via email, with the use of Google Forms, and some recipients were asked to forward them to their colleagues it is impossible to estimate a response rate as we do not know how many people came across it.

The questionnaire was available for completion through a time period of eight (8) weeks in spring 2018, and a total of 202 usable questionnaires were gathered. A test run of the questionnaire to fifteen participants showed that all questions were easily understood and answered. The initial fifteen questionnaires were also included since no alteration was needed after the test run. Our sample comprised of 159 men and 43 women. About 40 percent of the participants held a Master's Degree and 39 percent were university graduates. In addition, more than 59 percent of the participants had over ten years experience in Sales and about 53 percent of all participants had been working for less than five years for their current employer. Ages of the participants vary with about half of the participants (48,5 percent) being between the age of 35 and 44, 22 percent between the age of 45 and 54 and 28 percent between the age of 25 and 34.

Explanatory Factor Analysis (EFA) through the use of SPSS v22 was conducted and yielded the results shown in Table 3.1.1. From the total items of the questionnaire, six were excluded from further use after the analysis. The analysis divided the remaining items to six factors as was expected from the structure of the questionnaire.

Table 3.1.1: Pattern Matrix

	Factor					
	1	2	3	4	5	6
WorkMotivation1					,753	
WorkMotivation2					,695	
WorkMotivation3					,759	
JobAutonomy1			,797			
JobAutonomy2			,917			
JobAutonomy3			,934			
JobAutonomy4			,717			
SelfEfficacy2						,717
SelfEfficacy3						,869
Rewards1	,836					
Rewards2	,794					
Rewards3	,791					
Rewards4	,697					
Rewards5	,505					
Rewards8	,577					
Rewards10	,770					
Rewards11	,972					
RTC2		,755				
RTC3		,855				
RTC4		,686				
RTC5		,817				
RTC6		,777				
RTC8		,678				
Perf1				,611		
Perf2				,849		
Perf3				,779		
Perf4				,771		

Extraction Method: Maximum Likelihood.

Rotation Method: Promax with Kaiser Normalization.^a

a. Rotation converged in 6 iterations.

4. Measures

Job Autonomy

Following the work of Jaramillo et al (2012) four items of Wang and Netemeyer's scale (2002) were used to measure job autonomy. Those item included questions like "I can decide on my own how to go about doing my work". The Cronbach's α for this four – items scale was 0,900

Self efficacy

As with job autonomy, we also followed Jaramillo et al (2012) and used three items to measure self efficacy. Self efficacy was tested by Jaramillo et al (2012) using three items like Wang and Netemeyer did in 2002 and it included questions like "I feel I have the capability to successfully perform this job". Two of the three items were eventually used with a Cronbach's α for this factor to be 0,868.

Resistance to Change

Resistance to change was measured using 8 items from Oreg's 2003 instrument. Items included statements like "When I am informed of a change of plans, I tense up a bit" and "Changing plans seems like a real hassle to me". Five out of eight items were used with a Cronbach's α of 0,875.

Outcome Performance

Four items to measure outcome performance (subjectively) were adapted from Miao and Evans (2007). Items included statements like "I am very effective in exceeding annual sales targets and objectives". All four items were used with a Cronbach's α of 0,859.

Motivation

Monteiro de Castro et al (2016) provided a three items tool for measuring work motivation. Statements like "I have great desire to do my job" were included. Cronbach's α for this three items scale was 0,793.

Rewards

From the work done by Monteiro de Castro et al (2016) was also derived the tool for measuring rewards. Eleven items like "I am satisfied with the awards received by the

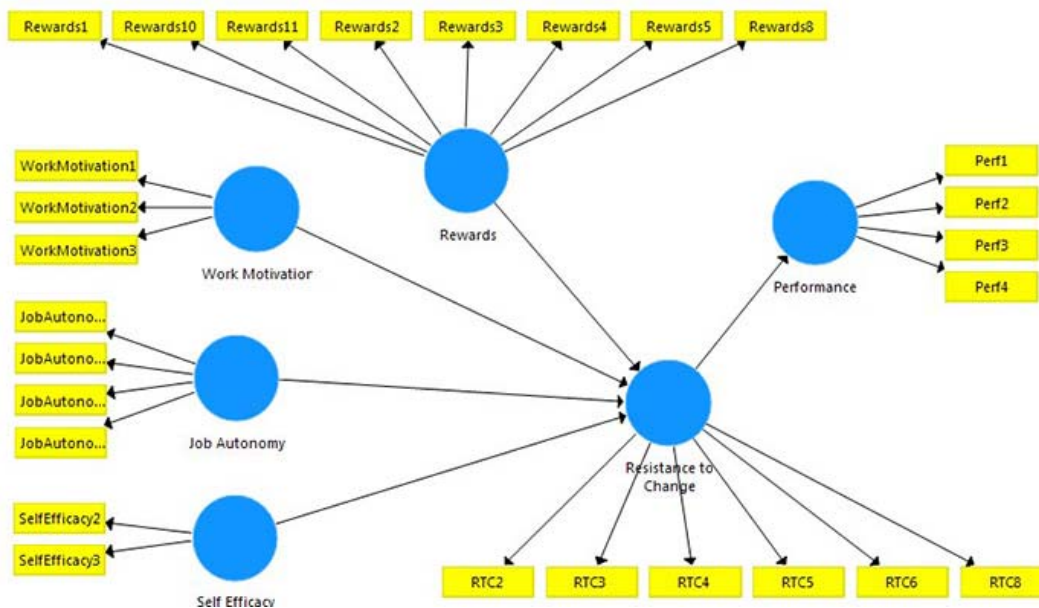
goals reached” and “I am satisfied with my benefits at my company” were included. Eight items were finally used forming a factor with Cronbach’s α 0,918.

For uniformity reasons seven – point Likert scales ranging from “strongly disagree” to “strongly agree” were used for all variables.

4.1. Statistical Model

After conducting the exploratory factor analysis using SPSS v22 an empirical assessment of the model was conducted using partial least squares (PLS) structural equation modeling (SEM). With SmartPLS v3 software the advantages of PLS-SEM provided an edge to data analysis of our model. The proposed model to test this research’s hypothesis is seen in Figure 4.1.1. All constructs created were reflective constructs. Although there is enough data to check correlation between all available factors, the researcher preferred a simpler model as shown.

Figure 4.1.1: The proposed model



4.2. Validity and reliability

Before running the PLS analysis the model’s validity and reliability had to be tested. All constructs used were reflective. Evaluating the individual indicator reliability, all outer loadings were above 0,5 and composite reliability was well above 0,7. The average variance extracted (AVE) was above 0,5, thus confirming convergent validity. All measures are shown in Table 4.2.1.

Table 4.2.1: Composite reliability, AVE

Construct (latent variable)	Composite reliability	Loadings	Average Variance Extracted (AVE)
Job Autonomy	0.901	0.987	0.699
		0.741	
		0.827	
		0.766	
Outcome Performance	0.860	0.790	0.606
		0.774	
		0.826	
		0.719	
Resistance to Change	0.879	0.362	0.562
		0.859	
		0.910	
		0.667	
		0.621	
		0.879	
Rewards	0.911	0.723	0.570
		0.643	
		0.658	
		0.511	
		0.779	
		0.926	
		0.863	
		0.853	
		0.814	
Self Efficacy	0.873	0.814	0.775
		0.942	
Work Motivation	0.798	0.588	0.574
		0.845	
		0.813	

To determine the discriminant validity of the six indicators, we checked for cross loadings and then we used the Fornell – Lacker criterion that compares the AVE values with the latent variable correlations. Square root for all constructs' AVE was greater than its highest correlation with any other construct as shown in Table 4.2.2.

Table 4.2.2: Fornell – Lacker criterion – Discriminant validity

	Job Autonomy	Performance	Resistance to Change	Rewards	Self Efficacy	Work Motivation
Job Autonomy	0.836					
Performance	0.301	0.778				
Resistance to Change	-0.092	-0.098	0.750			
Rewards	0.407	0.203	0.022	0.755		
Self Efficacy	0.340	0.710	-0.127	0.150	0.880	
Work Motivation	0.535	0.417	-0.056	0.547	0.351	0.757

Square root of AVE on diagonal

The Heterotrait-Monotrait ratio of correlations was used to overcome any lack of reliability by the two previous approaches. In our model the HTMT ratio was well below the upper acceptable level of 1 thus concluding that discriminant validity has been established. The results are shown in Table 4.2.3.

Table 4.2.3: Heterotrait-Monotrait ratio

	Job Autonomy	Performance	Resistance to Change	Rewards	Self Efficacy	Work Motivation
Job Autonomy						
Performance	0.305					
Resistance to Change	0.107	0.103				
Rewards	0.390	0.207	0.098			
Self Efficacy	0.342	0.711	0.124	0.155		
Work Motivation	0.525	0.423	0.101	0.537	0.349	

4.3. Results

To analyze the hypotheses of the proposed model, we ran the full model through the Consistent PLS algorithm and PLS Bootstrapping using 500 randomly drawn samples with replacement. The results are shown in Table 4.3.1.

Table 4.3.1: Path coefficients

Hypotheses and corresponding paths	Path coefficient	t-statistics	p – values	Hypothesis
Self efficacy → Resistance to Change	-0.082	0.916	0.360	H1: not supported
Work Motivation → Resistance to Change	-0.137	0.838	0.403	H2: not supported
Resistance to Change → Outcome Performance	-0.124	0.978	0.328	H3: not supported
Job Autonomy → Resistance to Change	-0.055	0.479	0.632	H4: not supported
Rewards → Resistance to Change	0.165	0.479	0.319	H5: not supported

Path coefficients show that contrary to the last hypothesis (H5), rewards tend to be positively related to resistance to change (0.165). Path coefficients also show that for the rest of the hypotheses (H1, H2, H3 and H4) a negative correlation between the variables tested may apply. However, t-statistics values are below the 1,96 threshold and although most of the paths coefficients were in line of the Hypotheses made, their t-statistics values do not allow support for any of them.

5. Discussion

After running the full model we came to the conclusion that even though there is a hint of correlation along the lines of the hypotheses made in this paper, no safe conclusion can be made. Work motivation and outcome performance, although not statistically significant, had a negative relation to resistance to change. On the contrary, rewards, also not statistically significant, had a positive relation to resistance to change suggesting that with high rewards comes high resistance to change. A plausible explanation is that employees that are well rewarded may feel they have more to lose through an organizational change.

This research aimed to find a means for a smoother transformational period within an organization by using motivation and rewards systems to bend or overcome resistance to change. The survey did not target organizations that were undergoing changes at the time questionnaires were administered. Instead, the survey targeted employees at sales divisions where changes are very common throughout the year.

To interpret the results of this research, Greek economic and political environment has to be taken into account as well. Factors like the high unemployment rate or a series of manpower reduction in some companies during this period can cause discomfort to any presented change. That discomfort may not be related at all to any rewards given to employees or the level of motivation of these employees but it may stem from the fear of losing one's job and the difficulties that lie in getting a new one. Work motivated and self efficacious employees may strive for best results and be adamant on their abilities to succeed. That being said, employees' attitude towards change could be entirely different.

As Armenakis et al (1999) proposed, exploration of the need for change must precede any change initiative. The correct climate must first be established in order to successfully implement an organizational change. Organizational readiness for change seems to be non interchangeable with any motivators applied to employees to shape their attitude towards change. Based on this, we could say that although rewards could lead employees to higher engagement and, perhaps, higher performance that also does not seem to affect employees' attitude towards change itself.

6. Research limitations and proposals for future research

6.1. Research limitations

In this study there are some limitations. First of all, we were checking for relations of various factors (work motivation, job autonomy, self efficacy, outcome performance and rewards) to resistance to change in general and not in a specific company undergoing major changes at the time of this research. Targeting employees that have to face and adapt to changes regularly rather than targeting employees in the brink of a major change may have given us a different view of this problem. Employees' perception of change and even of the values put on the other factors we examined may be different during a change period.

Moreover, the number of the questionnaires answered was good enough for a primary analysis, however, a much larger number of questionnaires should be gathered for us to be able to check whether demographic factors have a strong or not relation to our variables and outcome. Consequently, it was not possible to sub categorize our results differently for gender, age or education level and years of sales experience.

Finally, the sample was not big enough to differentiate between the two industries (Pharmaceuticals and Food & Beverage). This means that those two industries may have distinct differences in, for example, rewards or job autonomy offered, thus the combined answers may have given mixed results.

6.2. Proposals for future research

This study failed to establish a significant correlation between work motivation, rewards, job autonomy, self efficacy and resistance to change. Perhaps, adding tools that measure an organization's effort to communicate change to employees, make them understand the necessity of change and creating the correct climate for change, we could see how that would relate to change compared to motivation and rewards systems.

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Appendix A (Questionnaire)

Work Motivation

(7-point scale, strongly disagree – fully agree)

1. I have great desire to do my job
2. I strive in my work because with it, I realize what I am in life
3. I have a lot of energy to push myself at work.

Job autonomy

(7-point scale, strongly disagree – fully agree)

4. I have significant autonomy in determining how I do my job
5. I can decide on my own how to go about doing my work
6. I have considerable opportunity for independence and freedom in how I do my job
7. This job allows me to use personal initiative or judgment in carrying out the work

Self-efficacy

(7-point scale, strongly disagree – fully agree)

8. Overall, I am confident of my ability to perform my job well
9. I feel I am very capable at the task of selling
10. I feel I have the capability to successfully perform this job

Satisfaction with wages and rewards received at work

(7-point scale, strongly disagree – fully agree)

11. I am satisfied with my current salary
12. I am satisfied with me last salary increase
13. I am satisfied with the awards received by the goals reached
14. I am satisfied with the recognition received by my performance
15. I am satisfied with the way I am treated at work
16. I am satisfied with the freedom I have in my work (autonomy)

17. I am satisfied with my relationships at work
18. I am satisfied with my professional growth
19. I am satisfied with the learning that my job gives me
20. I am satisfied with my benefits at my company
21. In general, I am satisfied with the rewards I receive for my professional performance

Resistance to change

(7-point scale, strongly disagree – fully agree)

22. I generally consider change to be a negative thing
23. If I were to be informed that there's going to be a significant change regarding the way things are done at work, I would probably feel stressed out
24. When I am informed of a change of plans, I tense up a bit
25. If my boss changed the criteria for evaluating employees, it would probably make me feel uncomfortable even if I thought, I could do just as well without having to do the extra work
26. Changing plans seems like a real hassle to me
27. Often, I feel a bit uncomfortable even about changes that may potentially improve my life
28. When someone pressures me to change something, I tend to resist even if I think the change may ultimately benefit me
29. I sometimes find myself avoiding changes that I know will be good for me

Outcome performance

(7-point scale, strongly disagree – fully agree)

30. I am very effective in contributing to my firm's market share
31. I am very effective in generating a high level of dollar sales
32. I am very effective in selling to major accounts
33. I am very effective in exceeding annual sales targets and objectives

Demographics

34. Gender (Male/Female)

35. Age (18-24, 25-34, 35-44, 45-54, over 54)

36. Education (Basic, College, University, Master's, PhD)

37. Years of Service in the Field of Sales (1-5, 6-10, 11-15, 16-20, over 20)

38. Years of Service in the Organization (0-5, 6-10, 11-15, 16-20, over 20)

39. Position in the Organization (lower, medium, upper)

40. Organization size (1-10 employees, 11-50, 51-250, over 250)