

Resistance in Organizational Change and Impact of Leader's Internal State on Employees:

Case Study on Finnish SME

Bachelor's thesis
International Business
Spring 2024
Erica Lilja

International Business - tutkinto

Tiivistelmä

Tekijä Erica Lilja

Vuosi 2024

Aihe Resistance in Organizational Change and Impact of Leader's Internal State on Employees

Ohjaaja Dinesh Poudel

Organisaatiomuutokset voivat ilmetä hyvinkin eri tavoin, ja varsinkin merkittävät organisaatiomuutokset voivat herättää tunnereaktioita sekä johtajissa että työntekijöissä. Tunnereaktiot vaihtelevat positiivisista negatiivisiin, hyväksynnästä vastustamiseen, ja mahdollisesti vaikuttavat koko muutosprosessin kulkuun. Mikäli tunnereaktioita ei ymmärretä tai oteta huomioon, voi se olla haitallista muutoksen onnistumiselle. Kollektiiviset asenteet ja yksilöiden käyttäytyminen organisaatiossa ovat suuressa roolissa ja muokkaavat organisaation kulttuuria ja siten sen kykyä sopeutua muuttuviin markkinavaatimuksiin.

Tämä opinnäytetyö tutkii johtajan sisäisen tilan esim. mielentilan vaikutusta työntekijöihin ja organisaatioon, kun muutosvastaisuus on läsnä. Tämä tutkimus käyttää kvalitatiivista lähestymistapaa, ja tietoa on kerätty strukturoitujen haastatteluiden ja havainnoinnin avulla. Tätä tutkimusta varten on haastateltu kahta johtotasolla työskentelevää henkilöä suomalaisesta LVI-alan pienyrityksestä.

Tulokset korostavat johtamista esimerkillä, mikä on yhteydessä ymmärrykseen johtajien mielentilan ja käyttäytymisen vaikutuksesta työntekijöihin. Seuraavat käsitteet kuten tunnetartunta, myötätunto ja tunneäly esitellään, jotta ymmärrys aiheesta olisi syvempi. Johtajalla on merkittävä vaikutus muihin, muutosprosessiin ja jopa heidän yksityiselämäänsä, kun henkilö tekee valinnan olla tietoinen johtaja.

Tietoinen johtaja, tärkeä osa onnistunutta muutosta, tunnistaa vastustamisen taustalla olevat syyt ja ymmärtää kuinka tärkeitä on sen selvittäminen, jotta onnistunutta muutosta voidaan johtaa. Tämä edellyttää ohjausta ja tukea niille henkilöille, jotka kokevat tunnereaktioita kuten vastustamista ja ymmärrystä, että koko organisaation muuttaminen alkaa kunkin yksilön tarpeiden huomioon ottamisesta, kuitenkin muutosta tehden yksi henkilö kerrallaan.

Avainsanat Johtajan ja työntekijän dynamiikka, Muutosvastustus, Tunteet muutoksessa
Sivut 31 sivua ja liitteitä 3 sivua

International Business

Abstract

Author Erica Lilja

Year 2024

Subject Resistance in Organizational Change and Impact of Leader's Internal State on Employees

Supervisor Dinesh Poudel

Organizational changes manifest in diverse forms and significant transformations can create emotional responses from both leaders and employees. Such emotional reactions can range from positive to negative, acceptance to resistance, potentially influencing the change process. Failure to address or understand these emotional responses may be harmful to the success of change. Collective attitudes and behaviours of individuals within the organization play a big role and shape organization's culture therefore determining its capacity to adapt to evolving market demands.

This thesis examines the impact of leader's internal state on employees and organizational change when faced with resistance. The research method employed is qualitative, utilizing structured interviews and observation to collect data. Two managerial-level individuals from a small company operating in the Finnish HVAC industry were interviewed for this research.

The study resulted in highlighted importance on leading with an example which accurately identifies the key aspects of how leaders' mindset and behaviour affect employees. Such concepts as emotional contagion, self-compassion and emotional intelligence are introduced for a better understanding. There is a significant impact leader has on others, the change process and even their private life, by choosing to be aware.

An aware leader, essential part of successful change, recognizes the underlying reasons for resistance and acknowledges the crucial role of addressing it to ensure successful change management. This requires guidance and support to individuals experiencing emotional responses, recognizing that transforming an entire organization begins by addressing needs of everyone, making a change by one person at a time.

Keywords Leader and Employee Dynamics, Resistance, Emotions in Organizational Change

Pages 31 pages and appendices 3 pages

Content

1	Introduction	1
1.1	Objectives of the research	2
1.2	Research Question	2
1.3	Commissioning Company	2
2	Theoretical Framework	2
2.1	Type of Change in Organization.....	3
2.1.1	Change Process.....	4
2.2	Leadership and Employee Dynamics.....	5
2.2.1	The Leader's Role in the Change Process.....	6
2.2.2	Emotional Contagion	6
2.2.3	Emotional Intelligence and Importance of Aware Leaders	7
2.3	Emotions in Change.....	9
2.3.1	Types of Emotions in Organizational Change	9
2.3.2	Self-Compassion and Positivity in Making a Change	11
2.4	Resistance to Change.....	13
2.4.1	Root Cause of Resistance	13
2.4.2	Overcoming Resistance.....	15
3	Research Methodology	16
3.1	Research Onion.....	16
3.2	Research philosophy	17
3.3	Research Approach	17
3.4	Research Strategy	17
3.5	Choices.....	18
3.6	Time Horizon	18
3.7	Techniques and Procedures	19
4	Results.....	19
4.1	Case study.....	20
4.2	Change Initiation.....	21
4.3	Main Emotions Experienced During the Change.....	21
4.4	Influence on Others.....	22
4.4.1	Leader's Role	23
4.5	Resistance.....	23
5	Discussion and Recommendation.....	25
6	Conclusion	26

References 28

Appendices

Appendix 1. Interview Questions

Appendix 2. Plan for Data Management

1 Introduction

While numerous frameworks have been employed to study emotions in the workplace, the role it plays remains a subject of discussion. In the realms of organizational psychology and behaviour, there is a recognized connection between emotions and behaviour within organizational settings. Lack of understanding of the emotional dynamics of organizational behaviour, an organization may overlook potential issues, which could have negative effects on the people and the operations of the organization (Ashkanasy & Dorris, 2017).

At the heart of change management lies the understanding that any adjustments within the organization have an impact not only on the primary and supporting processes but also on the workforce – people (Teczke et al, 2017).

In today's organizations, leaders have a great responsibility to effectively guide organizations through change. The change process always involves emotions since people generally prefer comfort and familiarity and fear jumping into new. This is where leaders must navigate through challenges successfully, especially considering the emotions of those affected by the change. When change disrupts a person's comfort, it naturally triggers anxiety and uncertainty. Negative emotions are very likely, especially if change impacts their deeply held matters, beliefs, values as well as identities and therefore accepting new changes can cause resistance and scepticism (Issah, 2018). Understanding emotional side of change and resistance connected to it, is crucial for overcoming any issues and ensuring its long-term success (Jarrett, 2004). Likewise, leadership plays an essential role in facilitating a successful transition by providing guidance, support, and direction towards envisioned organizational future (Taylor et al, 2014).

However, emotional aspects of change management are crucial for successfully implementing change in organizations, there still exists a research gap in this area due to inadequate empirical study in the literature (Rafferty et al, 2023). Therefore, to explore this area of research further, this thesis aims to conduct an empirical case study. The Author has conducted interviews with participants of the commissioning company to explore their feelings during an organizational change, and these findings will be analysed along with relevant theories.

1.1 Objectives of the research

The highlighted importance of this thesis is on the leaders' internal state, emotional intelligence and awareness impacting an organizational change. To understand this, it is crucial to study emotional changes and why resistance is experienced. This research aims to identify the qualities necessary for leaders to successfully lead organizational change. Data will be collected from a commissioning company undergoing a change.

1.2 Research Question

The goal of this thesis is to answer two research questions. The research questions are as follows:

RQ 1: Why does a leader's internal state matters in change?

RQ 2: Why is it important to understand the root cause of resistance and emotions with regards to change?

1.3 Commissioning Company

The commissioning company for this research is a commercial refrigeration company which operates on the HVAC industry in Finland. The company works with electrical, refrigeration and automation installations, modernization of commercial refrigeration plants as well as commissioning and maintaining them. The size of the company can be categorized as small, since it has 8 employees.

2 Theoretical Framework

The theoretical framework section of this thesis explores concepts from change management literature, with a particular focus on the emotional aspects of change management.

Emphasizing the emotional dimension of change management is crucial as it often plays a significant role in shaping and individual's responses and behaviours during organizational transitions. The thesis aims to establish a solid theoretical framework that will support the following empirical investigation and findings, enhancing understanding of the complex emotional dynamics involved in managing organizational change.

2.1 Type of Change in Organization

Change is something companies will face regardless of whether companies plan or prepare for it. Even if a company is not planning to grow, they need to evolve and develop their procedures to function (Miller, 2020). To handle organizational change, certain change management techniques are necessary. These go under the name of change management (Lauer, 2021). Change Management is about leading an organizational change to succeed well from the beginning to the end goal (Miller, 2020).

According to Anderson & Ackerman Anderson (2010), change starts with a variety of forces that will trigger organizations to be aware of it and then act on it. These factors can be seen in the environment or marketplace e.g., competitors, advanced technology or governmental legislations or non-functioning ways of performance in the workplace. Therefore, it is crucial to know why change is needed. People are more likely to commit to a change when they understand the motivation and driving forces. It is essential not only to create new business strategies and comprehend the nature of change yet rather understand the driving forces behind the change. Primary focus revolves around people since execution of change depends on the support of employees (Lauer, 2021). To achieve wanted outcomes and results in change, there needs to be a complete understanding of “people” thereby ensuring the success of the change (Anderson & Ackerman Anderson, 2010).

Change begins when environment of the company changes and therefore requirements for success are different. If the organizational change is big enough, it becomes essential to align both the personnel and the organizational culture with the scale of the transformation. This is where external and internal forces are important to understand to have a successful organizational change.

In organizational leadership, external forces tend to be more readily recognized by leaders in comparison to internal ones, and this is where the potential for failure arises. *External forces* for change can be e.g., political, governmental, economic, social, legal, or demographic. *Internal forces* driving a change are personal such as culture and mindset. If internal forces are highlighted enough, there is a greater chance for a company to have a successful change. This is due to leaders valuing people focused (internal) forces of change on the side of external ones.

There are three types of organizational change. The first one is *developmental change*, which focuses on a skill company has already acquired and have a desire to improve it.

Change is necessary since the current skills may not be enough for future needs. Therefore, it is important to focus on development to bridge this gap. The second organizational change is considered a *transitional change*, aiming to introduce something new to solve problems rather than improving what the company already has. To make a change, leaders of a company will lead the change as leaving everything they know behind and coming up with something new. This can be emotionally more challenging than developmental change since it involves a shift away from familiar practises. Third organizational change is characterised as *transformational change*, involving radical and big shifts. If this change is lead well, it can have a breakthrough effect. If not lead well, it has a potential for serious harm. This change can be described as highly uncertain and non-linear. The company and its leaders are expected to gain valuable information during the breakthrough process (Anderson & Ackerman Anderson, 2010).

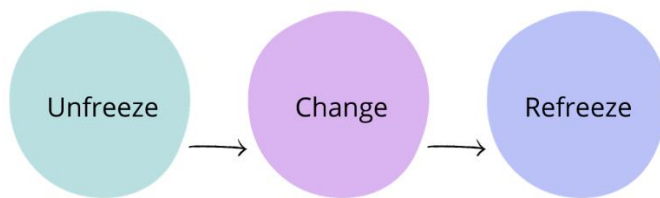
2.1.1 Change Process

As the quote by Courtney C. Stevens, The Lies About Truth suggests that “*If nothing changes, nothing changes. If you keep doing what you are doing, you are going to keep getting what you are getting.*”

It is important to acknowledge that new requirements for success require business strategies which will result in changes in the organizations systems and processes. These changes will require the organization’s people to change how they operate and execute these new business requirements. A change process model sets out a plan for actions on how desired change can be achieved over time by understanding what happens on every stage of the change (Anderson & Ackerman Anderson, 2010).

Furthermore, to delve deeper into the understanding of organizational change, Kurt Lewin’s change model is a straightforward three step model on how organizational change works. **Lewin’s 3 Stages of Change Model** highlights a *permanency* as an important objective of a change (Lewin, 1947).

Figure 1: Kurt Lewin’s 3 Stages of Change.



During the unfreezing stage, various challenges may arise. Lewin suggests that it may be necessary to undergo a “catharsis” phase before individuals can shift their preconceived opinions about the change (Lewin, 1947). Catharsis, in this context, refers to the expression of strong emotions (Cambridge Dictionary, N/A). People are introduced to change, and emotional responses are expected.

Changes in roles and new methods of task performance are to be expected. Change begins when people commit to it and support planned changes. Lewin highlights that motivation and actions should be linked together by a decision to commit. Motivation on its own does not lead to change; however, acting on it will. The link between motivation and action is a person's own decision (Lewin, 1947).

During the freezing stage, it is extremely important to act to maintain the changes that have been made and to ensure that people do not revert to old ways, which could lead to a failed change. It is important to define objectives for change while also ensuring the permanency of a new level (Lewin, 1947).

2.2 Leadership and Employee Dynamics

According to Pavlidis (2021), leadership is like art. It cannot be limited or set to specific rules when it comes to its purpose, approaches, or structure. Successful company is nothing without a good leader. Leadership can be described as one person affecting group of people, informal or formal, small, or big. Aim of leadership is to guide other people to achieve a team's goal as effectively as possible. Employees can have increased productivity or motivation when a right leadership style is practiced and suited for employees. Meaning, there are different ways to lead, and one does not fit all (Pavlidis, 2021). Therefore, it is important to understand the role of a leader in the change process so that change is successfully managed.

2.2.1 The Leader's Role in the Change Process

A leader needs to prepare people for change by helping and assisting them with any concerns they have throughout the process. To know where support is needed in the process and where resistance is located (Stobierski, 2020). By understanding where support is needed, leaders will not drift away from their main role, which is managing and leading people and services. The leader should be available to employees as a support since leader is the first one to connect with employees when any issues arise (Stonehouse, 2013). Change can even become unmanageable when hundreds or thousands of people are involved in the change and focus is too much on performing activities than in individuals (Creasey, 2023).

Issah (2018) concludes on the role of leaders in change with the following observation: A critical factor influencing the level of success is the leader's effectiveness in communicating the necessity for change to the organization's members.

There is great importance in knowing how to manage and move towards a goal with employees. A leader's role is to be aware and emotionally intelligent. Leaders should possess qualities such as trustworthiness, integrity, and openness to change. Most importantly, a leader is someone who does not rush into judgment but rather thinks before acting. This can have a huge effect on the success of organizational change (Issah, 2018). The entire change process requires leaders to broaden their perspectives on life. Leaders are required to be more aware of themselves, others, and the reasons for undergoing a change. The change process includes both leaders and employees needing to undergo a change in their mindset and perspective (Anderson & Ackerman Anderson, 2010). This dynamic between leaders and employees sets emotional triggers throughout the organization, consequently influencing each other while also posing challenges to manage change (Rafferty et al., 2023).

2.2.2 Emotional Contagion

Emotional contagion is described as someone mimicking another person's emotions (Jong & Hartog, 2007) or in other words, a person or a group affecting how another person or group feels or acts, either on purpose or without realizing it (Barsade et al, 2018).

Strong evidence shows both moods and emotions can be passed to another person or a group. Moods are easily changing, general and weaker in intensity whereas emotions are

strong, short reactions to very specific stimulus coming from the environment. Emotional contagion can happen both subconsciously or voluntarily since people tend to examine situations and match their emotions with others.

On a leadership side, leaders rely on emotional contagion, where it is a key factor of one's leadership style, particularly in transformational and charismatic leadership. When leader is in a positive mood, their employees perceive them more charismatic (Barsade et al, 2018). While also a negative mood or negative emotions such as fear and anxiety seem to me more contagious in organizational change than the positive ones (Sajasalo et al, 2023) and this also create fear amongst managers and neglect right decision making in organizations (Vuori, 2016).

Furthermore, emotional contagion as social influence can affect more than just emotions of a person or a group. Attitudes and behaviour can also be influenced. Therefore, catching emotions from an individual can influence thinking and therefore actions (Barsade et al, 2018).

According to Jong & Hartog (2007), emotions transfer from high-power individuals to low-power ones and not by the other way around. This is since low-powered individual are more dependent on high-power individuals. In a situation of a leader and an employee, when leader's state of mind is positive, group members of this high-powered person are additionally more positive (Jong & Hartog, 2007).

2.2.3 Emotional Intelligence and Importance of Aware Leaders

Emotional intelligence is described as a skill to recognize emotions and to understand them, use emotions to enhance thinking and to handle emotions, with the aim of personal and intellectual growth. To put it simply, to be able to be aware (Issah, 2018).

There is a highlighted importance on aware leaders. Emotionally intelligent and socially skilled, aware leaders create a space for open communication. This is crucial especially in the stages of change where fear and other strong emotions are triggered. Emotional intelligence has been seen as an essential part of creating increased moral, collaboration, team building and a positive work environment (Issah, 2018).

According to Anderson and Ackerman Anderson (2010), there are two different leadership approaches which also produce contrary outcomes in change. These approaches are about

how aware the leader is when they lead a change. Leaders need to be aware of all the things that impact change. These two leadership awareness levels are called “conscious” and “autopilot”.

Leader being conscious is such that everything impacting change comes through a leader who is aware of their emotions and emotions of their employees. Leaders’ and employees’ internal states influence how people commit to change.

So called autopilot, a one approach that has served people well in the history, might not be the best approach considering big transformational changes. If leader is leading through autopilot, their decisions are coloured by biases, conditioned habits and sometimes with a never changing leadership style. Reactions and actions to things are therefore unconscious and automatic. This will not leave any space for perspectives or broader view of dynamics in transformation, especially how change in one part of the operations influence other parts.

Leading from a conscious place of mind means that leader is aware of their surroundings and their internal state. This means person has clarity, they are mindful and able to reflect on the experiences they have witnessed. These two approaches consist of gathering information through senses yet if it happens through autopilot approach, responses to information are unconscious and automatic. Autopilot serves a great purpose on daily tasks. However, when leading a transformational organizational change through autopilot approach, it can lead into unsuccessful change and unwanted outcomes e.g., Coming up with change strategies which do not support happening change or reactions that are negative and do not support wanted beliefs and actions.

Being conscious and aware is what everyone has in them and is called with lot of different names by different fields. *Flow* is used in sports field. It is also called *true self*, *observer*, or *soul*. Operating through this conscious awareness we access the higher levels of cognitive development and a broader range of view in change. Developing this approach will help with distracting thoughts and emotions that can hinder in leading a change. A skill such as leading a change is also a skill which is learned through being open minded and confident learner. This is a made choice to be an aware - leader understand that their level of self-awareness impacts everything from their private life to leadership. (Anderson & Ackerman Anderson, 2010)

2.3 Emotions in Change

Emotions have a great impact on our daily lives and some decisions are made on current states. By understanding emotions, reasons behind someone's actions and behaviour can be understood better (Cherry, 2023). Emotions should be seen as not stable yet rather quickly changing states and will undergo changes to adapt to new circumstances and re-evaluations (Klarner, 2011). Moods are easily changing, general and weaker in intensity whereas emotions are strong, short reactions to very specific stimulus coming from the environment (Barsade et al, 2018).

Emotions explained by American Psychology Association, are complex reaction patterns and involves what one feels, behaviour, and the physical changes in a body as important event is experienced (APA, American Psychological Association, 2018).

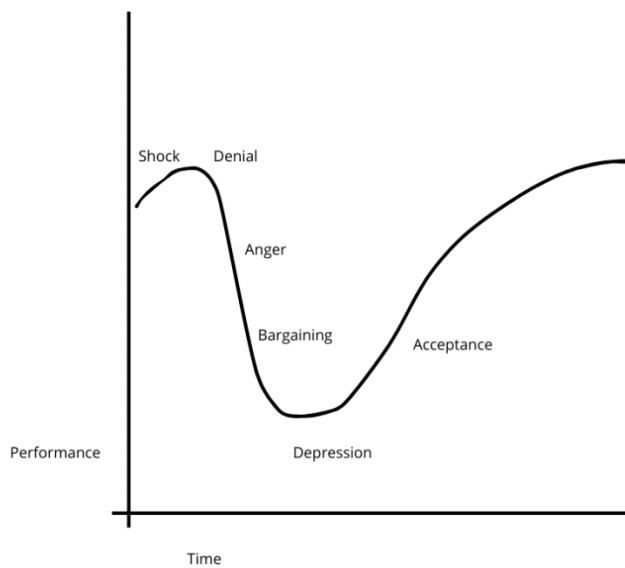
2.3.1 Types of Emotions in Organizational Change

Organization's people are required to adapt to change. How well people will adapt to a change, their ways to cope with change are motivated by their emotions. These emotions are usually described as positive and negative. In organizational change positive emotions can be described as confidence, trust and on the other hand negative emotions can be described as worry or stress, insecurity, and mistrust. Both positive and negative emotions can exist at the same time during a change e.g., fearing change due to possible layoff and hopeful about organization's development. Both emotions are important and will offer information about the change.

Employees' coping strategies will affect the result of a change. Different coping strategies can have an impact on the outcomes of change in employees. For example, proactive coping has a greater change of increase employee satisfaction and therefore performance. Passive coping is linked to greater psychological distress and therefore decreased performance (Klarner, 2011).

To explore further, Elisabeth Kubler-Ross created "Five Stages of Dying" to demonstrate different phases of grief. These 5 stages have been widely used for organizational changes (Tahir, 2019). Change lifecycle is in following five stages: Denial, anger, bargaining, depression, and acceptance. This is a typical change curve; however, participants of change can have these stages in different order or even pass some of the stages (Kubler-Ross, 1975).

Figure 2: Change curve and its emotions.



First stages, *shock* and *denial* vary amongst employees. Some employees will move on quickly and other will take longer to accept reality.

On the stage of *anger*, reality can be understood yet person might feel powerless and engage in activities such blaming and influencing a workplace atmosphere negatively.

Bargaining happens since employee accepts the reality yet thinking on how to live with it. Perhaps more time is needed, or new situations are delayed. There is a need to delay desired changes.

Sadness, regret, guilt, or hopelessness can be felt on the stage of *depression*. Performance will decrease. On this stage it can be hard for an employee to see the desired goal.

Recovery from a previous stage leads to *acceptance*. This can even result due to hopelessness and eventually letting go. This is a crucial stage on how employee will accept the new reality and will engage in new responsibilities (Tahir, 2019).

It is important to understand that emotions can evolve during the change process. Change takes time and different emotions and coping strategies can show up in different stages of change. In order to understand emotions during change, emotions should be perceived from an evolving and developing viewpoint (Klarner, 2011).

2.3.2 Self-Compassion and Positivity in Making a Change

Self-compassion means being kind and understanding to oneself when hardships and difficulties are faced (Neff, 2007). Compassion can be put into three categories of skills: *Understanding*, *acceptance* and *forgiveness*. On a personal level, understanding means ideas of experiences, thinking, feelings and behaviour can influence each other and in ways that make sense nevertheless even when some of the results are unwanted. Acceptance means to see a situation or event without any judgement. Forgiveness means that self-blaming will not be one of the developing forces yet rather intending to do better in the future and learning from mistakes (Baer, 2010).

Development of self-compassion comes from biologically based measurements and ability to care for others. This is believed to be evolved due to contribution to survival. To explore the meaning of care for others, is a desire to care and ability to see distress in others. Specially, to be sympathetic and moved by others suffering and to be able to see difficulties rather than avoiding them (Baer, 2010).

Self-compassion to recover from anxiety can be helpful. This was seen in a study made for students by Neff, Kirkpatrick & Rude (2007). Students with greater self-compassion had less anxiety after listing weaknesses in a job interview than the ones that had low self-compassion. Self-compassion was also linked to language use and how they view themselves. Students with greater self-compassion used more plural pronouns (we) than singular (I, me and my). These students referred more to people around them, family, and friends by resulting in less isolated and more connected view. The highlight of this study was that self-compassion does not take away the negative experience. Meaning, self-compassionate students were affected by the same negative experience however were able to deal with it later - to understand the experience and be less anxious. (Baer, 2010)

Seen in another study, self-compassion can influence experiences and change behaviour. Study made by Adams and Leary (2007), had female students eating a donut while watching a video of learning about eating. After watching the video and eating the donut, experimenter aimed to create a feeling of self-compassion. Experimenter stated such as “everyone eats unhealthy at times” and “single donut does not make a difference, no need to feel bad”. However, this message was only stated to some of the participants. Participants were given small bowls of candy while answering a taste rating and final questionnaire. The ones that did not get to hear self-compassionate sentences, ate more candy. The ones that heard,

resulted in less distress in eating the donut and less candy later. Even a quick moment of self-compassion can work against usual judgement and criticism. (Baer, 2010)

Author points out that understanding self-compassion can be helpful in leader and employee dynamics during a change. Such communication as seen above between people can be mirrored to organizations: it may result in greater work satisfaction and reduce stress.

According to Baer (2010), Great levels of self-compassion are related to feelings such as autonomy, competence, positivity, hope and curiosity. People with greater self-compassion show more eagerness to learn and grow without thinking about others' opinions or avoidance of failure.

Furthermore, to aim for a more positive change, according to Harikkala-Laihinén (2022), positive organizational change involves positive experiences. Meaning, change has positive emotion triggers for employees such as positive emotions shown by a leader and variety of interesting activities. Highlighted importance is on connection - interaction and emotions.

Positive communication is seen as driver for organizational success. Such communication will generate positive emotions and increase creativity and improve the ability to process information. Positivity can help with organizational change by increasing positive behaviour and commitment in employees (Harikkala-Laihinén, 2022). In addition, positive emotions can help employees during a change since it can widen their perspective, creates an open approach to solve problems and create more stamina to adapt to changes. (Klarner, 2011)

As introduced earlier, positive emotional contagion can lead to better teamwork and increased performance than compared to negative one (Barsade et al, 2018). When leaders show positive emotions, it affects employees' psychological safety. Leader's positive influence triggers employees' positive effect and therefore employees are more likely to believe they can express themselves without facing negative consequences - employee will feel safe interacting with a leader. Important to mention, person often tries to adjust their thoughts and actions based on their own feelings to navigate and adapt to surroundings. Meaning, positive emotions inform an individual that an environment is safe, and all is well. (Liu et al, 2015)

2.4 Resistance to Change

Employee uncertainty, marked by conflicting emotions and thoughts about a change, is a common occurrence. Attitudes toward change are strong, changing over time and can be revealed between different stages of change process (McKay et al, 2013). Furthermore, resistance will be seen amongst employees if they cannot emotionally adapt to change (Klarner, 2011).

Resistance to change means sticking to attitudes or behaviours that obstruct organizational goals, keeping things the same despite pressure to change. Behaviours can be obvious such as sabotage or subtle as decrease in work efficiency. Negative actions can be seen as if a person does not see the value in change or looks down on it, tries to sabotage it or avoids any discussion about it. It can be easy to spot obvious resistance, however identifying subtle resistance is more difficult and noticed by its harmful effects on behaviours, employee attitudes and organizational results.

Resistance to change is seen as destructive for organizations success that will hinder organizations operations and should be eventually solved and worked with. (McKay et al, 2013)

2.4.1 Root Cause of Resistance

Modern founder of social psychology, Kurt Lewin's perspective includes that resistance to change occurs because people highly value the groups, they are part of. Changing our attitudes or behaviour feels like distancing ourselves from the familiar social environment, a reality shared mainly with friends and family (Jost, 2015).

Two key factors which create resistance are self-interest and involvement of ego. This can be seen as someone being financially dependent on something and there is a need for changes. Fear and uncertainty of losing a financial support is high and therefore resistance to change is natural. Second factor is social pressure or support from group, where people share same beliefs and attitudes. Resistance arises if person is being convinced and will response in defensiveness. Some people will also avoid uncertainty or questioning things, where closure to things can be seen as better option - coming up with an opinion quickly, without the need to think about it more (Jost, 2015).

Depending on the planned change, people in the organization will react differently. If change happens to be *transitional* in nature where organization needs e.g., a technology installation, emotional transition is not major. People are required to make behavioural changes such as learning new technology which might affect the workflow and effectiveness for a while. Such change will not require people to have changes in their roles, positions, responsibilities, or authority. If the planned change happens to be greater than just explained, people's emotional transition will be more complex.

When a human brain detects something as a threat, whole physical and emotional states will change. There will be a chemical release of adrenaline, noradrenalin, and stress hormone cortisol. Blood will be sent to body parts that need it the most, limbs and muscles. If a change is detected a threat, it will be harder to think rationally and be open for new ideas or beliefs. It is crucial to understand human dynamics to execute a successful change. (Anderson & Ackerman Anderson, 2010)

According to Anette Clancy (2018), resistance should be seen as symptom rather than a problem in organizational change. People who resist, usually try to protect something very important to them. Approaching resistance from a point of view of understanding what is it that is in the process that requires people to protect themselves.

As demonstrated by Anderson & Ackerman Anderson (2010), behind emotional reaction such as resistance, there are missing core needs which are unresolved and usually unconscious. These core needs are triggered by change, especially in great major changes where change is usually chaotic and uncertain. Such core needs can be followings.

- Not feeling safe
- Not feeling involved enough or disconnection
- Power struggle
- Feeling of out of control
- Lacking ability or scared of being treated unfairly.

People in an organization might be even intentionally sabotaging a change or not committing to it and disagreeing with the direction. Behind these emotions and behaviour, there is a fear of change leading into a failure (Anderson & Ackerman Anderson, 2010).

As mentioned earlier by Clancy (2018), resistance is to protect something important. When our needs are threatened, there is a tendency to react by protecting ourselves.

Understanding what people protect, creates a more compassionate space for a discussion rather than blaming and not addressing the root cause. Anette also mentions that it is important to see losses that will happen in the change. While promoting benefits of the change, feelings should be acknowledged since it might be something personal or professional losses associated with change (Clancy, 2018).

2.4.2 Overcoming Resistance

To look at positive sides of resistance in change, it can provide an opportunity to get information where company is lacking and to create more effective change processes. However, it is crucial to find solutions to work with resistance. Resistance has negative effects on change such as reduced job satisfaction, organizational effectiveness and minimizing creative performance (Tamunomiebi & Peter, 2021).

People who operate in change consciously, will have enough needed self-awareness to acknowledge where self-generated resistance is coming from. According to Anderson & Ackerman Anderson (2010), core needs can give positive or negative reactions. Commitment and resistance. From the leader's perspective it is crucial to be aware, understand employees core needs and be able to support them when resistance is felt. Leaders should be encouraged to see resistance as something part of a change rather than overcoming it or getting rid of it. This is supported by Clancy (2018), as well by seeing resistance as a symptom rather than a problem.

To explore further, understanding that changing a group can be much easier than changing an individual part of a group. Depending on different cultures, there are different degrees on how much an individual can differ in group standards with the group they are part of. Individual trying to branch off too much from a group will result in trouble such as made fun of, treated poorly and eventually needing to leave the group. Therefore, individual is most likely to agree on the group standards to stay in it and when a person values the standards of a group, they are more resistant to change or move away from those standards (Lewin, 1947).

Once attitudes are formed, they tend to remain fixed, and the most effective way to bring genuine change is to temporarily unsettle individual's attitudes. Ideally, this should happen in a social setting where not only the individual's but also their friends' attitudes are temporarily disrupted, allowing the entire group to engage in discussion (Jost, 2015).

As mentioned earlier people value groups they are part of and fear uncertainty of distancing from them (Jost, 2015). Respect to this, changing food habits, work production, criminality etc., it is easier to change an individual part of group rather trying to change a person from a group separately. This means that to have less resistance towards change, group standards need to change. If group standards are not changed, person will resist since they do not want to move away from the standards (Lewin, 1947). And to add, referring to Anderson & Ackerman Anderson (2010), a group of people which will face a change, are more likely to commit and make a change when everyone in the group acknowledges the motivation for needed change as well as giving all of them a safe open space to share their issues, and resistance could be worked out.

With this theoretical understanding of types of change in organizations, leader-employee dynamics, the role of emotions in the change process, root causes of resistance to change, and possible ways to overcome change resistance, it then becomes important to outline the research methodology, that a case study on the topic can be conducted. Therefore, the next section presents methodological explanations and approaches adopted in this thesis.

3 Research Methodology

In this thesis aim is to collect data of people's opinions and emotional life in a specific change in the commissioning company. Author aims to gain a deeper understanding on the faced emotions such as resistance and the dynamics between leaders and employees. Highlighted importance will be placed on leaders' emotional state and the influence they have on other people. Author has decided to use a model called *Research Onion* developed by Saunders, Lewis, and Thornhill (2003) for business students to explain chosen research methods used in this thesis.

3.1 Research Onion

Research onion is a representation of any issues related to choosing data collection techniques and by peeling it layer by layer, on which every layer is important, eventually there will be a clear decision on the approach of the research. Onion is supposed to guide on the decision and make it easier to understand e.g., whether interviews or statistics should be used for the study (Saunders et al, 2003).

3.2 Research philosophy

This sets the beliefs and view for the research, a foundation. Research philosophy can be approached through ontology or epistemology. This is to help to understand how a study, or a thesis can be approached the best way. Under ontology and epistemology, there are usually four different philosophical positions to choose from e.g., pragmatism, positivism, realism and interpretivism (Saunders et al, 2003).

Research philosophy used in this thesis is interpretivism to have a perspective of the interviewees and their emotions, thoughts, ideas, and actions. Interpretivism analyses the differences between people in their roles as social actors and is suitable for exploring leaders' internal states and influence on employees.

3.3 Research Approach

For an inductive approach, qualitative data is usually collected. It is more flexible for changes in the structure. It focuses on understanding a research context and can be suitable for smaller groups of study.

Deductive approach on the other hand focuses on scientific principles and moves from theory to data. Approach of a study is more structured, and researcher can have more independence on what is being researched. Quantitative data is usually collected.

In deductive method theory is usually tested and in inductive approach data will be collected and theory can be formed by the analysis of data (Saunders et al, 2003).

Author aims to gather information of the commissioning company and the interviewees and will not hold any predesigned theories. Inductive approach will support empirical qualitative data collection.

3.4 Research Strategy

In this layer depending on what the aim of the research is, describes how the researcher aims to conduct the study. Such strategies to conduct a study are e.g., experimental research, survey, case study research, action research, grounded theory, ethnography, and archival research.

Research strategy in this thesis is ethnography. Ethnography can be time consuming since researcher needs to blend into the studied group of people and changes might come up due to extended time. Ethnography allows author to see participant's subjective experience such as beliefs and emotions and to understand their perspective of the change (Saunders et al, 2003).

Author has collected data outside interviews, by observing people in their daily work life. By understanding leadership and employee dynamics it is important to have participant's subjective perspective, which supports ethnography as a chosen research method.

3.5 Choices

Qualitative data is a data collection method to collect non-numeric data for example through interviews, videos, or pictures. *Quantitative data* collection method focuses on numerical data which can be collected by statistics and graphs.

Single data collection method is called *mono-method* where only one data collection technique is used. *Multiple method* is used when there are more than one data collection method but used within qualitative or quantitative. Under *multiple method*, there is a split between two methods. *Multi-method*, which can be chosen between *multi-method quantitative studies* or *multi-method qualitative studies*. Another part of the split is *mixed-method*, which has *mixed-method research* and *mixed-model research*. In mixed method approaches qualitative and quantitative data collection techniques are used in research (Saunders et al, 2003).

Method used in this thesis is qualitative, mono method, which aims to use only one data collection method to gather non-numerical data e.g., interviews and empirical observation.

3.6 Time Horizon

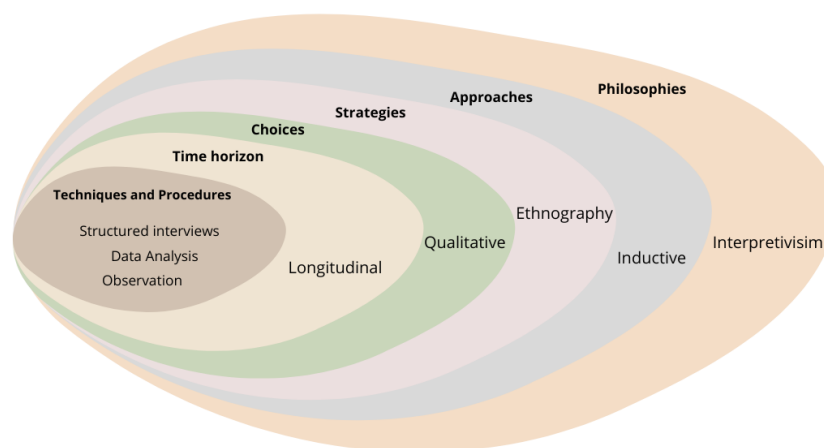
To study changes and progression, it is good to use *Longitudinal time horizon*. There is a need to collect data regularly or multiple times. *Cross sectional* time horizon on the other hand studies something in a specific point in time. It is to see what the situation at a certain point in time is. (Saunders et al, 2003)

Time horizon used for this thesis is longitudinal, since the author has observed participants also outside interviews, therefore data has been collected multiple times and regularly. *Longitudinal research* supports the collection of data since the change in the commissioning company took few months of time and cannot be recognized as a “snapshot” of time.

3.7 Techniques and Procedures

Data is collected by structured interviews and observation. Due to the size of the company, author aims to collect data from the two people present in the change therefore there is no need for specific sampling. Author has not decided to use any specific data analysing method for the collected data.

Figure 3: Following picture shows the research method for this thesis.



4 Results

Interviewed people are working in manager level positions in the commissioning company, interviewee 2 being a manager to interviewee 1. These two managers were interviewed. Analysis of the collected data will consist direct quotes from the two participants. Author has selected the quotes to fit this thesis.

Original language of the interview, questions and answers were in Finnish yet translated for this thesis. Participants chose which questions they wanted to answer. Questions, order, and topic were preplanned, and the questions were same for both participants. Interviews were conducted on February 16th and 19th 2024 and lasted approximately 15 minutes. Questions were formed by the observations Author has made during the change.

4.1 Case study

The commissioning company got offered a bigger project and there was a need for more workers to execute desired tasks. To respond to the increased workload and demands of this new project, company needed to start recruiting.

The commissioning company aimed to establish a connection with a well-known company for networking purposes and potential future business loyalty. Collaborating with a well-known and respected company on the field would naturally generate more visibility on the field and new business opportunities in the future.

To respond to increased demands, commissioning company decided to hire two more people into their team. First recruiting was not successful since the new employee had to be let go after a short time of not meeting commitments. Subsequently, two new employees were found.

The change experienced by the commissioning company falls under the category of developmental change. Since company had knowledge, there was a desire for development. The company understood the necessary steps to take, waiting only for the implementation to take place. This change can be categorized as developmental rather than transitional or transformational. The company did not leave their old ways behind. Instead developed their old ways to operate with a bigger team and response to increased demands.

The studied change was primarily driven by external factors. While internal factor such as desire for development played a big role, the opportunity and aim to establish connections and increased workload drove the change.

Interviewee 2 listed three things that were taken into consideration when change was planned *“Common sense, financial situation and overall situation of the work field”*.

4.2 Change Initiation

One of the asked questions was following *“How was so called “wake-up call” to realize new employees were needed?”*. Interviewee 1 answered for the wake-up call to be something that had been on their minds for some time. However, no action was taken yet they felt there was a need for new employees. Interviewee 2 mentioned regarding the wake-up call and workload *“There was a need to recruit more people, we had more tasks to do, and we were using rental workers which was not cost-effective”*.

Interviewee 1 was asked what emotions so called wake-up call brought up. Interviewee 1 answered the following *“There is always a risk in hiring a new employee. When one has adapted to take responsibility on everything, it can be hard to share the responsibility. I understood the situation and realized there is a need to hire.”* Interviewee 2 described that they felt stress and was concerned about current employees' workload.

4.3 Main Emotions Experienced During the Change

Participants were asked if they experienced stress or uncertainty. Interviewee 1 answered with the following *“I experienced lot of stress. My tasks were piling up and I could not share it with anyone or ask help”*. Interviewee 2 answered that they felt uncertainty and stress to some extent.

Interviewee 1 was asked to list if experienced emotions were mostly negative or positive. They described emotions evolving from positive to negative, back and forth during the change. Successful events resulted in positive emotions and negative events in negative emotions. They added that *“Successful events that were more difficult to go though had negative emotions in the process”*. Interviewee 2 answered the same question *“Negative feelings came up due to the workload and I knew we would have lot of work to do in the coming autumn. The situation was still positive since we got new partners and there was work to do”*.

Change seemed and was experienced hectic by interviewee 1. They mentioned the situation of their work field in 2023 as *“very, very busy. I may have forgotten to have my summer vacation.”*

Interviewee 1 listed three main emotions felt during the change. *“Stress, tiredness and depression”* On the other hand, Interviewee 2 described three main emotions as *“Proud, as*

we were trusted as a company, and we got a bigger project. However, anxious, we had hard time finding skilled people and relief in the end that we got two new very experienced employees to hire”.

Interviewee 1 answered that they felt there was confidence experienced during the change. They answered that since they had survived before they will survive in the future. They mentioned that there is a motivation to show an example to others to get through tough times. Behind Interviewee 2's confidence was a knowing that there is always a need for skilled people to be hired and the overall situation regarding workforce on the field was inadequate.

4.4 Influence on Others

Interviewee 1 said *“Unfortunately, work related issues are too often carried home.”* when they were asked if the change had an influence on their private life or others around them.

Interviewee 1 added *“I have tried to keep things on my own mind, but unfortunately sometimes outbursts have happened. I have apologized at home as well as at work since they have not done anything wrong.”* Interviewee 2 said the change did not affect the people around them.

Participants were asked if they changed their behaviour during change. Both stated that they think they did not change their own behaviour.

Question asked was if interviewee 1 believes that leaders' behaviour, mindset and thinking affect employees. They answered the following *“These always have an influence on employees. Leaders are showing an example to others, and they must lead and show the way. If the leader is lost so are the employees”*. Interviewee 2 agreed that it can certainly have an impact. Interviewee 2 was asked if their own behaviour or mindset has an impact on the change process. Interviewee 2 believes that one can have an impact on others by showing an example.

Same question was formed the other way by asking if they believe that employees' behaviour, mindset and thinking affect leaders. Interviewee 1 *“of course, I am feeling stressed if employees are stressed. Work is not flowing the same way if there is something negative on employees' minds”*. Interviewee 2 answered by agreeing with the mentioned as following *“To some degree. We are a small company, and a new employee needs to be able to adapt to work with others”*.

4.4.1 Leader's Role

Participants were asked what some of the important aspects are of being a leader in change. Interviewee one highlighted *"to be an example and lead"*. They said that it is important to show others how things are done and support them when it is needed. *"Change teaches and one also learns from others"*. Interviewee 2 concluded that leader needs to be determined and make decisions.

One question was about changes in themselves that happened during the change. Interviewee 1 admitted that they were more active and worked more during the change. *"During a change, one has to show an example to others"*. Interviewee 2 answered *"I was more active and decided that recruiting needed to be finished"*.

Interviewee one was asked directly what they think is the leader's role in change. They answered *"To show an example. To be able to manage events which were caused by the change in exemplary manner and to act depending on the event"*.

Interviewee 2 was asked the same questions regarding the leader's role in change. Response was the following *"The leader's role is to initiate the change and make final decisions. Depending on the nature of the change, it can be planned together with other employees"*.

4.5 Resistance

Questions asked regarding resistance were aiming to collect more information about the change and the emotions connected to it.

Interviewee 1 was asked if they saw any reactions from the employees' side regarding the first recruiting. They answered, *"there was a feeling that maybe we will not find anyone since suitable ones are going to work somewhere else"*.

As stated above, Interviewee 1 felt confidence during the change process. Nevertheless, when interviewee 1 was asked if they questioned themselves during the change process, they said *"I always question myself but not my colleagues"*. On the other hand, interviewee 2 did not question their self during the change.

First recruiting was not successful. Participants were asked about their feelings and if they saw any reactions in the employees when the new employee had to be let go. Interviewee 1 said that they did not see any negative reactions from the employees' side. Both participants felt disappointed. Interviewee 2 mentioned *"I obviously felt disappointed, because I felt relief after the long recruiting which then started again"*.

Interviewee 1 did not answer questions directly related to resistance. This may have been if resistance was not experienced by the leader or was not seen in the employees. Interviewee 2 answered these questions by saying they did not experience resistance or did not see resistance from the employee's side.

According to Anderson & Ackerman Anderson (2010), depending on the size and type of a change, different emotions are triggered. Big changes can naturally create big emotional responses. If the experienced change in the commissioning company was not complex enough, it may have not provoked any big emotions.

As seen above from the results, the change was desired by the leaders and employees in the company. Interviewee 2 mentioned that the employees must have felt the same way regarding the recruiting process as the leaders since the workload needed to be shared.

Participants were asked what the best way would be to switch employees from resistance to commitment.

Interviewee 1 answered the following *"To make others understand the situation that there is a need to share the workload"*.

Interviewee 2 answered that the best way would be to explain the needed change to the employee experiencing resistance *"Their opinions need to be heard and taken into consideration"*.

To conclude from participants answers – there needs to be an understanding for the person experiencing resistance. They should be heard and confirm employee understand why change is desired in the company.

5 Discussion and Recommendation

In this chapter, the Author offers recommendations from an analysis of the change process under study, as well as a critical evaluation of the research methodology employed. The Author aims to provide insightful reflections on their own work and highlighting areas for improvement.

Primarily, as evidenced by the results and the case study itself, such change was desired by the leaders and employees of the commissioning company. This also sets limitation for the author to study the change process in detail because there was not much change resistance identified. Since this case study is about commissioning company going through developmental change, for us to delve further into resistance to change, a case study should be conducted for a small company undergoing a transformational change. Such change would naturally evoke stronger emotions, and the results gained from the study could provide more in-depth insights regarding resistance and emotional contagion. A more in-depth study would also require more participants to interview. However, in this case study, the author was only able to interview two representatives. Similarly, perhaps in different circumstances where possible resistance could be observed - for example, in recruiting processes resisted by previous employees who fear competition from new hires.

Since the number of interviewees were minimum, it can be said that it may not represent the entire emotional dynamics in the change process. This means, to study dynamics, emotional contagion between the leaders and employees, more employees should have been interviewed. Perhaps then employee would notice if the leader's internal state is affecting them and their work. Specially in a smaller company where the people are much closer as a team. The leaders' influence on employees would have been seen better if communication between the leader and others was studied closely by interviewing both sides, leaders, and employees. Leaders' influence could be seen through the behaviour and communication they are doing daily. Such study could have collected more in dept results of the emotional contagion and influence leaders have on employees.

Referring to the results, resistance was not seen in the employees by the leaders. However, employees may have had some opinions about the recruiting process and the new employee. Author recommends a small company involve existing employees to get involved in the recruiting process. The existing employees know their field, work tasks and could have great insight regarding the recruiting process.

To have a more in-depth study on the field, there should be longitudinal research done more than few months' period of time. Author agrees with Klarner (2011), emotions during change should be studied on a longer time period. Organizations go through changes all the time therefore studying a change as a snapshot is not giving the full picture on how emotions evolve during changes. It is true as seen in the results, emotions evolved during the change by going from positive to negative and vice versa. For future research, change which involves recruiting, needs to be studied afterwards the recruiting process is done. Originally, the case study in this thesis started from the recruiting process which was completed yet started again after an employee was not a fit. After a successful recruitment, the change was considered complete, and data was not collected afterwards. There is no information regarding the new employees adapting to the company. This short time period showed the evolving of the emotions. However, it would have been more in-depth analysis if the data was collected after the recruiting process where the company eventually responded to the demands. In the future a small company should be studied for a longer time where the development of operations in the company, evolving emotions and emotion dynamics can be seen better.

Referring to the results and as a recommendation, highlighted importance was on showing an example. Interviewee 1 mentioned that they often carry work related issues home. It would be highly beneficial for leaders to maintain open communication with their team members and express their needs more clearly. As result, they can serve as role models for employees, encouraging a culture of transparency and trust. Furthermore, leaders could explore stress management tools and techniques. By addressing stressful events and learning healthy coping mechanisms, leaders can effectively manage their own stress levels and provide support to their team during challenging times. Such approach to stress management can be helpful since unmanaged stress can lead e.g. need for sick leave.

6 Conclusion

The case study has shown the emotions participants experienced during the change and the opinions of leader and employee dynamics. Participants' experiences of the change were different yet driven by the same force – a need to share the workload. Highlighted importance was on leading with an example which precisely identifies the key aspects of how leaders' mindset and behaviour affect employees.

Effective leadership is crucial for guiding employees towards achieving organizational goals, particularly during times of change. Leaders must possess qualities such as emotional intelligence, communication skills and ability to reflect. There should be an understanding that being aware is not just influencing the change yet everything in the leader's life.

Emotionally intelligent leader has clarity, they are mindful and able to reflect on the experiences they have witnessed. This is essential when it comes to emotional contagion and showing an example. When a leader leads by example, they set a behavioural standard of how decisions are made, communication is handled, and employee emotions are supported. Leader's internal state can be mirrored to the employees around them and affect employee performance and therefore the whole change process.

In times of major organizational changes, it is common for people to have strong emotional reactions. Such reactions can be negative in nature and eventually hinder the change process. Negative emotions regarding the change usually go much deeper than just not liking the change. There is usually a reason why employees resist change, and understanding these reasons can make it easier to overcome resistance. When resistance is faced in the change process it should be seen as a symptom. When leaders and employees acknowledge the root causes to resistance, it can help in overcoming resistance and ease with the emotional reactions. Negative responses often arise involuntarily from the subconscious mind, showing a sign of threat to something important to us rather than consciously choosing to respond negatively. Practicing self-compassion and extending it to others can help in reducing resistance and ease emotional reactions, encouraging a more positive and unhindered transition process.

References

- Anderson, D., & Ackerman Anderson, L. (2010, November 12). *Beyond Change Management: How to Achieve Breakthrough Results Through Conscious Change Leadership (2nd Edition)*. Hoboken, NJ, USA: Pfeiffer.
- APA, American Psychological Association. (2018). APA Dictionary of Psychology. Retrieved from <https://dictionary.apa.org/emotion>
- Ashkanasy, N. M., & Dorris, A. D. (2017). Emotions in the workplace. *Annual Review of Organizational Psychology and Organizational Behavior*, 4, 67-90. Retrieved from https://www.annualreviews.org/doi/full/10.1146/annurev-orgpsych-032516-113231#_i6
- Baer, R. A. (2010). Self-compassion as a mechanism of change in mindfulness-and acceptance-based treatments. *Assessing mindfulness and acceptance processes in clients: Illuminating the theory and practice of change*, 2(1), 135-153. Retrieved from https://books.google.fi/books?hl=fi&lr=&id=DlnH-qadA08C&oi=fnd&pg=PA135&dq=easier+to+make+a+change+if+person+practices+self+soothing&ots=2UcOZTZ3FM&sig=OOr2SAo5jME_cpGklPJxhBgVFms&redir_esc=y#v=onepage&q&f=false
- Barsade, S. G., Coutifaris, C. G., & Pillemer, J. (2018). Emotional contagion in organizational life. *Research in Organizational Behavior*, 38, 137-151. Retrieved from <https://www.sciencedirect.com/science/article/abs/pii/S0191308518300108>
- Cambridge Dictionary. (N/A). Meaning of catharsis in English. Retrieved from <https://dictionary.cambridge.org/dictionary/english/catharsis>
- Cherry, K. (2023). Emotions and Types of Emotional Responses. *The Three Key Elements That Make Up Emotion*, Verywellmind.com. Retrieved from <https://www.verywellmind.com/what-are-emotions-2795178>
- Clancy, A. (2018). How to Manage Resistance to Change. *University College Dublin*. Retrieved from https://www.researchgate.net/publication/323612931_How_to_Manage_Resistance_to_Change
- Creasey, T. (2023). prosci.com. *The Importance of Integrating Individual and Organizational Change*. Retrieved from <https://www.prosci.com/blog/the-importance-of-integrating-individual-and-organizational-change>
- Harikkala-Laihin, R. (2022). Managing Positive Change: Emotions and Communication Following Acquisitions,. *Journal of Change Management*, 22:4, 373-400. Retrieved from <https://www.tandfonline.com/doi/full/10.1080/14697017.2022.2091635>

- Issah, M. (2018). Change Leadership: The Role of Emotional Intelligence. *SAGE Open*, 8(3). Retrieved from <https://doi.org/10.1177/2158244018800910>
- Jarrett, M. (2004). Tuning into the emotional drama of change: Extending the consultant's bandwidth. *Journal of Change Management*, 4(3), 247-258. Retrieved from https://www.researchgate.net/publication/233550696_Tuning_into_the_emotional_drama_of_change_Extending_the_consultant's_bandwidth
- Jong, J. P., & Hartog, D. N. (2007). How leaders influence employees' innovative behaviour. *Employees' innovative behaviour. European Journal of Innovation Management*. Retrieved from <https://www.emerald.com/insight/content/doi/10.1108/14601060710720546/full/html>
- Jost, J. T. (2015). Resistance to change: A Social psychological perspective. *Social Research*, 82 (3), 607-636. Retrieved from https://www.researchgate.net/publication/292189558_Resistance_to_change_A_social_psychological_perspective
- Klarner, P. &. (2011). Employee emotions during organizational change—Towards a new research agenda. *Scandinavian Journal of Management*, 27(3), 332-340. Retrieved from <https://www.sciencedirect.com/science/article/abs/pii/S0956522111000571>
- Kubler-Ross, E. (1975). Death. The Final Stages of Growth. *Simon and Schuster*. Retrieved from https://books.google.fi/books?hl=fi&lr=&id=bkFtqLBQk70C&oi=fnd&pg=PR10&dq=Kubler-Ross+E.+On+Death+and+Dying.+New+York:+Simon+%26+Schuster,+Inc.%3B+1969&ots=IDprJ41QkT&sig=sUDyRjH6yZuFTQ7kB4VvclGzQZ4&redir_esc=y#v=onepage&q&f=false
- Lauer, T. (2021). Change Management: The Path to Achieve the Goal. In: Change Management. *Springer, Berlin, Heidelberg*. Retrieved from https://link.springer.com/chapter/10.1007/978-3-662-62187-5_1
- Lewin, K. (1947). Frontiers In Group Dynamics. *Concept, Method and Reality in Social Science; Social Equilibria and Social Change*. Retrieved from <https://journals.sagepub.com/doi/epdf/10.1177/001872674700100103>
- Liu, W., Song, Z., Li, X., & Liao, Z. (2015). Why and When Leaders' Affective States Influence Employee Upward Voice. *Academy of Management Journal*/Vol. 60, No. 1. Retrieved from <https://journals.aom.org/doi/10.5465/amj.2013.1082>
- M. Taylor, C. J. (2014). Visionary leadership and its relationship to organizational effectiveness. *Leadership & Organization Development Journal*, 35(6), 566-583. Retrieved from

- https://www.researchgate.net/publication/264448116_Visionary_leadership_and_its_relationship_to_organizational_effectiveness
- McKay, K., Kuntz, J. R., & Näswall, K. (2013). The Effect of Affective Commitment, Communication and Participation on Resistance to Change: The Role of Change Readiness. *Resistance to Change and Change Readiness. New Zealand Journal of Psychology*. Retrieved from <https://www.psychology.org.nz/journal-archive/Kuntz1.pdf>
- Miller, K. (2020). Harvard Business School Online. *5 CRITICAL STEPS IN THE CHANGE MANAGEMENT PROCESS*. Retrieved from <https://online.hbs.edu/blog/post/change-management-process>
- Neff, K. D., Kirkpatrick, K. L., & Rude, S. S. (2007). Self-compassion and adaptive psychological functioning. *Journal of Research in Personality* 41(1), 139–154. Retrieved from <https://www.sciencedirect.com/science/article/abs/pii/S0092656606000353?via%3Dihub>
- Pavlidis, N. (2021). Theoretical Leadership Models. *International Journal of Finance, Insurance and Risk Management Volume XI, Issue 4*.
- Rafferty, A. E. (2023). Change Recipients' Emotions during Organizational Change: A Review and Directions for Future Research. *A Review and Directions for Future Research. In S. Oreg, A. Michel, & R. T. By (Eds.), The Psychology of Organizational Change: New Insights on the Antecedents and Consequences of Individuals' Responses to Change (pp. 67–92). chapter, Cambridge University*. Retrieved from https://www.researchgate.net/publication/374236045_Change_Recipients'_Emotions_during_Organizational_Change_A_Review_and_Directions_for_Future_Research
- Sajasalo, P. P. (2023). Fear and Fearing in Strategy Work—Financial Industry Strategists Faced with Digital Disruption. *In Academy of Management Proceedings (Vol. 2023, No. 1, p. 17397). Briarcliff Manor, NY 10510: Academy of Management*.
- Saunders, M., Lewis, P., & Thornhill, A. (2003). Research methods for business students. *Essex: Prentice Hall: Financial Times*. Retrieved from file:///C:/Users/Omistaja/Downloads/Research_methods_for_business_students_f.pdf
- Stobierski, T. (2020, January 23). Harvard Business School Online. Retrieved from *5 TIPS FOR MANAGING CHANGE IN THE WORKPLACE:* <https://online.hbs.edu/blog/post/managing-change-in-the-workplace>
- Stonehouse, D. (2013, August 21). *Researchgate.net*. Retrieved from *The-Change-Agent-The-Managers-Role-In-Change.pdf*: https://www.researchgate.net/profile/David-Stonehouse/publication/257381818_The_Change_Agent_The_Manager's_Role_In_Change/links/0deec5252a4bb281f3000000/The-Change-Agent-The-Managers-Role-In-Change.pdf

- Tahir, U. (2019). Kubler Ross Change Curve Model. *change management insight*. Retrieved from <https://changemanagementinsight.com/kubler-ross-change-curve-model/>
- Tamunomiebi, M. D., & Peter, A. E. (2021). Organizational Change and the Imperatives of Managing Employee Resistance: A Conceptual Review. *AJP.org. Journal of Strategic Management*. Vol.6, Issue 1, pp 18-32. Retrieved from <https://ajpojournals.org/journals/index.php/JSM/article/download/683/796>
- Teczke, B. B. (2017). Approaches and models for change management. Retrieved from https://www.researchgate.net/publication/330928021_Approaches_and_models_for_change_management
- Vuori, T. O. (2016). Distributed attention and shared emotions in the innovation process: How Nokia lost the smartphone battle. *Administrative Science Quarterly*, 61(1), 9-51. Retrieved from <https://journals.sagepub.com/doi/10.1177/0001839215606951>

Appendix 1. Interview Questions

What started the change process last summer?

How was so called “wake-up call” to realize new employees were needed?

What type of emotions did you feel about this “wake-up call”?

Did you feel stressed or insecure? Where your emotions negative or positive?

If you felt confident about the change, why? Was it from past experience?

Describe at least three main emotions you felt during the change?

Describe shortly the overall situation on the field of work?

When the recruiting process started, did you think about global situation? Did this influence the recruiting process and made decisions? If it did, how? What did you do differently?

Did the change process influence your private life? You can answer yes or no.

If you felt negative emotions such as stress, did you see if it impacted other people around you or employees? Did you see if the change process affected employees, if yes, how?

First recruiting was not successful. Did your employees react to the first recruiting negatively? What emotions did you feel as a leader about this recruiting? Were you let down?

Did you see any other reactions in employees such as behavioural changes or any opinions?

What changes did you make in yourself during the change to make sure change will be successful? Were you more active or working more hours? If so, why?

Did you see any behavioural changes in yourself during the change?

Did you see any changes in your own attitude or thinking during the change?

Being an active change leader in your company, what do you consider important in change?

Did you question yourself or other during the change process?

Did you believe making the change would be possible?

Do you believe your own behaviour or attitude affects a change in the company? How?

Do you believe that change leader's attitudes, behaviour or thinking has an impact on employees? Do you believe that employees' attitudes, behaviour or thinking has an impact on leaders?

As a leader managing a change, you will plan and make decisions regarding the change for the change process to be successful. Do you use any preplanned methods, theories, or processes to plan a change? What kind of?

If you do not use any methods, theories, or processes, do you believe these can be helpful during the change?

Did you feel any resistance from others during the change? Such as negative emotions or behaviour that do not support the change process.

Was there something in the change that you yourself resisted?

Describe shortly what is the leader's role in organizational change?

Tell us what would be the best way to make employees commit to a change when resistance is experienced? What is your opinion about this?

How would you react if your employees resisted change?

Is the company going through a change right now?

Are you doing something differently than last summer?

Free word:

Plan for Data Management

Author has understood HAMK's data management plan. Author, commissioning company and thesis supervisor have signed a thesis contract and agreed on the terms. Two staff members from the commissioning company were interviewed. No confidential information was asked. Responses were kept anonymous. Only Author has access to the collected data. The Author of the thesis stores the data in secure manner for a period of one year from the date of approval of the thesis, so that the results of the thesis can be verified and deleted in a secure manner, if necessary.