Perceptions of Organizational Change: A Stress and Coping Perspective

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Few organizational change studies identify the aspects of change that are salient to individuals and that influence well-being. The authors identified three distinct change characteristics: the frequency, impact, and planning of change. R. S. Lazarus and S. Folkman’s (1984) cognitive phenomenological model of stress and coping was used to propose ways that these change characteristics influence individuals’ appraisal of the uncertainty associated with change, and, ultimately, job satisfaction and turnover intentions. Results of a repeated cross-sectional study that collected individuals’ perceptions of change one month prior to employee attitudes in consecutive years indicated that while the three change perceptions were moderately to strongly intercorrelated, the change perceptions displayed differential relationships with outcomes. Discussion focuses on the importance of systematically considering individuals’ subjective experience of change.

Keywords: organizational change, individual perceptions, appraisal, survey research

Although there are many studies of organizational change, few identify the aspects of change that are salient to individuals and that influence employee attitudes. We address two key questions about organizational change in this article. First, what are the salient dimensions of organizational change that individuals perceive in their workplace? Second, how do perceptions of change characteristics influence individual outcomes? We use Lazarus and Folkman’s (1984) cognitive phenomenological or transactional model of stress and coping to identify three distinct change characteristics: the frequency, impact, and planning of change. We describe why these characteristics are salient to individuals and how they can influence employees attitudes and well being. Specifically, we use the model to propose ways that individuals’ subjective understandings of these characteristics influence appraisals of change, and, ultimately, job satisfactions and turnover intentions. This study has important practical applications as it is currently difficult for managers and practitioners to implement change effectively in the absence of information about what characteristics of change events influence employees’ reactions to change.

Change Characteristics

Lazarus and Folkman’s (1984) transactional model has been used to investigate the impact of organizational change on coping and well-being from a number of perspectives. Most often, studies have investigated specific changes such as job loss resulting from downsizing (Gowan, Riordan, & Gatewood, 1999), mergers (Armstrong-Stassen, Cameron, Mantler, & Horsburgh, 2001; Fugate, Kinicki, & Schech, 2002; Terry, Callan, & Sartori, 1996), and acquisitions (e.g., Schech & Kinicki, 2000). These studies are important, but do not identify the properties of change events that lead to negative employee outcomes. This is a critical limitation of existing work because without knowing what features of change situations are perceived negatively and that are associated with poor outcomes, it is difficult to manage the implementation of change. The lack of research attention on the characteristics of change is not an omission of the transactional model itself. Lazarus and Folkman described a number of formal properties of situations that make them potentially damaging or negative for individuals. We draw on this work, and derive three specific characteristics of change events that are salient to individuals and that are likely to influence employees’ responses to change.

The Frequency of Change

Lazarus and Folkman (1984) identified a number of temporal properties of situations that can have a negative impact on individuals including the imminence, duration, and temporal uncertainty surrounding events. Other authors have argued that individuals are concerned with the timing of change in the workplace, and make judgments about whether change occurs very frequently or infrequently (Glick, Huber, Miller, Harold, & Sutcliffe, 1995; Monge, 1995). We identify the frequency of change, which captures individuals’ perceptions regarding how often change has occurred in their work environment, as an important characteristic of change that is salient to individuals. Glick et al. argued that the more infrequently change occurs the more likely it is to be perceived as a discrete event, and employees will be able to identify a clear beginning and end point of change. In contrast, when changes are frequent, organizational members are less likely to perceive change as a discrete event and are likely to feel that change is highly unpredictable. When change occurs very fre-
The Impact of Change

There is considerable agreement in the organizational change literature that people are concerned with what the impact of change will be on themselves, their job, and on their work colleagues (e.g., Herscovitch & Meyer, 2002; Lau & Woodman, 1995; Weber & Manning, 2001). When discussing the impact of change in the workplace, authors have drawn a fundamental distinction between incremental, or first-order change and transformational, or second-order change (e.g., Bartunek & Moch, 1987; Levy, 1986). We argue that the impact of change is salient to individuals, and use the term transformational change, which refers to an individual’s perception regarding the extent to which change has involved modifications to the core systems of an organization including traditional ways of working, values, structure, and strategy. Levy stated that transformational change, by its very nature, involves a dramatic shift in basic aspects of an organization. Lazarus and Folkman (1984) identified the novelty of an event as a property of situations that makes them harmful or threatening for individuals. A novel situation is one in which a person has not had previous experience. Periods of transformational change are likely to be experienced as highly novel events as people are required to act in completely new ways and to adopt new values.

Planning Involved in Change

Empirical research suggests that the planning that accompanies change efforts is of major concern to employees (Armenakis, Harris, & Field, 1999; Eby, Adams, Russell, & Gaby, 2000; French & Bell, 1999; Korsgaard, Sapienza, & Schweiger, 2002; Levy, 1986; Orlikowski & Hofman, 1997; Porras & Robertson, 1992; Weingart, 1992). Authors have reported that when planning precedes organizational change efforts, individuals’ well-being is enhanced (e.g., Korsgaard et al., 2002). Lazarus and Folkman (1984) argued that a property of situations that makes them potentially damaging or negative for individuals is how unpredictable they are, or the extent to which there is some type of warning that something painful or harmful is about to happen. We identify the extent of planning that accompanies the introduction of change as salient to individuals. Planned change is defined as individuals’ perception that deliberation and preparation have occurred prior to the implementation of change. When efforts are made to plan change in advance, change becomes more predictable as people are provided with information about the imminence of change and the likely duration of change. In addition, when planning occurs prior to change implementation, the novelty of a change event is likely to be reduced.

Appraisal

Cognitive appraisal, or the meaning that individuals give to a particular event, plays a central role in the transactional model (Dewe, 1991; Fugate et al., 2002; Lazarus & Folkman, 1984). Authors have examined a range of different cognitive appraisals when testing Lazarus and Folkman’s model. For example, Gowen et al. (1999) examined how individuals cope with job loss after downsizing, and operationalized cognitive appraisal in terms of reversibility, or an individual’s perception that he or she can gain reemployment. In contrast, Terry et al. (1996) stated that the extent to which an event is considered stressful is central to a person’s appraisal of a situation. However, many researchers have found that an important outcome of change is employee uncertainty (e.g., Davy, Kinicki, Kilroy, & Scheck, 1988; Marks & Mirvis, 1985; Miller & Monge, 1985; Nelson, Cooper, & Jackson, 1995). Lazarus and Folkman also identified uncertainty as a property of situations that makes them harmful or negative for individuals. We propose that uncertainty is a critical cognitive appraisal resulting from change. Uncertainty refers to the psychological state of doubt about what an event signifies or portends (DiFonzo & Bordia, 1998). The following hypotheses have been proposed:

Hypothesis 1A: The perception that change has been implemented after deliberation and planning will display a significant, unique negative relationship with psychological uncertainty.

Hypothesis 1B: The perception that change is very frequent will display a significant, unique positive relationship with psychological uncertainty.

Hypothesis 1C: The perception that change has resulted in significant modifications to core aspects of an organization will display a significant, unique positive relationship with psychological uncertainty.

Change Perceptions and Outcomes

Two measures of well-being—job satisfaction and turnover intentions—are examined in the present study. Job satisfaction refers to an individual’s global feeling about his or her job (Spector, 1997), and is the most commonly studied short-term outcome of research on occupational health (Kinicki, McKee, & Wade, 1996). Turnover intentions refer to an individual’s desire or willingness to leave an organization. In many models, turnover intentions are the immediate precursor to turnover (e.g., Hom, Caranikas-Walker, Prussia, & Griffeth, 1992; Mobley, 1977), and the relationship between turnover intentions and turnover has been well documented (e.g., Hom, Griffeth, & Sellaro, 1984).

Empirical evidence indicates that psychological uncertainty is associated with a range of outcomes including job satisfaction and turnover intentions (Ashford, Lee, & Bobko, 1989; Moyle & Parker, 1999). Importantly, a number of studies indicate that psychological uncertainty is a critical factor that mediates relationships between organizational change and well-being (Moyle & Parker, 1999; Pollard, 2001; Schweiger & DeNisi, 1991). Thus, the following hypotheses have been proposed:

Hypothesis 2A: Psychological uncertainty will be positively related to turnover intentions and negatively related to job satisfaction.

Hypothesis 2B: The perception that change has occurred after deliberation and planning will be indirectly positively related to job satisfaction and indirectly negatively related to turnover intentions mediated through psychological uncertainty.
Hypothesis 2C: The perception that change has occurred very frequently will be indirectly negatively related to job satisfaction and indirectly positively related to turnover intentions mediated through psychological uncertainty.

In addition, it is proposed that transformational change and the frequency of change are likely to display direct relationships with job satisfaction and turnover. We do not make any hypotheses concerning direct relationships between planned change and outcomes as we argue that this change perception primarily acts through positively influencing psychological uncertainty. In contrast, we argue that an individual’s perception regarding the extent of transformational change that has occurred in his or her work environment is likely to impact how an individual performs his or her job and the very nature of the job. As such, it is likely that the perception that a great deal of transformational change has occurred will reduce job satisfaction. In addition, the unfolding model of turnover (Lee & Mitchell, 1994; Lee, Mitchell, Wise, & Fireman, 1996) posits that one factor that contributes to turnover is “shocks to the system,” which are distinguishable events that jar employees toward deliberate decisions about their jobs and, perhaps, to voluntarily quit their jobs. We propose that transformational change is likely to cause individuals to deliberate about their job and will increase intentions to turnover. Thus, the following hypotheses have been proposed:

Hypothesis 3A: The perception that change has resulted in significant modifications to core aspects of an organization will display a unique negative relationship with job satisfaction and a unique positive relationship with turnover intentions.

We further propose that when change occurs very frequently, individuals are likely to feel mentally fatigued by needing to constantly adapt to change, which will reduce job satisfaction and increase intentions to leave the organization.

Hypothesis 3B: The perception that change is very frequent will display a unique negative relationship with job satisfaction and a unique positive relationship with turnover intentions.

Coping Resources

The transactional model proposes that coping resources, or the resources that people draw upon in order to deal with a given situation, directly influence an individual’s cognitive appraisal about a situation. Authors have examined a variety of coping resources including social support (Scheck & Kinicki, 2000) and dispositional optimism (Chang, 1998). A number of coping resources are examined in our study including neuroticism, conscientiousness, and leader social support. We did not develop specific hypotheses for the different coping resources. Rather, we included coping variables as controls to provide a more complete test of our hypotheses about the relationships among change perceptions, uncertainty, and outcomes.

A low level of neuroticism can be regarded as a coping resource in stressful situations as individuals high in neuroticism tend to focus on the associated level of distress rather than engaging in goal-directed behavior (Parkes, 1986; Terry, 1994). Similarly, a high level of leader support can be regarded as a coping resource as a supportive leader provides information and advice that an individual can draw on when confronted with change (Russell, Altmayer, & Van Velzen, 1987; Uchino, Cacioppo, & Kiecolt-Glaser, 1996). Conscientiousness reflects dependability or being thorough, responsible, and organized (Costa & McCrae, 1989). Conscientiousness is likely to be a coping resource as people high on this personality dimension are likely to persevere when faced with change (Barrick & Mount, 1991).

Method

Procedure and Participants

This study was conducted in a large Australian public sector organization, whose primary task involves the strategic development of road infrastructure and the management of an extensive road network. A repeated cross-sectional design was adopted. That is, an organizational change survey was administered one month prior to an employee attitude survey in consecutive years. The data collected in the first year of the study are referred to as Sample 1, while the data collected in the second year of the study are referred to as Sample 2. For the two change surveys, three employees and at least one manager from each work group in the organization were randomly selected to receive the survey. In Sample 1, the change survey was distributed to 745 employees and 599 were returned (response rate = 80.4%). In Sample 2, the change survey was administered to 945 employees and 700 were returned (response rate = 74.1%).

One month after the change survey was administered, an employee attitude survey assessing the coping resources, two control measures, and the two outcomes was distributed to all staff. Three thousand two hundred forty-five surveys were returned in Sample 1 (response rate = 77%). Two thousand eight hundred and sixty-four surveys were returned in Sample 2 (response rate = 63%). Not all survey respondents provided the information required to match the change and employee attitude surveys. As a result, the organizational change survey and employee attitude survey were only able to be matched for 207 respondents in Sample 1 (34% of the change surveys could be matched at Time 1) and 168 respondents in Sample 2 (24% of change surveys could be matched at Time 2). Respondents could not be matched between Sample 1 and Sample 2.

Context of the Study

When the data from Sample 1 were collected, the Director-General of the organization had just moved to another public sector agency after a five-year period with the company. The Director-General was replaced by an internal candidate who faced a difficult task as the previous leader was an extremely popular individual who was often spoken of as a charismatic leader. At the time that the Sample 2 data were collected, there had been a number of additional dramatic and wide-reaching changes in the public sector in the state. In particular, the government had called for voluntary redundancies that resulted in more than 500 individuals leaving the public service. In addition, at this time, the government also began to amalgamate many of the human resource functions in the separate public sector agencies into a single entity. This amalgamation resulted in wholesale changes in the human resource function in the public service.

Development of Organizational Change Measures and Psychological Uncertainty

Items to assess individuals’ perceptions of change were developed after conducting semistructured interviews with employees. Next, the change

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1 The Sample 2 employee attitude data reported in this article (n = 168) is a subset of the data reported in Rafferty & Griffin (in press).
items were administered to more than 200 employees in two pilot studies. A process of iterative item development was adopted such that items that did not load onto their hypothesized factor in the first pilot study were removed or modified (Hinkin, 1995, 1998). The modified set of items was then administered to employees participating in the second pilot study. The result of this process was three three-item change measures and a four-item measure of psychological uncertainty.

Change Surveys

A 7-point Likert scale was used for all of the change scales (see Table 1) and the uncertainty scale. For the transformational change and planned change scales, responses ranged from 1 (not at all) to 7 (a great deal). For the frequency of change and the psychological uncertainty scale, responses ranged from 1 (strongly disagree) to 7 (strongly agree). Employees were asked to respond to the change items, keeping in mind the changes that occurred in their work environment in the past three months.

Transformational change. An example of an item on this scale is as follows: “To what extent have you experienced changes to the values of your unit.” This scale had a Cronbach’s alpha of .89 in Sample 1 and an alpha of .91 in Sample 2.

Planned change. An example of an item on this scale is the following: “Change has involved prior preparation and planning by my manager and work group.” This scale had an alpha of .76 in Sample 1 and an alpha of .90 in Sample 2.

Frequent change. An example of an item on this scale is as follows: “It feels like change is always happening.” This scale had a Cronbach alpha of .76 in Sample 1 and in Sample 2.

Psychological uncertainty. The psychological uncertainty items were developed on the basis of work by Milliken (1987). An example item is the following: “I am often uncertain about how to respond to change.” This scale had a Cronbach’s alpha of .88 in Sample 1 and .91 in Sample 2.

Properties of the change scales. To test whether the measures of change and uncertainty were distinct, we conducted a series of confirmatory factor analyses (CFAs; Anderson & Gerbing, 1988). Three nested CFA models were estimated in Sample 1 (n = 207) and Sample 2 (n = 168). All model tests were based on the covariance matrix and used maximum likelihood estimation as implemented in LISREL 8.3 (Jöreskog & Sörbom, 1996). We tested a one-factor model in which all items loaded onto one factor, a two-factor model in which the uncertainty items loaded onto one factor and change items loaded onto a single factor, and a four-factor model with three change measures plus uncertainty. Table 2 reports the fit indices for these different models in both samples. The results show that the four-factor model was the best fit to the data, with adequate fit indices in both samples. All of the items loaded onto their hypothesized factors (p < .001; see Table 1), and the latent factors explained a substantial amount of variance in the items (R²s ranged from .28 to .77 for Sample 1 and .32 to .96 for Sample 2).

Employee Attitude Surveys

Job satisfaction, neuroticism, and conscientiousness were assessed using a 7-point Likert scale with responses ranging from 1 (strongly disagree) to 7 (strongly agree). Turnover intentions was assessed using a 5-point scale with responses ranging from 1 (definitely not) to 5 (definitely yes). Leader support was assessed on a 5-point scale with responses ranging from 1 (strongly disagree) to 5 (strongly agree).

Job satisfaction. Three items assessed this construct (Hart, Griffin, Wearing, & Cooper, 1996). An example item is the following: “Overall, I am satisfied with my job.” This scale had an alpha of .89 in Sample 1 and in Sample 2.

Turnover intentions. This construct assesses an individual’s intentions to leave his or her job, and was assessed by three items (Hart et al., 1996). An example of an item is as follows: “I seriously intend to seek a transfer

Table 1

Factor Loadings for the Four-Factor CFA in Sample 1 and Sample 2

<table>
<thead>
<tr>
<th>Items</th>
<th>Frequent change</th>
<th>Planned change</th>
<th>Transformational change</th>
<th>Uncertainty</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Change frequently occurs in my unit</td>
<td>.82</td>
<td>.80</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. It is difficult to identify when changes start and end</td>
<td>.53</td>
<td>.57</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. It feels like change is always happening</td>
<td>.84</td>
<td>.80</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Change has involved prior preparation and planning by my manager or unit</td>
<td>.56</td>
<td>.82</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Change has been the result of a deliberate decision to change by my manager/unit</td>
<td>.81</td>
<td>.98</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Change has occurred due to goals developed by my manager or unit</td>
<td>.76</td>
<td>.80</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Large scale changes significantly changing your unit’s goals</td>
<td>.85</td>
<td>.85</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Changes that affect my work unit’s structure</td>
<td>.86</td>
<td>.83</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Changes to the values of my work unit</td>
<td>.87</td>
<td>.84</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. My work environment is changing in an unpredictable manner</td>
<td>.76</td>
<td>.74</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. I am often uncertain about how to respond to change</td>
<td>.80</td>
<td>.85</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. I am often unsure about the effect on change on my work unit</td>
<td>.88</td>
<td>.81</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. I am often unsure how severely a change will affect my work unit</td>
<td>.91</td>
<td>.93</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note. Sample 1 results are presented above Sample 2 results. All items are significant at p < .001. CFA = confirmatory factor analysis.
to another job in the future.” This scale had an alpha of .76 in Sample 1 and in Sample 2.

**Neuroticism.** Five items assessed neuroticism, and three of these items were reverse scored (Costa & McCrae, 1989). An example item in this scale is as follows: “I often feel tense and jittery.” A higher score on this scale indicates higher neuroticism. This scale had a Cronbach alpha of .67 in Sample 1 and Sample 2.

**Conscientiousness.** Five items assessed conscientiousness (Costa & McCrae, 1989). An example item is the following: “I try to perform all the tasks assigned to me conscientiously.” This scale had an alpha of .75 in Sample 1 and an alpha of .71 in Sample 2.

**Leader support.** Three items assessed supportive leadership (Rafferty & Griffin, 2004). An example of an item used in the current study is the following: “My work unit leader sees that the interests of employees are given due consideration.” This scale had an alpha of .92 in Sample 1 and .93 in Sample 2.

**Control measures.** Two control measures were assessed including seniority in the organization and age. Seniority is a measure of an individual’s position in the organizational hierarchy as assessed by his or her job classification. A higher score on this measure indicates that an individual is in a more senior position in the organization. Age was assessed in years.

## Results

First, we estimated an 11-factor CFA model that included latent variables for the three change measures and uncertainty, and that included all other measures as single indicators. This model became the basis for subsequent model tests. Table 3 displays the means, standard deviations, and correlations among the study variables in Sample 1 and Sample 2 for the 11-factor measurement model.

Next, we examined the structural paths between the study measures in Sample 1 and Sample 2. In this model, regression paths from the three change perceptions to psychological uncertainty were estimated, and, in turn, uncertainty was related to job satisfaction and turnover intentions. In addition, direct relationships were estimated between transformational change and satisfaction and turnover intentions and between the frequency of change and turnover intentions. The three change characteristics were allowed to intercorrelate as were the outcome measures. The coping resources (neuroticism, conscientiousness, and leader support) and control variables (age and seniority) were all intercorrelated. Direct relationships were estimated from these five measures to uncertainty, the three change perceptions, and the two outcome measures.

The hypothesized structural model was a good fit to the data in both Sample 1, \( \chi^2(124, N = 207) = 221.88, p < .001\); Goodness of Fit Index (GFI) = .90, Comparative Fit Index (CFI) = .93, Nonnormed Fit Index (NNFI) = .90, root mean square error of approximation (RMSEA) = .06 and Sample 2, \( \chi^2(124, N = 168) = 246.42, p < .001\); GFI = .89, CFI = .93, NNFI = .89, RMSEA = .07. The fit of the hypothesized model was also not significantly different to the fit of the measurement model in Sample 1, \( \Delta \chi^2(2, N = 207) = 0.21, ns \), or in Sample 2, \( \Delta \chi^2(2, N = 168) = 1.09, ns. \) Therefore, we accepted the hypothetical model as an adequate representation of the variances and covariances among the measures.

We next tested whether the key structural paths in the hypothesized model and key correlations between measures, including the relationships among the change factors and uncertainty and the two outcomes measures, were different across the two samples. We used a multigroup comparison in which the structural paths of interest and the correlations among latent variables were constrained to be equal in both samples. The constrained model was not significantly different to the unconstrained model, \( \Delta \chi^2(46, N = 207 in Sample 1 and N = 168 in Sample 2) = 59.54, ns. \) This result suggests that differences in values of the structural paths and correlations of the two samples can be attributed to sampling error. Therefore, we tested the final model using the paths from the constrained model. The hypothesized paths between the change perceptions, psychological uncertainty, and outcomes are depicted in Figure 1. The structural paths between the coping resources and control measures and the substantive measures are reported in Table 4.

Hypothesis 1A was supported as the planning of change was significantly negatively associated with psychological uncertainty (\( \beta = -.17, p < .01 \)). Hypothesis 1B was also supported as the frequency of change was positively associated with uncertainty (\( \beta = .55, p < .001 \)). In contrast, Hypothesis 1C was not supported as transformational change was not significantly associated with uncertainty (\( \beta = .10, p > .05 \)).

Hypothesis 2A was supported as uncertainty was negatively related to satisfaction (\( \beta = -.15, p < .01 \)), and positively related to turnover intentions (\( \beta = .17, p < .01 \)). Hypothesis 2B was supported by results from the Sobel Test (Sobel, 1982), which showed the indirect path from planning to satisfaction was significant (Sobel = 1.20, \( p < .05 \); indirect effect = .03, \( p < .05 \)). Hypothesis 3C was supported as the frequency of change was directly related to both satisfaction (Sobel = −2.25, \( p < .05 \);
Means, Standard Deviations, and Factor Intercorrelations for Sample 1 and Sample 2 for the 11-Factor Measurement Model

### Table 3

<table>
<thead>
<tr>
<th>Variable</th>
<th>Sample 1 M</th>
<th>Sample 1 SD</th>
<th>Sample 2 M</th>
<th>Sample 2 SD</th>
<th>Correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>36.42</td>
<td>10.67</td>
<td>39.14</td>
<td>10.95</td>
<td>-.38***</td>
</tr>
<tr>
<td>Seniority</td>
<td>4.51</td>
<td>2.35</td>
<td>4.63</td>
<td>2.23</td>
<td>.27***</td>
</tr>
<tr>
<td>Neuroticism</td>
<td>3.34</td>
<td>1.01</td>
<td>3.47</td>
<td>1.13</td>
<td>.02</td>
</tr>
<tr>
<td>Coping resources</td>
<td>3.31</td>
<td>0.95</td>
<td>3.46</td>
<td>1.08</td>
<td>-.14*</td>
</tr>
<tr>
<td>Transform. change</td>
<td>3.44</td>
<td>1.70</td>
<td>3.36</td>
<td>1.64</td>
<td>.19***</td>
</tr>
<tr>
<td>Planned change</td>
<td>4.12</td>
<td>1.24</td>
<td>4.38</td>
<td>1.48</td>
<td>.14*</td>
</tr>
<tr>
<td>Frequency of change</td>
<td>3.64</td>
<td>1.42</td>
<td>3.64</td>
<td>1.34</td>
<td>.17*</td>
</tr>
<tr>
<td>Psychological uncertainty</td>
<td>2.11</td>
<td>.99</td>
<td>2.77</td>
<td>1.03</td>
<td>.18**</td>
</tr>
</tbody>
</table>

Note. Sample 1 correlations are reported above the diagonal and Sample 2 correlations are reported below the diagonal. n = 167 in Sample 1. **p < .01. ***p < .001.

### Discussion

A key contribution of this study is the identification of three characteristics of change events that influence individuals’ response to change and, ultimately, their job satisfaction and turnover intentions. Our study shows that individuals perceive and differentiate the frequency of change, the planning involved in change, and the impact of change, and provides a new way of conceptualizing and measuring salient features of change that individuals encounter in organizations. Because these constructs describe general features of change in an environment, we expect them to be relevant in most organizations experiencing change.

Individuals’ perceptions of these three aspects of change were related, in expected and meaningful ways, to job satisfaction and turnover intentions. Specifically, the planning of change was indirectly positively related to job satisfaction and indirectly negatively related to turnover intentions, mediated through psychological uncertainty. The frequency of change was indirectly negatively associated with satisfaction and positively associated with turnover intentions via uncertainty. In contrast, transformational change was not significantly associated with uncertainty. Rather, transformational change displayed a direct positive relationship with intentions to turnover. This result provides support for the unfolding model of turnover (Lee et al., 1996), which suggests that “shocks to the system” jar employees toward deliberate decisions about their jobs and, perhaps, to voluntarily quit their jobs. Transformational changes represent modifications to core aspects of a firm, and such changes appear to encourage people to carefully consider their position in an organization.

Results also suggest that supportive leadership had a strong impact on all three change perceptions. This finding suggests that it is important to ensure that leaders understand the need to provide support and consider individuals’ needs in a changing environment. Specifically, employees with supportive leaders reported less transformational change and less frequent change, and also reported that more planned change had occurred. Individuals with supportive work unit leaders also reported experiencing less psychological uncertainty than individuals who did not report that

### Hypotheses

Hypothesis 3A was partially supported. There was a significant direct path from transformational change to turnover intentions (β = 2.11, p < .01), but not to satisfaction (β = .02, ns). Hypothesis 3B was not supported as the frequency of change was not directly negatively related to satisfaction (β = .07, ns) or turnover intentions (β = -.07, ns).

Table 4 indicates that the control measures and the coping resources accounted for 7% of the variance in perceptions of the frequency of change, 3% of the variance in perceptions of the planning in change, and 4% of the variance in the transformational change perceptions. Figure 1 shows that the control measures, coping resources, and the change perceptions accounted for 48% of the variance in uncertainty. Finally, the control measures, coping resources, and the change perceptions accounted for 37% of the variance in job satisfaction and 23% of the variance in turnover intentions.
their leader was supportive. In addition, individuals in more senior positions within the organization reported more planned change and that change was more frequent than did individuals lower in the hierarchy. The findings regarding seniority are not surprising as individuals at a higher level in the organization are more likely to be involved in planning and deliberating about organizational changes. In addition, more senior employees are also more likely to receive more information about key strategic events occurring in the company, including organizational change.

Another contribution of this study was the development of multi-item measures of change perceptions, which were found to be reliable and can be used in future studies when assessing characteristics of change that influence employees’ attitudes. It is important that researchers use a standard set of measures to assess individuals’ perceptions of the change context so as to enable comparison of findings across studies.

One area for future research concerns examining additional elements of the transactional model including secondary appraisal, coping strategies, and emotional responses. In addition, while job satisfaction and turnover intentions are important outcomes, a range of other indicators of adjustment should be assessed including psychological well-being (Terry et al., 1996) and distress (Gowan et al., 1999), in addition to the coping strategies selected in response to change (Terry, 1994; Terry et al., 1996).

Strengths and Limitations

An important strength of this article was the separate measurement of change perceptions and employee attitudes so as to reduce the effects of common method variance. Ostroff, Kinicki, and Clark (2002) reported that the temporal separation of administration of measures is a valid approach to reducing response bias associated with common method variance. In addition, this study utilizes a repeated cross-sectional design that allows us to determine the extent to which results are replicable and enhances our confidence in the findings.

<table>
<thead>
<tr>
<th>Table 4</th>
<th>Standardized Paths for the Relations Between the Control Measures and Coping Resources and the Change Perceptions and Outcomes in the Constrained Multigroup Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variable/Resource</td>
<td>Transformational change</td>
</tr>
<tr>
<td>Control variable</td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>.07</td>
</tr>
<tr>
<td>Seniority</td>
<td>.10</td>
</tr>
<tr>
<td>Coping resource</td>
<td></td>
</tr>
<tr>
<td>Neuroticism</td>
<td>.01</td>
</tr>
<tr>
<td>Conscientiousness</td>
<td>.05</td>
</tr>
<tr>
<td>Leader support</td>
<td>-.15**</td>
</tr>
<tr>
<td>Variance explained</td>
<td>.04</td>
</tr>
</tbody>
</table>

*p < .05. **p < .01. ***p < .001.
A number of limitations of our study should also be noted. In particular, we focused on processes at the individual level of analysis. Further research should investigate processes at other levels. For example, it will be important to obtain measures of change events at the group and organization level that are independent of respondent perceptions. A limitation of the study was that uncertainty was measured in the same survey as the change characteristics. As a result, we have not eliminated the common method variance issue in regard to the relationships between the change characteristics and the cognitive appraisal of uncertainty.

Another limitation is the issue of reverse causality. We have argued that perceptions of change influence uncertainty and satisfaction as well as turnover intentions. However, it is possible that the reverse relationship is in operation. For example, it may be that high levels of job dissatisfaction and uncertainty are responsible for people reporting that change is very frequent, that a great deal of transformational change has occurred, and that change has involved little preparation and planning prior to implementation. To distinguish whether change perceptions influence uncertainty and outcomes or whether job dissatisfaction and uncertainty influence change perceptions, there is a need to conduct a longitudinal examination of these relationships. Finally, a further limitation of this study was that both samples of respondents were obtained from the same public sector organization. As such, any findings obtained may reflect unique characteristics of the organization under study.

References


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