

# Impact of Employee Readiness for Change on Productivity in Indian Higher Education Institutions

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**Abstract**—This study examines organizational ambidexterity, employee readiness to change, and the factors influencing it within the context of Indian higher education. Employing an opinion survey approach, data were collected from 341 employees across various higher education institutions (HEIs) in India. The structural equation modeling (SEM) methodology was used to assess the suggested model. The results indicate that the hypothesized relationships have significant and positive implications. These findings offer valuable insights for academicians, corporate decision-makers, HR managers, and policymakers, emphasizing the importance of understanding the change management process and focusing on initiatives that enhance employees' skills and capabilities. In the long run, HEIs play a vital role in achieving the vision and objectives of the Indian government. To improve productivity and efficiency, it is imperative that employees are adequately prepared for the forthcoming transformations in the education sector.

**Keywords**— Higher Education, organizational ambidexterity, decision-makers.

## I. INTRODUCTION

In today's fast-paced, technology-driven business environment, organizations must undergo continuous transformation to remain competitive and relevant (Bohunovsky et al., 2020; Islam et al., 2021). In an era of intense market competition, businesses that fail to adapt to rapid industry changes risk losing their market position (Hanelt et al., 2021). To secure long-term survival and gain a competitive edge, organizations are increasingly focusing on strategic adaptation and transformation initiatives.

This need for change is equally critical in the higher education sector, which encompasses a diverse range of institutions—colleges, universities, and autonomous institutes—funded by both public and private sources (Kang et al., 2022). Higher education institutions (HEIs) face mounting challenges in meeting the evolving expectations of their primary stakeholders, particularly students. The COVID-19 pandemic intensified these challenges, compelling HEIs to swiftly adopt digital solutions and online teaching methodologies to ensure learning continuity and operational efficiency (Márquez-Ramos, 2021; Marks et al., 2021).

In this situation, a crucial factor in managing uncertainty and promoting change is an employee's readiness to change (ERC). Readiness for change reflects an organization's capacity to embrace new processes, structures, and strategies,

and has gained increasing attention from both scholars and practitioners (Soderstrom & Weber, 2020; Ndahiro et al., 2015). A growing body of evidence links readiness for change to a variety of organizational outcomes, including ambidexterity, sustainability, knowledge sharing, and overall performance (Diogo et al., 2015; Aslam et al., 2018).

One of the most influential frameworks in change management, Kurt Lewin's three-step model—unfreezing, change, and refreezing—emphasizes that sustainable transformation depends on stabilizing human behaviors (Lewin, 1951). Understanding the factors that influence employees' willingness to adapt is crucial, as employees are the central agents of change (Petrou et al., 2018; Goswami, 2020). Moreover, ERC can foster organizational ambidexterity (OAX) by promoting innovation, enhancing flexibility, and encouraging calculated risk-taking (Kosasih et al., 2020). Organizations with high flexibility are better equipped to respond to volatile environments and secure competitive advantages.

Despite the growing recognition of ERC's importance, there is a notable gap in research exploring its determinants and outcomes in the context of higher education—particularly within India. This study seeks to fill this gap by empirically examining the relationship between ERC, OAX, and their key influencing factors in Indian HEIs. The findings aim to contribute to the literature on change management while providing actionable insights for policymakers, administrators, and academic leaders in developing effective transformation strategies.

The remainder of this paper is structured as follows: the next section reviews relevant literature, followed by a detailed account of the research methodology and empirical findings. Subsequent sections discuss the results in light of existing research, outline practical implications, acknowledge limitations, and propose avenues for future studies.

## II. REVIEW OF LITERATURE

### *Trust in Management and Employee Readiness to Change*

Trust is often considered from the perspective of leaders and top management, but it can also apply at the team level or even in broader workplace contexts (Collins & Smith, 2006). Prior studies emphasize that trust is a critical element of successful organizational collaboration (Blau, 1964; Mayer &

Gavin, 2005). Research in positive organizational behavior has consistently found strong associations between trust, prosocial behavior, job satisfaction, well-being, work–life balance, and job involvement (Laschinger et al., 2012; Singh & Srivastava, 2016; Kelloway et al., 2012).

Employee readiness to change reflects an individual's willingness and confidence to adapt to new organizational directions. Trust plays a crucial role in fostering supportive behaviors during uncertainty, reducing resistance and anxiety, and promoting alignment with organizational goals (Xu et al., 2016). Supportive work environments enhance employee confidence, enabling them to overcome change-related challenges more effectively.

Trust in management also minimizes ambiguity and misinformation during transitions, reducing the spread of rumors and fear (Weisbord, 1992). Employees who trust their leaders are more likely to communicate openly, express concerns, and respond positively to organizational shifts (Tyler et al., 1996). Studies show that organizational trust is integral to successful change (Buono et al., 1989), with managerial credibility significantly influencing employees' acceptance of change (Shah, 2014). Similar evidence links managerial trust with organizational readiness for change (Oreg & Berson, 2011), while peer support further reduces insecurities and fosters a positive environment (Eby & Russell, 2000).

Based on these insights, the following hypothesis is proposed:

H1: There is a significant relationship between trust in management and employee readiness to change.

#### *Psychological Capital and Employee Readiness to Change*

In dynamic work environments, *psychological capital* (PsyCap)—comprising self-efficacy, optimism, hope, and resilience—plays a vital role in shaping employees' self-perceptions and adaptability (Luthans et al., 2015; Lorenz et al., 2016). Readiness for change includes attitudes and beliefs about change initiatives, removal of barriers, and supportive organizational culture (Armenakis & Harris, 2002; Cameron & Quinn, 2011).

PsyCap has been shown to improve competitiveness, reduce costs, and enhance positive work outcomes (Wang et al., 2015; Wanberg & Banas, 2000). Employees with higher self-efficacy are more likely to accept change (Avey et al., 2008), exhibit proactive behaviors (Elias, 2009), and maintain resilience under pressure (Maddux, 2002). Conversely, low self-efficacy can limit adaptability (Akhtar et al., 2013). Prior research also links optimism and self-efficacy with adaptability in organizational change (Emsza et al., 2016; Andrew & Mohankumar, 2017; Kumar & Kamalanabhan, 2005).

Self-monitoring, the ability to adjust behavior according to environmental and social cues, further supports readiness for change (Bovey & Hede, 2001). High self-monitors adapt better to evolving organizational contexts (Goksoy et al., 2012; Rafferty & Simons, 2006).

Based on the literature, the following hypothesis is proposed:

H2: Psychological capital has a significant relationship with employee readiness to change.

#### *Perceived Organizational Support and Employee Readiness to Change*

Perceived organizational support (POS) refers to employees' beliefs that their organization values their contributions and cares for their well-being (Eisenberger & Stinglhamber, 2011; Kurtessis et al., 2017). Grounded in social exchange theory, POS motivates employees to reciprocate with positive attitudes and behaviors.

When psychological and social needs—such as recognition and belonging—are met, employees are more likely to embrace change (Eisenberger et al., 1986). Supported employees feel an obligation to contribute to organizational success (Kurtessis et al., 2017) and are more willing to trust leadership during change (Self et al., 2007). In addition to enhancing security and commitment, POS may also shield against emotional weariness during transitions (Turgut et al., 2016).

### III. METHODOLOGY

This research employed in-depth interviews with 341 employees from various higher education institutions (HEIs) in Odisha, India. A non-probability sampling approach was adopted, specifically combining convenience sampling and purposeful sampling techniques. Prior to data collection, participants were informed about the study's objectives, and voluntary participation was sought. They were assured of the confidentiality and anonymity of their responses to encourage openness and honesty.

The focus on India's higher education sector stems from its critical role as a driver of economic growth and global competitiveness. India possesses one of the largest HEI networks in the world. According to the IBEF (2022) report, the Gross Enrolment Ratio (GER) in Indian higher education for FY20 was 27.1%. The Indian government has introduced several initiatives to enhance the quality, innovation, and research capacity of HEIs, supported by increased funding.

Given this context, examining the perspectives of higher education professionals offers valuable insights into existing human resource (HR) practices and change-readiness in the sector. This focus aligns closely with the study's overarching aim of exploring the interplay between employee readiness to change and organizational ambidexterity within Indian HEIs.

#### *Questionnaire Design and Data Collection*

To minimize the possibility of response bias, considerable effort was devoted to designing the study questionnaire. Prior research served as a foundation for developing the overall scale, ensuring that the final set of assessment items was relevant to our research context and objectives. Particular attention was given to preventing confusion or errors among respondents while completing the questionnaire. Accordingly, a brief explanation of each research construct was provided to the participants.

The questionnaire covered two broad sections: (1) the research constructs, and (2) the sociodemographic details of the respondents. To capture responses, a seven-point Likert

scale was employed, where 1 denoted *strongly disagree* and 7 denoted *strongly agree*. In total, 356 questionnaires were collected. After removing responses with missing values or duplicated entries, 341 valid samples were retained for empirical testing to verify the proposed relationships.

IV. RESULTS

*Descriptive Statistics, Normality, and Reliability Estimation*

Descriptive statistics were assessed to understand the patterns and characteristics of the study variables. This preliminary analysis provided insights into the distributional properties of the data and facilitated the assessment of normality. The primary purpose of conducting descriptive analysis was to convert the raw data into meaningful and concise summaries. This step also served to confirm the suitability of the dataset for further statistical analyses. Table 1 presents the descriptive values for all study items.

TABLE 1. Descriptive statistics of the study items

| Items | Mean | Std. Dev. | Skewness | Kurtosis |
|-------|------|-----------|----------|----------|
| ERC1  | 5.37 | 1.28      | -.43     | -.90     |
| ERC2  | 5.45 | 1.18      | -.49     | -.79     |
| ERC3  | 5.44 | 1.27      | -.60     | -.23     |
| ERC4  | 5.44 | 1.21      | -.47     | -.56     |
| ERC5  | 5.29 | 1.20      | -.30     | -.59     |
| ERC6  | 5.53 | 1.07      | -.55     | -.35     |
| PSC1  | 5.92 | .80       | -1.07    | 1.69     |
| PSC2  | 5.87 | .85       | -1.04    | 1.42     |
| PSC3  | 5.73 | .81       | -.96     | 1.43     |
| POS1  | 5.86 | .98       | -1.20    | 1.97     |
| POS2  | 5.89 | .92       | -.96     | .76      |
| POS3  | 5.83 | .97       | -1.12    | 1.48     |
| POS4  | 5.89 | .94       | -1.35    | 3.13     |
| OAX1  | 5.32 | 1.14      | -1.79    | 3.20     |
| OAX2  | 5.36 | 1.04      | -1.84    | 3.83     |
| OAX3  | 5.47 | 1.07      | -1.93    | 3.94     |
| OAX4  | 5.29 | 1.06      | -1.44    | 2.59     |
| OAX5  | 5.43 | 1.03      | -1.90    | 3.87     |
| TRM1  | 5.30 | 1.42      | -.75     | .09      |
| TRM2  | 5.43 | 1.41      | -.79     | -.07     |

|      |      |      |      |     |
|------|------|------|------|-----|
| TRM3 | 5.38 | 1.33 | -.78 | .18 |
| TRM4 | 5.58 | 1.34 | -.95 | .45 |

Note: OAX: Organizational Ambidexterity; TRM: Trust in Management; POS: Perceived Organizational Support; ERC: Employee Readiness to Change; PSC: Psychological Capital.

As presented in Table 1, the normality assumptions are satisfactorily met based on skewness and kurtosis statistics. The skewness values range from -1.93 to -0.30, while the kurtosis values range from -0.90 to 3.94. According to Hair et al. (2010), skewness should not exceed ±2 and kurtosis should not exceed ±5 for acceptable normality. Therefore, the dataset demonstrates sufficient normality for further analysis.

The measurement scale comprised 22 items, distributed across five constructs: ERC (6 items), OAX (5 items), TRM (4 items), PSC (3 items), and POS (4 items). Scale reliability, assessed through Cronbach’s α, yielded a value of 0.796. Since values above 0.70 are considered acceptable for internal consistency (Nunnally & Bernstein, 1994), the reliability level is deemed adequate for statistical analysis.

*Measurement Model Evaluation*

The measurement model was assessed using Confirmatory Factor Analysis (CFA). Each item was restricted to load on its designated construct, while the constructs were allowed to correlate freely. The average variance extracted (AVE), standardized factor loadings, and composite reliability (CR) were used to evaluate construct validity.

The CR values ranged from 0.832 to 0.923, exceeding the recommended threshold of 0.70 (Fornell & Larcker, 1981). Similarly, both the AVE values and standardized factor loadings were above the recommended minimum of 0.50 (Hair et al., 2010). Table 2 presents the construct validity results for the study items.

TABLE 2. Construct validity measures for the study items

| Construct                        | Measurement item | Std. factor loadings | Composite Reliability | Average variance extracted |
|----------------------------------|------------------|----------------------|-----------------------|----------------------------|
| Perceived Organizational Support | POS1             | .762                 | .845                  | .578                       |
|                                  | POS2             | .692                 |                       |                            |
|                                  | POS3             | .791                 |                       |                            |
|                                  | POS4             | .793                 |                       |                            |
| Employee readiness to change     | ERC1             | .811                 | .923                  | .668                       |
|                                  | ERC2             | .872                 |                       |                            |
|                                  | ERC3             | .830                 |                       |                            |
|                                  | ERC4             | .857                 |                       |                            |
|                                  | ERC5             | .775                 |                       |                            |
|                                  | ERC6             | .754                 |                       |                            |
| Organizational ambidexterity     | OAX1             | .722                 | .892                  | .623                       |
|                                  | OAX2             | .773                 |                       |                            |
|                                  | OAX3             | .809                 |                       |                            |
|                                  | OAX4             | .849                 |                       |                            |
|                                  | OAX5             | .788                 |                       |                            |
| Trust in management              | TRM1             | .730                 | .883                  | .660                       |
|                                  | TRM2             | .952                 |                       |                            |
|                                  | TRM3             | .890                 |                       |                            |
|                                  | TRM4             | .639                 |                       |                            |
| Psychological capital            | PSC1             | .871                 | .832                  | .623                       |
|                                  | PSC2             | .747                 |                       |                            |
|                                  | PSC3             | .744                 |                       |                            |

V. CONCLUSION

In today’s fast-changing, dynamic, and competitive environment, organizational transformation has become an essential element of the organizational life cycle. Organizations must continuously adapt to sustain growth, remain competitive, and achieve long-term success (Battilana et al., 2010). The COVID-19 pandemic has further accelerated the pace of change, particularly in the education sector. Higher education institutions (HEIs) have had to rapidly embrace digital technologies and online learning strategies to meet evolving student needs.

Given these circumstances, it is imperative for HEIs to enhance their capacity to serve students effectively, align with societal goals, and contribute to economic development. Yet, past research highlights that implementing organizational change is often complex, with many initiatives yielding only partial or moderate success (Kwahk & Lee, 2008; Osterman, 2000).

The present study empirically examined the interrelationships between organizational ambidexterity, employee readiness to change, and its antecedents in the Indian higher education context. The findings validate the proposed model, demonstrating that employee readiness to

change plays a significant role in enabling organizational ambidexterity. This suggests that HEIs seeking to navigate the demands of a digital and competitive era must invest in fostering a culture of trust, psychological capital, and organizational support to prepare their employees for change.

Ultimately, the research contributes to both theory and practice by offering evidence-based insights into how HEIs can effectively manage transformation, balancing the dual demands of innovation and operational efficiency. By focusing on employee readiness, institutions can position themselves to adapt successfully to emerging challenges while sustaining long-term performance and societal impact.

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