

“It would appear a logical next step is to apply the mechanism of psychological safety to ameliorating the emotional components of organizational change. Addressing those affective reactions in productive ways would enhance the physical and psychological health of employees as well as the success of organizations.”

Impact of Employees’ Perceptions and Reactions to Change on Their Performance

Results of Two Field Studies

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Abstract

Organizational development professionals and leaders are squarely in the midst of this 21st century “stew” of challenges and opportunities that result from rapid and constant change and are in a key position to mitigate costs of change—and ideally amplify the benefits. An important aspect of this is understanding organizational change from change recipients’ perspectives. The purpose of this research was to empirically investigate the intermediate role of employee reactions to change on change performance. The research involved two phases. Study 1 pilot tested the survey instrument and examined the relationships among different components of employee reactions. Study 2 explored how novelty seeking affected employee reactions to change and, subsequently, their impact on supervisory ratings of employee change performance. It was found that novelty seeking affected three different cognitive appraisals—perceived personal and organizational benefits and change self-efficacy, which in turn influenced affective and behavioral reactions. Affective reactions provided incremental validity over behavioral reactions for predicting supervisory ratings of employee change performance. The paper then discussed the practical implications of the findings.

Keywords: organizational change, reactions to change, change attitude

Introduction

In 1947, Kurt Lewin published his classic three-stage model of change. He asserted that the change process first consisted of “unfreezing” old, established ways of behaving, then “changing” them to new, desired approaches, and finally “refreezing” or solidifying those new behaviors in order to maintain and sustain them. Although this model might have worked during the past, it is no longer adequate to address the turbulent times in which we live and work. Change is constant, rapid-fire and often cannot be anticipated. Employees are continually asked to modify their behaviors, so the concept of “unfreezing” and

“refreezing” seems inappropriate today. Rather, it feels like employees are working in a constant state of “slush!”

Rapid technological advances, changing industrial trends, geopolitical risks, shifting customer expectations, generational differences across employees, and economic volatility have resulted in unforeseen environmental uncertainty. In response to those heightened business pressures and competitive challenges, change has become a constant as organizations adapt and attempt to survive in this turbulent work world (Stouten, Rousseau, & DeCremer, 2018). A July 2024 survey of employees by PwC noted that “change is everywhere, it’s constant and it’s affecting

multiple aspects of their jobs” (Brown, 2024). The survey indicated that 34–45 percent of those surveys indicated changes in one or more of the following: workload, technology tools, team structure, daily responsibilities, nature of the role or ways of collaborating.

The Challenges of Change

Despite all the leadership attention and vast sums of money devoted to implementing organizational changes, they often fail to achieve their intended goals (House & Steel, 2022; Meckl & Röhrle, 2016). The statistics are alarming. Between 21–30% of an organization’s operating costs are spent

can become more proactive in developing greater *change capability* within organizations. Clearly, organizational development professionals and leaders who can effectively support organizations to better navigate change are in a key position to mitigate costs of change—and ideally amplify the benefits.

Influences on Change Capability

“Change capability is focused on an organization’s deliberate, purposeful, and preemptive investment in building the organizational and system-level resources that will enable the successful navigation of current and future change” (Albrecht

Organizational development professionals and leaders are squarely in the midst of this 21st century “stew” of challenges and opportunities that result from rapid and constant change. We face a choice of supporting organizations in dealing with the aftermath of change — burnout, mental health challenges and failed change interventions. Or, alternatively, can become more proactive in developing greater *change capability* within organizations. Clearly, organizational development professionals and leaders who can effectively support organizations to better navigate change are in a key position to mitigate costs of change—and ideally amplify the benefits.

on change programs (PwC, 2021). Yet, it is estimated that 70% of change programs fail (Ewenstein, Smith, & Sologar, 2015); 55% of employees report chronic stress in response to change (American Psychological Association, 2017); and 73% of employees report being near, at, or past the point of change saturation (Prosci, 2023).

Organizational development professionals and leaders are squarely in the midst of this 21st century “stew” of challenges and opportunities that result from rapid and constant change. We face a choice of supporting organizations in dealing with the aftermath of change — burnout, mental health challenges and failed change interventions. Or, alternatively,

& Roughsedge, 2022, p. 393). It has been referred to as a “meta-capability” that allows organizations to thrive in dynamic environments and include employee attitudes, leadership capabilities and organizational infrastructure (Judge et al., 2009). A crucial aspect of building organizational change capability is influencing and managing employee attitudes and commitment to change initiatives.

Traditionally, researchers and practitioners have focused on macro-level and systemic factors (Yang, Choi, & Lee, 2018). However, a surge of research at the individual level during the past 15 years has demonstrated the importance of understanding organizational change from the

change recipients’ perspectives (e.g., Bartunek, Rousseau, Rudolph, & Depalma, 2006). Oreg and his colleagues (2011) integrated several decades of research on organizational change and built an overarching framework in which they identified three explicit recipients’ reactions to change. They positioned them as intermediate factors that mediate the impact of other macro- and micro-level factors on change outcomes.

Existing research has tended to focus on only some aspects of recipients’ perceptions and reactions to change in isolation. The purpose of this paper is to describe empirical research conducted including all three explicit recipients’ reactions to change. Furthermore, the study overcomes a common methodological bias that has often existed in previous quantitative studies (i.e., using self-ratings exclusively to measure both the independent and dependent variable; see Rafferty, Jimmieson, & Armenakis, 2013).

Theoretical Background

Multidimensional Conceptualization of Employee Perceptions and Reactions

Theorists have acknowledged that a critical factor to managing organizational change is understanding how it is “experienced by change recipients” (Rafferty & Jimmieson, 2017). Experiences are idiosyncratic and subjective in nature. The same change event may be experienced quite differently by different individuals (Kern & Zapf, 2021). This variety in perceptions and reactions has been reflected in a lengthy list of constructs applied by scholars to describe individuals’ reactions to change (Bouckenooghe, 2010). Some researchers have used *positively* laden terms such as openness to change (Axtell, Wall, Stride, & Petter, 2002), readiness for change (Holt, Armenakis, Feild, & Harris, 2007), and commitment to change (Cunningham, 2006). Other scholars have studied organization change from *negative* angles, applying phrases such as resistance to change (Pardo del Val & Fuentes, 2003), change cynicism (Andersson, 1996), and change fatigue (Bernerth, Walker, & Harris, 2011).

While those diverse ways of conceptualizing individuals' perceptions and reactions to change have enriched the literature, they also have created a fragmented and complicated picture of the field. To provide an integrative view of change recipients' experiences, Oreg et al. (2011) reviewed and classified several key variables that appeared in previous quantitative studies. Their effort led to the development of a multidimensional conceptualization of change, consisting of the following three major components: (a) cognitive, (b) affective, and (c) behavioral. Prior constructs tended to focus on only some aspects of change recipients' responses. For instance, the initial definition of readiness for change emphasized recipients' beliefs, which was primarily a cognitive construct (Armenakis, Harris, & Mossholder 1993). Likewise, Cox and his colleagues (2020) defined change fatigue as the exhaustion employees experience from organizational changes, which represents a type of emotional reaction.

Different components provide several types of information that impact individuals' overall evaluative judgments about organizational changes (Rafferty et al., 2013). The delineation of different components and the investigation of relationships among them can help facilitate an understanding of the mechanism through which people respond to distinct types of changes.

The Intermediate Role of Employees' Perceptions and Reactions to Change

Drawing on Transactional Stress Theory (TST; Lazarus & Folkman, 1984), Oreg, Bartunek, Lee, and Do (2018) proposed an affect-based model of recipients' responses to changes. According to the TST, change events are not the direct sources of affective responses. Rather, the cognitive appraisal of the situation plays a central role in the onset of *subsequent* emotional and behavioral reactions. Individuals develop either positive or negative affective reactions to changes depending on their cognitive appraisals (perceptions) of them. For example, experienced distress occurs when an individual perceives the situation as too demanding or threatening; thus, exceeding

one's resources to deal effectively with it. Oreg et al. (2018) further theorized a correspondence between affective and behavioral reactions. These authors hypothesized that individuals were likely to demonstrate supportive behaviors when they felt (perceived) positive about a change event. For the same reason, individuals would resist a change initiative when they felt negative about it.

Impact of Cognitive Reactions

Sensemaking is a fundamental human motivation (Chater & Loewenstein, 2016). During the sensemaking process, individuals construct their cognitive schemas or maps, which eventually manifest as attitudes about a change (Weber & Manning, 2001). As such, individual sensemaking is essential to understanding how people view and react both emotionally and behaviorally to a wide range of situations including organizational changes. Even Cognitive Behavioral Therapy (CBT)—considered the gold standard—is based on the concept that the way we think about things affects how we feel emotionally (Daniel, Cristea, & Hofmann, 2018).

Lazarus (1991) described a sequence of two different appraisals—primary and secondary. During *primary appraisal*, individuals assess the degree of benefit or harm they will receive in an event. Beneficial appraisals most likely result in positive attitudes toward changes; whereas harmful appraisals yield negative attitudes. The readiness for change literature identified two types of benefits: (a) personal and (b) organizational benefits (Holt et al., 2007). All else being equal, it would seem likely that individuals who perceive a change initiative leading to personal and organizational benefits are likely to experience positive emotions toward the change. Consequently, it is hypothesized:

H1: Perceived *personal* benefits will be related to positive affective reactions to change.

H2: Perceived *organizational* benefits will be related to positive affective reactions to change.

During *secondary appraisal*, individuals assess the degree to which they can cope with the event and control its outcomes (Lazarus, 1991). Change events can be perceived either as a *challenge* or a *threat* (Kern & Zapf, 2021). Challenge results from the judgment that one has the necessary resources to cope, while threat from the judgment that one does not. An individual's change-related self-efficacy (hereafter, referred to as "change self-efficacy") represents an important coping resource (Jim-mieson, Terry, & Callan, 2004). Employees who lack the confidence in meeting the demands of organizational changes are likely to focus their attention on the feeling of incompetence, which will be accompanied by negative affective reactions. On the contrary, those employees with high change self-efficacy are likely to be excited by the challenge, and for this reason are expected to experience positive emotions during the change. Therefore, it is hypothesized:

H3: Change self-efficacy will be associated with positive affective reactions to change.

Impact of Affective Reactions

The importance of recipients' emotional responses to change has long been recognized in the change literature. Many studies have focused on negative affective reactions, such as change anxiety (Pater-son & Cary, 2002), change-related stress (Bordia, Jones, Gallois, Callan, & Difon-zon, 2006; De Meuse, Marks, & Dai, 2011), and change fatigue (Bernerth et al., 2011). Nevertheless, there also have been studies using a positive frame and measuring factors such as pleasantness and arousal toward changes (Mossholder, Settoon, Armenakis, & Harris, 2000), affective commitment to change (Cunningham, 2006), and hope and optimism (Strauss, Niven, McClelland, & Cheung, 2015).

The Broaden-and-Build Theory of emotions (see Fredrickson, 2001) provides a possible explanation of the impact of positive emotions on organizational change. Positive emotions broaden one's awareness and encourage exploratory thoughts

and actions. Consequently, those emotions can promote employee acceptance and adaptability. The experience of positive emotions facilitates approach behavior, prompting individuals to engage with rather than withdraw from their environments. Positive emotions encourage individuals to focus on new possibilities rather than constraints; therefore, they are likely to be associated with a greater openness to change.

The impact of negative emotions in organization change can be interpreted using the Conservation of Resources Model

H4: Positive affective perceptions of change will be related to change-supportive behaviors.

Impact of Behavioral Reactions

Behavioral reactions to change have been conceptualized either as “explicit behaviors” or as reported “intentions to behave” (Oreg et al. 2011). *Supportive* behavioral reactions can manifest at various levels of activation, ranging from acceptance (Patterson & Cary, 2002) and compliance (Lam & Schaubroeck, 2000) to more active participation and engagement in the change

change consists of both cognitive and affective components. Therefore, Rafferty and his colleagues considered change-supportive behaviors as a set of outcomes rather than a component of change attitude.

Building on the stress literature (e.g., Lazarus, 1999), Oreg et al. (2018) argued that cognitive, affective, and behavioral components are always conjoined and interdependent in nature. These authors asserted that the three components together define recipients’ reactions to change.

Both Oreg et al. (2011) and Rafferty et al. (2013) have identified methodological limitations in the extant literature. For example, most quantitative studies have relied solely on self-reports for all variables, subjecting findings to the potential of mono-method bias. In this research, supervisory ratings of employee performance related to organizational change are used as the outcome measure. It is not job performance per se that has been traditionally measured in literature, but rather the aspect of performance that contributes to the successful implementation of change initiatives. Oreg et al. (2011) placed all three types of employee reactions to change as intermediate variables. We hypothesize that behavioral reactions have a closer relationship with supervisory ratings of change performance, because employee supportive behaviors are more visible to managers than cognitive and affective reactions. It is hypothesized that cognitive and affective reactions impact supervisory ratings of change performance *through* behavioral reactions. Therefore, it is hypothesized:

H5: Employee change-supportive behaviors will be related to supervisory ratings of employee change performance.

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(see Hobfoll, 1989), which suggests that individuals possess a limited number of valued resources and are motivated to retain, protect, and acquire new sources as a valued commodity. The overwhelming feeling of stress and uncertainty associated with organizational changes often result in emotional exhaustion (Bernerth et al., 2011; Cox et al., 2020). Exhausted individuals are likely to refrain from investing additional resources into their work to avoid further resource depletion and thereby reduce their support for change. Hence:

process (Cunningham et al., 2002). Likewise, *non-supportive* behavioral reactions probably vary by level of activation, ranging from passive responses such as inaction and sarcasm (Beaudan, 2006) to more active responses such as passive aggressiveness or subtle resistance (Stanley, Meyer, & Topolnysky, 2005) to actively resisting the change (Oreg, 2006).

There is a debate in the literature with regard to whether behavioral reactions should be considered intermediate factors or change outcomes. Consistent with scholarly research on attitudes, Rafferty et al. (2013) posited that attitude toward

Antecedents of Employee Reactions to Change

Continuous change has become commonplace today. Most organizations value individuals who are willing and able to respond positively to change. In addition, responses to change have other important implications for organizations with regards to engagement, burnout, and mental health

(APA, 2023). Consequently, understanding how individuals may be predisposed to respond to changes across different change situations and environments has important implications for the selection, placement, development, and training of employees.

One personality trait that has been conceptually linked with reactions to change is “novelty seeking” (Oreg, 2003), referring to as the tendency to pursue new experiences (Arenas & Manzanedo, 2020). Indeed, one of the Big 5 Personality Traits has been identified as “openness to experience” (see McCrae & Costa, 2008). Individuals with high openness to experience tend to be intellectually curious, open-minded, creative, imaginative, and spontaneous. We hypothesize that novelty seeking has a direct impact on employee reactions to change through cognitive appraisals (i.e., their perceptual lens).

Organizational changes alter established routines and push individuals out of familiar, comfortable situations. Individuals with high novelty seeking are more likely to perceive personal benefits with organizational changes as they satisfy their desire for new experiences. Research has found that novelty seeking has been related to risk-taking, entrepreneurship, and explorative behaviors (Gören, 2017). Individuals with high novelty seeking are likely more sensitive to opportunities than to the risks brought about by changes. Thus, they are more likely to perceive organizational benefits. Individuals with high novelty seeking are attracted to new and uncertain situations. Further, past experiences in dealing with uncertainties would likely build change self-efficacy. Thus, the following hypotheses are tested in this study:

H6a: Novelty seeking will be associated with perceived *personal* benefits in organizational changes.

H6b: Novelty seeking will be associated with perceived organizational benefits in *organizational* changes.

H6c: Novelty seeking will be positive related to change self-efficacy.

Study 1: Creating an Employee Reactions to Change Scale

Organizations undergoing change benefit from having a comprehensive survey to gauge workforce acceptance and commitment to change. The objective of Study 1 was to develop a psychometric scale of employee perceptions and reactions to change, and then to examine the relationships among different components of reactions to change measured by the scale.

Method

Initially, an extensive review of the psychological, management, leadership, and change literatures was conducted to understand the constructs—perceived personal and organizational benefits of change, change-self efficacy, affective and behavioral reactions to change. Items were developed to measure these constructs through an iterative process—a sub-team wrote the initial items, another sub-team reviewed

the items for clarity and content validity, and then the team worked together to finalize testing items. 70 survey questions were generated to capture the above domains. A 6-point Likert scale was used, ranging from fully disagree (1), disagree (2), somewhat disagree (3), somewhat agree (4), agree (5), to fully agree (6). Note that a midpoint option was not available, so respondents had to deliberately choose whether their reaction to the organizational change was positive or negative.

The sampling was based on the “snowball” method. Volunteers were solicited by each of the four authors to participate in this study and were encouraged to recruit their colleagues to participate as well. In total, the questionnaire was sent to 190 participants. Complete responses were received from 162 participants, representing an 85% completion rate. All participants were employed adults. *Table 1* reports demographic information for the respondents.

Table 1. *Demographic Information of the Samples for Study 1 and Study 2*

Demographic Category	Study 1	Study 2
Gender	Male: 46.9% Female: 53.1%	Male: 35.2% Female: 53.8% Nonbinary: 1.1% Others: 4.4% Not answered: 5.5%
Age	Under 30 years old: 8.0% 30–40 years old: 10.5% 41–50 years old: 24.1% 51–60 years old: 29.6% Over 60 years old: 27.8%	Under 30 years old: 6.6% 30–40 years old: 30.8% 41–50 years old: 31.9% 51–60 years old: 19.8% Over 60 years old: 5.5% Not answered: 5.5%
Education	Less than high school: 1.2% High school: 24.7% College degree: 73.5% Advanced degree: 0.6%	High school: 33.0% Technical or associate degree: 16.5% College degree: 25.3% Advanced degree: 19.8% Not answered: 5.5%

Table 2. *Employee Reactions to Change Factor Loadings for Final Items*

Items	C1	C2	C3	C4	C5
Perceived personal benefits: 6.6% variance explained, $\alpha = 0.69$					
Item 1 I believe that all changes create opportunities for job advancement and growth	.59				
Item 2	.56				
Item 3	.61				
Perceived organizational benefits: 3.8% variance explained, $\alpha = 0.70$					
Item 4 When changes are made at work, it is typically for a good reason		.66			
Item 5		.59			
Item 6		.69			
Change self-efficacy: 10.9% variance explained, $\alpha = 0.83$					
Item 7 I am capable of learning what is needed no matter what changes I face			.58		
Item 8			.61		
Item 9			.63		
Item 10			.74		
Item 11			.66		
Item 12			.75		
Affective reactions: 27.7% variance explained, $\alpha = 0.88$					
Item 13 I find myself becoming tense when I hear a change is announced				.66	
Item 14				.61	
Item 15				.60	
Item 16				.71	
Item 17				.73	
Item 18				.65	
Item 19				.68	
Item 20				.73	
Behavioral reactions: 3.0% variance explained, $\alpha = 0.74$					
Item 21 When my organization announces changes, I am one of the first to get behind them					.60
Item 22					.66
Item 23					.41

Note. To protect the intellectual property of the assessment, only one item per factor is provided.

A principal component analysis (PCA) was run to evaluate the theorized five-factor measurement model. Items that had high cross-factor loadings were removed, and a PCA was then run again on remaining items. This process led to the identification of 23 items to measure the five components. All five components had eigenvalues greater than 1.0. Table 2 shows sample items, item-factor loadings, and internal reliabilities.

χ^2

Results and Discussion

Table 3 (next page) reports descriptive statistics and correlations among variables. The five components of reactions to change are only moderately correlated with each other, suggesting that they are separable constructs.

Structural equation model (SEM) was run to test Hypotheses 1–4. The initial model fit poorly, $\chi^2(3) = 45.68$, $p < .001$, CFI = .59, SRMR = .13. Modification indices indicated direct paths from perceived personal benefits and change self-efficacy to

behavioral reactions. After adding the two paths, the model fit the data adequately, $\chi^2(1) = 3.19$, $p < .05$, CFI = .98, SRMR = .025. As can be seen in Table 4 (next page), hypothesized relationships among different components were mostly supported. However, it appears that behavioral reactions also were affected by perceived personal benefits ($\beta = .33$, $p < .01$) and change self-efficacy ($\beta = .46$, $p < .01$). In retrospect, this finding was not too surprising.

Table 3. *Descriptive Statistics and Zero-order Correlations Among Variables in Study 1*

Variables	<i>M</i>	<i>SD</i>	Gender	Age	Education	1	2	3	4
1. Perceived personal benefits	5.00	0.67	-.03	-.10	-.19*				
2. Perceived organizational benefits	4.70	0.69	-.05	.01	-.09	.41**			
3. Change self-efficacy	5.22	0.48	-.09	-.19*	-.13	.33**	.22**		
4. Affective reactions	4.25	0.86	.11	-.26**	-.24**	.33**	.27**	.29**	
5. Behavioral reactions	4.63	0.79	.03	-.27**	-.13	.47**	.35**	.43**	.48**

Note. * $p < .05$, ** $p < .01$.

Study 2: Assessing the Intermediate Role of Employee Reactions to Change

The objective of the second study was to empirically test the intermediate role of (a) employee perceptions of change on (b) their reactions to change and their subsequent association with (c) ratings of change performance between novelty seeking and ratings of change performance. Unlike other studies, the “ratings of performance” were collected from the respondents’ supervisors (rather than using self-ratings). In addition, the relationship between “novelty seeking” and perceptions of change (i.e., perceived organizational benefits, perceived personal benefits, and change self-efficacy) was explored.

Method

Participants were recruited from internal contacts with three different organizations (one hospitality company and two property development service organizations). Initially, 101 surveys were sent to employees and their direct managers. Complete responses were received from 91 employees, 86 of them also had supervisory performance ratings. Thus, the data analyses included responses from 86 out of 101 participants (85% response rate).

The same scale of reactions to change developed for Study 1 was used in Study 2. Confirmatory factor analysis validated the measurement model, $\chi^2(179) = 261.36$, $p < .001$, CFI = .90, SRMR = .08. Novelty seeking consisted of five items and used the same 6-point Likert scale as identified previously. Sample item: “I find unfamiliar

situations to be interesting.” Supervisors rated a participant’s performance on a 9-point Likert scale. Sample item: ‘How would you describe this employee’s overall behavior when faced with change? 1 = Likely to be slow to adapt to change or may actively resist change; 9 = May push for change at a pace that is too fast for others or ill-advised for the well-being of the organization.

Results and Discussion

Table 5 (next page) reports descriptive statistics, internal reliabilities, and zero-order correlations among variables. As can be observed, supervisory ratings of change performance were correlated with *both* employee affective ($r = .29$, $p < .01$) and behavioral reactions ($r = .28$, $p < .05$). SEM was run to test the hypotheses. The initial model incorporated findings from Study 1 (e.g., direct impact from change self-efficacy to behavioral reactions). The findings demonstrated that the model provided adequate fit to the data, $\chi^2(10) = 24.89$, $p < .01$, CFI = .90, SRMR = .09. Modification indices suggested a direct path from affective reactions to supervisory ratings of change performance. The revised model provided a better fit to the data, $\Delta\chi^2(1) = 5.30$, $p = .02$, CFI = .93, SRMR = .08.

Overall, Study 2 largely validated the intermediate role of employee reactions to change (see Figure 1, next page). Hypotheses regarding the impact of novelty seeking on three cognitive appraisals (H6a, H6b and H6c) were supported. Positive affective reactions were associated with perceived

Table 4. *Testing Relationships Among Different Components of Reactions to Change in Study 1*

Paths	β	<i>SE</i>	<i>p</i>
Perceive personal benefits to affective reactions	0.32	0.10	0.00
Perceived organizational benefits to affective reactions	0.18	0.10	0.08
Change self-efficacy to affective reactions	0.24	0.14	0.08
Affective reactions to behavioral reactions	0.27	0.06	0.00
Perceived personal benefits to behavioral reactions	0.33	0.08	0.00
Change self-efficacy to behavioral reactions	0.46	0.11	0.00

Table 5. Descriptive Statistics, Internal Reliabilities, and Zero-order Correlations Among Variables in Study 2

Scale	<i>M</i>	<i>SD</i>	<i>α</i>	Gender	Age	Educa- tion	1	2	3	4	5	6
1. Novelty Seeking	4.02	0.87	.78	.10	-.04	.09						
2. Perceived Personal Benefits	4.70	0.90	.78	.05	-.17	.04	.52**					
3. Perceived Organiza- tional Benefits	4.89	0.76	.78	.18	-.06	-.02	.35**	.60**				
4. Change self-efficacy	5.35	0.48	.83	-.10	-.13	.00	.39**	.33**	.36**			
5. Affective reactions	3.82	0.98	.89	.15	-.10	.17	.20	.40**	.40**	.14		
6. Behavioral reactions	4.37	0.79	.70	.10	-.06	.18	.49**	.52**	.45**	.43*	.49**	
7. Supervisor rating of change performance	3.39	0.83	.91	.07	-.25*	.18	.27*	.22*	.09	.11	.29**	.28*

Note. * $p < .05$, ** $p < .01$.

personal ($\beta = .36, p < .01$) and organizational benefits ($\beta = .35, p < .05$), supporting H1 and H2. However, the relationship between change self-efficacy and affective reactions was not statistically significant ($\beta = .17, p > .05$), rejecting H3. Behavioral reactions were related to affective reactions ($\beta = .20, p < .01$), supporting H4. The initial model proposed a positive impact of behavioral reactions on supervisory performance ratings (H5). However, empirical

data suggested supervisory ratings of change performance were predicted more effectively by employee affective reactions to change ($\beta = .21, p < .05$) than behavioral reactions (*ns*).

Similar to the findings in Study 1, Study 2 also reported that employee behavioral reactions were associated with perceived personal benefits ($\beta = .23, p < .01$) and change self-efficacy ($\beta = .44, p < .01$).

General Discussion and Practical Implications

Understanding the psychological mechanism underlying employee performance during organizational change has important implications for more effectively designing and implementing organizational change and increasing change capability. By identifying the factors that influence how employees respond to

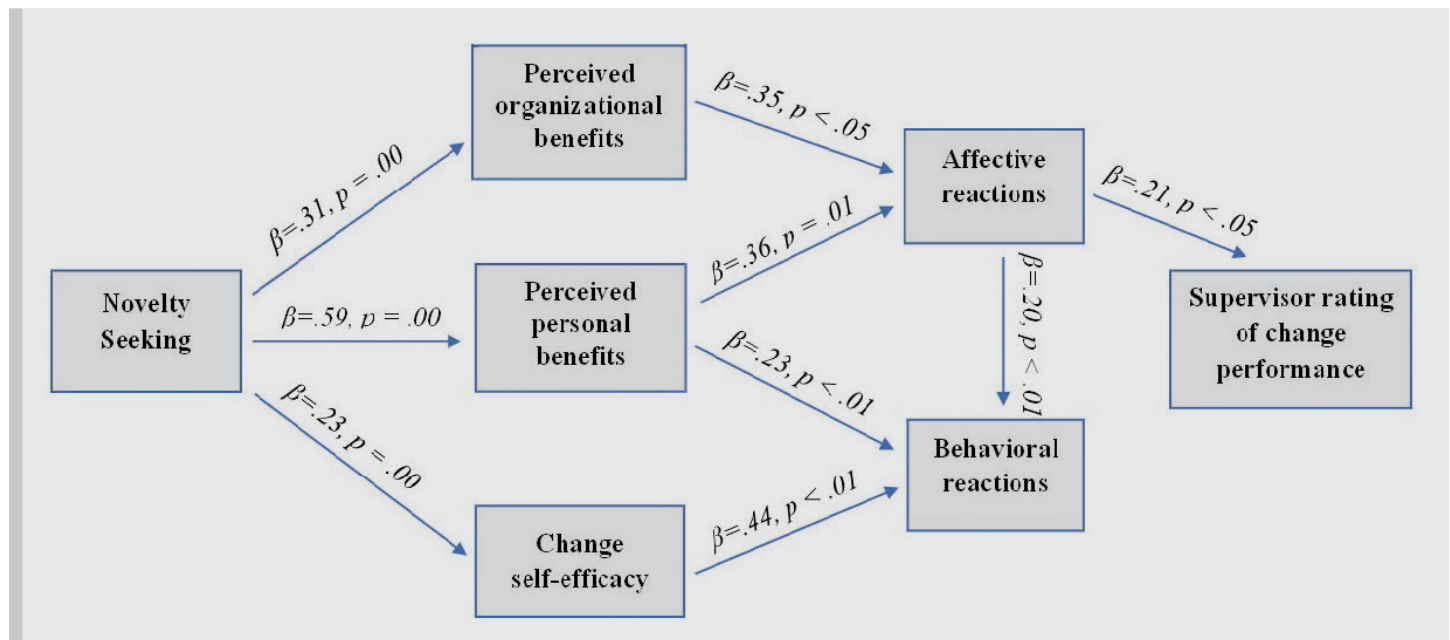


Figure 1. The Intermediate Role of Employee Reactions to Change.

change, organizations can tailor their strategies to foster a supportive environment and promote more healthy, productive responses.

The two studies reported in this paper empirically examined the relationships among five different components of reactions to change, providing insights into the process through which employees perceive and respond to organizational changes. It was found that perceived personal and organizational benefits influenced *affective reactions*, whereas perceived personal benefits and change self-efficacy affected *behavioral reactions*. The impact of per-

occurring within it. A well-crafted communication plan can positively influence employees toward more positive perception, thereby increasing their support and engagement.

When designing a communication plan, organizations should carefully consider the message to be communicated. Metrics such as financial outcomes or qualitative information like customer feedback can be used to legitimate change initiatives. If employees believe they understand the reason for a change, they are likely to have a more favorable attitude to the change. However, overly emphasizing performance

A vision that integrates both organizational and employee benefits is more likely to rally employees behind the change initiative.

The method of communication is as important as its content. Frequent and consistent communications reduce uncertainty, mitigating anxiety and stress associated with organizational change. Communication should also be open and honest. According to the Social Exchange Theory (Blau, 1964), being treated in a favorable way creates an obligation to respond in a positive manner. Thus, open and honest communication builds trust in leadership and a perception of fairness of change (Faupe & Helpap, 2021). Trust and fairness are further enhanced when employees are encouraged to ask questions during communications. When employees feel their concerns and questions are acknowledged and addressed, it fosters a sense of inclusion and respect, leading to a more favorable attitude toward change.

The research found that change self-efficacy affects subsequent reactions to change. Organizations can boost employee self-efficacy through empowerment practices. A change initiative, no matter how well designed, cannot prescribe behaviors for all employees. Its success largely depends on employees translating the organization's vision into the goals of local teams and individual roles and acting in ways consistent with the vision. Empowerment increases employees' perceived control over their working environment, thereby enhancing their self-efficacy. Demerouti et al. (2017) observed that employees become more open to organizational change when they are allowed to self-set job crafting goals. Job crafting involves employees taking proactive steps to redesign their own jobs to better fit their skills and preferences, creating a more meaningful and satisfying job experience.

The findings indicate that "novelty seeking" was positively associated with all three cognitive appraisals (perceptions of organizational benefits, perceptions of personal benefits, and perceptions of change self-efficacy), suggesting that how people make sense of changes is influenced by their individual attributes. Individuals who

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ceived organizational benefits on affective reactions also received some support in the first study. These results highlight the role of cognitive appraisals in shaping employee reactions to changes, underscoring the importance of facilitating employee sense-making for better change outcomes.

Human beings have a fundamental desire to make sense of their experience (Chater & Loewenstein, 2016), and this desire is heightened during times of change (Weber & Manning, 2001). How organizations and leaders communicate about the change is crucial as communication is the process whereby organizational members gather pertinent information about their organization and the changes

goals may inadvertently increase employee anxiety and strain their cognitive bandwidth, thereby hindering their capability to adapt to new demands associated with the change (Contreras & Gonzalez, 2021). Instead of focusing on performance gaps, organizations should prioritize communicating a clear vision about the change. A compelling vision can energize employees and build trust in leadership (Haque, TitiAmayah, & Liu, 2016). In formulating the vision, it is important to consider multi-stakeholder values, particularly the interests of employees. As revealed in this research, both perceived organizational and personal benefits contribute to the formation of positive employee reactions.

are predisposed toward favoring new experiences are more likely to see personal and organizational benefits to changes, as well as demonstrate confidence in their ability to deal with new and uncertain situations. Oreg (2003) likewise has contended that such individuals are naturally more change resilient. It would be fruitful for future researchers to investigate the extent to which some other personality traits (e.g., openness to experiences and positivity) can influence how various employees perceive and react to organizational changes.

A direct implication of the above finding is that organizations may prefer to

stimulus (the change) and their response, allowing them to appraise the situation more thoughtfully. Instead of reacting based on ingrained habits or fears, they can consider the broader context, potential benefits, and alternative ways of responding. Coaching and training can further support this process by providing strategies to manage stress, build resilience, and develop a more adaptive mindset. Over time, these interventions can help individuals respond to change in a more balanced and constructive manner, ultimately enhancing their ability to thrive in dynamic organizational environments.

Organizations should gauge employee affective reactions using methods such as employee surveys, focus groups, sentiment analysis, and observations. After detecting employee emotions, organizations should take steps to address and manage these emotions effectively. First, organizations should recognize and validate employees' feelings. Showing empathy can help build trust and reduce resistance. Then, organizations should listen and respond to employee concerns. Regularly addressing any concerns employees may have and providing reassurance about their roles and the future of the organization can alleviate fears and build confidence in the change process.

select individuals who are naturally more open to change for roles or settings where change occurs frequently. However, disruption has become the new normal, with most organizational change today being unplanned and unpredictable. In today's highly volatile environment, very few roles are immune to change. Interventions should be designed to address differences in individual employee predispositions in the context of organization change (Harvey et al., 2021). For instance, assessment feedback can help individuals enhance their self-awareness, while coaching can also be provided to cultivate their change resilience. By becoming aware of their natural tendencies, individuals can learn to pause and reflect before reacting. This enhanced self-awareness creates a space between the

The results also showed that affective reactions provided *incremental validity* over behavioral reactions in predicting supervisory ratings of change performance, emphasizing the importance of attending to and managing employee emotions during organizational changes. We hypothesized behavioral reactions would have a closer relation with supervisory ratings of change performance than other types of employee reactions based on the assumption that behaviors are more visible and concrete than cognitive and affective reactions. However, the results of our investigation did not support it. Emotions provide important social cues during interpersonal interactions, likely affecting the information processing of supervisors when evaluating employee change performance.

Given its impact on change performance, it is prudent for organizations to prioritize managing employee emotional reactions during organizational change. Organizations should gauge employee affective reactions using methods such as employee surveys, focus groups, sentiment analysis, and observations. After detecting employee emotions, organizations should take steps to address and manage these emotions effectively. First, organizations should recognize and validate employees' feelings. Showing empathy can help build trust and reduce resistance. Then, organizations should listen and respond to employee concerns. Regularly addressing any concerns employees may have and providing reassurance about their roles and the future of the organization can alleviate fears and build confidence in the change process. Organizational change frequently requires employees to learn new skills and adopt new behaviors, which can be overwhelming. Providing training or coaching can help employees cope with stress and adapt more effectively.

Many of the responsibilities of managing employee emotions fall on the shoulders of managers who are close to employees. They are in the best position to observe employee reactions and address their concerns. Therefore, it would be helpful for organizations to provide training for managers on how to provide emotional support to their team members. Research has demonstrated that supervisory support enhances employee resilience during organizational change (Bernuzzi et al., 2023). By equipping managers with the skills to recognize and respond to emotional cues, organizations can foster a more supportive environment.

Emotions are contagious and can spread across organizational members (Elfenbein, 2014). This can have both positive and negative effects. Organizations can support the spread of excitement and positivity through methods such as setting role models and celebrating small wins. Role models who exhibit enthusiasm and positivity can inspire similar emotions in others. Additionally, recognizing and celebrating small achievements can boost morale and create a sense of shared

success, further promoting a positive and energetic work environment.

On the other hand, if negativity or cynicism arises in any part of the organization, it should receive adequate attention and prompt action to prevent it from spreading and influencing the overall mood and atmosphere of the workplace. In any organizational change, there will be individuals who are attached to established routine and feel reluctant to change. The resistance may remain underground but can build up over time as the initial enthusiasm about the change starts to wane (Beaudan, 2006). Addressing these negative emotions swiftly can help contain their impact. By identifying the root causes and implementing targeted interventions, organizations can mitigate the effects of negativity and prevent it from derailing the overall change effort.

Limitations and future research

A significant strength of this paper was to include multiple components of employee reactions to change in the same two field studies. Further, the methodological paradigm of Study 2 overcame the common method bias typical in previous quantitative research. Despite these strengths, the data collected in the studies were cross-sectional in nature. A longitudinal study would enable scholars to explore how employee reactions unfold over time. The two studies reported in this paper investigated the intrapersonal process of emotional reactions. However, emotion and energy are contagious. Future researchers should take a multilevel approach to examine how emotional reactions may spread across individuals, teams, and an entire organization. Such research would necessitate a nested design that collects data from multiple organizations. It also would be fruitful to explore how the context and content of change interact with individual attributes to affect change outcomes—both for the individual as well as for the organization.

Perhaps, the most important finding of our investigation was that the role of perceived *personal* benefits was significantly related to *both* “affective” and “behavioral reactions” to change. And between affective and behavioral reactions, we found that

only the role of affective reactions was significantly related to supervisory ratings of employee performance. Certainly, organizational leaders need to clearly address how changes directly benefit their employees and directly deal with the emotionality that changes inevitably cause.

It would be wise for future researchers to explore more specifically *how* employees process their emotions regarding change. A stream of research has found that creating a psychologically safe organization helps employees take interpersonal risks, speak up, disagree openly, and express concerns without fear of repercussions (Edmondson, 2018). It would appear a logical next step is to apply the mechanism of psychological safety to ameliorating the emotional components of organizational change. Addressing those affective reactions in productive ways would enhance the physical and psychological health of employees as well as the success of organizations.

Conclusion

In conclusion, two studies presented in this paper provide valuable insights into the complex dynamics of employee reactions to organizational change. By examining the roles of cognitive appraisals, affective responses, and behavioral reactions, the research highlights the multifaceted nature of employee adaptation to change. The findings underscore the importance of perceived personal and organizational benefits and change self-efficacy in shaping employee responses, which in turn affect supervisory ratings of change performance. Additionally, the research suggests that individual differences, such as novelty seeking, play a crucial role in how employees perceive and respond to change, offering a potential avenue for tailoring interventions to individual employees.

Given the evolving challenges of today's business environment, where rapid and continuous change is the new normal, it is critical for organizational development professionals to support organizational change capability at all levels. The research presented in this paper contributes to a deeper understanding of the mechanisms

underlying employee reactions to organizational change, paving the way for more effective change management strategies that align with the diverse needs of the workforce in an era of perpetual and complex change.

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