

The Conceptual Framework of Readiness for Change Towards Privatisation Job in Public Organization

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To Link this Article: <http://dx.doi.org/10.6007/IJARBSS/v14-i7/21822>

DOI:10.6007/IJARBSS/v14-i7/21822

Published Date: 19 July 2024

Abstract

Privatization remains a significant agenda item for developing and transitional countries worldwide, yet its implementation often encounters resistance from stakeholders. This paper addresses the lack of studies on the readiness for change framework within public organizations transitioning to privatization. Focusing on self-esteem, self-efficacy, communication, management support, leadership competencies, and salary considerations, this study offers an overview of factors influencing readiness for change towards privatization jobs in public organizations. By synthesizing existing literature, this paper contributes to the development of a comprehensive framework for assessing and understanding readiness for change in the context of privatization. The findings underscore the importance of addressing these factors to effectively navigate the complexities of privatization within public organizations, offering valuable insights for governmental decision-makers and policymakers.

Keywords: Privatization, Readiness for Change, Public Organization Organization

Introduction

Privatization has spread around the globe and continues to be one of the top priorities on the political agenda of emerging and post-transitional nations. According to published research, most Middle Eastern nations are currently focusing on organizational growth and human resource management (Karácsony et.al., 2023; Ullah et.al., 2023). The oil-rich nations have been working hard to wean themselves off of oil and establish alternative industries that require skilled labor (Al-Asoufi, 2017). Similar to this, due to the pressure of rapidly expanding populations and the need to create jobs for their citizens, several countries in the region have been focusing on the development of "locals" and lowering the number of "foreigners"

(Hanafi et.al., 2020; Cuyper et.al., 2008; Metwally, 2019). Many nations, including Saudi Arabia, Oman, and the United Arab Emirates (UAE), have been pursuing "nationalization programs" in this regard. The private sector in the UAE is developing successfully as a result of an open economic policy and deregulatory measures (Mckay et.al., 2022). The residents' preference to avoid employment in the private sector and in lower-level jobs presents the government with a dilemma in terms of employable skills. These changes impact on the HR function in the region, particularly with regard to its contribution to enhancing organizational performance (Calligiuri et.al., 2020; Garro-Abarca et.al., 2021; Charoensukmongkol, 2022; Ojogiwa et.al., 2021) Despite government initiatives to persuade young Emiratis mentioned by Gilson (2021) to leave their stable employment in traditional government, many claim they are still unsure whether to seek a career in the private sector (Bhalwankar, 2022). Currently, government employees often have more holiday time off than their counterparts in the private sector, and for Emiratis, pay in the public sector are frequently greater than those in the private sector as per stated by Canbaloğlu (2022). This is because managers and change agents misdiagnose the situation and are unable to effectively manage resistance, many organizational changes fail (Laker, 2020).

Hussain (2021) has stated that the Middle East's privatization is distinct from that of industrialized and emerging nations because of the region's unique characteristics. Regarding the motivator of privatization, several nations use government debt as an excuse. However, in the Middle East, nothing has changed. The background of their privatization is one of cultural, historical, and economic development. Additionally, privatization is a method for gaining access to private know-how in a variety of ways (Islam, 2021). Middle Eastern nations do not feel cash-strapped and do not see a need to trade off short-term structural improvements for long-term money raising (Yousef et.al., 2018). The social, financial, legal, and other aspects of the Middle East are taken into account when making privatization policy decisions as mentioned by (Yoused et.al., 2018). The scenario in Abu Dhabi reflects the special circumstances of the Middle East, which makes it a strong argument for understanding the regional political, social, economic, and other characteristics that influence the region's privatization policy decisions (Shah et.al., 2019) Apprehension on the side of public, opposition to change among employees, and a lack of ministerial backing are typical indicators of the weak stakeholder support for privatization in many Middle Eastern countries. As a result, there are few studies on the preparedness for change model of public organizations toward private organizations in the United Arab Emirates context of governmental decisions on privatization. Therefore, the main objective this paper is to develop a conceptual framework that incorporates self-esteem, self-efficacy, communication, management support, leadership competencies, and salary as determinants of readiness for change.

Methodology

In order to locate, assess, and interpret all potential current research that is related to a certain research subject, a thorough review approach for the efficient schemes of readiness for change towards privatization job in public organization. There were two parts to the review. The first step is to undertake a review of the previous research on readiness for change, which starts with the selection of the keywords and search terms suggested by (Ghasabeh, 2021).

Science Direct (www.sciencedirect.com), Research Gate (www.researchgate.net), IEEE Xplore (ieeexplore.ieee.org), and Google Scholar (scholar.google.com) were chosen to search

the paper for these studies. The term has been highlighted on "readiness for change," "privatization," and "public organization," along with possible synonyms. The keyword for this review is shown in Table I.

Table 1
Keyword Search and Synonyms

READINESS FOR CHANGE TOWARDS PRIVATIZATION JOB IN PUBLIC ORGANIZATION	
Word	Synonym
Readiness For Change	Preparedness for transition
	Willingness for transform
Privatization	Denationalization
	Deregulation
Public Organization	Government Institution
	Civic Body

The search string was used based on the keywords of (“Preparedness for transition” OR “Willingness for transform” OR “Readiness for change”) AND (“Privatization” OR “Denationalization” OR “Deregulation”) AND (“public organization” OR “Government institution” OR “civic body”) to ensure all related the papers are included. The total of the paper is one hundred and sixty-one. Then each paper was noted and manually examined to determine its relevance to the topic. The selected articles or paper meet the following criteria:

- I. The research focuses strategies which contributes to the readiness for change towards privatization job in public organization
- II. The articles are written in English.
- III. The articles searched must base on the objective study.
- IV. Article published in both academic and trade journals.
- V. The focus of majority of articles studied should be published from 2018 to 2023 but the previous article can be accepted as a basic theory or references.

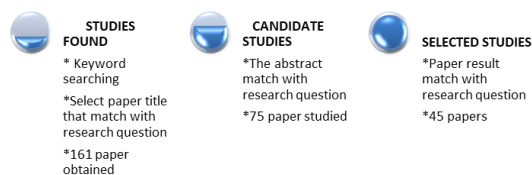


Figure 1. Studies Sequence and Filtration

All of the first stage's chosen articles were interpreted and studied for the second stage of the research technique. By first constructing on a defined set of theoretically established assumptions on the links between the constructs of the investigation, the deductive research approach is considered in establishing strong support for empirical findings [13]. Deductive reasoning is crucial for expanding an already-existing body of knowledge without needing to rehash previously done research in the field. The deductive research approach follows the development of a theory through the formulation of hypotheses, observation, and acceptance or rejection. To combine the evidence, it is crucial to extract pertinent data during this phase. The results presented will be transformed into the public readiness for shift toward employment privatization. The extraction of relevant data during this stage is

essential in order to synthesize the evidence. The results presentation will be developed into the readiness for change towards privatization job in public organization. For these reviews, there are several hypotheses are proposed in Table II.

Table 1
Hypothesis

H1	H ₁ :	There is a positive relationship between self-esteem and readiness for change
	H ₀ :	There is negative relationship between self-esteem and readiness for change
H2	H ₁ :	There is a positive relationship between self-efficiency and readiness for change
	H ₀ :	There is negative relationship between self-efficiency and readiness for change
H3	H ₁ :	There is a positive relationship between communication and readiness for change
	H ₀ :	There is a negative relationship between communication and readiness for change
H4	H ₁ :	There is a positive relationship between management support and readiness for change
	H ₀ :	There is a negative relationship between management support and readiness for change
H5	H ₁ :	There is a positive relationship between leadership competencies and readiness for change
	H ₀ :	There is a negative relationship between leadership competencies and readiness for change
H6	H ₁ :	There is a positive relationship between salary and readiness for change
	H ₀ :	There is a negative relationship between salary and readiness for change

Discussion

The concept of readiness demonstrates the employees’ reaction to change is a critical success factor in each organizational change (Gigliotti, 2018; Bank et.al., 2018; Almaamari et.al., 2018). Readiness change organizational is the results of collective and integration activities of individual organizational members that take place in organizations (Klonek et al., 2018). According to Vakola (2018), the concept of “readiness” has been used to reflect three different concepts: individual readiness to change, or confidence in one’s abilities (self-efficacy), perceived organizational readiness to change, or confidence in the organization’s ability to manage change; and the actual organizational readiness to change, or the organization’s ability to implement change.

Accomplishing a smooth progress relies upon adequate dimensions of preparation for change both previously and amid the change procedure (Bueno et al., 2019). On the contrary, efforts to implement change when readiness is low are likely to meet resistanc. (Bueno et al., 2019). In literature, the importance of readiness for change has stimulated considerable interest in determining critical factors that support the individual readiness for change as well as developing strategies by which robust levels of readiness for change can be embedded throughout an organization (Mangla, 2021)

Based on the review conducted, this study identifies the most common antecedents found in literature as shown in Table II. There are main five antecedents of readiness include self-esteem, self-efficacy, communication, management support and leadership competencies that can be used in this study.

Self-esteem and self-efficacy

It is proven in literature that employee will not perform well in transformation initiatives when they are not sure on their abilities (Newman, 2021). Positive affectivity is one of the strongest and most reliable dispositional factors connected to dealing with change, according to (Judge et al., 2021). The association between emotional (desire) on employees' intention to change and readiness to change is supported by other authors as well Oden et al (2021) claims that "self-efficacy" assesses an organization's and its personnel's capacity, capability, and confidence in carrying out the change objectives.

Communication

The success of all organizations during organizational change efforts depends on effective communication (Mattarelli, 2017). It involves using different recipients and different communication channels to spread information. Uncertainty results from organizations in the shift phase being unable to provide quality information to new recipients. They claimed that in order to increase the likelihood of change acceptance, leaders should also pay heed to the suggestions and counsel of the people who will be affected by the change. Participating in the communication process with employees encourages debate and input, which gets people ready to accept change. As a result, the successful communication strategy urges the change beneficiaries to participate in and have an impact on the change process.

Management Support

Early definitions of the concept of readiness for change emphasized "principal support," or the extent to which organizational leaders support the change, as a crucial factor in determining how adaptable employees. Management support is defined as the acceleration of the change-implementation process in the presence of effective leaders serving as role model, providing the necessary resources to those carrying out the change, and valuing those individuals by rewarding their performance and assisting them in trying circumstance. Rhoades and Eisenberger (2021) state that there are three key indicators of an organization's support: (1) a rising culture of fairness within organizations; (2) leaders who demonstrate concern for the well-being of their staffs; and (3) the creation of a reward system. Support from management enhances their socio-emotional demands on a daily basis. According to the findings of earlier research, good management support increases employee engagement, motivation, and well-being, which in turn helps staff members carry out change-related duties successfully.

Leadership Competencies

The success or failure of a planned organizational change program is regarded to be the responsibility of the leader in supporting the behavior of the workforce. Leaders have a crucial role in building a meaningful atmosphere that will support the change not only during the planned transition but also after it. The adaptability of employees for new responsibilities once the change is accomplished is developed by leaders in a variety of ways. The most productive, empowering, and effective change agents are leaders. A study of Jordanian nurse

managers experiencing department rearrangement discovered that leadership was positively connected to meaning creating Odeh (2021) Through the assistance programs provided, the nurse supervisors strengthened their leadership skills. According to Potipirom (2021), competent leadership with behavioral support for change (before, during, and after organizational transformation) had a good influence in an Indonesian study.

Salary

The highest compensation has been employed in the literature to inspire employees to accomplish task performance. Furthermore, an employee will leave the firm in search of a greater compensation. As a result, an organization can treat its people well and fulfill its commitments in a way that benefits the organization. When an organization considers raising employees' pay in order to implement changes, employees are more likely to develop positive attitudes toward the organizational change.

Framework Development

From literature studies, this paper proposes to overcome the gaps through proposing a readiness for change model of public organization. This readiness for change model will employ the concept of readiness for change model design as per described in Section 3. Figure 2 shows the conceptual framework proposed for this paper. As shown in Figure 2, the readiness change model for job privatization includes self-esteem, self-efficiency, communication, management support, leadership competencies and salary.

This research contributes to the field of organizational change management by developing a conceptual framework that assesses the readiness for change towards job privatization in public organizations. The framework integrates key psychological and organizational factors, namely self-esteem, self-efficacy, communication, management support, leadership competencies, and salary. By addressing these factors, the proposed model provides a comprehensive approach to understanding and enhancing the readiness for change among employees. This contribution is significant as it fills the gap in existing literature by offering a structured model that can be empirically tested and validated in future studies, thereby providing practical insights for public organizations considering privatization.

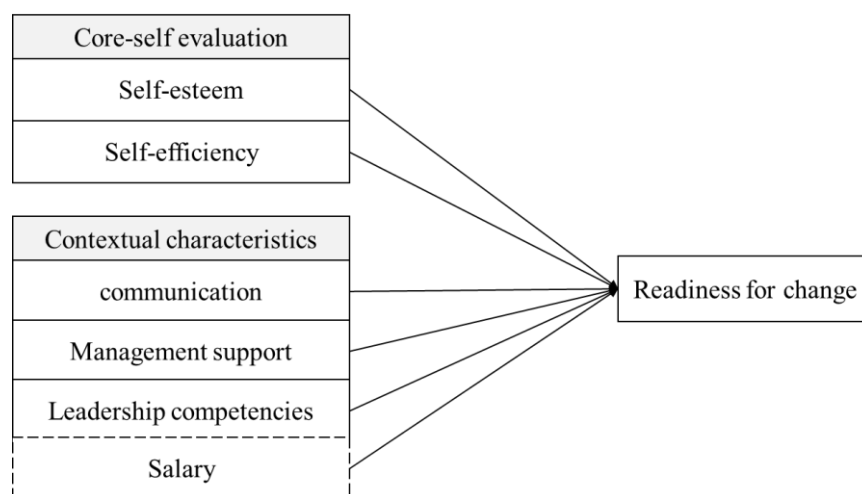


Figure 2 Conceptual framework developed.

Conclusion

The literature review conducted in this study underscores the critical role of factors such as self-esteem, self-efficacy, communication, management support, leadership competencies, and salary considerations in determining the readiness for privatization within public organizations. These factors collectively shape the organizational landscape and influence the success of privatization initiatives. By synthesizing existing research, this study provides a comprehensive overview of the key determinants of readiness for change in the context of privatization, highlighting their significance in navigating the complexities associated with this transition.

For future research endeavors, it is recommended to delve deeper into the subject by conducting case studies or implementing surveys to empirically validate the conceptual framework proposed in this study. Case studies would allow for a more nuanced understanding of how these factors interact within specific organizational contexts, shedding light on best practices and potential challenges encountered during the privatization process. Additionally, surveys could provide

Acknowledgment

The authors would like to thank to Universiti Teknikal Malaysia Melaka and Asia Pacific University who involved in this study.

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