

ABSTRACT

Towards the Development of a Model for Improving Employee Readiness for Corporate Transformation

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Several factors including globalization, the rise of emerging markets, revolutionary advancements in technology along with repercussions of global recessions all combined to create high levels of uncertainty in the business environment. Consequently, organizational change has become increasingly important if businesses are to remain sustainable. Organizational change is an ongoing process, which by some account takes place in three distinct phases: developmental, transitional, and transformational. It is critical for organizations to understand this distinction as each stage requires different strategies, approaches and processes. It is generally acknowledged that transformational change is the most complex of the three as it demands a quantum leap in strategy, structures, systems, processes, and culture if challenges are to be mitigated and business opportunities exploited. One of the elements of this type of environment is the individual's readiness for change or specifically readiness for corporate transformation. This study developed a specific definition for readiness for corporate transformation. Moreover, because successful transformational change requires that the vast majority of individuals within a firm demonstrate positive behavioural changes, it becomes imperative for the firm to create an enabling and facilitating environment. The study employs data drawn from a cross-sectional survey across four Caribbean countries, utilizing structural equation modelling (Smart PLS-SEM). It examined the specific contribution of five organizational factors and two personal factors to organizational commitment, and also linked organizational commitment to readiness for corporate transformation. The results of the study indicated that trust in organization leadership, trust in peers, perceived organizational support, and self-efficacy for change are significantly related to organizational commitment. Additionally, organizational commitment had a positive and significant impact on readiness for corporate transformation. This study has provided important insights in advancing our understanding of organizational commitment as an antecedent of employee readiness for corporate transformation and will assist organizations to design and execute successful transformation strategies.

Keywords: Rickert George Allen; corporate transformation; change readiness; corporate transformation readiness; organizational commitment; corporate transformation model; structural equation modelling; Caribbean corporations