Resistance to Change in Organizations: A Case of General Motors and Nokia

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Abstract: Managing change effectively is a main challenge in the sphere of change management. The present study explores how change factors affect individuals, organization as whole and its stakeholders. This article focuses on understanding the core concept of organizational change, how it works, forces that drive change and resistance to change. To study the practical change management, cases from different industries are analyzed, General Motors and Nokia. GM’s case provided a general understanding about the change process in terms of revisiting sources and scope of change and also the huge impact of environmental aspects of change, whereas Nokia’s case provided a very rich content for describing different kinds of resistance from stakeholders. The change management will be evaluated using the Force-field analysis, The Grief Model and Bridges Model. Recommendations and conclusion forms the last part of the paper.

Keywords: Organization change, Resistance, Bridges model, Force field analysis.

I. INTRODUCTION

The era of rapid innovation, technology and competition has forced organizations to embrace change; in order to remain relevant and competitive in their respective fields. According to Martin, (2006) organizational change is a salient feature of organizational development. Organizational development refers to particular techniques that improve an organizational structure. Whether the degree of change is big or small, it is occurring at an accelerated rate, as organizations need to respond to new technology, customers’ tastes & preferences, market demands, new opportunities, mergers, reengineering (D’Ortenzio, 2012). No matter what the organization’s response is, adjusting to internal and external environment with respect to resistance is a major challenge (Yilmaz & Kilçoglu, 2013).

OD also recognizes the reciprocal relationship between individuals and organizations and acknowledges that for organizations to change, individuals must change (Debra L. Nelson, 2013). However, the focus is usually on the overall organization; the role of an individual in the change process is given less consideration. In order to successfully initiate and facilitate change efforts, individual employees must also be willing to engage in the change process. (Winum, Ryterband, & Stephenson, 1997).

Employees and Stakeholders values and attitudes contribute to successful implementation of organizational change. Therefore careful analysis of the change process on employees and stakeholder leads to successful implementation of the organizational; while the other way around will lead to negative results, like active, passive or aggressive resistance to change (Spector, 2007). Under this study our focus is mainly on resistance to change by employees and stakeholders under organizational setting.

To successfully implement change initiatives, organizations must recognize the vital role of its employees, and their reactions to change which are influenced by a number of factors, including their emotions and cognitions, communication, and participation in decision making. Organizations that can manage the complex changes and adaptations effectively, will not only survive, but thrive (Cahill, 2011). From a change management perspective, drivers that influence an employee’s resistance to change must be studied (Fine, 1986).

This study attempts to explore the various forces that drive change and how people are affected by the pervasive organizational change. The aim of this research is to provide an overview of change in the organizational context and to examine the reasons of resisting change and finally overview of the ways in which organizations should manage resistance to change in the workplace.

Significance of the study

The study of resistance to change can serve as a learning paradigm for academic research by enhancing student knowledge about how change was derived at Nokia and General motors and how the restraining forces were tackled. The research provides information on resisting forces and stakeholder attitudes towards the change. Furthermore, this study highlights the emotional and psychological impact on the stakeholders using the Kübler-Ross grief model, which can aid managers in learning about their own organization and implement a change strategy taking the stakeholder effect into consideration. To the future researchers studying change management, this study can provide as baseline knowledge on resistance by stakeholders and the overall change management process.
II. REVIEW OF LITERATURE

Any organization practicing change faces resistance towards change (Senior & Swailes, 2010). This section presents a review of existing literature on organizational change, defines change management, discusses some basic reasons for change, and focuses on overall resistance to change in organizations and how to overcome it.

Overview of Change in the Organizational context

Organizational change has been defined as the process of migration from a current situation to a desired future state (Mack, Nelson, & Quick, 1998). Organizations adapt to change to adjust with internal and external environment (Leana & Barry, 2000) or to improve performance and compete with competitors (Keck & Tushman, 1993). When organizational change is implemented, resistance can be of two types; it can be considered as a phenomenon that delays the change process by obstructing its implementation or rising costs (Ansoff, 1990). Secondly, it can be any act that tries to keep the existing status quo that is tendency to do nothing or to remain unchanged (Maurer, 1996). Resistance to change can also magnify certain aspects that were overlooked previously (Waddell & Sohal, 1998).

Todnem, (2005) describes organization change as a process of continually renewing an organization’s direction, structure and management of people in a changing environment. According to Simmering (Simmering, Reactive vs. Proactive Change, n.d.), Change in any part or at any level of the organization may have an effect on the entire organization and it could be proactive or reactive. Proactive change includes effectively endeavoring to make modifications to the work place and its practices. Organizations that adopt a proactive strategy to change are regularly attempting to maintain a strategic distance from a potential future risk or to exploit a potential future open door (D’Ortenzio, 2012). A reactive change has its origins from organization’s external environment; it is an automatic reaction to a change that has taken place in the environment (Simmering, Reactive vs. Proactive Change, n.d.).

Factors that drive Change

Organizations function inside an increasingly unstable environment and are in a state of constant change. According to Segal-Horn & Boojihawon, (2006) various internal factors such as strengths, weaknesses, opportunities, and threats within an organization and external sources such as political, economic, social and technological factors trigger the organizational change. External factors take place outside the organization and cause changes within the organization such as technology, social condition, availability of resources, economy, politics and business scenario may influence organizational change; Whereas the Internal factors refer to the organizational structure, systems, people and performance. The internal forces that influence organizational activities are employee behavior and attitude.

Change Management Defined

Change management has been defined as “the process of continually renewing an organization’s direction, structure, and capabilities to serve the ever-changing needs of external and internal customers” (Moran & Brightman, 2001). It also refers to the adoption of an idea, procedure, process or behavior that is new to an organization (Pierce & Delbecq, 1977).

Major Objective of Change management is to maximize the collective benefits for all people involved in the change and minimize the risk of failure to change. The major obstacle to change management is Resistance to Change (K.Aswathappa, 2013).

Resistance to Change

Resistance is a phenomenon that affects the change process, delaying or slowing down its beginning, obstructing or hindering its implementation, and increasing its costs (Ansoff, 1990). Oreg, (2006) defined resistance to change as a “tri-dimensional (negative) attitude towards change, which includes affective and behavioral components” and such kind of resistance needs to be overcome or eliminated (Mabin, Forgeson, & Green, 2001).

Resistance to change is a repetitive theme in the change management literature (Cummings & Worley, 2015). Change process is delayed due to resistance (Ansoff, 1990); it is perceived as “collateral damage” of change endeavors. Resistance can have many different appearances like intentional delays in work, resigning, going on strikes, sabotaging organization’s property and whistle blowing (Carr & Brower, 2000). The reasons why employees usually resist change are having fear of the unknown, misunderstanding of the need for change and its repercussions, and a low tolerance towards change (Kotter & Schlesinger, 2008). According to Dent & Goldberg (1999) people don’t actually resist change they instead resist loss of status, pay, or comfort.

Responses to Change

According to the Organizational scholars the success of change initiatives can be determined by the individual's response to the change. An organization's functioning is composed of the functioning of all its members. Thus, it can only change when members' behavior changes. It is not possible for an organization to change in meaningful ways unless employees believe differently, think differently and behave differently (Woodman & Dewett, 2004).
Gardner, Pierce, & Dunham, (1989) suggested that there are three types of individual’s response toward change: affective, cognitive and behavioral. Affective response refers to the feeling of being linked to satisfaction or anxiety about change. Cognitive responses are opinions relating to usefulness and necessity and about knowledge required to handle change. Instrumental responses refer to actions already taken or which will be taken to handle the change.

**Overcoming Resistance to Change**

Just because employees may resist change doesn’t mean managers can’t help them cope with it. Employee involvement and empowerment are usually mentioned in organizational change literature to help reduce employee’s resistance to change. Kotter and Schlesinger (2008) presented a better perspective to encourage and support employees cope with change, stating that the situation and the content of the change itself varies largely between organizations and it should determine the appropriate response. They outlined a number of approaches from education to coercion, describing who and when to use them to reduce resistance, and details the advantages and drawbacks of each.

Different personality types of individuals should also be taken into consideration for addressing change (Myers, McCaulley, Quenk, & Hammer, 1998). In this study the change management and resistance to change has been analyzed and evaluated by using the Force-field analysis, The Grief Model and Bridges Model.

**Objectives of the study**

1. To identify the driving forces of change for Nokia & GM.
2. To examine the practical implementation of change process in Nokia & GM.
3. To analyze employees’ response, resistance to change and difficulties faced by Nokia & GM
4. To assess how Nokia & GM managed to reduce resistance to change and evaluate their change strategy with change models.

**III. METHODOLOGY**

Selecting the methodology to study a social reality is shaped by the nature of problem that is under question. Qualitative method rather than the quantitative method is more convenient to choose, considering the various elements inherited in the concept of resistance and its complexity. Some specific cases which present an appropriate ground for the study were chosen. The material gathered through journals, websites, and documents have been substantially rich in providing with the necessary information.

**Data Collection**

**Qualitative Research**

The research design employed for this study is qualitative and aimed at studying behavioral act such as resistance to change during the time when an organization undergoes the change process. Applying this research design, helped to acquire an in-depth practical insight of the subject matter, which may be hard to acquire through survey data and quantitative techniques. The study uses real case studies from organizations that have experienced the process of organizational change. Under qualitative design, this study specifically uses case studies of selected organizations (i.e. NOKIA, General Motors) to examine practical implementation of change processes.

**Selection of case studies**

One of the case studies that were selected explains the change process that took place in General Motors. This case provided a general understanding about the change process in terms of revisiting sources and scope of change and also the huge impact of environmental aspects of change.

The second case study is based on Nokia which provides a very rich content for describing different kinds of resistance from stakeholders. In short both the case studies have proved to be a wealthy resource to go deeper on resistance during the change process, and their differences have served as complementary to reach reliable explanations.

**IV. BACKGROUND OF NOKIA AND GM**

**General Motors (GM)** grew from a small organization into a corporate giant within a couple of decades. However, this golden era couldn’t last forever and with Toyota’s emergence in the market, great deal of GM’s profitability and market share was taken by them which lead its sales graph to decline. In order to maintain stability within the company such as operating costs, wages and other expense GM received loan from Canadian and American government (Government of Canada, 2009) Additionally, the economic recession in late 2000’s contributed to its bankruptcy, eventually GM was even forced to close down several brands and sell it out to China based company (Muorio & Kirschenbaum, 2000). The U.S. government then took over 60% control of GM, and taxpayers began bailing them out of bankruptcy.

Given this situation GM was forced to change and restructure, to gain back the market share and profitability. In addition to this other factors also played a major role in implementing the need for change. GM paid higher wage cost to employees compared to Toyota as GM had an agreement with trade union and also GM
manufacturing plants were supposed to run at 80% capacity minimum whether being used or not which played a major role in leading the company to bankruptcy.

**Nokia** started to concentrate on the mobile phones industry in the year 1992 and rapidly gained huge market share. Nokia remained very innovative and sensitive to customer demands and launched features as in such that match the market needs which led Nokia to success (The rise and fall of nokia, n.d.). But later in 2007, Apple’s revolutionary concept of iPhone created a very high standard for mobile phones which Nokia and other competitors were unable to compete with. But still Nokia launched a touch-screen Smartphone 5800 Xpress Music in late 2008 but the consumers criticized it and said it was nowhere compatible with iPhone and not user friendly (N.Ramachandran, n.d.).

Besides new entrance and competition in market other factors that lead Nokia to change was bureaucracy. Prototype of big screen touch screen and 3D user interface was rejected prior to iPhone and other competitors launched it which highlights that Nokia was innovative enough to compete but bureaucracy served as one of the challenge to remain competitive (O’BRIEN, 2010). In addition, change of Non-Finnish CEO also came as a shock to the market and stakeholders when a Canadian, Stephen Elop was announced as the new CEO of Nokia (Virki, 2010). Nokia was forced to give its market share to Samsung and Apple.

**V. DISCUSSION AND ANALYSIS**

Driving forces that lead General Motors and Nokia to adapt to change is discussed further in this section. And how resistance to this change came about for General Motors and Nokia and how did they manage it.

**Drivers of change for General Motors’ and Nokia**

GM’s *external forces* of change were the new emergence of competition (auto manufacturers from Japan and Europe) in the global marketplace; GM failed to respond to competition and it resulted in significant losses in their market share (Smith, n.d.)

The financial crisis of 2008-2010 had a huge impact on GM. They used to manufacture big cars Giant that are very fuel consuming, although those cars were really attractive because they made 15-20% profit margin on an SUV as compared to 3% or less on a car but as the financial crisis begun the fuel prices went up and the demand for large trucks and SUVS dropped significantly and with it the sales of GM whereas other organizations such as Toyota with its smaller cars benefited (“A Giant falls”, 2009).

*Internal Force* for change was the need for cost-cutting, the UAW (United Auto Workers) union was criticized for imposing high wage costs on GM. GM was paying its employees on average $74 per hour compared to Toyota $44 an hour. Secondly, GM was compelled to run its plants at 80% minimum capacity whether they needed to or not. (Saporito, 2008).

Another reason was payments made to retired workers. Earlier, GM used to provide health care benefits and generous pension funds to their employees. However, once they could no longer afford these payments, investors were not as happy with the choice.

Cultural problem was another major reason for change, there was delay in decision making, and the management had no sense of urgency to change. GM was in a bureaucratic mess, it became more focused on numbers than the quality products.

*External forces* that *Nokia* faced were new Emergence of competition and Change in consumer behavior. It missed the significant change in the market which was the Smartphone revolution. It was not prepared and had low technological competence Nokia also faced fierce competition from mobile phone producers in the developing markets who could make fast, cheap phone at the lower end of the mobile phone market (Riley, 2012).

Culture and leadership was the *internal force* that drove change in *Nokia*. It required leadership that drives change as its top management was all Finns of similar age and background, and this to some extent hindered their ability to make sense of their changing business environment. It’s conservative, bureaucratic culture got in the way of rapid fundamental change. The complicated organizational structure made it difficult to make timely and effective decision. A single product decision could take months if not years to be made and greatly affected its responsiveness to the rapid-changing mobile market (Lam, 2013).

**GM and Nokia Change process and Resistance by Stakeholders**

The initial change made at GM was cutting pay of employees which created a major problem. It achieved the target of cost cutting up to 15 billion but this cost-cutting strategy impacted its employees and customers eventually were unsatisfied. Cost-cutting wasn’t the only means for survival from bankruptcy and saving money, GM also decided to change its *cultural structure* in different ways. Firstly, GM promoted centralizations of functions (like consolidating its purchasing offices from 25 to 1 in the U.S.) and removed any redundant process. Then they replaced their product and automotive strategy board with an 8-man decision team reporting directly to the CEO in order to boost decisions. GM wanted to give its employees greater accountability and responsibility on the same model as Toyota.
Some criticized the top down approach of GM and said that GM has a long history of mistrust towards its employees (contrary to Toyota). It meant that if GM wanted its change initiative to be successful, they needed to empower their employees the way Toyota did, where workers played an active part in the process (Loy, n.d.).

When an organization seeks to reorganize under Chapter 11, it usually continues to operate its business under the protection of the bankruptcy courts. Organizations often retain a critical mass of employees to continue operations and are required to take a close look at expenses to reorganize an organization’s financial affairs. As a result, an organization in Chapter 11 bankruptcy may lay off some employees as a cost-cutting measure which can have devastating consequences for fearful employees. In the case of General Motors, management and employees were confined to the traditional way of the company's operations. Even more so, they knew that restructuring and layoffs were going to take place; therefore, they lost their sense of security and allowed anxiety to take over (Farfan, 2016). There was a solid resistance from employees towards the management, as they imposed the cultural change instead of making it come from its employees (“GM change”, n.d.).

When Stephen Elop was elected as the new CEO it came as a shock to all Nokia stakeholders. This decision was seen as controversial as for the first time in Nokia’s 145 year history, a non-Finnish CEO was chosen and the employees were not comfortable with that. As Nokia was a Finnish Organization, Finnish culture does not promote uncertainty and change but with the change, unclear communication and job security issues, many employees felt at risk and protested. Cultural difference made it difficult for everyone to adjust.

In Elop’s famous memo he blamed the attitude of Nokia employees for the downturn and described their behavior as pouring gasoline on the burning platform. Elop reckoned Nokia must decide how they are going to change their behavior (Lam, 2013). This came as a shock for employees who were in this turmoil of changes. Furthermore he stated that Symbian had proven to be non-competitive in leading markets and was considered as major roadblocks to develop good products quickly and offer advantages over other competing platforms.

The sudden rejection of Symbian and MeeGo in favor of an outsider’s platform made Nokia employees and Symbian user shocked and angry, they could not believe that Nokia was really giving up all the investments that they had done in Symbian and MeeGo. Intel was the strategist partner of Nokia before on the MeeGo project and it was also disappointed.

Nokia then outsourced Symbian to Accenture which lead to job termination and transfer of employees. The MeeGo team members had to find their own ways to survive inside the company.

Elop said that Nokia was terminating numerous development projects which sparked even more resistance. Various notable leadership team members decided to resign. Amidst all the changes that were taking place, Stephen Elop was also rumored to be Microsoft's “Trojan horse” to destroy Nokia’s share price for easier acquisition (Lam, 2013).

As a result, when Nokia tried to implement the change, strong resistance from employees and stakeholders was faced. Meanwhile, Nokia’s shareholders sold off their company shares which caused a dramatic drop in Nokia’s share price.

VI. COMPARISON AND ANALYSIS OF CHANGE THAT TOOK PLACE IN GM & NOKIA

Using Lewin’s Model

Kurt Lewin's Force field analysis was developed in the Mid-20th century; it systematically analyzes factors in complicated situations (Nasser, 2015). Two forces are taken into account, one that moves towards the goal, other that hinders the achievements of goals. These forces work against each other in a dynamic way inside organizations and eventually reach equilibrium. An imbalance in this equilibrium may cause a tension
that subsequently leads to change (Burnes, 2004). In the figures below, Nokia and GM’s high level pressures for and against the change are analyzed.

![Figure 2: Force Field Analysis of GM Using Bridge’s Transition Model](image1)

![Figure 3: Bridge’s Transition Model](image2)

The first stage is characterized by letting go and accepting an ending, therefore to enter new stage employees must let go of certain things. GM realized there were differences between its goals and the current system of operation, so it accepted the fact that its glorious era has ended and placed its fate in the hands of the US government, which then took over 60% control of GM, and taxpayers began bailing GM out of bankruptcy (“UK Essays”, 2015). GM was an iconic symbol of the American auto industry, it was essential to preserve it plus if GM failed, the economic repercussions would be failure for many suppliers, distributors, employees, and communities.

On the other hand innovative ideas were not being communicated to top management in Nokia because of the overly bureaucratic management. By 2010, facing fierce competition from iPhone and others, things were not going Nokia’s way and it was time for it to rethink (Hassan, 2013). So to drive strategic change, Stephen Elop was appointed as the new CEO (Non-Finnish), which in turn gave a cultural shock to employees. He then issued the famous burning platform memo bluntly explaining the serious strategic challenges facing Nokia and also called for it to undergo drastic change (Riley, 2012).

Neutral zone is a bridge between the old system and the new one, employees mostly feel anxious, disoriented, angry. GM faced numerous barriers and resistance to the changes that were occurring. The new CEO Ed Whitacre used his power to introduce a new plan to improve accountability and concern for crucial market performance within GM. The employees were fearful for their jobs during the restructuring and reorganizing (“UK Essays”, 2015). Whitacre realized that the changes have shaken up the employees so he sent a companywide email in which he wrote, “A smart company changes and adapts to the needs of the business. So, while there will always be individual moves within GM, I want to reassure you that the major leadership changes are behind us” (Welch, 2010). Whereas in Nokia, Elop’s February 11th announcement regarding the partnership with Microsoft triggered a protest from employees due to confusion about their tasks and job security. Also changing to Windows platform came with a lot of resistance from all stakeholders as the homegrown Symbian platforms were dumped (Lam, 2013). Nokia’s share price dropped by 10%, and there was
also a wave of resignations. Better communication, leading and guidance within the organization are the key to move forward from this phase.

Once the Neutral phase is over, a new beginning takes place. People involved begin to embrace the change program and gradually become more accepting and recognize the benefits of change and how it contributes to the bigger picture (Managing Change - Bridges Model, n.d.). GM was able to enjoy the fresh start that had been much anticipated for, although it decided to get rid of Hummer, Saturn, Pontiac, and Saab, it proceeded on with its most profitable brands like Chevrolet, Cadillac, Buick, and GMC. In Nokia, major restructuring and large layoffs took place to tackle the bureaucracy issues and to simplify the organizational structure. Nokia finally managed to launch its first Windows Phone products, and from that point onwards there was mass launching of Lumina Series which brought some good news as Nokia started to become profitable again in 2012 (Brodeur, 2013).

**Using the Grief Model**

One of the reason why change initiatives fail is the inability to assess the effect of change on those people who are most affected by it. Cultural shifts, new methods of working plus new processes and structures have an impact on people; they experience emotional and psychological changes to adapt to the new ways (Warrilow, n.d.). The stakeholders’ reactions on GM & Nokia’s change strategy can be reflected on the Kübler-Ross grief model:

![Figure 4: GM's strategy change as reflected in the Kübler-Ross Grief model](image1)

![Figure 5: Nokia's strategy change as reflected in the Kübler-Ross Grief model](image2)

VII. RESEARCH FINDINGS

GM and Nokia had similarities, both did not realize that a drastic shift is coming; they were not prepared for the change. Both were over confident and did not see the new organizations entering the market as a threat, they thought they cannot be overtaken. They were not responsive to the environmental changes and also didn’t act quickly to the changing market needs. GM and Nokia also did not pay attention to the changing consumer behaviors. Nokia’s focus was on the hardware rather than the software and GM was not focusing on fuel-efficiency or the new technologies. In both cases the top management did not bring anything new to the table and stuck to their old ways.

Following are the ways in which the change management took place at GM and Nokia:

After announcing bankruptcy and getting government bailout, GM decided to alter its strategies and objectives, which it started by changing its management. Its top management was not proactive and open to change; their lack of planning, organizing, leading and controllling was one of the reasons of its downfall. Government enforced the change and Ed Whitacre was hired to restructure and revamp GM.

The new leadership decided to reduce production capacity and became focus-oriented; by cutting Saturn, Pontiac, Saab, and Hummer they started to focus on specific brands only, in order to create high value for its customers and recapture its market share.

As far as the employees were concerned, GM expressed that there would be no buyout or early retirement packages as it had offered earlier in the past, yet laid-off employees would get severance pay, benefit contributions and support. Centralization was reduced, innovation was encouraged, employees were given the freedom to take decisions as they are in the best position to foresee the market and make decisions accordingly. Whitacre tried to raise employee morale by increasing employee involvement in decision making and having two-way communication with employees.

GM also managed to reduce labor expenses and cut the legacy costs; reached a historic agreement with the UAW, the wages were cut in half and the traditional retiree benefit packages were also scaled back (Hua, n.d.).

GM needed rebranding; their strategies were always focused on competing with US organizations, but it realized that it needs to start investing in new products and technologies to keep up with the global competition. In order to capture customers’ attention, GM showcased its social investments, which included alternative fuels, improved gas mileage, eco-friendly vehicles, and other go-green initiatives (Loy, n.d.).

As Nokia was no longer focusing on the dated Symbian platforms, Elop decided to outsource the Symbian software development and support devices to Accenture. This was considered a cost saving measure too, as 2,800 Nokia employees from various offices all over the world were transferred to Accenture (Kirk, 2011). Nokia announced that it would support the departing team members with severance benefits along with free Nokia handsets to employees who sign up for the resignation package.

The MeeGo team was eventually dissolved and team members departed the company to create quite a few start-up companies in Finland, with financial support received from Nokia’s Bridge program (Lunden, 2012). This program provided former employees help in the form of technical training, financial aid, and in some cases, patents.

Under Elop’s leadership Nokia did manage to bring out improved products and also managed to have fewer layers of management, both top down and sideways, to accelerate the flow of information and decision making.

VIII. CONCLUSION & RECOMMENDATIONS

While GM was able to fast-track the change process with the right leadership in place, certain actions could have been done differently to maximize efficiency and minimize resistance. Palmer, (2004) suggests that resistance to change can be managed by communication to the followers, participation from everyone involved and negotiation between the leaders and the subordinates. Although Mr. Whitacre automatically sent out a companywide email when the company was in turmoil, it was not necessarily effective. Alternatively, he could have done a video conferencing with all the employees worldwide. In this manner, not only would his body language be viewed, but also would he be able to display emotions. According to Bridges (1995, p.41), “Communications help to keep people feeling included in and connected to the organization”. Without communications in place, wrong information can be multiplied and people develop apathy.

Nokia faced problems in implementing change as they started from the top level and didn’t initiate from the employees. The switch to Windows Phone platform was a controversial decision though logical but the need to change the platform was not communicated well. Change is a step by step process but Nokia rushed into the process which resulted in resistance from employees and created a wave of shock not just among employees but other stakeholders, leading to subsequent disastrous result that even Bill Gates remarked the Windows Phone strategy as big mistake (Lam, 2013). For Nokia to be successful they should have studied the market situation, analyzed employee attitudes and behavior, and assigned leaders as in such that Employees are willing to follow, perform stakeholder analysis, risk assessment and prioritization (CAMERON & GREEN, 2012); Cut
management layers and bureaucracy, empowerment of employees such that they know their option matters; adopt a well-established change management model (such as Bridges and force field analysis) and then gradually implement the frameworks for change, give importance to what employees’ want and also involve in the process.

Both GM and Nokia are a prime example of what other industries can learn from and react to competition in the industry. Organizations that are dominant in their market can also experience downfall. Therefore the factors that lead to the downfall should be analyzed and then necessary steps should be taken for the improvements, in order to make the organization more resilient.

Limitations of the study

Initially it was planned to collect first hand empirical data through investigating the resistance to change issue on the field but it appeared impossible because of certain limitations. The amount of time that is necessary to study resistance empirically was way more than it was on hand to prepare this study. In addition to time constraint, studying resistance in a real organizational setting demands certain amount of financial resource which also limited the initial plan.

Therefore, two specific cases which presented an appropriate ground for this study were selected from the existing literature. Despite above limitations, it has to be stated that the material gathered through journals, websites, and documents have been substantially rich in providing with the necessary information

Directions for future research

After analyzing the case studies on resistance to change and conducting this research finding, it has become prominent that further areas with respect to change management needs to be studies. As this research uses two case studies only to study resistance, further research can be done on resistance taking this study findings as baseline knowledge and further employee perception, attitudes, values and also leadership style can be studied to find how to overcome resistance. The degree of stakeholder’s acceptance of resistance to change is one of the most important factors influencing change management which should be examined by the change agents. Furthermore, this research is based on secondary data and to further explore the factors influencing resistance to change, primary data can be analyzed in future.

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IX. REFERENCES
