**YANGON UNIVERSITY OF ECONOMICS**

**DEPARTMENT OF MANAGEMENT STUDIES**

**MBA PROGRAMME**

**THE EFFECT OF PERSON-ENVIRONMENT FIT ON**

**READINESS FOR CHANGE AND**

**EMPLOYEE COMMITMENT IN EVER FLOW RIVER**

**GROUP PUBLIC COMPANY LIMITED (EFR)**

**TIN MYA**

**EMBA – 48**

**EMBA 17th BATCH**

**MARCH, 2022**

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**GROUP PUBLIC COMPANY LIMITED (EFR)**


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# ACCEPTANCE

This is to certify that the thesis entitled " **The Effect of Person-Environment Fit on Readiness for Change and Employee Commitment in Ever Flow River Group Public Co., Ltd. (EFR) "** has been accepted by the Examination Board for awarding Master of Business Administration (MBA) degree.

**Board of Examiners**

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# ABSTRACT

The purposes of this study are to explore the factors affecting employee readiness for change and the effects of employee readiness for change on employee commitment at Ever Flow River Group Public Company Limited (EFR) in Yangon. The data are obtained from (210) respondents out of (445) employees of EFR Group by collecting structured questionnaires`. The findings show that person-job fit has positive effect on belief and management relationship and person-group fit has positive effect on all variables of employee readiness for change. It is also found that individual attitude and job knowledge and skills positively affect only organizational commitment. However management relationship positively affects both organizational and career commitment. The main reason is that top decision makers who support to EFR Group have well managed for such significant change to occur in the direction. The study recommends that EFR Group should maintain the existing level of employee readiness for change in order to increase employee loyalty and commitment to the organization.

# ACKNOWELEDGEMENTS

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| | |
|---|---|
| **BF** | Belief |
| **CC** | Career Commitment |
| **EFR** | Ever Flow River Group Public Company Limited |
| **IA** | Individual Attitude |
| **JS** | Job Knowledge and Skills |
| **MR** | Management Relationship |
| **OC** | Organizational Commitment |
| **PG** | Person-Group Fit |
| **PJ** | Person-Job Fit |
| **PO** | Person-Organization Fit |
| **YSX** | Yangon Stock Exchange |

# CHAPTER  1

# INTRODUCTION

Today's business environment is rapidly changing. In order to survive and achieve competitive advantage in this ever-changing business atmosphere, every organization has to change. Change is inevitable. It calls for individual person or most organizations to keep accurate commitment to continually adjust their direction, redefine their goals, and develop their workforce under their respective environmental context in accordance with the organization's vision, mission, objectives and visualized transformations. To achieve this ends, it needs to embrace, adapt, adopt and implement changes in the business model based on the extent of person-environment congruence, changing trends, technologies, customer preferences and future concerns. Thus, person-environment fit plays a vital role in this changing world.

In order to adapt to a change demanded by the business environment, a certain organization may have to implement a planned change process where employees must have prepared their mindset to welcome the desired change with a positive manner. In this scenario, not only the employees' role would be highly decisive but also the change agents should induce employees' openness for change in the change recipients or the employees. The reason is that open minded employees tend to see at change initiatives positively and consider it as an opportunity to improve. On the contrary, some others may look at it as a threat. Therefore, sustaining the ability to modify or adjust their attitudes and behaviors regarding the necessities of change needed in meeting with environments is important for creating employee readiness for desired changes.

When employee readiness for change could be steered up to a direction desired by the organization, it is rather possible to modify or change employee willingness as a strategy to achieve any organizational goals. Employee commitment being one of the goals, it is intensively required and expected to be built in the organizations. The committed employees are those who are committed to their organization generally feel a connection with their organization, feel that they fit in it and, feel they understand the goals of the organization. Not all employees are committed. The road to success is through commitment. Productivity is never an accident. It is always the result of a commitment to excellence, intelligent planning, and focused efforts of organizations.

Committed employees need a leader that will guide them, and are always looking for new challenges to take on. They show up to work on time and do the necessary and even more. Such employee commitment results in increased productivity at work.

In this study, it is expected to uncover the employees' openness for desired change being created in the organization, to explore possible factors influential on employees' willingness for change, and to examine the impact of this employee readiness for change on employee commitment of the organization. In short, this study is trying to explore the root causes of creating employee readiness for change and the effects of employee readiness for change on employee commitment at Ever Flow Rivers Groups of Co., Ltd. (EFR) who has successfully managed to be a listed company at Yangon Stock Exchange (YSX) by successfully creating employee readiness for change within organization.

## 1.1 Rationale of the Study

With fast and ever-changing business landscape along with the technological changes, businesses are encountering tougher competition in markets. It is therefore important to achieve competitive advantage and dynamic capabilities in the business organizations. EFR Group, fully integrated total logistics service provider with many business units operating for more than 22 years, was successfully listed on Yangon Stock Exchange (YSX) on 28 May, 2020. EFR Group has managed to make such a significant change through implementation of the organizational and career commitment within the workplace in line with the organizational goals.

After person-environment fit have been efficiently and effectively created in the group, the Group found out positively effect on employee readiness for change which leads to organizational and career commitment to the organization. It is therefore very interesting to study how employee readiness for change is created at EFR Group in Yangon. What is more, in order to have a better knowledge about employee readiness for change and employee commitment of EFR group in Yangon, there is definitely a need to do a study in the perspective of the employees concerned. For those reasons, this study is conducted with the aims of contributing knowledge about the role of employee readiness for change being successfully created at EFR Group from the employees' point of view.

**1.2     Objectives of the Study**

The main objectives of the study are as follows:-

1.     To examine the effect of person-environment fit on employee readiness for change at EFR Group

2.     To analyze the effect of employee readiness for change on employee commitment at EFR Group

**1.3     Scope and Method of the Study**

This study focuses on the employee readiness for change, factors influencing on readiness for change and employee commitment of Ever Flow River Group of Co., Ltd. (EFR) in Yangon. In order to examine the factors that affect readiness for change and employee commitment of EFR Group, the quantitative method is used by delivering the questionnaires to employees. The simple random sampling method is used. The primary data are collected from (210) respondents out of (445) employees of EFR Group    with structured questionnaires using 5 point Likert scale. The secondary data are obtained from international thesis, textbooks, previous research papers, reports, publications, journals, articles and websites. The data collection period is during December, 2020 to January 2021. In this study, descriptive and regression method are applied. This study only focuses on how readiness for change is created to achieve employee commitment from the person- environment fit point of view at EFR Group.

**1.4     Organization of the Study**

This paper is organized in five chapters. Chapter 1 includes introduction comprising rationale of the study, objectives of the study, scope and method of the study and organization of the study. The theoretical background on person-environment fit, readiness for change and employee commitment, previous studies and conceptual framework of study are presented in chapter 2. Chapter 3 mainly presents the profiles, change management practices of EFR Group and profiles of respondents. Chapter 4 consists of person-environment fit, readiness for change, employee commitment, analysis of the effect of person-environment fit on employee readiness for change and analysis of the effect of employee readiness for change on employee commitment at EFR. Finally, chapter 5 includes the conclusion with the findings and discussions, suggestions and recommendations, and needs for further research.

# CHAPTER 2

# THEORETICAL BACKGROUND

This chapter mainly presents the theoretical background of the study which consists of five parts; person-environment fit, employee readiness for change, employee commitment, previous research studies and conceptual framework of the study.

## 2.1 Person-Environment Fit

It is generally assumed that person-environment fit leads to positive work related outcomes, such as satisfaction, performance, readiness for change and overall well-being in organizations. In terms of change process, the organizational context consists of the conditions and environment within which employees function. Congruence between individual values or goals and those of the organization have also been associated with attitude toward change. Research findings suggest that the extent to which value and goal congruence is beneficial or detrimental to readiness for change will depend upon the type of change (Cole *et al*., 2006), the specific dimensions of congruence (Choi & Price, 2005), and whether managers and organizations are trusted and supportive (Erdogan *et al*., 2004). The relationship between fit and organizational change focuses on the extent to which the goals and values of an organization match those of its employees (Caldwell *et al*., 2004). There is general consensus that perfect fit is seldom a guarantee of readiness for change and that matching between employees and their managers, work group, job requirements, and organizational culture is only advantageous to change initiatives to the extent that it confers a sound balance between positive affect and functional adaptability (Choi & Price, 2005).

The main concept of the person-environment fit theory is that when individuals and their environments are compatible, their attitudes and behaviors are likely to be positive (Kristof- Brown *et al*. 2005). When employees are fitting to their environment: job, team and organization, they will have a positive attitude toward change and establish positive social relations that lead to their readiness to accept changes. In contrast, person-environment misfit can generate dysfunctional attitudes and behaviors. Due to its important implications in the workplace, person-environment fit has maintained a prominent position in industrial and organizational related fields.

Person–environment fit is defined as the degree to which individual and environmental characteristics match. It can be broadly defined as the matching between individuals and organizations or between individuals and other workgroup members resulting from satisfaction of mutual needs, from similarity of work values, and from work goal congruence (Kristof, 1996). Although there has been a long debate about the relative importance of the person versus the environment in terming human behavior, it is generally assumed that person–environment fit leads to positive outcomes, such as satisfaction, performance, readiness for change and overall well-being of the organization.

Person-environment fit studies have relied on difference scores to assess congruence between individuals and their jobs and organizations with regard to values, goals, and expectations (Edwards, 2001; Kristof, 1996). This method entails the calculation of the absolute or squared difference between two component measures: individual and group or individual and organization. Hence, a careful examination of the relationships between components of person-job fit, person-organization fit, and person-group fit and dimensions of readiness for change was in order to clarify the specific dynamics where fit is beneficial or detrimental. In this study, three distinct facets of construct: person- job fit, person-organization fit and person-group fit are defined to measure the level of person environment fit.

### 2.1.1 Person-Job Fit

Person–job fit refers to the compatibility between a person's characteristics and those of a specific job. The complementary perspective has been the foundation for Person–job fit. This includes the traditional view of selection that emphasizes the matching of employee and other qualities to job demands. Person-job fit is important when hiring competent and capable employees who are suggested to be the main determinant in creating readiness for change.

Person- job fit is a concept that refers to how well an employee is suited for his or her position. In general, employees who are well-suited for their positions will be happier and more productive, which can have a positive impact on company morale and ultimately benefit a company's bottom line (Scroggins, 2003, 2007). By matching the right person with the right job, company workers can achieve a better synergy and avoid

pitfalls such as high turnover and low job satisfaction. Employees are more likely to stay committed to organizations if the fit is 'good'.

The impact of person-job fit in organizational outcomes is particularly salient in early stages of organizational affiliation or career path (Kristof-Brown *et al.,* 2002) in the sense that individuals are highly mindful of the extent to which they adequately fulfill job requirements, and rely heavily on their abilities and knowledge to secure a job position or to initiate career moves. For this reason, most of the existing person-job fit research is conducted at the recruitment and selection stages of organizational affiliation (Cable & Judge, 1996; Carless & Imber, 2007; Ehrhart, 2006). However, recent research has been increasingly interested in the integration of person-organization fit and person-job fit frameworks, and in the impact on these fit types on attitudes toward the organization and other work-related outcomes. Accordingly, Kristof (1996) and Scroggins (2007) suggested that different dimensions of person-job fit differentially impact attitudinal work-related outcomes, namely job satisfaction, readiness behavior, commitment intention in the    workplace.

### 2.1.2   Person-Organization Fit

Among three components of person-environment fit, person-organization fit represents the most commonly investigated component (Kristof, 1996; Ostroff *et al.*, 2005). Person-organization fit reflects two dimensions of congruence between an organization and its members: supplementary fit and complementary fit (Cable & Edwards, 2004; Kristoff, 1996). Supplementary fit occurs when individual and organization share similar values    relative to work situations, including beliefs regarding employment policies, corporate social responsibility, and diversity management (Meligno & Ravlin, 1998). Complementary fit occurs when the individual, the organization, or both are capable of satisfying the needs of the other party (Verquer *et al.,* 2003), including skill and competency development, allocation of benefits, and job security.

Research findings show that value congruence and need-fulfillment independently and additively affect individual attitudes, suggesting that both components are necessary to determine the impact of person-organization fit on work-related outcomes such as job satisfaction, readiness for change, and commitment intention etc;- (Cable & Edwards, 2004). Readiness for change is resulted from creating strong adaptability between persons and environment in organizations. It can be suggested that employee and organization

have mutual interests based on certain needs, desires, and expectations because organization provides an environment to employee to be related to expectations and demands that induce employee to utilize their knowledge, skills and experiences. In practice, person-organization fit would be used to gauge integration with organizational competencies. The employee is assessed on these competencies, which reveals efficacy, motivation, influence, and co-worker respect. When an employee displays a high person-organization fit, the employee would most likely be able to adjust to the organizational environment, work culture, and would be able to perform at an optimum level.

### 2.1.3  Person-Group Fit

Person-group fit is defined as the extent to which individual values and those of workgroup or work unit members are congruent. In more detail, person-group fit is defined as the compatibility between individuals and their workgroups (Kristof, 1996). The underlying assumption is that matching between the individual and his/her workgroup is related to the quality of their interactions, which in turn affects the individual's capacity to make positive contributions to the organization (Werbel & Johnson, 2001). In addition, person-group fit relies on the notion that different work units and teams have unique climates (Adkins & Caldwell, 2004), suggesting that the degree of value similarity between employee and workgroup – and ensuing implications – may differ from the degree of value congruence between employee and organization (Kristof-Brown *et al.,* 2005).

With respect to supplementary and complementary fit, supplementary person-group fit occurs when the individual holds values that are similar to the values held by other group members, and complementary person-group fit occurs when there is a degree of skill diversity among team members that enhances the overall quality of group contributions (Muchinsky & Monahan, 1987). An interesting aspect of complementary person-group fit concerns the emphasis placed on different or complementary skills among members of a work group, contrasting with the focus on value similarity suggested by the supplementary person-group fit component (Werbel & Johnson, 2001). Consequently, the two dimensions of person-group fit should be differentially related to individual, group, and organizational variables. Supplementary person-group fit criteria include cohesiveness and cooperation, and complementary fit criteria include decision-

making quality and other task-related variables, namely group performance (Werbel & Johnson, 2001). Boone & Hartog (2011) revealed that person–group fit is most strongly related to group-oriented outcomes like co-worker satisfaction and feelings of cohesion that entail unity and readiness for change in organization.

## 2.2    Employee Readiness for Change

Employee readiness is a state of mind during the change process that reflects a willingness or receptiveness to changing the way one thinks (Bernerth, 2004). In this scenario, employees who address high readiness for change are motivated to develop new behaviors or cultures and competencies, to rethink their current work values, and to commit to new goals in their organizations. These positive attitudes are expected to greatly facilitate the employee commitment to change programmes in organizations. On the other hand, an organization might face threats from employee, high turnover rates, uncertainty, frustration, lower efficiency, anxiety, and a decline in output and decreased organizational commitment (Kotter & Schlesinger, 1979). Conversely, a positive response shows employee readiness which can support the organizational change. This response may provide high commitment, low turnover, high performance and low absenteeism (Desplaces, 2005).

Weiner (2009) explains that employee readiness for change happen when organizational members' (employees') shared resolve to implement a change and shared belief in their collective capability to do so. In other words, when persons (employees) are well adaptive with their environments (organizations, jobs, and groups or co-workers etc:), they tend to overcome or minimize employee resistance. Readiness is literally defined as a belief, intention, attitude and behaviour regarding the extent to which change is needed and the organizational capacity to achieve it successfully. The response of employee towards change largely arises from his or her positive or negative perceptions. Employee positive response shows willingness towards change while negative reflects resistance.

Researchers believe that employee willingness and receptivity is essential for an organization to implement change successfully (Jansen, 2000; Rafferty & Simon, 2006). Thus, organizational readiness refers to 'the extent to which organizational members are psychologically and behaviorally prepared to implement organizational change' (Weiner, 2008). When organizational readiness is high, members are more likely to initiate change,

exert greater effort, exhibit greater persistence, and display more cooperative behavior, which overall results in more effective implementation of the proposed change (Weiner, 2009). Conversely, when organizational readiness is low, members are more likely to view the change as undesirable and subsequently avoid, or even resist.

In order to make change effective and successful, the organization needs to have a high degree of fit or internal alignment among persons and environment. Fortunately, researchers categorized these factors into two groups; individual and workplace factors. While job knowledge and skills, management and leadership relationships, change efficacy, appropriateness, and etc:- are included in workplace factors, beliefs, general attitude, adaptability, job satisfaction, and etc:- involved in individual factors (Rafferty & Simon, 2006). Desplaces (2005) insists that the extent of certain individual and workplace characteristics may lead to the development of a positive attitude and behaviour towards change readiness. In this study, after all these factors have been reviewed, employee readiness for change is defined as individual attitudes, job knowledge and skills, belief and management relation which may support to develop positive employee readiness for effective implementation of employee commitment.

### 2.2.1   Individual Attitudes

Individual attitudes refer to one's opinion, beliefs, and feelings about aspects of environment. In the change domain, employee readiness has been associated with individual attitudes and behaviours that may be supportive or resistant (Armenakis & Bedeian, 1999). Bernerth (2004) argues that readiness is a state of mind during the change process that reflects a willingness or receptiveness to changing the way one thinks. Researchers and practitioners need to know how to deal with employee before, during and after launching change programmes. Employee readiness for change is a construct that creates positive behaviors and attitudes in employees toward new ideas.

The literature indicates that readiness for change in organizations occurs at two distinctive levels: the personal and the organizational. Personal change readiness elements encompass motivation, competence and personality attributes (Armenakis & Harris, 2002; Weiner, 2009). If employees are well adapted to their job and organization, they will have a positive attitude toward change and establish positive social relations that lead to their readiness to accept changes.

### 2.2.2 Job Knowledge and Skills

Job knowledge and skills measures employee's demonstrated job relevant knowledge and essential skills such as work practices, policies, resources, as well as the relationship between employees and organization's mission. In addition, there are must- have skills and responsibilities for any change. Job knowledge and skills such that having ability to communicate, leadership, vision, strategic analysis, knowing change principles and best practices, and possessing other soft skills are required for change. The process of managing organizational knowledge and skills requires interaction among employees: members of the organization.

Miller *et al.* (2006) focused on employee readiness for organizational change by influencing workplace factors such that management and leader relationships, job knowledge and skills, and job demands and found a significant influence on employee readiness for change. Furthermore, Hanpachern *et al.,* (1998) found that margin in life and demographic variables of employee are related to readiness for change including job knowledge and skills, social relationships in the workplace, organizational culture, and management and leadership relationships which all have a significant relation to readiness for change.

The literature describes employee readiness predictors such that change efficacy, communications, job demands, job knowledge and skills, logistic and system support, organizational commitment, participation, social relations at workplace, job satisfaction, participation and many more factors prevail in support of change programmes ( Wanberg & Banas, 2000; Rafferty & Simon, 2006). Indeed, these factors have been positive implicated in reducing employee resistance and enhancing readiness.

### 2.2.3 Belief

Holt *et al*. (2007) defines the dimension of change readiness as beliefs about the need for change, reason for change and benefits of change initiatives that shape individuals' insights regarding the changes. In addition, the values that exist in the organization such as peer influence could also affect the individual beliefs. Armenakis & Harris (2002) have examined the importance of psychological readiness for change implementation, and the results have shown that psychological readiness has a significant influence in determining change success.

As these beliefs grow in an individual, whose effort might be dependent on others, the willingness to change could also be influenced by co-workers' actions. Hence, besides evolving at the individual level, the beliefs about change should also be seen as collective attitudes or intentions of the organization's members. Moreover, capability to change depends on the individuals', as well as the organizations', ability to carry out the changes. This capability includes sufficient financial, human and information resources to craft members' readiness for pursuing new ideas or programs. It also represents the conditions within the organization and its members as they embark on the change.

Beliefs is supposed to be the basic determinant to readiness for change because it includes discrepancy (the belief that a change is necessary), appropriateness (the belief that the change is needed), efficacy (the belief that the change can be implemented), principal support (the belief that superiors and peers will support change efforts), and valence (the belief that the change will be personally beneficial). The comprehensive assessment of change readiness should incorporate analysis at both the individual and the organizational levels (Weiner, 2009). At the individual level, personal beliefs and behaviors play a vital role in organizational change, thus requiring an understanding of the cognitive and emotional processes that occur during the change (Walinga, 2008). These individual beliefs and behaviors must also be effectively aligned to, and supported by, organizational structure, climate and culture to enable successful change implementation (Armenakis *et al*., 2007; Luo *et al*.,2006). For this reason, readiness is created through nurturing the willingness and ability of individuals in the organization to move into a new state resulting from the change event, and is supported by the appropriate conditions in the organization to enhance readiness for change.

### 2.2.4  Management Relation

Miller *et al.* (2006) focused on employee readiness for change by applying three workplace factors such that management and leader relationships, job knowledge and skills, and job demands, and found that these workplace factors had a significant influence on employee readiness for change. But employee relationship with their managers was the strongest predictor of readiness for change. Furthermore, Bridle (2001) claims that successful business begins at the top and is driven by leadership. A leader gives direction and sets standards, creates inspired people whose enthusiasm for the business leads to an innovative approach to the business and also inspires employees with

natural enthusiasm and flair when interacting with customers. A committed leader is the biggest contributing factor to a successful Lean implementation or cultural transformation. Leadership's role is to create a vision that their employees can believe in, and ultimately foster their desire to achieve it. In other words, employees want someone who inspires them to be the best they can be. Indeed, leadership occurs from one's ability to guide, direct, or influence people. The most successful leaders are committed to bringing out the best in all employees. They understand the very essence of their organizations and regularly stimulate hope amongst their teams for brighter futures. As a result, they quickly reconfigured the team and set very clear expectations of how the team would perform moving forward. They understand that getting the right people, in the right place, at the right time was critical.

The employees who have a high-quality relationship with their leader have high psychological empowerment, they are highly engaged at work, and their psychological withdrawal behavior is also low. In addition to this, high levels of psychological empowerment have a positive impact on their engagement toward work, which further leads to a high level of employee commitment. Additionally, a high-quality relationship enhances a sense of freedom and delegates power from superiors to their subordinates, which ultimately helps in reducing employees' withdrawal behavior (Landells & Albrecht, 2017). There is a higher tendency that the employees who experience high-quality relationships at their workplace feel psychologically safe (Gruman & Saks, 2011). The sense of psychological safety further enhances employees' work engagement (Garg & Dhar, 2017).As defined by Rafferty *et al.*, (2006), employee readiness reflects the extent to which an individual or individuals are cognitively and emotionally inclined to accept, embrace, and adopt a particular plan to purposefully alter the status quo.

## 2.3    Employee Commitment

Any organization in today's competitive business conditions are facing demands for excellence in retaining employees who have the best skills, expertise and experience. A company that wants to maintain its competitive advantage in products and labor markets requires employees who are committed and integrated with the organization. Commitment is defined as one's motivation to work in a particular vocation or as an act of commitment to trust or pledge to something or someone (Hall, 1971). In organizational terms, commitment has largely been used to understand employee behaviours, thinking

and attitudes towards organization or work (Oliver, 1990). In addition, the term commitment refers to the nature and quality of the relationship between the employee and employer, the employee and company (organization), the employee and job (career), and the employee and co-workers (group) in ways of identifying their respective unique sense of attachment to each other. The relationship of individual with the organization shows their beliefs, willingness (or readiness), and desire to remain or quit with the organization. Employees who are committed to their organization generally feel a connection with their organization, feel that they fit in it, and they understand the goals of the organization (Meyer & Herscovith, 2001).

In the academic literature of commitment, employee commitment to the organization and career commitment seem often to run in parallel (Shah, 2009). The important component of commitment is organizational commitment which has multi-dimensional approach may be interpreted in different ways. In addition, the term has been treated as a pattern of behaviours or attitudes towards an organization (Liou & Nyhan, 1994). It creates employee beliefs and willingness towards the goals of organization. Most of the research has focused on individual factors that influence career commitment such as job involvement and organizational commitment (Blau, 1985; McGinnis & Morrow,1990); situational factors (organizational uncertainty, fear of job loss and job fit) used by Goulet & Singh (2002) along with organizational commitment, job satisfaction and involvement because the economic and organizational situation (downsizing and restructuring) may have an impact on career commitment (Morrow, 1990; Hall and *et al* 1986). In this study, employee commitment is defined as organizational commitment and career commitment which determine the achievement of organizational goals.

### 2.3.1  Organizational Commitment

Organizational commitment is an individual's psychological attachment to the organization. It is an employee's attitude toward their organization or a psychological level that categorizes employee relationships with their organization, which has implications for the decision to continue membership in that organization (Meyer & Allen, 1997). The basis behind this study was to find ways to improve how employees feel about their jobs so that these employees would become more committed to their organization. Moreover, organizational commitment predicts work variables such as

turnover, job performance, empowerment, and distribution of leadership. Overall, all these factors have been shown to be connected to an employee's sense of organizational commitment. Besides, organizational commitment refers to the level of engagement and dedication employees have toward their individual jobs and the organization. Businesses value organizational commitment because it can lead to consistent work performance, constructive relationships and healthy work cultures.

An employee will show high loyalty if they have a strong commitment to organization. Mowday, Porter, and Steers (1982) highlight that organizationa commitment is the level of loyalty and contribution of a person to the organization. In other words, the higher the commitment of employees, the higher the level of loyalty and contribution to the organization. Loyalty and contribution are two things that are important to the organization. Employees with high loyalty and contribution will do their job as well as possible in order to achieve organizational goals and progress. Therefore, it is very important for the organization to instill organizational commitment in its employees. However, organizational commitment is not something that can be obtained instantly. Commitment grows through a series of processes as long as employees are members in the organization.

Increased organizational commitment encourages employees to remain with their employer for a longer period, reducing turnover rates. Committed employees may see the organization as an important part of their lives or as an exceptional professional opportunity Meyer, Allen, & Smith (1993). They therefore may choose to focus on growing their career with the company rather than moving to another one. The continuance commitment refers to the employee's awareness of the costs or sacrifices associated with leaving the company for which they work (Meyer & Allen, 1991). Finally, the normative commitment reflects employees' feelings regarding their moral obligations to continue the work (Meyer, Allen, & Smith, 1993). When employees identify with their company's goals, they more readily dedicate their best efforts to them. They remain on task and proactively look for ways to accomplish as much as possible.

In sum, higher levels of commitment among employees can improve organizational development. Since organizational development refers to efforts to increase companies' effectiveness and ability to compete in their markets, if a company has dedicated employees, implementing new strategies and policies becomes easier since they tend to embrace the need for change. This can lead to higher output and help the

organization achieve positive results. Ideally, committed employees would see how their work leads to changes for the better.

### 2.3.2 Career Commitment

Career Commitment may be defined as one's attitude towards one's profession or vocation (Blau, 1985). It is characterized by strong sense of identification, persuasion, development and active involvement in individual career goals. In other words, it is commitment to one's career goals (Colarelli & Bishop, 1990). Unlike organization goals, these are self-generated. Career commitment involves self-generated goals and commitment to one's own career which is influenced by number of factors such as personal, behavioural and environmental decisions (London, 1983).

Career Commitment or Occupational Commitment has also been conceptualized in three approaches (Meyer *et al.*, 1993): the first is concerned with affective commitment to an individual's career based on strong desire to remain in the same profession, the second is concerned with normative commitment with a sense of obligation to remain in the chosen profession, and the third with continuance commitment which is concerned with high costs associated with leaving the occupation. Kidd & Green (2006) found that career commitment and organizational commitment are some of the determinants of career success.

According to Hall (1971), career commitment is the power of employee motivation to work in the career roles that they have selected. Blau (1985) defines career commitment as a person's attitude toward their work or field. A person who is committed to a career that is being undertaken tends to make more efforts to achieve the targets of their career. Career commitment as a subjective dimension of a career is an affective concept that identifies a series of related assignments in a particular field with the behaviors of overcoming disappointments in the attempt to pursue career goals. In addition, people who are committed to their career will likely set high career goals for themselves and put more forth effort as well as persist in pursuing these goals even in the face of obstacles and setbacks (Colarelli & Bishop, 1990). Similarly, Poon (2004) found that career commitment predicted objective career success in the form of   salary level and subjective career success in the form of career satisfaction.  Ballout (2009) found that career commitment was positively related to salary level and career satisfaction among individuals who have at least moderate levels of self-efficacy.

Career Satisfaction measures subjectively the career success defined by individual satisfaction on career achievement (Judge, Cable, Boudreau, et al., 1995). When a person

finds himself or herself to have satisfied his skills and achieved his goals, then the person will experience satisfaction with the career role they are performing. Furthermore, a satisfied employee will be more committed to the career they are having (Bozionelos, (2008). Individuals with a strong sense of career commitment and the increased levels of career expectations may make significant investments in their careers (Aryee & Tan, 1992), thus would be willing to commit extra efforts required to attain their career goals. When employees feel satisfaction with their careers, they will be more committed to their career, and this can increase employees' commitment to the organization.

## 2.4    Previous Studies

This conceptual framework is based on two previous research papers. The first paper is "Person-Environment Fit and Readiness for Change; Exploring the Moderating Role of Leader Member Exchange and Perceived Organization Support" by Joana R.C. Pimentel (2008). Another one is "Determinants of Employee Readiness for Organizational Change" by Naimatullah Shah (2009).

### 2.4.1    Person-Environment Fit and Readiness for Change

In this previous research, Pimentel (2008) examined the extent person-environment literature to conceptually clarify the distinction between three forms of fit ( i.e., person-organization, person-job and person-group fit), and to identify their main correlates, moderator and outcomes. Then explored the ready for change construct in an organizational context and to suggest a sound measurement approach and uncovered the relationship between person-environment fit and readiness for change.

### 2.4.2    Determinants of Employee Readiness for Organizational Change

The second research model is developed by Naimatullah Shah (2009). Before developing a model, Shah introduced the change process referring "change domain describes that by changing the status quo or any transformation, those primarily affected are employees whose response might be positive or negative" (Armenakis *et al.,* 2001; Rafferty & Simons, 2006; Holt *et al.,* 2007). Although the literature points out that employee openness regarding acceptance and resistance depends upon their attitudes and behaviours with respect to the workplace and individual context.  In this respects, organizational change nomenclature is referred in Figure (2.1) as shown below:-

**Figure (2.1)    Organizational Change Nomenclature**

```
                          ┌──────────────────────┐
                          │  Organisation Change │
                          └──────────────────────┘
                                      │
      ┌───────────────┬───────────────┼───────────────────────┐
      ▼               ▼               ▼                       ▼
 ┌──────────┐   ┌───────────┐   ┌──────────┐           ┌──────────┐
 │Strategies│   │ Structure │   │ Process  │           │ Culture  │
 └──────────┘   └───────────┘   └──────────┘           └──────────┘
        \              \           /                   /
         \              ▼         ▼                   /
          \        ┌──────────────┐                  /
           ───────▶│    Human     │◀────────────────
                   └──────────────┘
                          │
              ┌───────────┴────────────┐
              ▼                        ▼
       ┌────────────┐           ┌────────────┐
       │ Readiness  │           │ Resistance │
       └────────────┘           └────────────┘
              │                        │
              ▼                        ▼
```

| Readiness | Resistance |
|---|---|
| - Change Agent Role <br> - Effective Communication <br> - Job Knowledge & Skills <br> - Social Relations <br> - Organisational Culture <br> - Management/ Leadership Relationship <br> - Individual Attitude <br> - Job Attitudes <br> - Logistic & Systemic Support <br> - Trust <br> - Autonomy <br> - Principal Support <br> - Self-efficacy <br> - Discrepancy <br> - Personal Valance <br> - Appropriateness <br> - Wellness <br> - Active-Passive Job <br> - Job Demands <br> - Belief <br> - Participation <br> - Commitment <br> - Power and Load <br> - Demography | - Emotion <br> - Lack of Readiness <br> - Ineffective Communication <br> - Non-Satisfaction <br> - Leadership Failure <br> - Politics <br> - Insufficient Planning <br> - Uncertainty |

Source: Shah (2009)

After reviewing the nomenclature, Shah developed a model to investigate employee commitment to the organization and career and social relationships factors in public sector higher educational institutions of Pakistan where various change reforms has been introduced recently. Conceptual framework of the study is shown in Figure (2.2) in the following:-

**Figure (2.2)    Conceptual Framework of Naimatullah Shah**

```
                        ┌─────────────────────┐
                        │  Employee Readiness │
                        └─────────────────────┘
                                   │
                                   ▼
        ┌──────────────────────────┼──────────────────────────┐
        ▼                          ▼                          ▼
┌───────────────┐         ┌───────────────┐         ┌───────────────┐
│    Career     │         │ Organisational│         │  Demographic  │
│  Commitment   │         │  Commitment   │         │    Factors    │
└───────────────┘         └───────────────┘         └───────────────┘
        │                          │                          │
        ▼                          ▼                          ▼
```

| | | |
|---|---|---|
| - Career Commitment<br>- Job Satisfaction<br>- Job Involvement<br>- Supervisor & Peer Relations<br>- Training and Skills Development<br>- Social Relationship in the Workplace<br>- Promotion | - Emotional Attachment<br>- Feeling of Pride<br>-Personal sense of Obligation<br>-Pay/Wages/Rewards | - Gender<br>-Age<br>-Marital status<br>-Employee status<br>-Education level<br>-No. of dependents<br>-Years on present job<br>-Years Present employer |

Source:  Shah (2009).

Respondents are teaching employees of public sector higher education sector in Pakistan. The results revealed that independent variables (emotional attachment, feeling of pride, pay/wages/rewards, promotion, job satisfaction, job involvement and social relationships in the workplace) were positively and significantly correlated to the dependent variable (readiness for organizational change). However, two variables i.e. supervisor and peer relations, and training and skills development were not found positive and significant to the readiness for organizational change.

## 2.5    Conceptual Framework of the Study

Based on those previous research papers and the literatures reviewed stated above, the conceptual framework of the study is proposed to capture the root causes of employee readiness for change and the effects of employee readiness for change on employee commitment at EFR Group in Yangon  as follows:-

**Figure (2.3)    Conceptual Framework of the Study**

| Person-Environment Fit | Readiness for Change | Employee Commitment |
|---|---|---|
| - Person-Job Fit<br>- Person- Organization Fit<br>- Person-Group Fit | - Individual Attitudes<br>- Job Knowledge and Skill<br>- Belief<br>- Management Relationship | - Organizational Commitment<br>- Career Commitment |
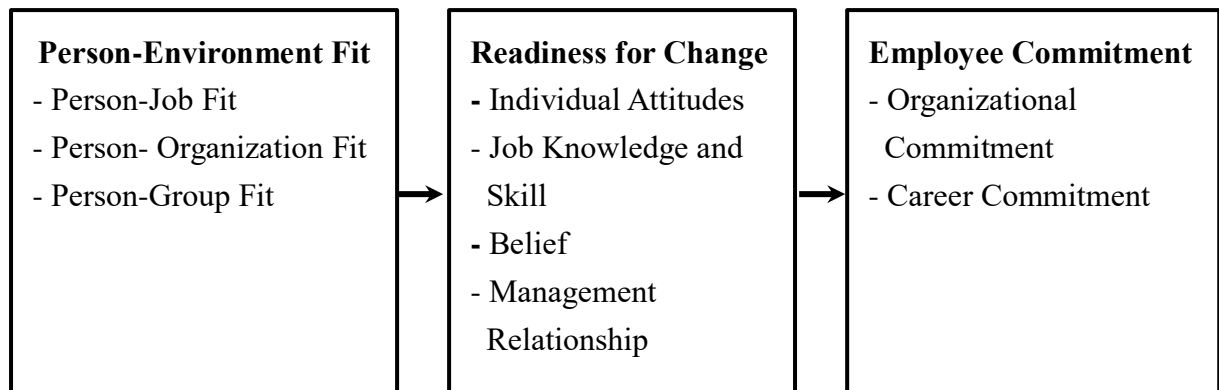
Source: Adapted from Pimentel (2008) and Shah (2009)

The conceptual framework is mainly based on the past researches by Pimentel (2008) and Shah (2009). The integrated conceptual framework of this study is shown in Figure (2.3). According to this integrated conceptual framework, employee readiness for change is driven by person- environment fit. As person-job fit, person-organization fit and person-group fit are parts person-environment fit, they are defined to drive employee readiness for change to support employee commitment in the Group. In order to measure the level of employee readiness for change in the Group, individual attitudes, job knowledge and skills, belief and management relation are defined in this study. Organizational commitment and career commitment are used to measure employee commitment of EFR Group.

# CHAPTER 3

# PROFILES AND CHANGE MANAGEMENT PRACTICES OF EVER FLOW RIVER GROUP PUBLIC COMPANY LIMITED

This chapter mainly includes a brief profile of EFR Group, the research design of the study, Change Management Practices of EFR Group and Demographic Profiles of Respondents. Ever Flow River Group Public Co., Ltd was successfully listed on Yangon Stock Exchange (YSX) in May, 2020.

## 3.1    Profile of EFR Group Public Co., Ltd

Ever Flow River Group of Companies (EFR) was founded in 1998. Although EFR Group is a logistic service provider, the group has also managed to extend other business industries such as Hotels & Tourism, Manufacturing, Trading and Plantation. EFR Group primarily wished to become a leading contributor in Myanmar and accordingly started to invest and develop National Logistics Infrastructure. There are 2 project companies, 7 subsidiaries and 1 affiliate company under the management of EFR group with over 400 employees.

The Vision of EFR Group is to become a leading company which contributes to the development of the nation and become the leader in every industry that the company involved in both local and global business. The Mission of EFR Group is not only to improve the products, resources and process but also to meet the customer needs and expectations by providing with good quality services. EFR Group is planning to provide challenging carrier development for his employees by giving them training. EFR group provides support, share information and guidance to his member companies to earn confidence and respect from them.

Happiness, in terms of core value, is important factor for EFR Group. EFR Group expects employees to have honesty so that they can be trusted and work as a team. EFR Group has been striving to be effective and efficient in the organization by evaluating the employee performance regularly. EFR Group aims to become a reliable partner for both his employees and partner companies. In order to build long term relationship, measures have been made to practice open and transparent communication among partners. EFR Group believes fairness and justice so that all working partners are satisfied working with

EFR Group. The organization structure of EFR Group Public Co., Ltd. is shown in Figure (3.1) as follows:-

**Figure (3.1)  Organization Structure of EFR Group Public Co., Ltd.**
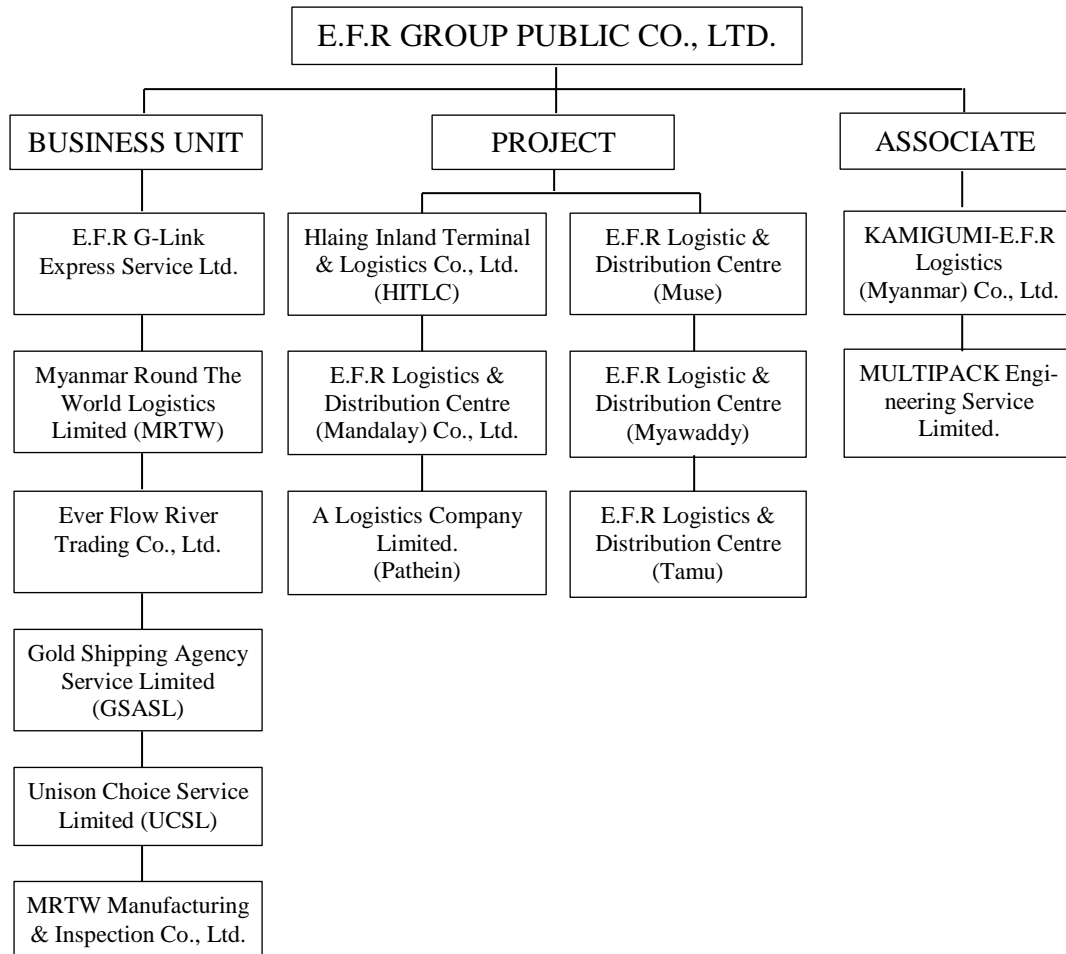


Source: E.F.R Group Public Co., Ltd. (2020)

Figure (3.1) presents the organization structure of E.F.R Group Public Co., Ltd. There are three main factors below the name of EFR Group public Co., Ltd: Business unit, Project and Associate. Under the Project factor, there are altogether six projects: EFR Logistics & Distribution Centre (Tamu), EFR Logistics & Distribution Centre (Myawaddy), EFR Logistics & Distribution Centre (Muse), EFR Logistics & Distribution Centre (Mandalay), Hlaing Inland Terminal & Logistics Co., Ltd (HITLC) and Logistics Company Limited (Pathein). These six are the main projects of EFR Group Public Co., Ltd. There are six business units in EFR Group Public Co., Ltd: EFR Link Express Service, Ever Flow River Trading Co., Ltd, Unison Choice Service Limited (UCSL), MRTW Manufacturing & Inspection Co., Ltd, Gold Shipping Agency Service Limited

(GSASL) and Myanmar Round the World Logistics Limited (MRTW). The two associate services of EFR Group Public Co., Ltd: MULTIPACK Engineering Service Limited and KAMIGUMI EFR Logistics Myanmar Co., Ltd.

Regarding corporate milestone of EFR Group, Ever Flow River Trading Company limited was the first trading business company incorporated under the EFR Group Public Co., Ltd. in 1998. In 1999, EFR G Link Express Services Limited company (EFR GLE) was founded to offer logistics solutions via the partners from international. In 2000, EFR Group Public Co., Ltd created Gold Shipping Agency Service Limited (GSASL) to offer sea freight services. Myanmar Round the World Logistic Limited (MRTW) was founded in 2005 to specialize at air freight forwarding business. In order to offer in-house engineering services like GOH constructions, the Group founded UTOC MULTIPACK Myanmar Co., Ltd, a logistic engineering company in 2011. In 2011, as the garment industry was booming, the customers demanded more quality control services, and the Group founded MRTW manufacturing & Inspection Company to offer inspections business to Japan Garment Customers. In 2012, the Group founded their third freight forwarding company named UNISION CHOICE SERVICE Co., Ltd. Furthermore, the Group founded KAMIGUMI EFR Logistics Myanmar Co., Ltd. in 2014 as a joint venture between EFR and Kamigumi Japan to offer transportation to local market in Japan. In 2016, the Group created a new joint venture company named Ever Flow River Logistics and Distributions Center (Mandalay) (EFRLDCMDY) between EFR, Southern Island Co., Ltd. and Future trading Co., Ltd. with the aims of developing logistics hub in Mandalay by connecting Yangon-Mandalay trade flows. In 2017, the Group founded Hlaing Inland Terminal and Logistics company limited as a joint venture between EFR and Lan Pyi Marine in order to develop a river terminal project in Yangon. Finally, in May 2020, EFR Group Public Co., Ltd. was successfully listed on Yangon Stock Exchange (YSX). EFR Group Public Co., Ltd. has been committed to UN Global Compact in the areas of anti-corruption, human rights, environment and labor.

Ever Flow River Group Public Co., Ltd is committed to a transparent management structure governed by the solid principle. The annual meeting is the supreme governing body of EFR Group. The shareholders exercise their rights at the annual meeting e.g in relation to electing the board members, deciding on the articles of Association and on proposals submitted by shareholders or the board. The corporate governance structure of EFR Group is shown in figure (3.2) as follow:-

**Figure (3.2)   Corporate Governance Structure of EFR Group Public Co., Ltd.**
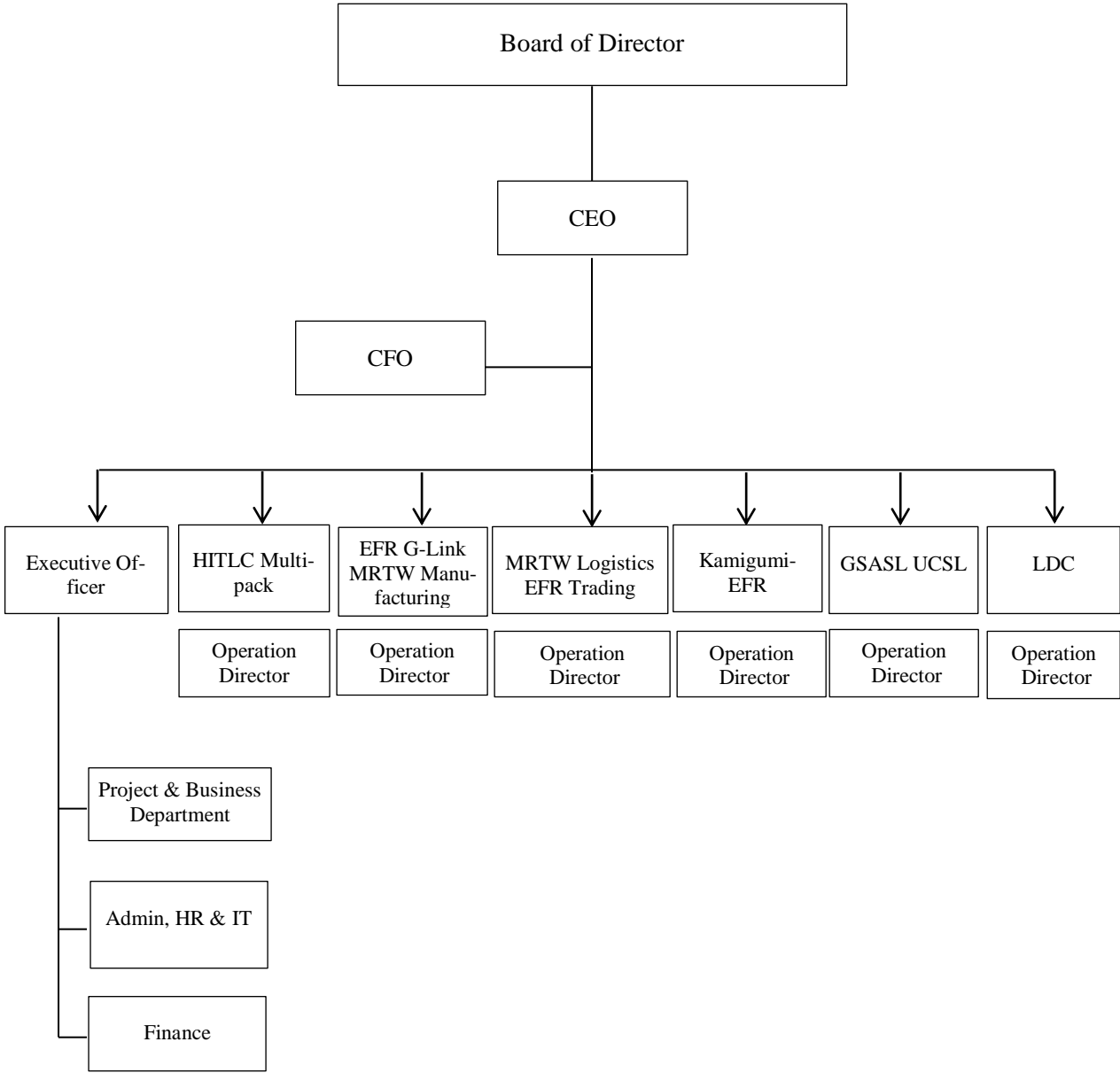


Source: E.F.R Group Public Co., Ltd. (2020)

Figure (3.2) presents the corporate governance structure of EFR Group. As a publicly listed company in Yangon Stock Exchange, EFR Group Public Co., Ltd is managed by the members of the management team, who are appointed, advised and supervised by the members of the Board of Directors. The Board of Directors lays down the general business and management principles, and ensures the proper organization and governance of the company. Besides, the Board of Directors decides the strategy and the risk policies, and supervises the performance of the company and its management.

The management team's rules of procedures set out the principle governing its internal organization, management and representation, as well as co-operation between its individual members. The members of Management Team manage their respective departments on their own responsibility, except where decisions of particular significance consequence for the company or the Group must be taken by the members of the Board of Directors as a whole. They are required to subordinate the interests of individual departments to the collective interests of the company and to inform the full Management Team about significant developments in their spheres of responsibility.

The CEO conducts its business, aligns board department activities with the company's overall goals and plans, and ensures that corporate policy is implemented. When making decisions, members of the Management Team may not act in their own personal interest or exploit corporate business opportunities for their own benefit. Conflicts of interest must be disclosed to the Board of Directors without delay; the other Management Team members must be also informed.

The Board of Directors works with the Management Team ensure long-term succession planning for the Management Team. The Management Team and the Board of Directors regularly discuss the Group's Strategy, the subsidiaries' objectives and strategies, the financial position and performance of the company and the Group, key business transactions, the progress of JVS and potential investments, compliance and compliance management, risk exposure and risk management, and all material business planning and relates implementation issues. The Management Team informs the Board of Directors promptly and in full about all issues of significance. The Chairman of the Board of Directors and the CEO maintain close contact about current issues.

## 3.2    Change Management Practices of EFR Group Public Co., Ltd

EFR Group was founded in 1998, while the holding company, EFR Group was newly set up to restructure all the business under one umbrella. Over the years, the company has granted substantial good will in the industry for offering quality services to customers. EFR has built a reputation as effective and efficient international freight forwarder that provides total logistics solutions to not only domestic customers but also international customers. Employing a customer-focused philosophy, EFR Group manages to drive complementary businesses into a great success. All this has led to rapid growth, better performance track records and a strong reputation in providing quality services to customers.

As of 2020 fiscal year end, there are about 400 employees in the company's operation. EFR always strives to create a standard set of capabilities for its employees and to ensure that the appropriate people are in the right place within the company, people who are motivated to optimal performance. Therefore, it is a priority for EFR Group to invest in a variety of human resources programmes that are aligned to overall business strategy. Nearly 80% of EFR managers and supervisors received a regular performance and career development review during 2020, to ensure and engaged, focused and productive workforce. In the workplace, performance appraisal and recognition or rewards can be used to stimulate skill-building and knowledge enhancement (Boone & Hartog, 2011) which would thereby enhance person-job fit.

Besides, the company also hosted a dozen sets of training and courses related to behavioral and technical skills, dedicated to both white and blue collar workers, tailored to their level and function. Employees received an average of 10 hours of training during 2020. Training can be used as a socialization method, or as a way of making the employee aware of the organization's desired values, which would aid in increasing person-organization fit     (Boone & Hartog, 2011). EFR Group constructs the right team and then combines a level of trust with a shared goal in which the team believes can result in a guiding coalition that has the capacity to make needed change happen despite all of the forces of inertia. Thus, person-environment fit is the main factor for the organizational change of EFR Group.

Readiness is also one of the most significant factors involved in employees' initial support for change initiative. (Armenenakis et al., 1999) EFR management informs to the all business unit and all employee that the organization is going to change through proper communication. It states the need for the change, why individuals must abandon their areas of comfort and embrace new changes and situations. Proper communication changes perception and attitude in response to change. Then EFR management has played significant roles in identifying the strength and weakness of their employees with respect to new policy implementation. Performance Appraisal System, applied by management includes the reward system through bonuses and promotions from individual input, also managers are easily approachable and offer support in area needed as well as promoting fairness that increase employees' positive attitude and belief to the organizational change of EFR Group.

EFR Group is committed to operating its business in a sustainable manner that creates value for its customers, employees, investors, communities and other

stakeholders. EFR Group has implemented several career trainings and programs aimed at enhancing and developing leadership capability and identifying and retaining future leaders. In addition, the company also coordinated program for senior level employees with the purpose on the company's emerging senior leaders, providing them with the necessary skills to assume more complex roles and enhance their leadership.

EFR Group aims to promote and value diversity in all areas of recruitment, employment, training and promotion bases on merit and inclusiveness without regard to race, gender, marital status, sexual orientation, disability, age, religion or belief, ethic or national origin. EFR Group recognizes that it can better understand its customer and more effectively address their needs when there is a diverse workforce that mirrors its regional and worldwide customer base. Most of the employees from EFR Group gradually accepted that competencies and the skills, knowledge and behaviors required to perform a specific job and to achieve success and then accelerate the progressive change management practices.

EFR management is tackling to mediate and mitigate the situation by adapting with changes and simultaneously seeking for new opportunities. The key strength of EFR Group lies in the experience and network of professionals, a clear vision and skills and expertise of management who can identify opportunities and strategically plan and execute those plans to turn opportunities into realities and positively impact the industry. The combined industrial experience of the management team of EFR is close to 20 years. Founder and chairman of the group has more than 26 years of experience steering the group from a small company into a top total logistics service provider with substantial market share in Myanmar. The chairman has been instrumental in devising strategies to bring the group to a leading role in Myanmar logistics sector. He was able to execute the strategies successfully with support and advice from other members in the management team who have specialized knowledge and experience in related engineering and design business. One of the valuable assets of the group is the experience and networks of the management team which is the engine for accelerated growth in a rather competitive environment.

In order to provide seamless services to the customers, the management team in turn has to rely heavily on middle management and ground staff. Not only has the management trained its employees well but also manage to retain experienced and competent staff to provide quality services that are above the industry standard in Myanmar. With constant training and empowerment via increased job responsibilities, the

group has managed to groom some of the middle managers to hold senior management positions and even directorships.

Finally the key factor contributing to the success of organizational change of EFR Group is the willingness of management and employees. The success is made possible by the quality and dedication of employees. Attracting and retaining the best talents, providing them with professional experience, expertise and career development opportunities is therefore an essential part of the EFR Group's strategy, supporting EFR's aspiration to become an employee of choice.

## 3.3    Profile of Respondents

This study is carried out with an intention to understand the effect of person-environment fit on readiness for change and the effect of readiness for change on employee commitment of Ever Flow River Group Public Co., Ltd. A total of 210 questionnaires were distributed among EFR Group and used for statistical analysis. Demographic data was collected by using simple random sampling method and the profile composed of gender, age, educational qualifications, years on present job and monthly income .The demographic profile of respondents is shown in Table (3.1) as follow:-

**Table (3.1)    Profile of Respondents**

| Particular | Number of Respondents | Percentage (%) |
|---|---|---|
| Total | 210 | 100 |
| **Gender** | | |
| Male | 97 | 46 |
| Female | 113 | 54 |
| **Age** | | |
| 18-25 years | 115 | 55 |
| 26-35 years | 72 | 34 |
| 36-50-years | 19 | 9 |
| Above 50 years | 4 | 2 |
| **Educational Qualification** | | |
| High School | 49 | 23 |
| Bachelor Degree | 137 | 65 |
| Master Degree | 6 | 3 |
| Others | 18 | 9 |

**Table (3.1)   Demographic Profile of Respondents (Continued)**

| Particular | Number of Respondents | Percentage (%) |
|---|---|---|
| **Years on present job** | | |
| Under 5 years | 158 | 75 |
| 5-10 years | 42 | 20 |
| Above 10 years | 10 | 5 |
| **Monthly Income** | | |
| Less than 500,000 kyats | 164 | 78 |
| 500,001 to 1,000,000 kyats | 35 | 17 |
| 1,000,001 to 1,500,000 kyats | 4 | 2 |
| 1,500,001 to 2,000,000 kyats | 4 | 2 |
| 2,000,001 kyats to above | 3 | 1 |

Source: Survey data, 2021

According to Table (3.1), the sample of the study consists of 113 of female respondents as a percentage of 54 % from the total sample. There are 97 male respondents as 46 % from the sample. Employees, between 18 and 25 years of age are 55% and between 26 and 35 years of age are 34% of total respondents. EFR Group has young and energetic workforce. Concerning with education level, 65 % of the employees are graduated and 3% of employees are post-graduated. Thus most of the employees are well-educated with formal learning.

Also concerning with years on present job, 75% of employees are under 5 years and 20% of employees are between 5 and 10 years on the present job. Finally, according to the survey, 78% of employees get less than 500,000 Kyats and 17% of employees get between 500,000 and 1,000,000 Kyats as monthly income. Only 1% of employees get above 2,000,000 Kyats as monthly income in EFR Group.

# CHAPTER 4
# ANALYSIS OF EMPLOYEE REDINESS FOR CHANGE AND EMPLOYEE COMMITMENT

This chapter includes two main sections. The first one is to analyze the effects of influencing factor which is supposed to be person-environment fit on employee readiness for change. The second is to analyze the effect of employee readiness for change on employee commitment.

## 4.1    Person-Environment Fit

One of the main purposes of the study is to explore the factors affecting employee readiness for change at EFR in Yangon. Accordingly, the study is focusing on some factors of employees' most relation to environment namely person-job fit, person-organization fit, and person-group fit. The mean value of person-environment fit is presented in Table (4.1).

**Table (4.1)   Person-Environment Fit**

| Sr. No. | Description | Mean | Standard Deviation |
|---------|-------------|------|--------------------|
|         | **Person- Job Fit** |      |                    |
| 1       | Feeling satisfied with job | 3.77 | .805 |
| 2       | Realizing having good qualities | 3.79 | .805 |
| 3       | Not seeing other good jobs | 3.05 | .811 |
| 4       | Good matching between skills and job | 3.41 | .728 |
| 5       | Fit with requirements of the job | 3.52 | .784 |
|         | Overall Mean | **3.50** |  |
|         | **Person- Organization Fit** |      |                    |
| 1       | Having same value as organization | 3.56 | .885 |
| 2       | Matching with image of organization | 3.51 | .831 |
| 3       | Good matching with the organization | 3.29 | .736 |
| 4       | Feeling as if part of organization | 3.60 | .784 |
| 5       | Good fitting with organization | 3.40 | .733 |
|         | Overall Mean | **3.47** |  |

**Table (4.1)   Person-Environment Fit (Continued)**

| Sr. No. | Description | Mean | Standard Deviation |
|---|---|---|---|
| | **Person- Group Fit** | | |
| 1 | Having same value as team's | 3.54 | .789 |
| 2 | Good matching with team | 3.62 | .780 |
| 3 | Matching with image of team | 3.64 | .734 |
| 4 | Fitting well with team | 3.30 | .744 |
| 5 | Good fitting with workgroup | 3.43 | .781 |
| | Overall Mean | **3.50** | |

Source: Survey Data, 2021

Table (4.1) shows the perception on person-environment fit of EFR employees. In terms of person-job fit, since the employees are realizing themselves having good qualities and feeling satisfied with their respective job, they cannot seek other better jobs. When the requirement of a certain job is high, it has to be always fulfilled with good performance. Feeling satisfied with job means the cement bond between person and job is high. Regarding person-organization fit, having same value as organization, matching with image of organization and feeling as if parts of organization are driving factors to foster the bonding of person-organization fit because they all reflect the fit between person and job is good. Employees feel same value as organization because they incline to the organization they are working, and eventually these attitudes are supporting to feel as if they are parts of the organization. In respect of the person- group fit, the highest mean score is 3.64 for the statement that "Matching with image of team" because the performance of fundamental teamwork is so strong in their each and every operation movement that they meet the needs of the team. Meeting the needs of the team is fulfilled only when the fit between the employee and the team is good.

**4.2    Readiness for Change**

Employee readiness for change at EFR  is examined in this study. In this study, employee readiness for change is defined as four factors such that individual attitudes, job knowledge and skills, belief, and management relation which are highly assumed to affect employee readiness behaviour. The combination of five survey questions is used to investigate readiness for change driving on employee commitment. The mean value of each variable that relates to employees' readiness for change is shown in Table (4.2) as follows:-

**Table (4.2)   Employee Readiness for Change**

| Sr. No. | Description | Mean | Standard Deviation |
|---|---|---|---|
| | **Individual Attitudes** | | |
| 1 | Enjoying benefits from this change | 3.66 | .722 |
| 2 | Improve overall efficiency | 3.74 | .784 |
| 3 | Worthwhile for adopting this change | 3.72 | .719 |
| 4 | Matching with the priorities of this change | 3.51 | .720 |
| 5 | Believing something to receive from this change | 3.71 | .809 |
| | Overall Mean | **3.66** | |
| | **Job Knowledge and Skills** | | |
| 1 | Having skills needed for change | 3.46 | .657 |
| 2 | Can handle this change with ease | 3.43 | .717 |
| 3 | Able to learn everything required for the change | 3.81 | .759 |
| 4 | Makes job easier | 3.49 | .790 |
| 5 | Not thinking to do this change very well | 3.47 | .783 |
| | Overall Mean | **3.53** | |
| | **Belief** | | |
| 1 | Developing job by change | 3.64 | .713 |
| 2 | Increase of relationship because of change | 3.70 | .784 |
| 3 | Assuring confidence after change | 3.70 | .658 |
| 4 | Having reasons for change | 3.54 | .771 |
| 5 | Legitimate reasons for making change | 3.50 | .753 |
| | Overall Mean | **3.61** | |
| | **Management Relation** | | |
| 1 | Sending signal to organization about change | 3.42 | .696 |
| 2 | Encouraging to embrace change by seniors | 3.44 | .744 |
| 3 | Stress the importance of change by seniors | 3.49 | .740 |
| 4 | Support from top decision makers | 3.60 | .826 |
| 5 | Commitment to this change by most senior leader | 3.71 | .809 |
| | Overall Mean | **3.53** | |

Source: Survey Data, 2021

Table (4.2) shows the employee readiness for change at EFR. According to results, in terms of individual attitudes, the EFR employees have strongly supportive attitudes so that this change would improve their organization overall efficiency because they know well that it would be worthwhile if the organization adopted this change. Regarding job knowledge and skills, the employees are fully confident in enabling to learn everything that would be required for job knowledge and skills whenever needed for any change. Without due individual job knowledge and skills, any employee cannot be ready for any change. It is the strong belief that makes the employees confident to perform this change successfully. Ultimately, this belief and performance would make the employee turn to get increased both personal and organizational commitment to their organization.

According to the result, committed senior leaders are the key persons for embracing, stressing and supporting the employee readiness for change in the organization. True commitment inspires and attracts people. In order to expend the employee readiness for change, the employees need the empowering from leaders, supporting from seniors and a favorable room for business environment. Without the true commitment of senior leaders or top decision makers, all these significant change at EFR cannot be occurred as it is today. It is leaders who evaluate their commitment to the employees they lead with purpose.

**4.3 Employee Commitment**

Employee commitment at EFR is examined in this study. The combination of five survey questions is used to investigate employee commitment. In this study, employee commitment is defined two factors such that organizational commitment and career commitment which are highly assumed to affect employee commitment. The mean value of each variable that relates to employee commitment is shown in Table (4.3).

**Table (4.3)    Employee Commitment**

| Sr. No. | Description | Mean | Standard Deviation |
|---|---|---|---|
| | **Organizational Commitment** | | |
| 1 | Proud to be employee | 3.68 | .879 |
| 2 | Feel good sense belonging to organization | 3.62 | .749 |
| 3 | Feeling as if part of organization | 3.60 | .772 |
| 4 | Not thinking of changing another job | 3.13 | .992 |
| 5 | Being fair to raise pay | 3.51 | .979 |
| | Overall Mean | **3.50** | |
| | **Career Commitment** | | |
| 1 | Feeling satisfied with job | 3.48 | .766 |
| 2 | Being ideal profession for work life | 3.44 | .842 |
| 3 | Good matching with job and hobby | 3.16 | 1.056 |
| 4 | Finding enjoyment at work | 3.29 | .858 |
| 5 | Having strong ties to job | 3.26 | .851 |
| | Overall Mean | **3.32** | |

Source: Survey Data, 2021

As shown in Table (4.3), the overall mean of organizational commitment is 3.50. It shows that most of the employees are proud to be  able to tell where they are working for. When employees feel valued and respected as employees and are surrounded by a fantastic team of understanding coworkers, they would feel a strong sense of personal accomplishment from their work. Employees who are satisfied with their employee benefits are more proud to work in their organizations. In respect of career commitment, the highest mean score is 3.48 for the statement "feeling satisfied with the job" and in the workplace, "feeling satisfied with the job" happens when employees feel they are having job stability, career growth and a comfortable work life balance. It shows that the employee is having satisfaction at job as the job meets the expectations of the individual. As satisfied employees are always ready to deliver the best of  their capability, they always not only contribute more to the organization but also helps the organization grow. All these positive effects of satisfaction eventually result in  higher employee loyalty leading to more commitment.

**4.4    Analysis of the Effect of Person-Environment Fit on Employee Readiness for Change**

The linear regression analysis is used to find out the impact of independent variables (person-job fit, person-organization fit, and person-group fit) on dependent variable employee readiness for change). In this study, employee readiness for change includes four components: individual attitudes, job knowledge and skills, belief, and management relation. The result of analysis of the effect of person-environment fit on individual attitudes is shown in Table (4.4).

**Table (4.4)    The Effect of Person-Environment Fit on Individual Attitudes**

| Variable/ Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) | 1.776 | .264 | | 6.738 | 0.000 |
| Person-Job Fit | .121 | .079 | .112 | 1.540 | 0.125 |
| Person-Organization Fit | -.090 | .098 | -.089 | -.916 | 0.361 |
| Person-Group Fit | .498*** | .101 | .489 | 4.953 | 0.000 |
| R | 0.491 | | | | |
| R Square | 0.241 | | | | |
| Adjusted R Square | 0.230 | | | | |
| F Value | 21.856*** | | | | |
| Durbin-Watson | 1.965 | | | | |

Source: Survey Data, 2021

Notes: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

As shown in Table (4.4), the model can explain 23.0 percent about the variance of the independent variable and dependent variable because Adjusted R Square is 0.230. There is no autocorrelation in sample because the Durbin Watson value is 1.965(nearly2). The value of F test is 21.856 and the overall significance of the model is highly significant at 1% Level. Among the three variables, person-group fit has positively significant effect on individual attitudes with highly significant at 1% level.According to the result, person-group fit is more significant effect on   Individual or personal attitudes is strong and positive when the fit between employees and group is good. As they feel a

good matching with the image of their respective teams because of the good fit between employees and group they have built, the employees are willing and feeling worthwhile for adopting this change steered up by the decision makers in the organization.

The result of analysis of the effect of person-environment fit on job knowledge and skills is shown in Table (4.5).

**Table (4.5)     The Effect of Person-Environment Fit on Job Knowledge and Skills**

| Variable/ Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | **B** | **Std. Error** | **Beta** | | |
| (Constant) | 2.278 | .217 | | 10.494 | .000 |
| Person-Job Fit | .047 | .065 | .054 | .717 | .474 |
| Person-Organization Fit | -.032 | .081 | -.040 | -.400 | .690 |
| Person-Group Fit | .337*** | .083 | .419 | 4.063 | .000 |
| R | 0.419 | | | | |
| R Square | 0.176 | | | | |
| Adjusted R Square | 0.164 | | | | |
| F Value | 14.647*** | | | | |
| Durbin-Watson | 2.083 | | | | |

Source: Survey Data, 2021

Notes: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

As shown in Table (4.5), the model can explain 16.4 percent about the variance of the independent variable and dependent variable because Adjusted R Square is 0.164. There is no autocorrelation in sample because the Durbin Watson value is 2.083(nearly2). The value of F test is 14.647 and the overall significance of the model is highly significant at 1% Level. Among the three variables, person-group fit has positively significant effect on job knowledge and skills with highly significant at 1% level. The employees are convinced that they would be able to learn everything required for the change because the fit between employees and workgroup is so good that any job knowledge or skills in the interests of organization can be earned within workplace. Furthermore, there are must- have skills and responsibilities for any change. The more employees are fitting with their related group, the more individual job knowledge and skills can be shared and earned with each other and this would help support to meet the

needs of the team. Moreover, their competence even makes it easier to be transparent and smooth relationship among them.

The result of analysis of the effect of person-environment fit on belief is shown in Table (4.6).

**Table (4.6)    The Effect of Person-Environment Fit on Belief**

| Variable/ Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) | 1.660 | .253 | | 6.572 | .000 |
| Person-Job Fit | .289 *** | .076 | .277 | 3.832 | .000 |
| Person-Organization Fit | -.153 | .094 | -.157 | -1.636 | .103 |
| Person-Group Fit | .411 *** | .096 | .418 | 4.269 | .000 |
| R | 0.504 | | | | |
| R Square | 0.254 | | | | |
| Adjusted R Square | 0.243 | | | | |
| F Value | 23.400*** | | | | |
| Durbin-Watson | 1.979 | | | | |

Source: Survey Data, 2021

Notes: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

As shown in Table (4.6), the model can explain 24.3 percent about the variance of the independent variable and dependent variable because Adjusted R Square is 0.243. There is no autocorrelation in sample because the Durbin Watson value is 1.979(nearly2). The value of F test is23.400 and the overall significance of the model is highly significant at 1% Level. Among the three variables, person-group fit and person-job fit have positively significant effect on belief with highly significant at 1% level.  As employees are highly mindful of fulfilling job requirements and heavily realizing on their own abilities, experience and knowledge, they are confident that they would be able to perform successfully after this change was made. Employees who are well-suited to their job positions will be more confident, happier and more productive in their workplace. Since the individual values and those of workgroup or work unit members are congruent, the relation

between employees and workgroup is increasing. The underlying assumption of matching between the individual and workgroup is related to the quality of their interactions.

The result of analysis of the effect of person-environment fit on management relation is shown in Table (4.7).

**Table (4.7) The Effect of Person-Environment Fit on Management Relation**

| Variable/ Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) | 1.691 | .259 | | 6.520 | .000 |
| Person-Job Fit | .205*** | .078 | .197 | 2.647 | .009 |
| Person-Organization Fit | .016 | .096 | .017 | .169 | .866 |
| Person-Group Fit | .299 *** | .099 | .305 | 3.017 | .003 |
| R | 0.455 | | | | |
| R Square | 0.207 | | | | |
| Adjusted R Square | 0.196 | | | | |
| F Value | 17.956*** | | | | |
| Durbin-Watson | 1.748 | | | | |

Source: Survey Data, 2021

Notes: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

As shown in Table (4.7), the model can explain 19.6 percent about the variance of the independent variable and dependent variable because Adjusted R Square is 0.196. There is no autocorrelation in sample because the Durbin Watson value is 1.748(nearly2). The value of F test is 17.956 and the overall significance of the model is highly significant at 1% Level. Among the three variables, person-group fit has positively significant effect on management relation with highly significant at 1% level. Meanwhile, person-job fit has positive significant effect on management relation with 1% significant level. The employees who experience high-quality relationships with their manager at their workplace feel psychologically safe upon every organizational management activities made in organization – even change. A good-quality relationship between employees and seniors enhances a sense of freedom and delegation of power from superiors to their subordinates, which ultimately helps in supporting employee readiness behavior. In addition, getting the right employees in the right jobs is the key for being

able to achieve organizational goals. Finally, according to the results, person-group fit, the relationship between individual and their work group, has been recognized as an important factor influencing readiness for change.

In order to capture the holistic nature of the readiness for change of EFR Group, multiple linear regression analysis is used by testing the impact of independent variable (person-job fit, person-organization fit, person-group fit) on dependent variable (total readiness for change). The result is shown in Table (4.8).

**Table (4.8) The Effect of Person-Environment Fit on Total Employee Readiness for Change**

| Variable/ Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) | 1.860 | .193 | | 9.656 | .000 |
| Person-Job Fit | .139** | .060 | .158 | 2.306 | .022 |
| Person-Organization Fit | -.061 | .071 | -.079 | -.849 | .397 |
| Person-Group Fit | .409 *** | .072 | .526 | 5.675 | .000 |
| R | .563 | | | | |
| R Square | .317 | | | | |
| Adjusted R Square | .307 | | | | |
| F Value | 31.866 *** | | | | |
| Durbin-Watson | 1.906 | | | | |

Source: Survey Data, 2021

Notes: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

As shown in Table (4.8), the model can explain 30.7 percent about the variance of the independent variable and dependent variable because Adjusted R Square is 0.307. There is no autocorrelation in sample because the Durbin Watson value is 1.906(nearly2). The value of F test is 31.866 and the overall significance of the model is highly significant at 1% Level. Among the three variables, person-group fit has positively significant effect on total employee readiness for change with highly significant at 1% level. Meanwhile, person-job fit has positive significant effect on total employee readiness for change with 5% significant level. In this holistic measurement approach, the result shows that person-job fit and person-group fit positively affect on total readiness

for change. The result corresponds to the remarkable similarities to the previous individual results of the effect of person-environment fit on employee readiness for change of EFR Group.

**4.5    Analysis of Employee Readiness for Change on Employee Commitment**

The linear regression analysis is practiced to find out the impact of independent variables (employee readiness for change) on dependent variable (employee commitment). In this study, employee readiness for change includes four components: individual attitudes, job knowledge and skills, belief, and management relation, while employee commitment consists of organizational commitment and career commitment. The result of analysis of the effect of employee readiness for change on organizational commitment is shown in Table (4.9).

**Table (4.9) The Effect of Readiness for Change on Organizational Commitment**

| Variable/ Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) | .128 | .274 | | .465 | .642 |
| Individual Attitudes | .210*** | .078 | .201 | 2.704 | .007 |
| Job Knowledge and Skills | .218** | .088 | .165 | 2.489 | .014 |
| Belief | .078 | .096 | .072 | .809 | .419 |
| Management Relation | .441*** | .070 | .406 | 6.258 | .000 |
| R | 0.684 | | | | |
| R Square | 0.468 | | | | |
| Adjusted R Square | 0.457 | | | | |
| F Value | 45.016*** | | | | |
| Durbin-Watson | 2.031 | | | | |

Source: Survey Data, 2021

Notes: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

As shown in Table (4.9), the model can explain 45.7 percent about the variance of the independent variable and dependent variable because Adjusted R Square is 0.457. There is no autocorrelation in sample because the Durbin Watson value is 2.031(nearly2).

The value of F test is 45.016 and the overall significance of the model is highly significant at 1% Level. Among the four variables, management relation and individual attitude have positive significant effect on organizational commitment with highly significant at 1% level. Meanwhile, job knowledge and skills has positive significant effect on organizational commitment with 5% significant level. It means that since they have a positive attitude toward change and establish positive social relations that lead to their readiness to accept changes, employees are committed to their organization. Moreover, it points out that EFR Group has well managed to establish the consistent and fair state of mind that they are worthwhile for adopting this change in the organization. As a result, employees are proud of themselves to be employees and more inclining to the organization because they are already ready for change in their mind. Since this change makes their job easier, they are more convinced and incline to the organization. Employees who have a strong sense of attachment to the organization will feel bound to continue the jobs they have as a part of the organization.

The results of this study prove that management relation has a positive significant relation with organizational commitment. This means that the determination of the committed leader makes the employees inspire hope, develop trust, earn respect, and provide encouragement, and feel pride to be employee and to be part of the organization. In deed, organizational commitment refers to the level of commitment and dedication employees have toward their individual jobs and the organization.

The result of analysis of the effect of employee readiness for change on career commitment is shown in Table (4.10).

As shown in Table (4.10), the model can explain 24.5 percent about the variance of the independent variable and dependent variable because Adjusted R Square is 0.245. There is no autocorrelation in sample because the Durbin Watson value is 1.956(nearly2). The value of F test is 17.986 and the overall significance of the model is highly significant at 1% Level. Among the four variables, management relation has positive significant effect on career commitment with highly significant at 1% level. Employees who have a high-quality relationship with their leader have high empowerment which entails high engagement at workplace, which further leads to a high level of freedom and delegates power from superiors to subordinates, which ultimately helps in increasing career commitment in the organization.

**Table (4.10)   The Effect of Readiness for Change on Career Commitment**

| Variable/ Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) | .623 | .356 | | 1.748 | .082 |
| Individual Attitudes | .066 | .101 | .058 | .658 | .512 |
| Job Knowledge and Skills | .173 | .114 | .118 | 1.514 | .132 |
| Belief | .083 | .125 | .070 | .664 | .507 |
| Management Relation | .438*** | .092 | .366 | 4.785 | .000 |
| R | 0.510 | | | | |
| R Square | 0.260 | | | | |
| Adjusted R Square | 0.245 | | | | |
| F Value | 17.986*** | | | | |
| Durbin-Watson | 1.956 | | | | |

Source: Survey Data, 2021

Notes: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

As shown in Table (4.10), the model can explain 24.5 percent about the variance of the independent variable and dependent variable because Adjusted R Square is 0.245. There is no autocorrelation in sample because the Durbin Watson value is 1.956(nearly2). The value of F test is 17.986 and the overall significance of the model is highly significant at 1% Level. Among the four variables, management relation has positive significant effect on career commitment with highly significant at 1% level. Employees who have a high-quality relationship with their leader have high empowerment which entails high engagement at workplace, which further leads to a high level of freedom and delegates power from superiors to subordinates, which ultimately helps in increasing career commitment in the organization.

This fact is supported by giving individuals more responsibilities, pairing employees with tasks suitable for their skills and asking employees for input are effective strategies leaders use to increase employee commitment. Support from top decision makers make employees ease and please in their workplace. Satisfying workplaces are safe and enjoyable environments where employees trust management to consider their

needs. Such workplaces can foster commitment if employees see value in maintaining their level of satisfaction. Employee relationship with their managers is the strongest predictor of employee readiness for change. Employees,who receives encouragement and rewards for change are more likely to act voluntarily in support of organizational change goals. Such encouragement and rewards are directly affect on employee commitment to the organization or career .

The result of analysis of the effect of employee readiness for change on total employee commitment is shown in Table (4.11).

**Table (4.11) The Effect of Readiness for Change on Total Employee Commitment**

| Variable/ Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) | .408 | .280 | | 1.457 | .147 |
| Individual Attitudes | .144* | .081 | .140 | 1.770 | .078 |
| Job Knowledge and Skills | .163 * | .092 | .125 | 1.773 | .078 |
| Belief | .096 | .099 | .090 | .964 | .336 |
| Management Relation | .440*** | .073 | .412 | 6.007 | .000 |
| R | .634 | | | | |
| R Square | .402 | | | | |
| Adjusted R Square | .391 | | | | |
| F Value | 34.505*** | | | | |
| Durbin-Watson | 2.005 | | | | |

Source: Survey Data, 2021

Notes: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

As shown in Table (4.11), the model can explain 39.1 percent about the variance of the independent variable and dependent variable because Adjusted R Square is 0.319. There is no autocorrelation in sample because the Durbin Watson value is 2.005 (nearly2). The value of F test is 34.505 and the overall significance of the model is highly significant at 1%   Level. Among the four variables, management relation  has positive significant effect on total employee commitment with highly significant at 1% level. Meanwhile, individual attitude and job knowledge and skills have positive significant

effect on total employee commitment with 10% significant level. In this holistic approach,the result of this study proves that employee readiness for change has positive effect on employee commitment. The result corresponts to the remarkable similarities to the previous individual results of the effect of employee readiness for change on the employee commitment of EFR Group.

# CHAPTER 5

# CONCLUSION

This chapter is organized with three parts: findings and discussions, suggestions and recommendations, and needs for future research. The study comprises the components of employee readiness for change, the influencing factors on employee readiness for change and effects of employee readiness for change on employee commitment.

## 5.1    Findings and Discussions

The main purposes of this study are to examine the influencing person-environment fit factors on readiness for change and to analyze the effects of readiness for change on employee commitment at EFR Group in Yangon. This study highlights that employee readiness for change occurs when the fit between employee and environment is good enough, and when employee readiness behavior for change is due enough, employee commitment is accumulated through the crafting and shaping of the organization's leaders who have put all their support behind this change.

Analysis of the effect of person-environment fit on employee readiness for change, person-environment fit is used as driving factors for employee readiness for change. Since person-job fit, person-organization fit and person-group fit are parts of person-environment fit, they are used as antecedents of employee readiness for change. Among these factors, person-group fit  positively effects on all the components used for employee readiness for change: individual attitudes, job knowledge and skills, belief and management relation. It means that EFR, as a logistics company, has managed to make inter-relation of each base-line workgroup strong enough to provide the highest tie among them. In other words, since employees mesh especially with their own small group, it is possible for senior leaders to send clear signal that EFR Group is going to change. Finding a good fit with each and every group is the key aspect for ensuring employee readiness for change at EFR Group.

Conversely, it indicates that this organization's most senior leader is committed to this change. When the requirement of any job is high, it has to be always fulfilled with good performance. Having several good qualities helps employees to  think of they could

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do any task excellently because they have skills needed to make this change. The congurance between employees' value and groups value positively supports strong individual attitudes of believing something to receive from this change and their belief in increase of relationship because of change. Eventually, it turns into employee readiness for any change. Meanwhile, person-job fit positively effects on belief and management relation. It indicates that feeling satisfied with their respective job encourages their confidence after change the employees would face off. Since organization's top decision makers have put all their support behind this change, employees cannot see any other good jobs to change. Needless to say, employees who have a strong sense of attachment to the organization feel bound and motivated to continue a career as a part of the organization. Ultimately, all these facctors foster commitment to the organization. This study highlights that person-group fit and person-job fit are the most important driving factors for employee readiness for change at EFR Group.

Analysis of the effect of employee readiness for change on emplyee commitment, the results of this study also point out that individual attitudes and job knowledge and skills have positive effect on organizational commitment. This indicates that EFR Group has well managed to establish the consistent and fair state of mind that this change would improve overall efficiency in the organization. As a result, employees are proud of themselves to be employee and more inclining to the organization because they are already ready for change in their mind. Because they do not think they can do well some tasks that will be required during change does not mean they do not commit to organization. The results of this study prove that the increase or decrease that occurs in "Not thinking to do this change very well" will not cause changes in the low level of organizational commitment felt by employees. Eventually, all these business readiness lead to their readiness to accept changes, and ultimately all these practice turns into total employee commitment. Meanwhile, management relationship has a positive significant effect on organizational commitment. This means that the determination of the committed leader makes the employees feel pride to be employee and to be part of the organization. In deed, organizational commitment refers to the level of commitment and dedication employees have toward their individual jobs and the organization.

In this study, management relationship has positive effect on organizational commitment and career commitment. This means that senior leaders are the key persons

for embracing, stressing and supporting the employee readiness for change at EFR Group. Further, the finding shows that senior leaders have managed for this change to occur in the direction that leadership desires. In order to expend the employee readiness for change, the employees need the empowering from leaders, supporting from seniors and a favorable room for business environment. Without the support of senior leaders or top decision makers, all these significant change at EFR Group cannot be occurred. This study highlights that  management relation is the most important driving factor for career commitment. This fact is supported by successful business begins at the top and is driven by leadership.

According to the holistic measurement approach, the analysis of the effect of person-environment fit on readiness for change and the analysis of the effect of  readiness for change on employee commitment, the findings show that person-job fit and person-group fit have positive effect on readiness for change and individuad attitude , job knowledge and skills and management relationalship have positive effect on employee commitment. EFR Group always tries to create a standard set of capabilities for its employees and to ensure that the right employees are in the right place within the company and invest variety of human resource programmes to develop the capacities of employees that lead to increase employees readiness for change.EFR Group's management applys the reward system through bonuses and promotions from individual input that increase employees' positive attitude and belief as well as employee commtment.High level of employee commitment generate long-term benefit for the organizational change of EFR Group.

In summary, the study expresses  the influencing forces on employee readiness for chnage and the important of employee readiness for change on employee commitment at EFR Group in Yangon. This study helps EFR Group to focus on building employee readiness for change with the purposes of improving the firm performance in competitive business environment.

## 5.2     Suggestions and Recommendations

From the results of the study, employee readiness for change is determined by how fit the person and environment is. Among the components of person-environment fit, person-group fit and person-job fit have positive significant effect on  the variables of employee readiness for change. Thus, in order to achieve employee commitment in any

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organization, efforts must be made to ensure the person-group fit and person-job fit are good in the workplace – especially at the shop floor. In this way, the benefits to be gained by the organization is the fit of employees with the small workgroup, better communication between managers and employees, and increased employee loyalty and commitment to the organization.

This study reveals the important role of organization's top decision makers on employee commitment by means of raising employee readiness behaviours in the workplace. In order to raise readiness behaviours for any change among employees, it is important for top decision makers to ensure that they nurture a good fit between employees and environment. Thus, decision makers in any organization should support or contribute to the educational programmes or initiatives enabling leaders/managers to fit with their respective environment. The study recommend among others that, a comprehensive career development programme should be adopted by management.

Based on the findings mentioned above, EFR should maintain the existing level of employee readiness for change they have achieved over their competitors in Myanmar, and more efforts must be made to develop employee readiness behavior by maintaining the congruence between person and environment: especially person-group fit and person-job fit in the workplace. Furthermore, as the readiness for change positively effects on employee commitment, if readiness for change are able to be built among employees in the workplace, they would be more loyal and be committed to the organization.

In summary, the study recommends that if the organization wants to increase employee commitment, creating employee readiness for change is a fundamental foundation for employee commitment. In order to develop employee readiness for change, person-environment fit will have to be built first. The employees with high employee commitment will be motivated to maintain membership in the organization, including continuing the career path the employees are having within the organization. Thus, employees who have a strong sense of attachment to the organization will also feel bound to continue a career as a part of the organization.

## 5.3    Needs for Further Research

This study reveals the effect of person-environment fit on employee readiness for change and the effect of employee readiness for change on employee commitment at EFR

Group in Yangon. Further research should expand the study areas to employee job performance not only on employee commitment.

In this study, only four components such as individual attitudes, job knowledge and skills, belief and management relationship are selected to analyze employee readiness for change at EFR Group as antecedent factors. Therefore, a future study should include more measurable and appropriate variables such as change agent role, effective communication, social relations, organizational culture, job attitudes, logistic & systemic support, trust, autonomy, principal support, self-efficacy, discrepancy, personal valance, appropriateness, wellness, active-passive job, job demands, participation, power and load, and demography to get a more comprehensive model of the factors affecting employee readiness for change.

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## APPENDIX A: SURVEY QUESTIONNAIRE

Dear Respondent,

I am a student of MBA programme at Yangon University of Economics carrying out a thesis on "The Effect of Person-Environment Fit, Readiness for Change and Employee Commitment in Ever Flow River Group Public Co., Ltd".

Ever Flow River Group listed on Yangon Stock Exchange on 28 May 2020. It is significant event for business in Myanmar. Thus, it needs to explore the root causes of the CHANGE in Ever Flow River Group.

I would like to request you to kindly spare some time to fill up this questionnaire. Thank you very much for your cooperation.

**Section A: Demographic Factor**

1. Gender
    - O Male
    - O Female

2. Age
    - O 18-25 years
    - O 26-35 years
    - O 36-50 years
    - O Above 50 years

3. Educational Qualification
    - O High School
    - O Bachelor Degree
    - O Master Degree
    - O Others

4. Years on present job
    - O Under 5 years
    - O 5-10 years
    - O Above 10 years

5. Monthly Income

  O Less than 500,000 Kyats

  O 500,001 Kyats to 10,00,000 Kyats

  O 10,00,001Kyats to 15,00,000 Kyats

  O 15,00,001Kyats to 20,00,000 Kyats

  O 20,00,001Kyats to above

## Section B: Person-Environment Fit

Please rate your degree of agreement upon the following statements in terms of

(1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree).

| Sr. No. | Person-Environment Fit | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| | **Person-Job Fit** | | | | | |
| 1 | The performance of my job tasks makes me feel satisfied with myself. | | | | | |
| 2 | The performance of my job tasks makes me realize that I have several good qualities. | | | | | |
| 3 | I cannot see myself in any other type of job than the one I am currently performing. | | | | | |
| 4 | The match is very good between the demand of my job and my personal skills | | | | | |
| 5 | My abilities and training are a good fit with the requirements of my job. | | | | | |

| Sr No | Person-Organization Fit | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| 1 | The values of my organization are similar to my values. | | | | | |
| 2 | My personality matches the "personality" or image of the organization. | | | | | |
| 3 | The organization is a good match for me. | | | | | |
| 4 | I feel like I am part of my organization. | | | | | |
| 5 | This organization is a good fit for me. | | | | | |
| | **Person-Group Fit** | | | | | |
| 1 | My personal values match my team's values. | | | | | |
| 2 | My team is a good match for me. | | | | | |
| 3 | My personality matches the "personality" or image of my team. | | | | | |
| 4 | I think other people would say that I fit well into this workgroup. | | | | | |
| 5 | This workgroup is a good fit for me. | | | | | |

## Section C: Employee's Readiness for Change

Please rate your degree of agreement upon the following statements in terms of

(1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree).

| Sr. No. | Readiness for Change | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| | **Individual Attitudes** | | | | | |
| 1 | I think that the organization will benefit from this change. | | | | | |
| 2 | This change will improve our organization overall efficiency. | | | | | |
| 3 | In the long run, I think it will be worthwhile for me if the organization adopt this change. | | | | | |
| 4 | This change matches the priorities of our organization. | | | | | |
| 5 | When this change is implemented, I believe there is something to gain for me. | | | | | |
| | **Job Knowledge and Skill** | | | | | |
| 1 | I have the skills that are needed to make this change work. | | | | | |
| 2 | When we implement this change, I feel I can handle it with ease. | | | | | |
| 3 | When I set my mind to it I can learn everything that will be required when this change is adopted. | | | | | |
| 4 | This change makes my job easier. | | | | | |
| 5 | There are some tasks that will be required when we change that I don't think I can do well. | | | | | |
| | **Belief** | | | | | |
| 1 | My future in this job will be developed because of this change. | | | | | |
| 2 | This change will increase many of the personal relationship I have developed. | | | | | |
| 3 | My past experiences make me confident that I will be able to perform successfully after this change is made. | | | | | |
| 4 | There are a number of rational reasons for this change to be made. | | | | | |
| 5 | There are legitimate reasons for us to make this change. | | | | | |

| Sr. No. | Readiness for Change | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| | **Management Relationship** | | | | | |
| 1 | Management has sent clear signal this organization is going to change. | | | | | |
| 2 | Our senior managers have encouraged all of us to embrace this change. | | | | | |
| 3 | Every senior manager has stressed the importance of this change. | | | | | |
| 4 | Our organization's top decision makers have put all their support behind this change effort. | | | | | |
| 5 | This Organization's most senior leader is committed to this change. | | | | | |

**Section D: Employee Commitment**

Please rate your degree of agreement upon the following statements in terms of

( 1 = Strongly Disagree,   2 = Disagree,   3 = Neutral,   4 = Agree,   5 = Strongly Agree ).

| Sr. No. | Organizational Commitment | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| 1 | I am quite proud to be able to tell people who it is work for. | | | | | |
| 2 | I feel strong sense of belonging to my organization. | | | | | |
| 3 | I feel myself to be part of my organization. | | | | | |
| 4 | The offer of a bit more money with another employer would not seriously make me think of changing my job. | | | | | |
| 5 | The procedures use to determine my pay raise are fair and consistent. | | | | | |

| Sr. No. | Career Commitment | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| 1 | I feel fairly well satisfied with my job | | | | | |
| 2 | This is the ideal profession for a work life. | | | | | |
| 3 | My job is like a hobby to me. | | | | | |
| 4 | I find really enjoyment in my work. | | | | | |
| 5 | I have very strong ties to job. | | | | | |

## APPENDIX B: Statistical Output

### 1.Analysis of Person-Environment Fit on Individual Attitude

**Model Summary[b]**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|---|---|---|---|---|---|
| 1 | .491 | .241 | .230 | .55774 | 1.965 |

a. Predictors: (Constant), Person-Job Fit, Person-Organization Fit, Person-Group Fit

b. Dependent Variable: Individual Attitude

**ANOVA**

| Model | Sum of Square | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Regression | 20.396 | 3 | 6.799 | 21.856 | .000 |
| Residual | 64.081 | 206 | .311 | | |
| Total | 84.477 | 209 | | | |

a . Predictors (Constant), PJ, PO, PG

b. Dependent Variables: IA

**Coefficients**

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) | 1.776 | .264 | | 6.738 | .000 |
| Person-Job Fit | .121 | .079 | .112 | 1.540 | .125 |
| Person-Organization Fit | -.090 | .098 | -.089 | -.916 | .361 |
| Person Group Fit | .498 | .101 | .489 | 4.953 | .000 |

a Dependent Variable: Individual Attitude

## 2.Analysis of Person Environment Fit on Job Knowledge and Skill

### Model Summary[b]

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|---|---|---|---|---|---|
| 1 | .419[a] | .176 | .164 | .45921 | 2.083 |

a. Predictors: (Constant), Person-Job Fit, Person-Organization Fit, Person-Group Fit

b. Dependent Variable: Job Knowledge and Skill

### ANOVA[a]

| Model | Sum of Square | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Regression | 9.266 | 3 | 3.089 | 14.647 | .000[b] |
| Residual | 43.439 | 206 | .211 | | |
| Total | 52.705 | 209 | | | |

a . Predictors: (Constant), Person-Job Fit, Person-Organization Fit, Person-Group Fit

b. Dependent Variable: Job Knowledg and Skilll

### Coefficients[a]

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) | 2.278 | .217 | | 10.494 | .000 |
| Person-Job Fit | .047 | .065 | .054 | .717 | .474 |
| Person-Organization Fit | -.032 | .081 | -.040 | -.400 | .690 |
| Person Group Fit | .337 | .083 | .419 | 4.063 | .000 |

a. Dependent Variable: Job Knowledge and Skill

### 3.Analysis of Person-Environment Fit on Belief

**Model Summary**[b]

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|-------|------|----------|-------------------|----------------------------|---------------|
| 1 | .504[a] | .254 | .243 | .53440 | 1.979 |

a. Predictors: (Constant), Person-Job Fit, Person-Organization Fit, Person-Group Fit

b. Dependent Variable: Belief

**ANOVA**[a]

| Model | Sum of Square | df | Mean Square | F | Sig. |
|-------|---------------|-----|-------------|--------|----------|
| Regression | 20.047 | 3 | 6.682 | 23.400 | .000[b] |
| Residual | 58.830 | 206 | .286 | | |
| Total | 78.877 | 209 | | | |

a Dependent Variables: Belief

b. Predictors (Constant), PJ, PO, PG

**Coefficients**[a]

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|------|-------------|---------------------------|--------|------|
| | B | Std. Error | Beta | | |
| (Constant) | 1.660 | .253 | | 6.572 | .000 |
| Person-Job Fit | .389 | .076 | .277 | 3.832 | .000 |
| Person-Organization Fit | -.153 | .094 | -.157 | -1.636 | .103 |
| Person Group Fit | .411 | .096 | .418 | 4.269 | .000 |

a Dependent Variable: Belief

## 4.Analysis of Person-Environment Fit on Management Relationship

### Model Summary[b]

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|-------|------|----------|-------------------|----------------------------|----------------|
| 1 | .455[a] | .207 | .196 | .54884 | 1.748 |

a. Predictors: (Constant), Person-Job Fit, Person-Organization Fit, Person-Group Fit

b. Dependent Variable: Management Relationship

### ANOVA[a]

| Model | Sum of Square | df | Mean Square | F | Sig. |
|-------|---------------|-----|-------------|--------|--------|
| Regression | 16.227 | 3 | 5.409 | 17.956 | .000[b] |
| Residual | 62.053 | 206 | .301 | | |
| Total | 78.280 | 209 | | | |

a Dependent Variables: MR

b. Predictors (Constant), PJ, PO, PG

### Coefficients[a]

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|------|-----------|------|-------|------|
| | B | Std. Error | Beta | | |
| (Constant) | 1.691 | .259 | | 6.520 | .000 |
| Person-Job Fit | .205 | .078 | .197 | 2.647 | .009 |
| Person-Organization Fit | .016 | .096 | .017 | 0.169 | .866 |
| Person Group Fit | .299 | .099 | .305 | 3.017 | .003 |

a Dependent Variable: Management Relationship

## 5. Analysis of Person-Environment Fit on Total Readiness for Change

### Model Summary[b]

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|-------|------|----------|-------------------|----------------------------|---------------|
| 1 | .563 | .317 | .307 | .40356 | 1.906 |

a. Predictors: (Constant), Person-Job Fit, Person-Organization Fit, Person-Group Fit

b. Dependent Variable: totalRFC

### ANOVA[a]

| Model | Sum of Square | df | Mean Square | F | Sig. |
|-------|---------------|-----|-------------|--------|---------|
| Regression | 15.569 | 3 | 5.190 | 31.866 | .000[b] |
| Residual | 33.550 | 206 | .163 | | |
| Total | 49.119 | 209 | | | |

a Dependent Variables: totalRFC

b. Predictors (Constant), PJ, PO, PG

### Coefficients[a]

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|------|------------|------|--------|------|
| | B | Std. Error | Beta | | |
| (Constant) | 1.860 | .193 | | 9.656 | .000 |
| Person-Job Fit | .139 | .060 | .158 | 2.306 | .022 |
| Person-Organization Fit | -.061 | .071 | -.079 | -.849 | .397 |
| Person Group Fit | .409 | .072 | .526 | 5.675 | .000 |

a Dependent Variable: totalRFC

## 6. Analysis of Readiness for Change on Organizational Commitment

### Model Summary[b]

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|---|---|---|---|---|---|
| 1 | .684[a] | .468 | .457 | .49008 | 2.031 |

a. Predictors: (Constant), Individual Attitude, Job Knowledge and Skill, Belief, Management Relation

b. Dependent Variable: Organizational Commitment

### ANOVA[a]

| Model | Sum of Square | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Regression | 43.248 | 4 | 10.812 | 45.016 | .000 |
| Residual | 49.237 | 205 | .240 | | |
| Total | 92.485 | 209 | | | |

a Dependent Variables: Organizational Commitment

b. Predictors (Constant), IA, JS, BF, MR

### Coefficients[a]

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) | .128 | .274 | | .465 | .642 |
| Individual Attitude | .210 | .078 | .201 | 2.704 | .007 |
| Job Knowledge and Skill | .218 | .088 | .165 | 2.489 | .014 |
| Belief | .078 | .096 | .072 | .809 | .419 |
| Management Relationship | .441 | 0.70 | .406 | 6.258 | .000 |

a Dependent Variable: Organizational Commitment

## 7. Analysis of Readiness for Change on Career Commitment

### Model Summary[b]

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|-------|-----|----------|-------------------|----------------------------|---------------|
| 1 | .510[a] | .260 | .245 | .63699 | 1.956 |

a. Predictors: (Constant), Individual Attitude, Job Knowledge and Skill, Belief, Management Relation

b. Dependent Variable: Career Commitment

### ANOVA[a]

| Model | Sum of Square | df | Mean Square | F | Sig. |
|-------|---------------|-----|-------------|--------|-------------|
| Regression | 29.192 | 4 | 7.298 | 17.986 | .000[b] |
| Residual | 83.179 | 205 | .406 | | |
| Total | 112.371 | 209 | | | |

a Dependent Variable: Career Commitment

b. Predictors (Constant), IA, JS, BF, MR

### Coefficients[a]

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|------|------------|------|-------|------|
| | B | Std. Error | Beta | | |
| (Constant) | .623 | .356 | | 1.748 | .082 |
| Individual Attitude | .066 | .101 | .058 | .658 | .512 |
| Job Knowledge and Skill | .173 | .114 | .118 | 1.514 | .132 |
| Belief | .083 | .125 | .070 | .664 | .507 |
| Management Relationship | .438 | .092 | .366 | 4.785 | .000 |

a Dependent Variable: Career Commitment

## 8. Analysis of Readiness for Change on Total Employee Commitment

### Model Summary[b]

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|-------|-----|----------|-------------------|----------------------------|---------------|
| 1 | .634 | .402 | .391 | .51068 | 2.005 |

a. Predictors: (Constant), Individual Attitude, Job Knowledge and Skill, Belief, Management Relation

b. Dependent Variable: Total Employee Commitment

### ANOVA[a]

| Model | Sum of Square | df | Mean Square | F | Sig. |
|-------|---------------|-----|-------------|--------|--------|
| Regression | 35.995 | 4 | 8.999 | 34.505 | .000[b] |
| Residual | 53.463 | 205 | .261 | | |
| Total | 89.458 | 209 | | | |

a Dependent Variable: Total Employee Commitment

b. Predictors (Constant), IA, JS, BF, MR

### Coefficients[a]

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|------|------------|------|-------|------|
| | B | Std. Error | Beta | | |
| (Constant) | .408 | .280 | | 1.457 | .147 |
| Individual Attitude | .144 | .081 | .140 | 1.770 | .078 |
| Job Knowledge and Skill | .163 | .092 | .125 | 1.773 | .078 |
| Belief | .096 | .099 | .090 | .964 | .336 |
| Management Relationship | .440 | .073 | .412 | 6.007 | .000 |

a Dependent Variable: Total Employee Commitment