

## **A case study of Organizational Behaviour and Resistance to changes in Malaysia's Commercial Banking Industry**

**Hemaloshinee Vasudevan<sup>1</sup>**

*Azman Hashim International Business School, Universiti Teknologi Malaysia; email address: hemaloshinee25@gmail.com*

**Nomahaza Mahadi**

*Senior Lecturer, Azman Hashim International Business School, Universiti Teknologi Malaysia; email address: mahaza@ibs.utm.my*

**Farrah Anne Robert**

*Head of Academic (DBA), YPC International College-Liverpool John Moores University, Malaysia; email address: farrah@kolejypc.edu.my*

**Abstract:** The primary issue in this case concerns about a manager's engagement toward employees in an organisation. The low level of attitude displayed by the manager creates a negative impact on employees' performance. The organisational outcome is also affected by the negative attitude of the managers. In this case, the key issue is about the employees' satisfaction and dissatisfaction with the negative attitude of the manager. The positive mind-set of employees is affected, and they develop dissatisfaction with the negative mentality of the manager. The case also investigates the aspect of resistance to changes, whereby, negative thinking is reduced, and positive management thinking among employees and managers in the organisation is increased. Overall, this case describes a management dilemma on how employees' job satisfaction levels caused serious levels (turnover intention increased) in the commercial banking industry. Survey instruments have been used to measure employees' attitude or behaviour. The finding indicated that 60 percent of the negative attitude of manager caused dissatisfaction among employee. In this case, the dissatisfaction among employees was due to the negative behaviour of the manager who penalised staff who could contribute towards the success of a project. In addition, dissatisfaction was also due to the lack of recognition received, whereby, achievement rewards were given to the manager who lacked in the contribution of knowledge and ideas for the company development.

Keywords: job dissatisfaction, negative behavior, resistance to change

---

### **INTRODUCTION**

In August 1975, Bank X was established in Malaysia. Being the sixth biggest banking group in Malaysia, it comprises of Bank Y and its subsidiaries Bank A, Bank B, Bank C, Bank D and Bank E. This group of bank offers a wide range of investment banking, commercial banking, retail financing, and related financial services, which includes Islamic banking, underwriting of general and life insurance, stock, share and futures broking, investment advisory as well as asset, property and unit trust management.

---

<sup>1</sup> Corresponding Author

The core philosophy of Bank X incorporates a deep-seated commitment to the satisfaction of its broad range of customers, with numerous customer-driven initiatives woven into all configurations of communication and interaction with all client groups. The Group provides new and innovative products and services to its clients with its strategic partnership with Australia and New Zealand Banking Group (ANZ), one of Australia's leading banks. In order to improve their service and support, Bank X embraces the following vision; "As Malaysia's preferred diversified, internationally connected financial solutions group, we hold pride in developing your future with us". The bank operates with principles focused on achieving the organisational goals and objectives. The values practised by Bank X are based on the concept of p<sup>2</sup>ace, which stand for principled, proactive, appreciative, connected, and evolving.

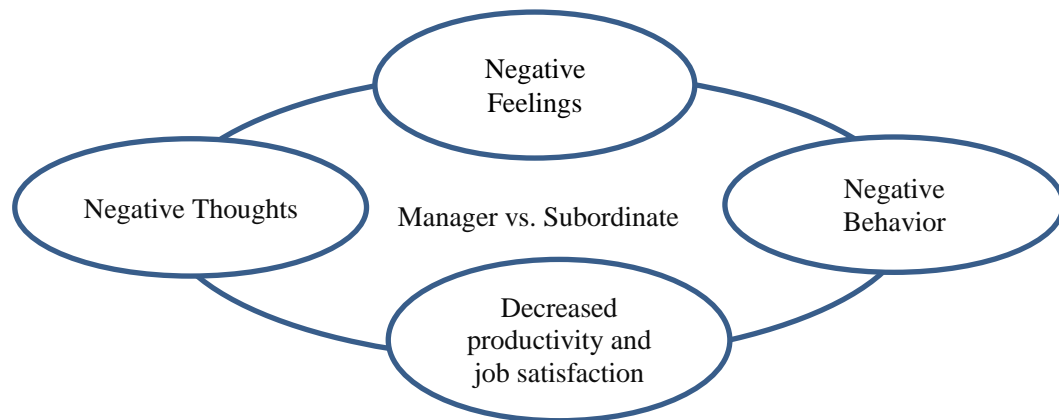
Bank X has its own criteria for staff nomination. A few years ago, Bank X appointed Mr Simon, who previously worked in another bank, as the new general manager. Simon is currently the general manager of the DSS unit, and he handles and coordinates this unit. He has 26 years of experience in the banking industry. He previously held a clerical position, and due to his desire for self-improvement, he furthered his education by enrolling in diploma and degree courses. The outcome of his determination led to him being appointed as the general manager of DSS unit. Simon, being an energetic man, displayed dedication and punctuality in everything. His attachment to the unit resulted in a high turnover. However, all the staff did not like his attitudes that were full of conventions. Twenty employees resigned because of his attitude and character caused job dissatisfaction among employees. To date, he has served in this unit for six years, and the new subordinates are tormented by his position and demeanour. Meanwhile, manager is an individual who likes to encourage his staffs to be involved in CSR activities. However, he has the habit of claiming others work as his personal achievement. He often fails to acknowledge the staff that did the job, and claims the rewards offered by the top management for himself. This consequently results in the subordinate feeling unjust, demotivated, as well as dissatisfied with their job.

### **SITUATION IN THE BANK**

In this case study, the application of operationalisation is used to determine the terms of a process (or a set of proof tests) that are needed to regulate the nature of an item or phenomenon. In this case, researchers determined some operational definitions in terms of organisational behaviour, negative behaviour, positive behaviour, negative attitude, positive attitude, job satisfaction, job dissatisfaction, and job performance. Organisational behaviour focuses on trying to understand the different types of human behaviour and its advantages as well as its disadvantages. It considers how phenomena like motivation can influence human behaviour, attitude, individual, team and group work in organisations (Veličkovska, 2017). Negative behaviour and positive behaviour can be classified as an organisational behaviour because both of it influences human's attitude in the organisation. Negative behaviours or attitudes act as facilitators and barriers to effective mutual workplace relationships among workers in organisations (Almost et al., 2015). According to Hoppock (1935), job satisfaction is defined as a blend of mental, physiological, and natural circumstances that enable employees to speak honestly about his/her satisfaction toward the job that they hold in the organisation.

In this case, Alex is well-educated, and he holds a master's degree from the United Kingdom. Additionally, he has over 25 years of experience in the banking industry. As a senior executive, Simon's negative attitude annoys and disappoints him, hence, resulting in him being

dissatisfied with his job. Simon also penalized Alex by taking away his promotion, increment, and bonus; leaving the employee to work under pressure. Other subordinates were also not satisfied with the job because of Simon's behaviour, and they ceased from the task. Generally, Alex has his own perception about the job, and he wants a peaceful working environment instead of opposing and conflicting opinions which often lead to arguments between them. How does Alex manage Simon's negative attitudes which create employees' job dissatisfaction? Additionally, how does Alex manage Simon's negative attitudes to become positive attitudes that can enhance employees' job satisfaction? Figure 1 and Figure 2 relates to this case study, and it shows how the managers' negative attitudes and positive attitudes in the workplace can create job satisfaction and job dissatisfaction among employees.

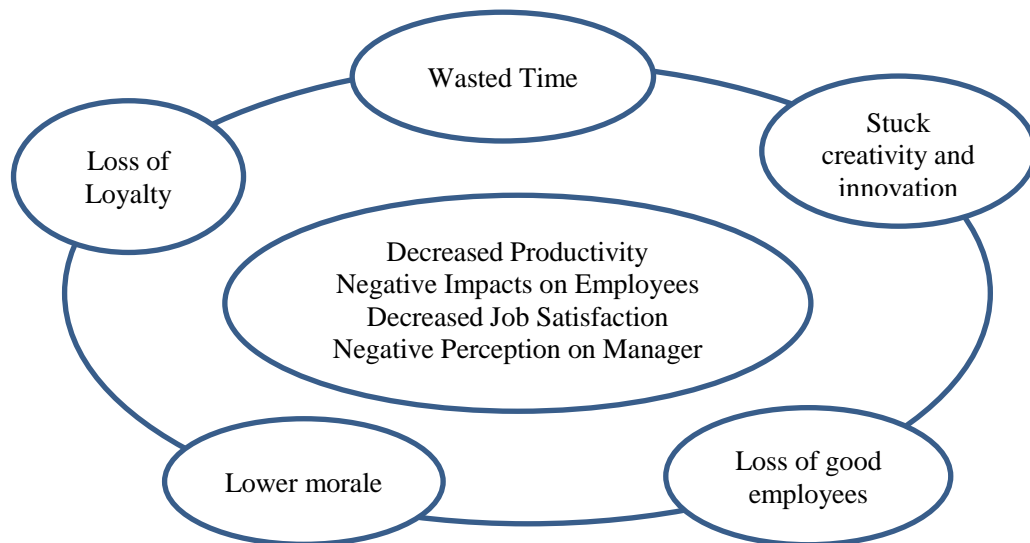


**Figure 1.** Negative attitude make employee's job dissatisfaction

(Source: Hemaloshinee et al., 2017)

Figure 1 illustrates that managers' negative attitudes can create employees' job dissatisfaction due to the arguments that arise between the manager's and subordinate. Often, the arguments are caused by differing opinions, behaviours, and feelings in handling the position. In this case, Alex being a subordinate must listen to Simon because Simon is the general manager. It believed that both their leader-member relationship and interpersonal communication is not good. Simon's persistent negative feelings, thoughts, and attitudes toward Alex, decreases Alex's productivity and job satisfaction. In other words, Simon, being free to display his negative attitudes in any position, affects the employees working moods, hence, demotivating them and causing job dissatisfaction. However, negative thoughts are acceptable to a certain level as it enables a manager to observe employee every day and every time to identify their fault; although this is not a great issue for the business organisation. In certain events, negative thoughts can grow into negative feelings, which in turn may result in managers hurting their subordinate by sending e-mails to HR requesting for actions against small mistakes. This childish attitude makes employees uncomfortable with their manager. Employees further develop a big change in behaviour (negative attitudes). This kind of changes in behaviour can affect both sides, as it causes negative productivity and job satisfaction that spills over to existing co-workers.

The moral of this case study is, a manager cannot control the subordinate's thoughts and opinions, as well as penalize an employee. This is because being a leader, a manager is responsible for the subordinate and the work that they do. A manager should consider the employees' position and behaviour while making certain decisions, as to not disassemble the spirit in the team. Managers and leaders are prone to give a negative comment when employees provide suggestions and thoughts. As employees usually work hard to bring positivity and improvement, harsh and unsupportive remarks may demotivate them. Demotivated employees further express their dissatisfaction by coming to work late, taking frequent medical leaves and disregarding the works assigned by the supervisor. An employee has the right to take actions on such managers, but very often they do not. Throughout an employees' working life, encounters with ill-behaving managers are unavoidable. As there is no alternative way to ignore this kind of working environment, employees often resort to resignation. As leaders, managers should guide their subordinates and not ignore employees. Managers should cultivate positive thinking, constructive opinions, and ideas to sustain the workplace culture and improve the leader-member exchange relationship. Figure 2 exhibits the negative attitudes of manager that causes employees' job dissatisfaction.



**Figure 2.** Negative attitudes cause job dissatisfaction  
(Source: Hemaloshinee et al. 2017)

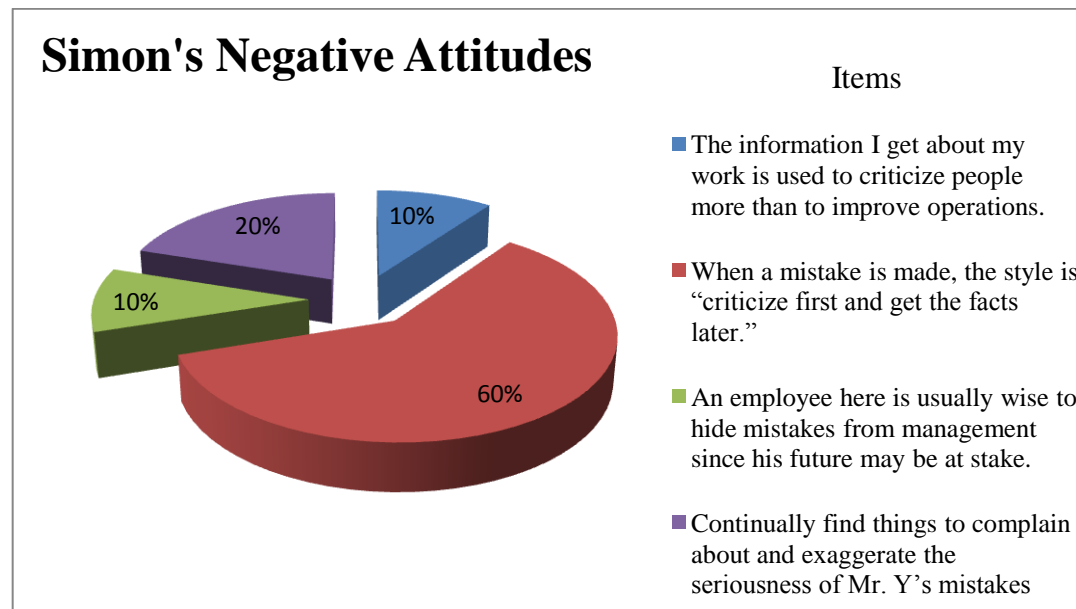
Figure 2 illustrates that how negative thinking can result in negative attitudes that erode an individual's working journey. Managers who have negative thinking and attitudes often wear down their subordinate because they do not like their subordinate to hold their position. Besides that, staffs with negative feelings can also steal the bliss of their co-workers; often spoiling the working ambience and energy of every employee. As per the case study, individuals who can drain other workers' energy and mood, often controls everyone's activities in the workplace. In

such events, the employees feel dissatisfied and unhappy and often decide to stop their job as they do not wish to stay in the demotivated situation. Things are further worsened by the lack of concern displayed by the manager, who thinks that he is right, and nobody can question him. Daily, employees feel that they have wasted their time by managing all the work because all they receive are negative remarks from the manager who does not desire to appreciate his employees' work. Such managers often cage their employees' mind by not permitting them to share their opinions and suggestion due to presumptions that employees lack in creativity and innovation. In this case, Simon lost a competent employee, Alex, because of his negative attitudes that decreased employees' job satisfaction. Simon's behaviour also created low morale among other subordinates. He lost the trust and value that the subordinates had on him. The interpersonal communication between leader-member was categorized as low-quality relationships because both often misunderstood in all the situations.

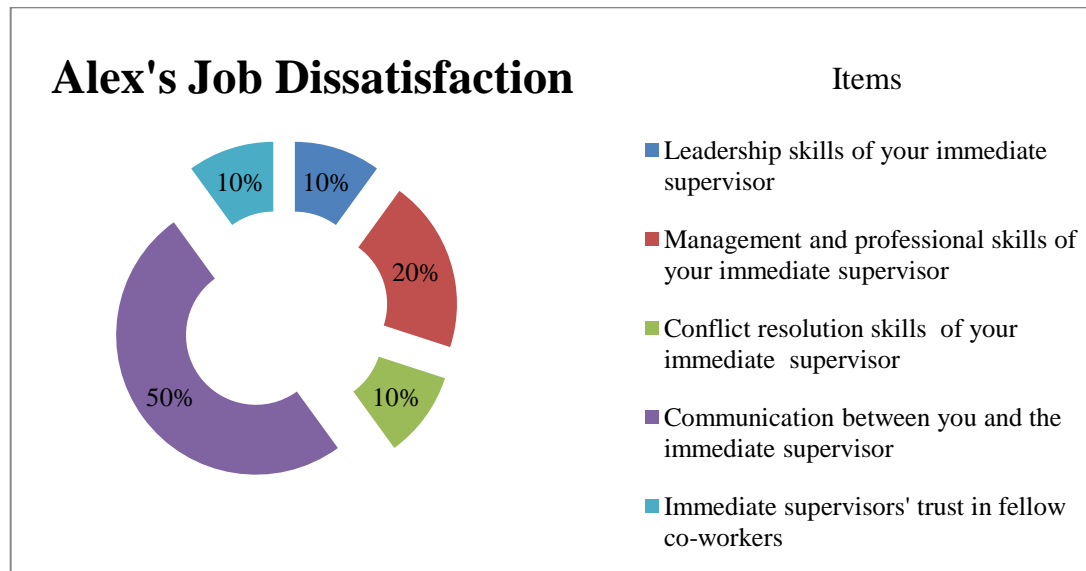
### METHODOLOGY

The findings were evaluated by interviewing the respective employee and manager to identify the issue of the case. Interviews were conducted among employees to find their response towards respective manager's attitude toward employees. Fifteen respondents were interviewed in a group to understand Simon's attitude and Alex's job satisfaction. The data were analysed using the software Microsoft Excel.

### FINDINGS AND DISCUSSION



Pie Chart 1. Simon's negative attitudes on Alex's job dissatisfaction



Pie Chart 2. Simon's negative attitudes on Alex's job dissatisfaction

The Pie Chart 2 shows that Simon's negative attitudes are positively correlated with Alex's job dissatisfaction. Simon was found to have negative perceptions of Alex's ideas at the highest percentage (60%). This finding can be further supported by Simon's attitude, whereby he often criticized Alex's work before summoning the facts because he had negative thinking and feelings about Alex. As a result, Alex was dissatisfied with his job, particularly in terms of communication. Fifty percent was the highest percentage that identified both people do not communicate well after confrontations. Communication stopped after Alex became dissatisfied with Simon's attitude. Alex felt that Simon lacked leadership skills as a general manager because of his preconceived notions about his subordinates. Ten percent for leadership accomplishment as obtained in this study is an extremely low value for a managerial level. Good leadership styles among middle manager and subordinates are essential qualities. This finding justifies Alex's claim on Simon's lack of credibility for the managerial position. Distressed by all these situations, Alex lost his passion for working in Bank X as he did not want to be penalized by a person with a lower level of mentality. Alex decided that he lacked job satisfaction because of Simon's negative attitudes. Based on this dilemma, the researcher believes that poor management and leadership could discourage employees from working. Previous surveys found that to resolve this sort of problem, the following steps should be considered (Abdulwahab, 2016):

- a) Two-way communication enhances employee engagement
- b) Give satisfactory opportunities for growth and promotion
- c) Give employees appropriate leadership or motivation training
- d) Possess a strong feedback system
- e) Build a typical corporate culture
- f) Focal point for top performing employees

Recent studies conducted on the importance of employee engagement to build a good relationship between employees and leaders found that meaningfulness, safety, and availability could influence the relationship. If employees liked their work and found it to influence their work position and public presentation significantly, they were more self-directed and motivated to grow in the organisation. Hence, the positive attitudes of employees make them maintain their high standard of performance among subordinates. Similarly, the manager should encourage the subordinate to show outstanding performances. Following are several issues that made Alex dissatisfied with Simon's attitude:

- a) Failing to provide constructive criticism on employee
- b) Penalizes employee for unreasonable matter
- c) De-motivates employee

In conclusion, managers displaying negative attitudes in the workplace can create job dissatisfaction among employees because they limit an employee's space for contributing and sharing ideas with others. Such act further hinders employees from achieving the outlined objectives. A manager's negative perceptions about employees further ruin the employees' relationship with the manager. With such mind-set, managers fail to value the performances of their employees due to their preconceived negative thoughts. As a leader, they should have positive thinking, feelings, and behaviour towards subordinates to sustain them in the workplace and achieve the organisational goals. The values and motives depend on the employee's job and their satisfaction toward the job (Siddika, 2012). All the same, the employers face challenges in determining what employee engagement is and what values create it; as there are many hypotheses that are unclear concerning this subject (Saks and Gruman, 2014). Most employees feel comfortable working in challenging and stimulating environments that fulfil their satisfaction. In this case, the bank management is required to provide all kinds of satisfaction to employees at the workplace. In order to resolve this kind of problems, resistance to change in the organisation should be implemented in three levels such as individual, group and organisational.

## **RESISTANCE TO CHANGE**

It is a difficult task for organisations to avoid changes because new ideas can promote employees to grow in the organisation. In organisations, changes occur for many reasons such as new staff roles, increase or decrease in funding, achievement of new engineering, new missions, visions or goals, to attain new members or customers, and due to changes from negative to positive behaviour. Resistance to change can be a challenge to an employee and employer, especially when resolving the troubles. According to Burke (2008), people protest the imposition of change which is borne as a general truth. However, resistance can also be proactive resignation or planned to damage (Kreitner and Kinicki, 2010). Any form of changes must be discussed at three levels; organisational, individual and team or group level.

### ***ORGANIZATIONAL LEVEL***

Resistance mostly occurs at organisational levels because it involves the implementation of new ideas which will be used in all departments in the banking industry. Adjustments implemented by leaders are expected to showcase some resistance within the organisational levels. In this case, the manager will need to enforce the changes at organisational levels. By taking charge, they can lead and develop their skills, knowledge, and ability to execute in an organisation. There are four aspects of organisational resistance that should be considered; the threat to

establish, the threat to expertise, limited focus of changes and structural inertia.

### ***INDIVIDUAL LEVEL***

Individual resistance is the beginning of changes in human characteristics. It helps mould their personalities and achieve their demands. This individual change creates a reaction process that contributes towards their career. This modification serves to evolve an individual indifference measure of their capacity.

### ***TEAM / GROUP LEVEL***

Team levels are very important in organisations because teamwork can develop the organisational goals. Teamwork can increase employees' performance and loyalty, which in turn enables them to contribute a fair share of their opinion to ensure that modifications can be developed very fast.

### **REASON FOR RESISTANCE TO CHANGE**

The reason for resistance to change at the organisational, team and individual levels are because the staffs are outmoded, ego in terms of position, and practice stake and effort indifference. Change produces anxiety, uncertainty, and makes employees feel uncomfortable because everything looks different. Routines, otherwise are more automatic, hence, making them feel great while standing in the same shoes, in their comfort zone. Employees and managers are the causes of resistance to change. The resistance by employees are as below:

- a) **Poor Communication**  
The poor communications are one of the reasons for resistance to change in an organisation. The lack of communication will result in a lack of information or inaccurate information analysis received by the employee. This causes them to feel that they have insufficient knowledge to perform their jobs.
- b) **Lack of understanding of the vision and the need for changes.**  
The main reason for employee resistance is that employees do not understand the vision of changes.
- c) **Comfortable with the status quo and fear of the unknown.**  
Employees tend to be satisfied because the current way of doing business had been in place for a long time. The employees are fine with the current processes and systems, and they do not desire for the changes until it forces them out of their comfort zone. Their fear for the new system causes them to want to continue with the old way in which they are comfortable with.
- d) **Fear of Job Loss**  
The fear of losing their job is persistent in employees. Hence, they perceive changes in business as a threat to their own job security. Some employees feel that changes would eliminate the need for their position, whereas, other employees lack confidence in the importance of their own abilities and skills in the new environment.

Moreover, resistance by managers also makes employees feel dissatisfied with the job. Following are several reasons for the display of resistance by managers:



- a) Loss of power and control.  
The most important reason for the resistance to change at the managerial level is the fear of losing power and control. Managers perceive changes as infringements on their autonomy, and some employees indicate that changes are even perceived as a personal attack on the managers. Manager's reactions to the change initiatives can be described as a "battle for turf."
- b) Overload of current tasks, pressures of daily activities, and limited resources.  
Managers show their resistance to changes because they relate the change as an additional burden for them to think and implement. Limited resources also contribute to the resistance, because changes seem like extra work, and resource strain at a time when the pressures from daily activities were already high, makes things worse.
- c) Lack of skills and experience in managing the change effectively.  
Managers fear the new demands that would be placed on them by the business change. They felt uncomfortable with their role in managing the change because they lack skills. Additionally, some fear recrimination, whereas, others lack the experience or tools to manage their employees' resistance effectively.
- d) Fear of job loss.  
Managers are always afraid of losing their job when handling the changes which they are afraid to perform due to their lack of skills and knowledge. The middle management is often the victim of large-scale business changes. One participant reaffirmed this fear; "They were eliminated in the change, so no resistance was recorded".

### **COMMON ORGANIZATIONAL ISSUE**

One of the common issues faced by organisations when they decide to bring changes to the current routine is strategic issues or management development issues. Among the issues faced are (1) lack of instruction and guidance, and (2) lack of focus while making major decisions. Lack of direction and counselling is provided to employees due to the poor communication between employees and the higher management. Sometimes, the organisation lacks in focus when making major decisions concerning the employees' attitude and behaviour. Organisations should have proper planning to ensure they are certain of their actions. Unclear objectives and lack of communication can make employees feel dissatisfied.

### **CONCLUSION**

Every organisation has issues to handle, and the way the management or leaders handle the issues can affect the organisation's performance as well as the employees' performance. As a part of the top management, leaders should encourage employees and avoid demotivating attitude to ensure a better work environment. Emotional intelligence is the most crucial aspect that should be observed by everyone in an organisation. A high positive level of emotional intelligence establishes a high level of organisational citizenship behaviour, which further increases organisational performance. When bank employees can express their emotional experiences, both individual and organisational performance becomes enhanced. Hence, this brings down the workplace stress. Successful organisations know the importance of practising positive attitude in various condition, performance, and employee engagement. Such positivity

is very crucial for employees when they later face with a negative work environment. Therefore, training assessment and evaluation of employees are very important as it guides them to learn as well as support the team members at the workplace, while they continue to attain the organisational goals, vision, and mission. In other words, training provides employees with a chance to learn coaching, guiding and motivating techniques that can be used to improve the team members; creating a supportive work environment for the group members further ensures emotional intelligence development and elimination of negative attitude in the workplace.

### **DISCUSSION QUESTIONS**

1. What causes the employee feel dissatisfied at the workplace?
2. Managers should do everything to enhance the job satisfaction of employees. Would you agree or disagree? Support your answer.
3. Positive attitudes can create employee job satisfaction. State your opinion and example to substantiate this assertion.
4. Do you think Simon can stay longer in Bank X? Why?
5. How Simon's negative attitudes affect to the employee's job dissatisfaction?
6. Why is resistance so important in organizations? Discuss briefly and relate to the case study.
7. What kind of change strategies should this organization adapt to turn around its performance and move to a greater height?

### **ACKNOWLEDGEMENT**

The authors would like to grab this opportunity to express our gratitude and deep thankfulness to encourage us to accomplish this kind of case study that shares the author's experience when attached to the banking industry. The writers are very appreciative and thankful to the editorial office and the committee members for their efforts and time during the reassessment procedure.

### **CONFLICT OF INTEREST**

The authors declare that no conflict of interest affecting the publishing of this case paper because the respective people's name and organization are not mentioned in this scenario.

### **REFERENCES**

- Abdulwahab S. Bin Shmailan. (2016). The relationship between job satisfaction, job performance, and employee engagement: an explorative study. *Issues in Business Management and Economics*, 4 (1), 1-8.
- Almost, J., Wolff, A., Mildon, B., et al. (2015). Positive and negative behaviours in workplace relationships: a scoping review protocol. *BMJ Open* 2015;5:e007685. doi:10.1136/bmjopen-2015-007685.
- Burke, W. W. (2008). *Organizational change: Theory and practice*. London: Sage.
- Hoppock, R. (1935). *Job satisfaction*. New York, NY: Harper and Brothers.
- Kreitner, R. and Kinicki, A. (2010). *Organizational behavior* (Ninth edition). New York: McGraw-Hill Irwin.
- Mullins, L. J. (2005). *Management and organizational behavior*. Harlow, England; New York: Prentice Hall/Financial Times.
- Robbins, S.P. and Judge, T.A. (2015). *Organisational Behaviour* (16th Ed.). New Jersey:

Vasudevan, Mahadi and Robert

Pearson Education.

Saks, A. M., and Gruman, J. M. (2014). What do we really know about employee engagement? *Human Resource Development Quarterly* 25.2, 155-182.

Sakovska, M. (2013). Importance of employee engagement in business environment measuring the engagement level of administrative personnel in VUC Aarhus and detecting factors requiring improvement (Masters Dissertation, Aarhus University, Aarhus, Denmark). Retrieved from [http://pure.au.dk/portal-asbstudent/files/45628761/Employee\\_Engagement .pdf](http://pure.au.dk/portal-asbstudent/files/45628761/Employee_Engagement.pdf) 62.

Schermerhorn, J. G., Hunt, J. G., and Osborn, R. N. (2005). *Organizational behavior* (Ninth edition). United States of America: John Wiley & Sons Inc.

Siddika A (2012). Women in the informal sector. *The News Today*. Newscorp Publications Limited, Dhaka, Bangladesh. July 18, 2012.

Veličkovska, I. (2017). Organizational citizenship behaviour- definition, determinants and affects. *Engineering management*, 3(1), 40-51.