

Change-oriented Leadership in the Context of Transitioning to Strategic Autonomy

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Abstract: Growing geopolitical tensions have transformed the business landscape, driving domestic firms toward an era of strategic independence (Yale School of Management, 2024). This research examines a well-known Eastern European consulting firm that, after transitioning to an independent entity, was confronted with a new personnel assessment system. This shift necessitates a comprehensive understanding of employee readiness and resistance — fundamental concepts in change management literature (Armenakis et al., 1993). Our study incorporated quantitative methods to divide employees according to their readiness for the new system (k-means clustering, factor analysis, and discriminant analysis). At the same time, it employed qualitative research methods to explore motives and attitudes behind employee resistance or readiness (Choi & Ruona, 2011). Based on their adaptability to the new system, we identified three distinct clusters of employees: “Active Supporters,” “Cautious Appraisers,” and “Conservative Skeptics,” allowing us to pinpoint specific non-readiness factors and formulate tailored strategies to address them. The findings suggest that emotional involvement, openness to change, and previous experiences with similar practices significantly influence employee readiness. To mitigate these issues, the paper proposes a strategy rooted in psychological safety and differentiated error management, as advocated by Edmondson (2023), to enhance the organization's learning capability and adaptability. Our results align with previous research indicating that stronger attitudes, often based on personal experience, significantly predict behavior (Eagly & Chaiken, 1993). We found that the initial uncertainty of organizational changes served as a major stressor, underscoring the importance of understanding and conceptualizing changes (Kramer, 2015). Unlike Schwartz (1994), the value orientation of “Tradition” did not exert significant influence, but values of “Autonomy,” “Stimulation,” “Achievement” (consistent with Sørtheix & Lönnqvist, 2014), “Hedonism,” and “Power” positively impacted employee openness to changes. The implications of this study extend to other Eastern European companies undergoing similar transitions, providing guidance on how change can be managed effectively in the context of transitioning to strategic autonomy.

Keywords: Strategic Leadership, Change-oriented leadership; Attitude Towards Change, Readiness for Change, Management Buyout

1. Introduction

In 2022, many international companies withdrew from the Russian market, transforming their Russian divisions into independent entities (Yale School of Management, 2024). This study focuses on a major consulting firm in the Russian commercial real estate market, which was an integral part of a global American company before this transitional period.

The subject of organizational change remains a concern for both managers and the academic research community in organizational psychology. Recent change management literature has focused on not only overcoming employees' resistance but also cultivating psychological readiness for change (Stroh, 2021).

The accelerating rate of change in organizational contexts has spurred research interest in the study of cultivating readiness for organizational change. Most studies on readiness for change focus on identifying the antecedents and factors that make employees ready for change, which include individual characteristics, organizational culture, and leadership style (Vakola et al., 2004; Choi, 2011; Holt et al., 2007; Rafferty et al., 2013; Bagrationi, Thurner, & Gordienko, 2021; Aksutin et al., 2021; Bagrationi, Thurner, & Gordienko, 2022). Research has also shown that organizational learning is positively related to readiness for change (Maimone & Sinclair, 2014; Imran et al., 2016). Recent research suggests that an organization's ability to learn from various experiences, including failures, significantly impacts employees' readiness for change (Talaja & Dumanić, 2023). Currently, further research is needed to understand the impact of different types of failures—such as intellectual, basic, and complex failures—on employees' attitudes toward change.

This study aims to fill this gap by linking employees' readiness for change with their learning experiences from different types of failures. The detailed approach proposed by Edmondson (2023), which examines how organizations can benefit from failures to enhance employees' adaptability to change, merits further exploration.

2. Literature Review

Organizational changes can occur at the individual, group, and organizational/institutional levels (Vacola, 2013), with the context of these changes constantly evolving due to the necessity for businesses to adapt to external factors, technological advancements, and organizational goals.

According to the theory of planned behavior, an individual's behavior is influenced by their attitude toward change, social norms, perceived behavioral control, and intention to change behavior (Ajzen, 1991). This framework helps predict and enhance employees' readiness for change by considering attitudes, perceived norms, and control over behavior (Fishbein & Ajzen, 2011).

As these organizational changes occur at the individual, group, and organizational—or even system—levels, the context in which they take place is always changing (Vacola, 2013). Rapid changes at both internal and external levels often leave employees unprepared for transformation (Madsen et al., 2005). Businesses must constantly adapt to external factors, technological developments, and company goals. The concept of readiness for change is a significant topic in organizational psychology, as it determines employees' initial approval of these changes (Armenakis et al., 1993; Armenakis et al., 2000).

Readiness for organizational change is influenced by employees' perceptions and attitudes about their ability to perform the proposed change, whether the change is correct for the organization or organization members as a whole, and whether their leaders support new changes (Holt et al., 2007; Bagrationi, 2023). Furthermore, readiness can be understood as one of the six main types of employees' attitudes toward change (Bouckennooghe, 2010). Thus, unwillingness to accept change can be viewed as a particular case of employees' attitudes toward change in general that manifests itself in such a way.

The theory of planned behavior postulates that people's behavior is a result of their attitudes toward change, the social norms that shape those behaviors, perceived behavioral control, and intention to change behavior (Ajzen, 1991).

Furthermore, psychological readiness aligns with Lewin's concept of "unfreezing, changing, and refreezing" (Choi & Ruona, 2011). Effective communication about the discrepancy between the current state and the desired future state of changes, along with reinforcing employees' confidence in their ability to handle new job requirements, is key to creating readiness for change (Armenakis et al., 1993). Appropriate and up-to-date information reduces employees' anxiety and makes them more ready to get involved (Kramer, 2015). Involvement in planning and carrying out organizational changes also mitigates negative attitudes among employees toward transformations (Iverson, 1996; Olafsen et al., 2021).

Psychological attitudes involve an individual's favorable or unfavorable evaluation of performing a particular action, which is influenced by beliefs about the consequences of that behavior (Ajzen, 1991). Attitude theory suggests that beliefs, feelings, and behavioral intentions are formed mostly by direct experience, social learning, and conditioning (Eagly & Chaiken, 1993). Stronger attitudes, based on personal experience and significant for an individual's life, are better predictors of behavior (Eagly & Chaiken, 1993).

Pressure and social norms can weaken the relationship between attitudes and behavior so that people act contrary to their own beliefs to avoid violating those of their group (Fishbein & Ajzen, 2011). Poznyakov's theory of psychological attitudes (Poznyakov, 2017) describes four elements: cognitive, emotional, behavioral, and evaluative (value-based). Each component depends on understanding the objectives and potential outcomes of changes, readiness to act, emotional experiences related to change situations, and personal value-oriented subjective evaluative judgments.

Schwartz's value theory further enriches this by analyzing the fundamental values that affect behavior, attitudes, and relationships (Schwartz, 1992). Values like Tradition, Conformity, and Security are linked to greater resistance to change (Schwartz, 1994; Bagrationi & Thurner, 2023), whereas Self-Direction, Stimulation, and Achievement are associated with readiness for change (Sortheix & Lönnqvist, 2014).

Employee maturity levels have a significant impact on the organizational change process. According to Hersey and Blanchard's situational leadership model (Hersey & Blanchard, 1969), it is necessary to adapt leadership styles depending on employee maturity levels. Leadership styles must be adjusted from directing, democratic participation, or even abdication to gain maximum performance and enthusiasm from those involved in an enterprise. According to Hall (2002), employees with higher professional maturity adapt readily to new procedures and technologies, demonstrating resilience during transformations (Hall, 2002).

The use of knowledge to improve performance in organizations is known as organizational learning (Fiol & Lyles, 1985). In organizations that foster learning, employees are more satisfied and ready to accept change (Lin & Huang, 2021; Maimone & Sinclair, 2014). Psychological safety, a key element in organizational learning, creates an environment where mistakes are perceived as opportunities for learning and can lead to improvements or new experiments at any moment (Edmondson & Mogelof, 2006). Psychological safety reduces the fear of punishment and allows subordinates to voice their opinions and admit mistakes (Edmondson, 1999).

Mistakes may take several forms: simple, complex, and intellectual mistakes. In cultures that embrace learning through execution, taking risks for the sake of experience makes intellectual errors necessary for learning (Edmondson, 2023). Such an environment is novel, team-oriented, and flexible, rather than conventional, while problem-solving is focused on active innovation instead of passive ad hominem attacks (Edmondson, 2012). In contrast, execution as efficiency emphasizes strict compliance with processes for maximum output and may therefore suppress creativity and innovation (Edmondson, 2012).

3. The Company Case

This paper focuses on a leading consulting firm in the Russian commercial real estate market. Until May 2022, it was part of an international American company ranked among the top five global real estate consultants. However, due to geopolitical factors, that international company decided to exit the Russian market. Thereafter, the local management acquired 100% ownership, thus transforming the Russian division into an independent entity.

At present, the company is carrying out a project to develop and implement a new personnel evaluation system. Previously, evaluation procedures were managed from London by the head office of the European division. Since the company became independent by renaming itself and ceasing to be part of an international network, just one pilot evaluation stage has been implemented in early 2024.

Interviews with the company's HR staff, especially the Change Manager, revealed plans for annual and semi-annual evaluations that would also inform decisions about employee training, promotions, and career development. Furthermore, the 360-degree feedback system is being gradually implemented as well.

The company had not conducted personnel evaluation for a year and a half due to the need to stabilize its business operations and to establish team composition following their independence. The Change Manager emphasized that it was important first to stabilize the business before focusing on evaluations and goal-setting.

The organization operates under a Management by Objectives (MBO) goal-setting model requiring measurable, achievable, and realistic targets for assessment. Previously, evaluations were conducted through an internal global CRM system where employees set goals in three categories: Gross, Clients, and People, which were later assessed by their supervisors.

According to the Change Manager, the evaluation system was previously seen as a compulsory but ineffective exercise because it was not adapted to the Russian market, and there were no clear instructions provided for HR staff. In this context, the new evaluation system aims to be an integral component of the motivation and development systems by providing a more complex picture of employees' performance and potential. However, there were varying reactions among employees to the new evaluation system. Some saw it as a clear and useful tool for their own performance recognition, while others expressed doubts or reluctance due to limited information or past negative experiences.

These different attitudes were vividly illustrated by interviews conducted within the company. One interviewed Line manager remains suspicious as to whether the new system will be effective or not, reflecting his deeply ingrained mistrust from previous experiences where personal prejudice influenced appraisals. Concerns were also raised about the psychological impact of being evaluated by superiors, highlighting apprehensions about bias or dishonesty in assessment.

However, a department head who joined the company after its change of ownership considered the new evaluation system both essential and beneficial. She highlighted its importance for setting clear tasks for new employees and enhancing transparency and corporate culture. This outlook indicates her readiness for change based on an understanding of the long-term benefits not only for the business but also for the employees.

4. Methodology

This study employs both quantitative and qualitative research methods. To analyze the context, we used participant observation, document analysis, semi-structured in-depth interviews, and a case study.

To determine the reasons for employees' unreadiness to implement a new personnel assessment system, a questionnaire containing 98 questions was developed, which was then completed by 40 employees of the consulting company under study.

The questionnaire "Readiness for organizational change" (D. Holt and A. Armenakis in adaptation by Naumtseva), the Schwartz values questionnaire (in adaptation by Karandashev), as well as two custom questionnaires developed by the authors to study the attitude of employees toward the introduction of a new personnel assessment system were used, based on Poznyakov's theory of psychological attitudes (Poznyakov, 2017) and the maturity level of employees based on the Hersey and Blanchard approach (Hersey & Blanchard, 1969).

To ensure the content validity of the authors' questionnaires, the Content Validity Ratio (CVR) was calculated using Lawshe's method (Lawshe, 1975). We recruited eight experts from different backgrounds, including demographers, organizational psychologists, and HR specialists, to independently evaluate each item in the questionnaires as "Essential," "Useful but not essential," or "Unnecessary." The CVR for the questionnaire based on Poznyakov's theory was 0.7917, and for the one based on Hersey and Blanchard's approach it was 0.8393—both exceeding the threshold, indicating high content validity (Ayre & Scally, 2014). The number of experts who rated each item as "Essential" or "Useful but not essential" was higher or equal to the threshold value (Wilson, 2012; Ayre, 2014).

Using Statistica analytic software and SPSS Amos, we analyzed the qualitative interview material. K-means clustering analysis was employed to identify statistically significant groups of employees based on their readiness for the implementation of the new personnel evaluation system. This analysis revealed latent factors underlying the observed data set patterns through factor analysis. Following that, discriminant analysis was carried out to identify predictors that reflect an individual's cluster membership, providing insights into the characteristics that differentiate groups of employees regarding their readiness for change.

The participants of this study came from all departments of the company. The response rate was 52%. Although a small sample size is a limitation of this study, the qualitative methods employed compensated for this, namely, the semi-structured in-depth interviews designed to explore the impact of different types of previous failures on employees' readiness for change. The qualitative data enriched the understanding of the factors identified through quantitative methods, offering a comprehensive view of the challenges and opportunities involved in implementing the new personnel evaluation system.

5. Findings

K-means cluster analysis identified three distinct groups of employees as depicted in Figure 1 below.

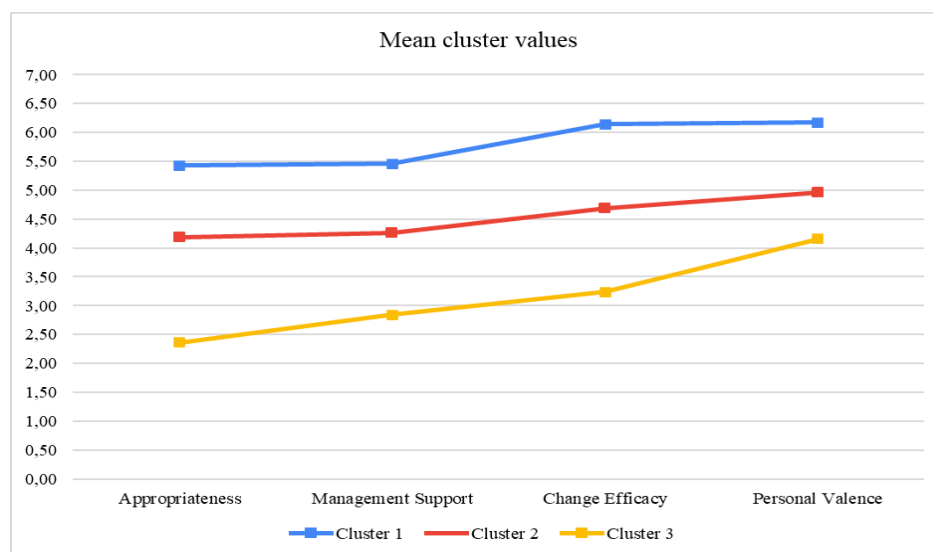


Figure 1: K-means clustering

The "Active Supporters" cluster includes employees who are not only highly receptive to organizational changes but also actively support the new personnel evaluation system. They believe that these changes align well with the organization's objectives, as reflected by an overall score on the "Appropriateness" scale ($M = 54$, $SD = 0.9$). These employees perceive strong "management support" ($M = 55$, $SD = 0.9$), reinforcing their belief in the system's importance to both management and the organization.

These employees feel confident in their ability to implement changes themselves, demonstrated by high scores on the "Change Efficacy" scale ($M = 61$, $SD = 0.5$). They also recognize personal and professional benefits from the changes ($M = 62$, $SD = 0.6$).

Cognitively, their average score is slightly lower ($M = 39$, $SD = 0.9$), indicating a need for more specific information about the changes. However, they are emotionally engaged with the change process in a very positive manner ($M = 45$, $SD = 0.5$).

Their overall assessment of the changes, measured on the "Evaluative Component" scale, is relatively high ($M = 4.3$, $SD = 0.7$), suggesting that the changes align with their values and beliefs. They are also ready to support these changes behaviorally, as shown by their high score on the "Behavioral Component" ($M = 49$, $SD = 0.2$).

The maturity level of this group is the highest ($M = 3.8$, $SD = 0.7$), indicating that these individuals are knowledgeable, skilled, and motivated to consistently perform their work while also demonstrating extra-role behaviors. Their "Conformity" score ($M = 43$, $SD = 0.9$) reflects a balance between adhering to social norms and being open to new ideas.

This cluster values autonomy and personal success, as reflected in high scores for "Self-Direction" ($M = 52$, $SD = 0.5$) and "Achievement" ($M = 48$, $SD = 1.1$). They also value "Hedonism" ($M = 52$, $SD = 0.8$) and "Universalism" ($M = 4.8$, $SD = 1.0$), indicating a desire for personal happiness while considering the well-being of others. Their appreciation for "Security" ($M = 4.8$, $SD = 0.7$) highlights their desire for safety, but their score for "Stimulation" ($M = 44$, $SD = 1.1$) reflects a yearning for novelty and change.

In summary, the "Active Supporters" cluster of employees is motivated by personal values that prioritize efficiency, professional growth, and the ultimate success of all members within the organization's objectives. This group plays a crucial role in shaping the company's change culture.

The "Cautious Appraisers" cluster consists of employees who exhibit caution towards organizational changes. They rate the appropriateness of these changes moderately ($M = 42$, $SD = 0.8$), reflecting a reserved optimism about how well the changes align with organizational goals. They perceive a moderate level of support from management ($M = 43$, $SD = 0.8$), indicating that stronger engagement between leadership and employees is needed to enhance their commitment to the new system.

The group holds a cautiously optimistic view of the effectiveness of the new system ($M = 4.7$, $SD = 0.9$). With a high score on the 'Personal Valence' scale ($M = 5.0$, $SD = 1.0$), they recognize that the change has potential benefits for individual workers, but whether these benefits can be tapped remains uncertain.

A lower score on the "Cognitive component" ($M = 35$, $SD = 1.1$) indicates a need for a better understanding of the changes. The group's emotional reaction to the change is also moderate ($M = 38$, $SD = 0.7$), as is the "Evaluative component" score ($M = 36$, $SD = 0.8$), suggesting that while the changes may be accepted, they do not fully resonate with the personal beliefs of most participants.

This group ranks between M3 and M4 in terms of maturity ($M = 3.5$, $SD = 0.5$), indicating that they do not have sufficient desire or readiness to engage in extra-role behavior. Values such as "Benevolence" ($M = 45$, $SD = 0.9$), "Universalism" ($M = 43$, $SD = 0.8$), and "Stimulation" ($M = 41$, $SD = 1.0$) reflect diverse interests and orientations. They maintain a moderate desire for novelty and a commitment to general principles of well-being and fairness. Their "Hedonism" score ($M = 4.7$, $SD = 0.9$) indicates their passion for life enjoyment, influencing their perception of changes if they promise to improve the work environment.

The "Conservative Skeptics" cluster includes employees who harbor the most doubt about any organizational transformation. They have little confidence in the suitability of the changes ($M = 24$, $SD = 0.7$) and perceive minimal support from management ($M = 28$, $SD = 0.3$), suggesting a lack of belief in the management's commitment to the new system. Their perceived effectiveness of the changes is low ($M = 32$, $SD = 0.7$), but their personal valence score ($M = 42$, $SD = 0.9$) indicates recognition of potential personal benefits despite overall skepticism.

Cognitively, they struggle to understand, let alone comprehend, the new system being implemented ($M = 27$, $SD = 0.5$). Their emotional response is also weak ($M = 27$, $SD = 0.6$), which reflects internal doubts and possible unwillingness to change. The "Evaluative" and "Behavioral" components show similarly low scores ($M = 27$, $SD = 0.7$ and $M = 27$, $SD = 0.6$, respectively), indicating that these employees are not motivated or ready to engage in the changes.

This cluster has a lower maturity level ($M = 28$, $SD = 0.8$), reflecting difficulties in adapting to new conditions. Their high "Conformity" score ($M = 43$, $SD = 0.9$) illustrates their adherence to existing norms and standards. Scores in "Self-Direction" ($M = 41$, $SD = 1.3$) and "Achievement" ($M = 39$, $SD = 1.3$) reflect a desire for control and success within familiar and comfortable boundaries. Meanwhile, "Security" ($M = 47$, $SD = 1.3$) emerges as a crucial factor, highlighting their preference for stability and predictability. Consequently, such a conservative approach to changes is motivated by a desire to maintain the current state and avoid instability.

A factor analysis was conducted to identify latent factors explaining the observed data patterns. Table 1 displays the extracted four factors, which explain 73.5% of the total variance. These factors include "Structure of attitude toward change," "Openness to change and Self-Enhancement," "Conformity and Security," and "Cognitive component." Discriminant analysis revealed that the factors "Structure of attitude toward change," "Openness to change and Self-Enhancement," and "Cognitive component" significantly predict cluster membership.

These findings emphasize the importance of emotional, cognitive, and value-motivational aspects in shaping employee readiness for organizational changes.

From the semi-structured in-depth interviews, it became evident that employees' attitudes toward previous failures significantly influence their readiness for the new personnel evaluation system. Failures are seen as a learning opportunity by "Active Supporters," but they are met with varying degrees of uncertainty and negativity by "Cautious Appraisers" and "Conservative Skeptics," who are also critical of the assessment methods being put into practice. Furthermore, the more frequent occurrence of intellectual failures enhances readiness for the implementation of the new personnel evaluation system in the company. Conversely, a prevalence of complex "wrong" failures leads to a more cautious view of the system, while simple mistakes, on the other hand, result in overall unreadiness for its implementation. In addition, "Active Supporters" and "Cautious Appraisers" (as revealed in the survey) feel psychologically safe, while "Conservative Skeptics" do not feel at all secure.

6. Discussion

This study identified three distinct clusters of employees based on their readiness to implement a new personnel evaluation system, namely "Active Supporters," "Cautious Appraisers," and "Conservative Skeptics" (for descriptive statistics, see Table 1).

Table 1: Descriptive statistics of clusters

	Cluster 1	Cluster 2	Cluster 3
Appropriateness			
M	5,4	4,2	2,4
SD	0,9	0,8	0,7
Management support			
M	5,5	4,3	2,8
SD	0,9	0,8	0,3
Change efficacy			
M	6,1	4,7	3,2
SD	0,5	0,9	0,7
Personal valence			
M	6,2	5,0	4,2
SD	0,6	1,0	0,9
Cognitive component			
M	3,9	3,5	2,7
SD	0,9	1,1	0,5
Emotional component			
M	4,5	3,8	2,7
SD	0,5	0,7	0,6
Evaluative component			
M	4,3	3,6	2,7
SD	0,7	0,8	0,7
Behavioral component			
M	4,9	4,3	2,7

	Cluster 1	Cluster 2	Cluster 3
SD	0,2	0,9	0,6
Maturity level			
M	3,8	3,5	2,8
SD	0,7	0,5	0,8
Conformity			
M	4,3	3,9	4,3
SD	0,9	1,0	0,9
Traditions			
M	2,6	2,8	3,7
SD	1,0	1,2	1,5
Benevolence			
M	5,0	4,5	4,2
SD	0,7	0,9	0,7
Universalism			
M	4,8	4,3	3,4
SD	1,0	0,8	0,7
Self-Direction			
M	5,2	4,7	4,1
SD	0,5	0,8	1,3
Stimulation			
M	4,4	4,1	3,3
SD	1,1	1,0	1,1
Hedonism			
M	5,2	4,7	4,5
SD	0,8	0,9	0,8
Achievement			
M	4,8	4,3	3,9
SD	1,1	1,0	1,3
Power			
M	4,4	4,0	3,7
SD	0,8	1,1	1,5
Security			
M	4,8	4,6	4,7
SD	0,7	0,8	1,3

“Active Supporters” of organizational changes exhibit high readiness because they perceive the changes as appropriate, receive effective management support, and see both personal and professional benefits in the new system. This corresponds with literature that highlights the importance of a positive attitude toward change and perceived management support for successful implementation (Armenakis et al., 1993; Holt et al., 2007).

“Cautious Appraisers” showed moderate readiness for the implementation of a new personnel evaluation system, indicating a need for clearer communication and stronger engagement from management to enhance their commitment. This finding is consistent with Iverson (1996), who emphasized the importance of involving employees in planning and implementing changes to foster a sense of ownership rather than resistance.

“Conservative Skeptics” exhibited significant skepticism and low readiness for change, highlighting the need to address their past negative experiences and enhance the perceived fairness and transparency of the new system. Their reaction underscores the need for psychological safety, as suggested by Edmondson (1999), to overcome fear and foster openness to change.

Accordingly, the results indicate that employees' readiness for organizational change is influenced by the structure of their attitude toward the change, openness to change and aspiration for self-enhancement, understanding of the goals, tasks, principles, and potential outcomes of the change, as well as the various types of previous failures employees have experienced and their attitudes toward these failures.

Our research supports earlier findings that stronger attitudes, often rooted in firsthand experience, can predict behavior (Eagly & Chaiken, 1993). The initial uncertainty of organizational changes acts as a primary stressor, emphasizing the importance of understanding and conceptualizing changes (Kramer, 2015). Contrary to Schwartz (1994), the value orientation “Tradition” did not exercise significant influence. However, values of “Autonomy,” “Stimulation,” “Achievement” (consistent with Sortheix & Lönnqvist, 2014), “Hedonism,” and “Power” positively affected employee openness to changes.

Based on Fishbein and Ajzen's theory of planned behavior and Amy Edmondson's research on execution as learning, we offer the following recommendations to improve employees' readiness for the implementation of a new personnel evaluation system. This study revealed a significant information gap about the new personnel evaluation system among employees. Both semi-structured interviews and empirical research indicated that

while "Active Supporters" may lack detailed knowledge, "Conservative Skeptics" experience severe information deficiency. Therefore, HR department heads and the CEO must communicate the structure, goals, expected outcomes, and benefits of the new performance evaluation system clearly. This communication should not be limited to information emails but should also include in-person or online meetings involving employees, HR department heads, and the CEO. These meetings would provide employees with necessary information, opportunities to ask questions, and raise top management's involvement, thereby increasing perceived support for change.

At the individual level, based on Fishbein and Ajzen's theory, fostering a positive attitude toward change involves effectively communicating the structure, goals, and benefits of the new evaluation system while considering employees' value orientations. For "Active Supporters," the values of "Self-Direction" and "Achievement" are crucial. Therefore, it is necessary to show how the new system can contribute to their professional and career development. Implementing 360-degree feedback for all employees could recognize achievements and improve the working environment. Emphasizing the evaluation system's role in professional growth and integrating procedures such as 360-degree reviews would help to win their support so they can act as change agents. Regular team meetings to discuss changes and involve them in the implementation process would help sustain their enthusiasm.

For "Cautious Appraisers," the key is to improve transparency and engagement. Providing clear, detailed information about the changes and involving them in discussions about the benefits could convert their cautious optimism into active support.

For "Conservative Skeptics," the foremost need is to establish trust through consistent, clear communication. Their predominant values are "Conformity" and "Security," so it is important to recognize their preference for existing norms and standards where they feel safe. Therefore, engaging with them through both descriptive and injunctive norms is crucial.

To achieve this, the influence of "Active Supporters" as change agents could be utilized. Their positive attitudes toward the new evaluation system could serve as a catalyst, encouraging other employees to embrace the changes. By leveraging the strong "Emotional Component" and predominant values that "Active Supporters" possess, an environment where these individuals actively participate in promoting and facilitating the adoption of new practices could be created. Their willingness to engage in extra-role behaviors would be instrumental in driving the successful implementation of the new personnel evaluation system in the company.

To foster an environment of psychological safety for all employees, management and team leaders should focus on ensuring that staff feel comfortable discussing their failures and seeking solutions. Encouraging open dialogue about mistakes and learning from them is essential for both "Active Supporters" and "Cautious Appraisers." Regular team meetings to discuss improvements and learning outcomes could reinforce this culture.

For "Conservative Skeptics," organizing corporate training aimed at minimizing mistakes caused by lack of knowledge or inattention, and encouraging open talks about failures might turn mistakes into learning opportunities. Discussing mistakes in a supportive environment would also help build psychological safety.

7. Conclusion

This paper aimed to explore if employees were prepared for the introduction of a new personnel evaluation system in a consulting company that had only recently split from its global network. The findings revealed three different clusters of employees: "Active Supporters," "Cautious Appraisers," and "Conservative Skeptics." "Active Supporters" are prepared for changes and actively support them, recognizing their benefits for their own professional development. Conversely, "Cautious Appraisers" take a cautious approach towards changes, accepting them only if the goals and benefits are clear. "Conservative Skeptics" do not favor change and prefer stability and current ways of doing things where they feel comfortable and safe.

This study contributes to the literature on organizational change by showing the relationship between an employee's readiness for change and their past experiences and psychological attitudes. This study extends the theory of planned behavior by showing that attitudes toward change are also shaped by an individual's past failures, highlighting the critical role of psychological safety in promoting readiness for organizational change.

A significant limitation of this study is its small sample size, which may restrict the generalizability of the findings. Future research should involve larger and more diverse samples to better evaluate the extent to which these

results can be generalized. Additionally, further research is required to explore how various types of failure impact long-term readiness for change and how different leadership styles might moderate these effects.

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