EXAMINING THE ROLE OF PERSONAL, SOCIAL EXCHANGE, AND CONTEXTUAL FIT VARIABLES IN EMPLOYEE WORK OUTCOMES UNDER CONTINUOUS CHANGE: A FIELD INVESTIGATION

Except where reference is made to the work of others, the work described in this dissertation is my own or was done in collaboration with my advisory committee. This dissertation does not include proprietary or classified information.

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Anju Mehta, daughter of Mr. Mohinder Nath Shukla and Vinay Shukla, was born January 10, 1972, in Rohtak, India. Anju is married to Nikhil Mehta, who is an assistant professor at Florida A&M University in Tallahassee, Florida. She completed her schooling from Model School, Rohtak in 1990 and attended Government College for Women (GCW) in Rohtak, India for three years, earning a Bachelor of Arts (Psychology and Music) in 1993 (Maharshi Dayanand University). She earned a Master in International Business from Kurukshetra University, Kurukshetra, India in 1997 and completed a Master in Psychology from Maharshi Dayanand University, Rohtak, India in 1998. She came to the United States of America in 2003 and entered the doctoral program at Auburn University in August 2004.

DISSERTATION ABSTRACT

EXAMINING THE ROLE OF PERSONAL, SOCIAL EXCHANGE, AND CONTEXTUAL FIT VARIABLES IN EMPLOYEE WORK OUTCOMES UNDER CONTINUOUS CHANGE: A FIELD INVESTIGATION

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Despite the consensus, that the ability of organizations to manage change is critical to their survival, organizations have seldom been able to change successfully. The knowledge that change can be difficult and disruptive necessitates an understanding of the critical factors influencing employee outcomes during change. This study examined the role of personal, social exchange, and contextual fit variables in employee work outcomes under conditions of continuous change. The survey method was used to collect data from 449 employees (350 team members and 99 team leaders) working in Indian outsourcing companies. Data were obtained from the employees using either an online or a paper-based survey.

Principal components and confirmatory factor analysis were run to assess preliminary reliabilities of scale items and to test construct validities. Multivariate and hierarchical regression analyses were utilized to test the hypotheses. Results indicated a significant role of personal, social exchange, and contextual fit variables in predicting different employee work outcomes under continuous change.

Personal variables (change self-efficacy and perceived change) were found to be significant in predicting both the primary (stress, change-specific cynicism, and affective commitment) and the secondary (turnover intentions) outcomes. However, the social exchange variables, i.e., leader-member exchange (LMX) and team-member exchange (TMX) were significant predictors of primary outcomes only (stress, change-specific cynicism, and affective commitment). With regard to the contextual fit variables, person-organization fit (P-O fit) was significantly related to affective commitment only. However, person-job fit (P-J fit) was significant in predicting affective commitment and turnover intentions. Also, the primary outcomes (stress and affective commitment) mediated the relationship between the antecedents (change self-efficacy, perceived change, and P-J fit) and the secondary outcome (turnover intentions). Additionally, it was observed that the team leaders' change-specific cynicism and LMX, but not change self-efficacy, significantly predicted team performance.

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CHAPTER 1

LITERATURE REVIEW AND HYPOTHESES

Introduction

The idea of transformation has always been fundamental to human life. In the context of business organizations, both classical as well as modern schools of organizational analysis endorse the idea that organizations are capable of change and that change can be beneficial (Delacroix & Swaminathan, 1991).

Over the last few decades, the pace of organizational change has increased substantially, owing to a number of factors such as consumer demand, globalization, cost pressures, and technological advancements (Huy, 2002; Longenecker, Neubert, & Fink, 2007). "Businesses are confronting continuous and unparalleled changes" (Madsen, Miller, & John, 2005, p. 213). This phenomenon of continuous change has been explained with the help of the *continuous transformation model* that has emerged during the last decade (Brown & Eisenhardt, 1997; Burnes, 2005; Greenwald, 1996). According to this model, organizations are considered analogous to complex systems in nature that need to undergo continuous transformations to survive (Brown & Eisenhardt, 1997; Stacey, 2003). Moreover, organizations' ability to change continuously and fundamentally is considered critical to their survival, especially in highly dynamic sectors such as information technology (IT) and retail (Brown & Eisenhardt, 1997; Greenwald, 1996).

Thus, change is no longer viewed as a sporadic activity, but as an essential, ongoing workplace phenomenon that can impact individual as well as organizational outcomes (Price, 2006; Vakola, Tsaousis, & Nikolaou, 2004). Therefore, it has become imperative for organizations to embrace continuous change in order to be successful (Madsen, Miller, & John, 2005). Moreover, a firm's ability to adapt to, and implement, continuous change is fast emerging as a unique competitive advantage in today's dynamic business environment (Eisenhardt, 1989; Lines, 2005; Price, 2006; Todnem, 2005). Consequently, organizations are constantly under pressure to find ways to manage change effectively (Kanter, 1989; Probst & Raisch, 2005).

Organizational ecologists, however, have opined that all changes involve some destruction due to "structural inertia" resulting from internal and external constraints, structural transformation, and/or personnel replacement (Boeker, 1989; Hannan & Freeman, 1977; Nelson & Winter, 1982). Thus, despite the consensus that the ability of organizations to manage change is critical to business survival (Carnall, 2003; Cummings & Worli, 2001; Kanter, Kao, & Wierseman, 1997) and that managing change must be a core competency (Brown & Eisenhardt, 1997; Dawson, 2003; Dunphy, Griffiths, & Benn, 2003), a majority of firms fail to develop this capability (Brodbeck, 2002; Burnes, 2004; Harung, Heaton, & Alexander, 1999). This is evident from the fact that about 70% of change efforts result in failures (Beer & Nohria, 2000), and very few change projects achieve the desired objectives (Burke, 2002; Clarke, 1999; Porras & Robertson, 1992; Probst & Raisch, 2005; Styhre, 2002). Moreover, change has often been associated with maladaptive work patterns and negative outcomes (Bovey & Hede, 2001; Probst, 2003).

Thus, a fundamental assertion of organizational ecology is that organizational change is difficult and organizations experience strong inertial forces (Haveman, 1992).

The knowledge that change can be difficult and disruptive has compelled researchers to not only examine the negative outcomes of change, but also the antecedents associated with these outcomes. Such an investigation might improve our understanding of change and change-related behaviors. Employees exhibit various types of negative outcomes during change such as cognitive, affective, and behavioral (e.g., Armenakis & Bedeian, 1999; Bernerth, Armenakis, Feild, & Walker, 2007; Lines, 2005; Stanley, Meyer, & Topolnytsky, 2005), which might be influenced by a number of macro- and micro-level antecedents (Judge, Thoresen, Pucik, & Welbourne, 1999; Oreg, 2006; Probst, 2003). While some of these antecedents and outcomes have often been researched, others have remained neglected. For example, limited research exists on micro-level, person-oriented antecedents to change such as individual differences and perceptions (Judge et al., 1999; Wanberg & Banas, 2000). Similarly, research focusing on outcomes such as affective commitment and employee cynicism, during continuous change, is minimal at best (Armenakis & Bedeian, 1999). The neglect of emotion, in organizational change research, has been criticized (Mossholder et al., 2000). Researchers contend that examining the emotional impact of change is critical (Smollan, 2006), since change is an "affective event" (Weiss & Cropanzano, 1996; Basch & Fisher, 2000).

Another area that needs more attention from change researchers, as well as practitioners, concerns how *teams* perform during change and how *team-related* factors such as a team leader influence employee outcomes. Since team-related factors have been known to influence work outcomes (e.g., Edwards, Day, Arthur, & Bell, 2006; Jordan,

Feild, & Armenakis, 2002; LePine, 2005), such factors may play a significant role during change as well. However, antecedents of team performance have rarely been examined. This appears to be an important omission, especially since a majority of organizations are increasingly shifting from individual- to team-based work patterns (Gully, Incalcaterra, Joshi, & Beaubieu, 2002), and teams are now an essential aspect of all major organizations around the world.

It may also be worth noting that previous change-related studies have generally been conducted within the context of a specific change intervention such as restructuring (Begley & Czajka, 1993), downsizing (Gowan, Riordan, & Gatewood, 1999), a merger (Fugate, Kinicki, & Scheck, 2002), or an acquisition (Scheck & Kinicki, 2000). While these studies have strengthened change-related theories and have laid the foundation for further empirical inquiry, an examination of employees' change-related outcomes and their antecedents under continuous change conditions seems necessary considering the perpetual nature of change that exists in most organizations today. Such an investigation would be important in two ways. First, a majority of organizations today face more complex change situations compared to those experienced in the past. Under these conditions, characterized by continuous and rapid change, traditional ways of managing change might not work (Higgs & Rowland, 2005). Second, change-related factors might exhibit a distinct pattern of relationships under conditions of continuous change, compared to specific change interventions (as examined by previous studies). However, previous research has rarely investigated employee outcomes and their antecedents under conditions of continuous change. The current study is an attempt in this direction.

Purpose of Present Research

The purpose of this research was threefold. The first goal of this study was to examine an integrated model of employee outcomes under change. "Employees today are facing greater changes, at a more rapid pace, than ever before" (Wanberg & Banas, 2000, p.132). This often has serious implications for employee outcomes and, in turn, organizational outcomes. The psychological unpredictability associated with change, augmented by deficient change management efforts, has been known to induce several types of negative reactions among employees that may be broadly categorized as cognitive, affective, intentional, and behavioral (cf. Lines, 2005; Piderit, 2000; Smollan, 2006). Researchers have suggested that to predict employee behaviors accurately, change-related outcomes should be measured along these dimensions simultaneously (Lines, 2005; Piderit, 2000). For example, Piderit (2000) proposed "a multidimensional view of responses to proposed organizational changes, capturing employee responses along at least three dimensions (emotional, cognitive, and intentional)" (p. 783). Similarly, Smollan (2006) proposed a model of employee responses to organizational change that distinguished between cognitive, affective, and behavioral responses while highlighting their inherent interrelatedness. He suggested that employees' cognitive appraisal of change events triggers cognitive and affective reactions that, in turn, impact their behavioral responses.

Drawing mainly from the works of Smollan (2006) and Piderit (2000), in the present study, two levels of change outcomes were examined. Affective reactions to change, i.e., stress, change-specific cynicism, and affective commitment, constituted the first-level outcomes; and intentional response, i.e., employee turnover intentions,

comprised the second-level outcome. Corresponding to Kanfer's (1992) approach regarding distal and proximal antecedents, it was hypothesized that employee change perceptions would trigger affective reactions that, in turn, would lead to intentional outcomes. Specific study variables were selected based on a review of the existing change literature and an exploratory, interview-based study conducted on outsourcing firms to identify critical issues in ever-changing organizations (Mehta, A., Armenakis, Mehta, N., & Irani, 2006).

A second objective of this study was to investigate possible antecedents of employee outcomes during constant change. An important category of variables that influence employee outcomes might be person-related such as individual differences (Wanberg & Banas, 2000) and individual attitudes and perceptions (Fedor, Caldwell, & Herold, 2006; Piderit, 2000). However, research focusing on micro-level, person-oriented issues of organizational change such as individual differences, attitudes, and perceptions is still limited (Judge et al., 1999; Wanberg & Banas, 2000). An examination of such person-level variables is important since employees are concerned about change (Herscovitch & Meyer, 2002; Webber & Manning, 2001), and their perceptions regarding the impact of change on themselves and their jobs are critical to change outcomes (Fugate, Kinicki, & Scheck, 2002). Consequently, I focused on personal variables including change self-efficacy and individual change perceptions. Change self-efficacy and perceived change were selected for examination since, in the context of continuous change, these variables might be critical to employee outcomes (Allen, Jimmieson, Bordia, & Irmer, 2007; Herold, Fedor, & Caldwell, 2007; Kumar & Kamalanabhan,

2005). Moreover, existing research on the relationship between these variables and employee change outcomes, under conditions of continuous change, is minimal.

Previous studies have also linked social exchange variables such as leader-member exchange (LMX) and team-member exchange (TMX) to different employee outcomes (cf. Harris, Kacmar, & Witt, 2005; Liden, Wayne, & Sparrowe, 2000; Sherony & Green, 2002; Varma, Srinivas, & Stroh, 2005). These social exchange antecedents might also influence employee outcomes during continuous change, since past studies have linked social support (Porras & Robertson, 1992; Tierney, 1999) and social environment (Brown & Quarter, 1994) to employees' change behavior. However, empirical studies examining the role of LMX and TMX in change outcomes, especially under conditions of continuous change, are minimal at best. Therefore, these social exchange variables were included in the present study.

Additionally, although existing literature has established the influence of context on change-related behaviors and outcomes (Armenakis & Harris, 2002; Herold, Fedor, & Caldwell, 2007; Oreg, 2006), it is still unclear how factors such as person-organization (P-O) and person-job (P-J) fit would influence employee outcomes during continuous change. Since the existing literature has emphasized the critical role of 'fit' in individual and, in turn, organizational effectiveness (Caldwell, Herold, & Fedor, 2004; Carless, 2005; McConnell, 2003; Resick, Baltes, & Shantz, 2007), it is seems reasonable that these contextual fit variables be incorporated in models of change outcomes. Therefore, in the present study, P-O fit and P-J fit were examined as antecedents to employees' change reactions. Thus, the present research focused on key personal, social exchange, and contextual fit variables influencing employee outcomes under continuous change.

Figure 1 represents the relationships among personal, social exchange, and contextual fit antecedents and the primary and secondary outcome variables being examined in the present study. The hypothesized model highlights the need to examine change-related outcomes and their antecedents in an integrated fashion so as to form a logical gestalt of organizational outcomes under change conditions.

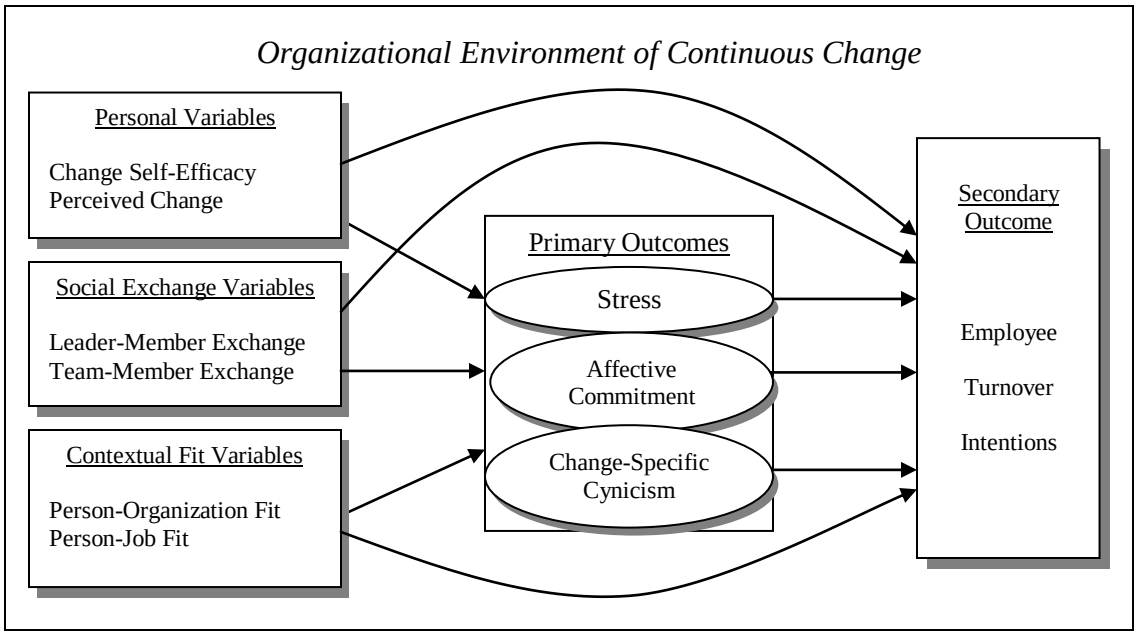

*Figure 1***:** Hypothesized model of employee work outcomes under conditions of continuous change

A final objective of this study was to examine how team leader-related factors impact team performance. Since a majority of firms have shifted to team-based structures, change initiatives are increasingly likely to involve teams. Past research has demonstrated that team-related factors such as team processes (Bunderson & Sutcliffe, 2003; DeShon, Kozlowski, Schmidt, Milner, & Wiechmann, 2004; Liden, Erdogan, Wayne, & Sparrowe, 2006) and team leader characteristics (Chen, Kirkman, Kanfer, Allen, & Rosen, 2007; Lee, 2005) can significantly impact individual and team

performance. Similarly, during continuous change, such team-related factors might play a critical role in team outcomes. In the present study, the relationship between team leader-related antecedents and team performance was examined.

Figure 2 represents the relationships between team leader-related antecedents and team performance, under continuous change conditions, which were examined in the current study. This proposed model of team performance serves as an initial framework for examining team-related factors influencing team outcomes under continuous change, and sets forth the agenda for future research involving teams and change.

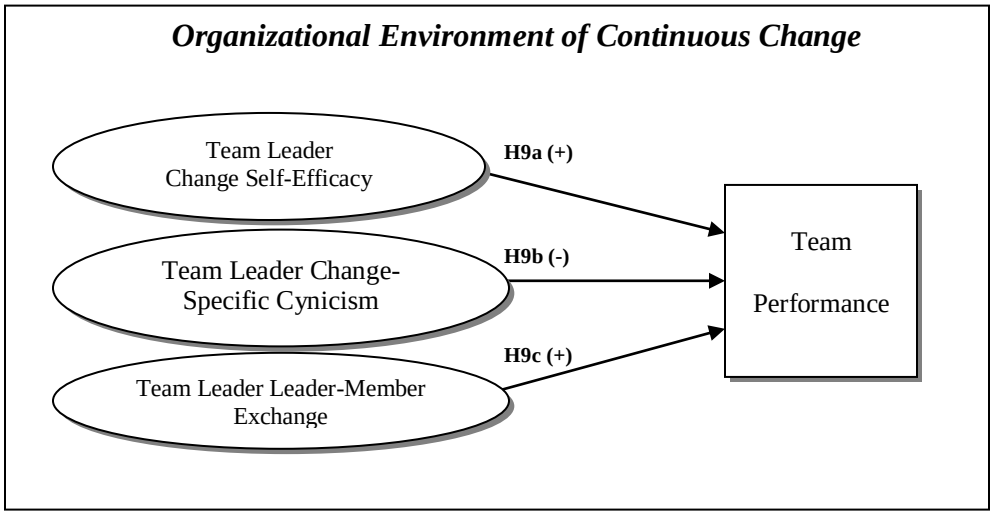

Figure 2: Hypothesized model of team leader-related antecedents and team performance under conditions of continuous change

In conclusion, the present study aimed at (a) testing an integrated model of employee outcomes under continuous change, (b) examining major antecedents to employee work outcomes under continuous change, and (c) investigating team leader-related factors affecting team performance under continuous change conditions.

Importance of Present Research

This empirical study is partially based on an interview-based exploratory study conducted with 15 major Indian outsourcing organizations between February and April 2005 (cf. Mehta et al., 2006). Secondary data from a national trade association were also analyzed and integrated with the empirical data. Results of the Mehta et al. (2006) study highlighted several critical issues pertinent to organizations that undergo continuous change, such as stress, leader-member and team-member issues, and extremely high attrition rates. The present study was also based on a review of the existing change literature.

The present study directly addressed some of the current issues raised by organizational change researchers and practitioners. For example, Pettigrew, Woodman, and Cameron (2001) noted that future research in organizational change should consider multiple contexts and international and cross-cultural comparisons. In this study, I examined employee outcomes from multiple perspectives (i.e., team member and team leader), under conditions of continuous change, and within a unique cultural context (i.e., the growing outsourcing industry in India). Additionally, in investigating the macro- and micro-level factors determining change outcomes in organizations, the present study highlighted not only the social-psychological underpinnings of change outcomes, but also the role of organizational context.

From a practitioner's perspective, the current study is important since employee turnover is a major problem that typically results in large personnel costs for organizations (Barrick & Zimmerman, 2005). Moreover, apart from the obvious economic consequences, high turnover might upset the social-psychological equilibrium

of the firm, resulting in intangible costs in terms of impaired relationships and increased stress and instability (Allen, Weeks, & Moffitt, 2005). These types of consequences might be especially important in team-based organizations where employees work in close proximity with each other.

Scope of Present Research

Industry setting. The present study is an initial attempt toward investigating employee outcomes under continuous change conditions, assuming that most organizations operating in highly dynamic industries such as retail, IT, and business process outsourcing undergo continuous change to survive (Brown & Eisenhardt, 1997; Tomback, 2003). The setting for this study was the Indian business process outsourcing industry. The business process outsourcing industry is characterized by the use of advanced communication technology, global operations, continuous changes in the external and the internal environments, high growth rates, and open market conditions (Tomback, 2003). As a part of this young, emerging industry, firms providing outsourcing services have to adapt continuously to changing demands of the market. This qualifies them as an appropriate population for an examination involving continuous change. Although studying a single industry limits the generalizability of the results, it allows one to examine closely the impact of naturally occurring changes within the industry. Moreover, the results may be more readily generalized to other dynamic industries, such as IT, retail, and services.

The current research was set in the Indian business process outsourcing industry primarily because India is the world's leading offshore outsourcing destination (Jain, 2006). In 2003, India accounted for 75% of total outsourcing offshore delivery value, a

value expected to increase 55% annually over the next five years (Neale, 2004). A vast majority of U.S. firms either already outsource, or plan to outsource, in the near future from India. A recent study indicates that IT-outsourcing by U.S. firms will continue to grow in the coming years (Fish & Seydel, 2006). Additionally, a large number of U.S. firms have established their own captive centers in India that also face these change-related challenges. Therefore, the current research appears especially relevant for U.S.-based firms and their Indian counterparts.

Type of organization. Since organizations' responses to change might differ as a function of their distinct organizational characteristics (Damanpour, 1991; Van de Ven, 1986), the type of organizations used while testing change theories should be specified. The sample for this study was drawn from Indian companies providing business process outsourcing services to foreign clients. As part of the global outsourcing industry, these organizations undergo changes continuously due to fluid business demands (Tomback, 2003). All of the participating organizations were private sector, team-based, service organizations operating within a dynamic environment. In such firms, employees had to deal with high client variety and unpredictability (Daft, 1989). Additionally, these firms struggled with an unusually high employee turnover rate, job stress, and low commitment (Hewitt, 2006; Mehta et al., 2006).

Boundary conditions. One major boundary condition of this study pertained to the type of industry and organization from which the sample was drawn. Since the participating firms belonged to one particular industry, i.e., the Indian business process outsourcing industry, it would likely have limited generalizability of results. Moreover, the facts that these were team-based firms and participants were primarily lower-level

employees need to be considered when making any inferences. Lastly, the data were collected within a unique cultural context that might have influenced the results.

In the following sections, the major approaches to organizational change will first be introduced. Second, existing theory and research concerning employee outcomes under continuous change will be highlighted. Third, based on existing literature, various factors influencing employee outcomes during change will be discussed and specific hypotheses will be developed. Next, the relationships between first-level and second-level outcomes will be explored, followed by a review of the literature to propose a role for first-level outcomes as mediators of the relationships between study predictors and the second-level outcome of turnover intention. Finally, team-related factors and team outcomes under change will be discussed.

Approaches to Organizational Change

Planned, Incremental, and Punctuated Equilibrium Approaches to Change

Given the importance of continuous transformation for organizations, a number of approaches to organizational change have emerged over the years. Traditionally, change has been portrayed as a discrete event, comprising a sequence of unfreezing, moving, and freezing (Lewin, 1951). This "planned approach" to change, characterized by being group-based, consensual, and slow, was criticized as being inflexible and inappropriate for situations requiring rapid change (Burnes, 2005; Peters & Waterman, 1982). In the 1970s, the "incremental approach" viewed change as a process where different parts of the organization changed incrementally and separately, one at a time, such that the organization would be transformed over time (Hedberg, Nystrom, & Starbuck, 1976; Quinn, 1982). In the 1980s, this approach gave way to the "punctuated equilibrium

model" of organizational change, which states that organizations evolve through relatively long periods of stability punctuated with short bursts of fundamental change (Romanelli & Tushman, 1994).

Continuous Transformation Approach to Change

Another perspective that emerged in the 1980s was the "continuous transformation model" that rejected the earlier change approaches (Burnes, 2005). This model draws from complexity theories (see Manson, 2001; Resher, 1996; Stacey, 2003), which have been increasingly used by researchers to understand and promote organizational change (Black, 2000; Boje, 2000; Stacey, Griffin, & Shaw, 2002; Tetenbaum, 1998). The proponents of this model believe in the evolutionary nature of change and view an organization's ability to change continuously and fundamentally as critical to its success, especially in fast-moving sectors such as retail and IT (Brown & Eisenhardt, 1997; Burnes, 2005; Stacey, 2003). Supporting the continuous transformation model (e.g., Brown & Eisenhardt, 1997; Higgs & Rowland, 2005), past researchers have argued that an evolutionary and complexity-theory based approach to change might bring greater insights (Sammut-Bonnici & Wensley, 2002).

Advocates of the complexity approach to change have used the approach to explain high failure rates of change initiatives (e.g., Higgs & Rowland, Styhre, 2002). According to them, organizations are dynamic, complex, non-linear systems with a set of simple order-generating rules (MacIntosh & MacLean, 1999; Stacey, 2003). Most change efforts, however, involve a linear, top-down, transformational change approach instead of the self-organizing approach required for a complex system, resulting in failures (Higgs & Rowland, 2005; Styhre, 2002). Thus, to be successful, change initiatives should be

built around the principles of self-organizing, which assumes a critical role of individual-level human activities in outcomes (Kiel, 1994). In the present study, drawing from the continuous transformation model, organizational change is viewed as a complex, continuous phenomenon and organizations as complex, nonlinear entities.

Change-Related Outcomes

In the present study, two levels of change outcomes including affective and intentional responses were examined. Stress, change-specific cynicism, and affective commitment were the first-level outcomes; whereas turnover intentions constituted the second-level outcomes (see Figure 1).

First-Level Change-Related Outcomes

An inevitable aspect of change is affective or emotional responses (Basch & Fisher, 2000; Piderit, 2000). Affective events theory (Weiss & Cropanzano, 1996) explains affective experiences at work as arising from work events, rather than job characteristics. Organizational changes could be such events that evoke emotional responses in employees. Researchers have advocated examining affective reactions during change since these can undermine the success of change initiatives (see Armenakis & Bedeian, 1999; Gilmore, Shea, & Useem, 1997). For example, McHugh (1997) reported many employees experiencing disaffection under constant change conditions. However, the affective domain has generally been neglected in change research in favor of cognitive and behavioral aspects (Mossholder, Settoon, & Henagan, 2005). Given their critical role in organizational change and employee turnover (Armenakis & Bedeian, 1999, Bernerth et al., 2007; Oreg, 2006; Stanley, Meyer, &

Topolnytsky, 2005), stress, change-related cynicism, and affective commitment were chosen as the primary outcome variables in the present study (see Figure 1).

Stress

Stress is defined as a coping mechanism adopted by the individual to meet excessive psychological or physical demands (Greggory & Griffin, 2000). In the present study, stress is viewed as an unpleasant emotional and physiological state induced by negative work experiences, lack of perceived control, and uncertainty (Hart & Cooper, 2001). Stress is a major source of concern for managers as well as researchers today. Employees are experiencing increasing levels of stress at their workplace due to factors such as changing work demands, job uncertainty, and work overload (Jex, 1998), which often result in reduced productivity and high employee turnover rates (e.g., Netemeyer, Burton, & Johnston, 1995).

Organizational change induces stress when an individual lacks adequate resources to cope with new work requirements (Lazarus, 1993). Schabracq and Cooper (1998) noted that individuals experience stress during change as their *situated skills*, i.e., skills acquired as a result of developing general automatic responses to repetitive work requirements, become invalid. During change, individuals have to acquire new skills as well as cope with uncertainty, which generally leads to stress (see Figure 1).

Affective Commitment

Affective commitment refers to "employees' emotional attachment to, identification with, and involvement in, the organization" (Allen & Meyer, 1990, p. 1). It has also been described as the emotional bond of employees to their organizations (Rhoades, Eisenberger, & Armeli, 2001). Affective commitment is one of the strongest

predictors of organizational outcomes (Wasti, 2003). It has also been associated with organizational change (Gilmore, Shea, & Useem, 1997; Schweiger & DeNisi, 1991). Due to its significance in the change process, researchers have suggested that commitment should be one of the criterion variables in change-related studies (Armenakis & Bedeian, 1999; Becker, Billings, Eveleth, & Gilbert, 1996). For example, Armenakis and Bedeian (1999) included commitment as an important factor in their process model of change. It was also a key variable in Klien and Sorra's (1996) model of innovation implementation at work. However, in spite of its importance, affective commitment has seldom been examined within a change context (cf. Herscovitch & Meyer, 2002). Therefore, affective commitment was included as a primary outcome variable in this study (see Figure 1).

Change-Specific Cynicism

Change-specific cynicism is an employee's "disbelief of management's stated or implied motives for (a specific) organizational change" (Stanley, Meyer, & Topolnytsky, 2005, p. 436). Previous research has affirmed that change might lead to employee cynicism (see Armenakis & Bedeian, 1999) and that change efforts would most likely fail if employees do not trust management's change motives (Reichers, Wanous, & Austin, 1997). Thus, change-specific cynicism appeared to be an important variable to examine in context of continuous change (Stanley, Meyer, & Topolnytsky, 2005) (see Figure 1).

Team Performance[1]

Another change outcome critical to organizational effectiveness is team performance. Although a few previous studies have shown that change has a negative impact on employee performance (Oreg, Leder, & Castro, 2006), models of responses to

[1] Team performance was an outcome variable for team-related hypotheses (H9a, H9b, and H9c) only.

change, having team performance as an outcome variable, are almost non-existent. Considering that team performance is a key criterion of team effectiveness, it was included as a team-level outcome variable in the present study. However, only the relationships between team leader-related antecedents (team leader change self-efficacy, LMX, and change-specific cynicism) and team performance were examined, which are hypothesized towards the end of the section on hypotheses development (see Figure 2).

Second-Level Change-Related Outcome

Turnover Intentions

A review of existing literature reveals that employee turnover intentions are often an important outcome of organizational change (Oreg, 2006; Rafferty & Griffin, 2006; Stensaker, Meyer, Falkenberg, & Haueng, 2002). Turnover intention refers to an individual's desire to leave an organization. Past studies have often linked turnover intentions to actual turnover (e.g., Hom, Caranikas-Walker, Prussia, & Griffeth, 1992; Mobley, 1977), implying that employees might cope with change by harboring intentions to leave and by subsequently exiting the organization. These research findings are corroborated by the high employee turnover rates prevalent in a majority of organizations operating under a dynamic business environment (Peterson, 2006; Townsend, 2006). In 2005 the overall attrition rate in Asia increased to 16% from 14% the previous year, signifying an upward trend (Hewitt, 2006). The turnover rate was highest for the professional/ supervisor/technical level at 39%. Such voluntary turnover costs U.S. organizations billions of dollars annually (Rosch, 2001), along with the loss of valued knowledge resources (Holtom, Mitchell, Lee, & Inderrieden, 2005; Steel, Griffeth, & Hom, 2002).

Given the criticality of employee retention to organizational functioning (Allen, Weeks, & Moffitt, 2005; Griffeth & Hom, 2001; Holtom et al., 2005; Steel, Griffeth, & Hom, 2002), turnover intention, as a proxy for actual turnover (cf. Chiu & Francesco, 2003; Rafferty & Griffin, 2006), was chosen as a second-level outcome in the present study (see Figure 1).

Major Antecedents to Change-Related Outcomes

A review of existing literature indicates that change outcomes such as turnover are associated with a number of personal, social, relational, and contextual antecedents (cf. Griffeth, Hom, & Gaertner, 2000; Madsen, Miller, & John, 2005; Peterson, 2004; Smollan, 2006). Thus, based on the existing literature, personal, social exchange, and contextual fit antecedents to change outcomes were investigated in the present study (see Figure 1).

Personal Antecedents and Change-Related Outcomes

In the current study, two personal variables: change-specific self-efficacy and individual change perceptions were examined for their role in change outcomes (Allen et al., 2007; Herold, Fedor, & Caldwell, 2007; Kumar & Kamalanabhan, 2005). Figure 3 represents the relationships among personal antecedents and primary and secondary outcome variables, as posited in Hypotheses 1a, 1b, 2a, and 2b, in the following section.

Change Self-Efficacy

Self-efficacy is at the core of social-cognitive theory (Bandura, 1986), which is considered "one of the few grand theories that continues to thrive at the beginning of the 21st century" (Zimmerman & Schunck, 2003, p. 448). Social-cognitive theory explains

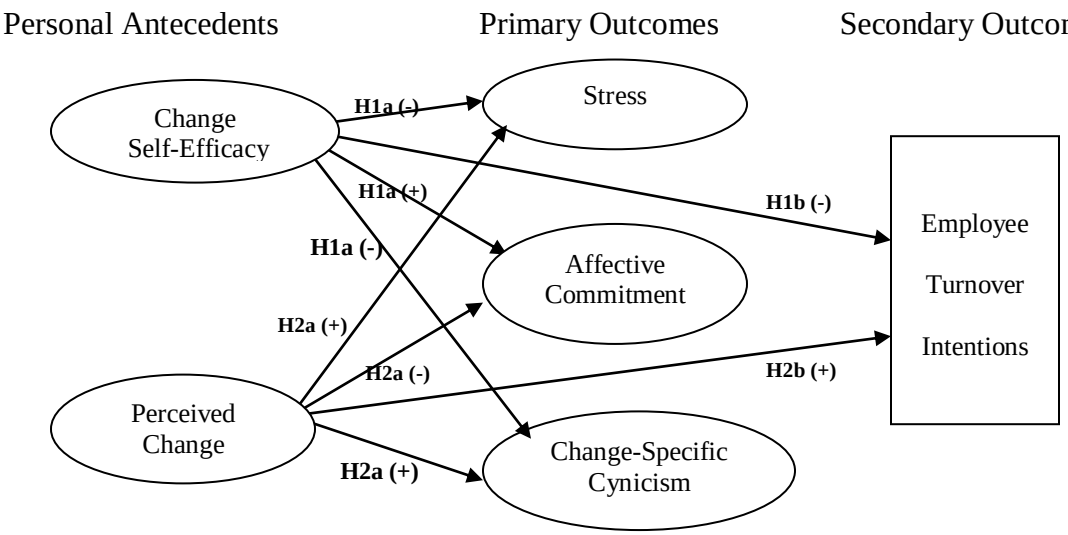

Figure 3: Hypothesized relationships among personal antecedents and primary and secondary change-related outcome variables.

how people acquire and maintain certain behavioral patterns (Bandura, 1986). According to this theory, personal factors such as cognition and self-efficacy beliefs are central to human functioning. Bandura (1997) defined self-efficacy as "the beliefs in one's capabilities to organize and execute the courses of action required to produce given attainments" (p. 3). Self-efficacy is critical in almost all areas of organizational research including job performance (see Stajkovic & Luthans, 1998), stress (Jex, Bliese, Buzzel, & Primeau, 2001; Schaubroeck, Jones, & Xie, 2001), and team processes (Feltz & Lirgg, 1998). Self-efficacy impacts outcomes through its influence on various cognitive, motivational, and affective processes that regulate human behavior (Bandura, 1997).

Self-efficacy can be specific to a task or situation (Bandura, 1997; Yeo & Neal, 2006). In the context of change, individuals have perceptions regarding their ability to handle change. Termed change self-efficacy, it refers to "an individual's perceived ability to handle change in a given situation and to function well on the job despite demands of

the change" (Wanberg & Banas, 2000, p. 134). Past research has related change self-efficacy to a myriad of change outcomes. For example, individuals who are confident of their ability to cope with change are more likely to perform well (Connor, 1992) and stay with their organization during change (Wanberg & Banas, 2000). Cunningham et al. (2002) found change self-efficacy to be positively related to employee readiness to change. Individuals with high change-specific self-efficacy might also exhibit lower levels of stress since they are likely to use effective coping strategies when facing change (cf. Jex et al., 2001).

On the other hand, employees would resist change if they perceive themselves as incapable of coping with it (Armenakis, Harris, & Mossholder, 1993; Bandura, 1982). Resistance to change might be manifested via various negative reactions such as high levels of cynicism, low commitment, sabotage, and exit (Stensaker et al., 2002). Thus, the following relationships between change self-efficacy and first-level and second-level change outcomes are proposed (see Figure 3).

Hypothesis 1a: Change self-efficacy will be negatively related to stress and change-specific cynicism, and positively related to affective commitment, under continuous change conditions.

Hypothesis 1b: Change self-efficacy will be negatively related to turnover intentions, under continuous change conditions.

Change Perceptions

Employee perceptions of change have been known to induce reactions such as stress, anxiety, low commitment, and intentions to quit among employees (Ashford, 1988; Rafferty & Griffin, 2006; Rush, Schoel, & Barnard, 1995). The role of change

perceptions in change-related outcomes can be explained using Lazarus and Folkman's (1984) cognitive phenomenological model, which identifies several situational characteristics that can negatively influence individuals, such as duration, impact, and uncertainty (see Rafferty & Griffin, 2006). In the present research, two such characteristics of change were examined namely, change frequency and change impact, for their influence on employee outcomes.

Change frequency. Lazarus and Folkman (1984) emphasized that temporal properties of a situation such as duration and proximity of events can negatively impact individuals. Other researchers have argued similarly that individual perceptions regarding the timing or frequency of change significantly impact their responses to change. For example, Glick, Huber, Miller, Harold, and Sutcliffe (1995) suggested that when changes occur too frequently, employees do not perceive them as discrete events and might experience high stress and anxiety due to perceived unending unpredictability of the situation.

In another study with a public sector organization, Rafferty and Griffin (2006) demonstrated that employee perceptions regarding frequency of change were indirectly related to job satisfaction and turnover intentions via uncertainty perceptions. Thus, stress induced by uncertainty might, in turn, influence employee turnover intentions. Based on these studies, it might be logically argued that other negative reactions such as low commitment and high change-specific cynicism might also result when change is perceived as occurring too frequently.

Change impact. Lazarus and Folkman (1984) suggested that individuals feel threatened by novel situations they have not faced previously, which might influence

them negatively. Continuous changes might also be perceived as novel, threatening events that might result in negative outcomes (Rafferty & Griffin, 2006). In support of this notion, Rafferty and Griffin (2006) found perceived impact of change to be related to turnover intentions. In another study, Wanberg and Banas (2000) reported perceived personal impact of change to be associated with work-related irritation. Fedor, Caldwell, and Herold (2006) demonstrated a link between the impact of change and employee commitment. Other studies also corroborate the notion that people are concerned about the impact of change on themselves and their work life (e.g., Herscovitch & Meyer, 2002; Webber & Manning, 2001). Thus, it may be argued that change impact would likely influence change-related outcomes such as employee turnover intentions, stress, and affective commitment (see Figure 3).

Hypothesis 2a: Perceived change (frequency and impact) will be positively related to stress and change-specific cynicism, and negatively related to affective commitment.

Hypothesis 2b: Perceived change (frequency and impact) will be positively related to turnover intentions.

Social Exchange Antecedents and Change-Related Outcomes

A number of theoretical explanations have been presented in the organizational change literature to emphasize the role of social exchange variables in work outcomes. For example, according to the social information-processing perspective, in the absence of a single interpretation of change events due to the inherent complexity and ambiguity (Isabella, 1990), employees' change perceptions are likely to be influenced by their peers, subordinates, and superiors (cf. Lines, 2005; Rice & Aydin, 1991; Salancik & Pfeffer,

1978). Similarly, conservation of resources (COR) theory (Hobfoll & Freedy, 1993) emphasizes the role of peer and supervisor support as valued social resources in stress, turnover intentions, and low commitment (Burke & Richardson, 1993; Halbesleben, 2006; Kahill, 1998). The COR theory posits that negative behavioral and attitudinal outcomes occur when there is an actual or perceived loss of valued resources, the resources are insufficient to meet work demands, or the returns are less than expected on an investment of resources (Hobfoll, 1988; Lee & Ashforth, 1996). The key resources include factors such as social support, autonomy, and job enhancement opportunities. These key resources are put under strain by work pressures, unpredictability, and stressful events, such as organizational change (cf. Lee & Ashforth, 1996; Wright & Cropanzano, 1998). Empirical research also attests to the importance of social exchange factors in change outcomes. For example, a study examining causes and consequences of managerial failure in rapidly changing organizations identified "poor work relationships" with a superior and colleagues as one of the most important reasons for failure (Longenecker, Neubert, & Fink, 2007). Other studies have also confirmed that supervisor and colleagues influence change-related outcomes (e.g., Cunningham et al., 2002; Lines, 2005).

In the present study, two important social exchange variables -- LMX and TMX, were examined. Support for LMX and TMX as important factors in change outcomes can be drawn from the *relational perspective* proposed by Mossholder, Settoon, and Henagan (2005). Building upon the concepts of social capital (actual or potential resources available to individuals through their relationships; Leana & Van Buren, 1999), social exchange (Blau, 1964), and relational systems (Kahn, 1998), the authors identified

relational reciprocity, support, mutual obligation, and connectedness as important factors in turnover and other withdrawal behaviors. These factors are characteristics of high-quality exchanges between a leader and members and among team members, i.e., LMX and TMX (e.g., Sherony & Green, 2002). Figure 4 illustrates the relationships between LMX and TMX (social exchange antecedents), and primary and secondary change-related outcomes, being proposed in this study, in the following section (hypotheses 3a, 3b, 4a, and 4b).

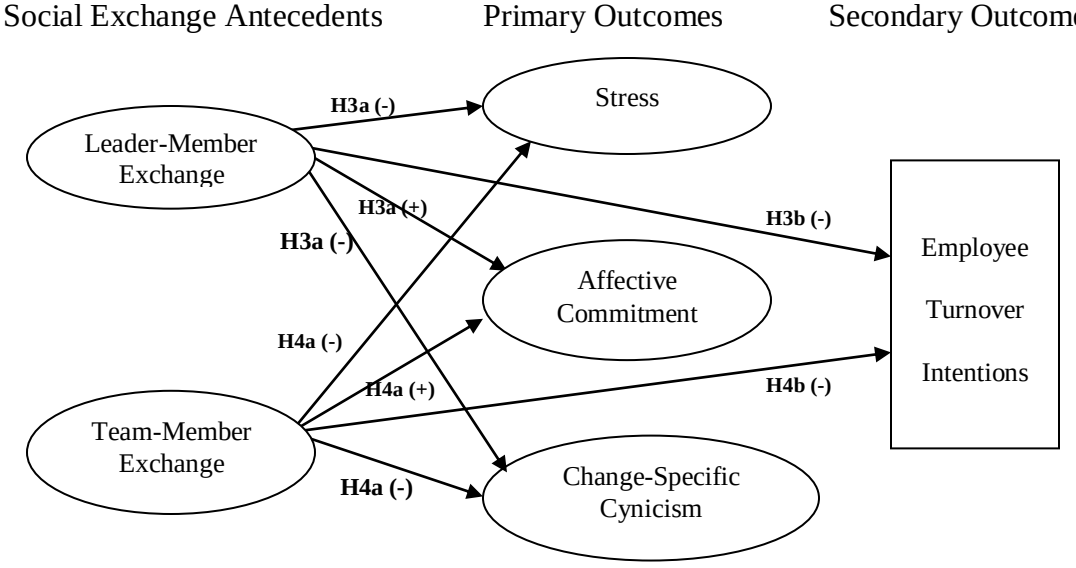

Figure 4: Hypothesized relationships among social exchange antecedents and primary and secondary change-related outcomes.

Leader-Member Exchange (LMX)

Drawn mainly from the concepts of role making (Graen, 1976), social exchange, reciprocity, and equity (Blau, 1964; Deluga, 1994), LMX theory posits that leaders develop differential relationships with their subordinates through reciprocal exchanges. These reciprocal exchanges involve role expectations, rewards, and resources over time, resulting in dyadic relationships of varying quality (Graen & Uhl-Bien, 1995). For

example, a high quality LMX may be characterized by high interaction, interpersonal support, and trust. On the contrary, a low LMX would entail a formal association, less interaction, and low levels of trust.

The quality of LMX has been linked to a number of organizational outcomes including performance, commitment, satisfaction, stress, and higher turnover intentions (e.g., Gerstner & Day, 1997; Griffeth & Hom, 2001; Wang, Law, Hackett, Wang, & Chen, 2005). Harris, Kacmar, and Witt (2005) have suggested that low LMX may increase turnover intentions due to its negative impact on employees' feelings and cognitions. Similarly, high LMX has been associated with job-related risk-taking, non-routine behaviors, greater job autonomy, flexibility, and decision-making authority (Graen & Cashman, 1975), which might be critical to employee outcomes, especially during change. Additionally, in high LMX situations, employees would be more informed and aware of organizational events such as change (Graen, 1989) and would perceive the climate as change-conducive (Kozlowski & Doherty, 1989), which might reduce employee cynicism and intentions to quit during change. Given these associations, and the fact that high LMX is characterized by mutual trust and support, it is likely that LMX would positively influence employees' ability to handle change as well as change-related outcomes (see Figure 4).

Hypothesis 3a: Leader-member exchange will be negatively related to stress and change-specific cynicism, and positively related to affective commitment.

Hypothesis 3b: Leader-member exchange will be negatively related to turnover intentions.

Team-Member Exchange (TMX)

TMX is similar to LMX in that it is based on notions of exchange, reciprocity, and each party's contribution in terms of resources (Seers, 1989). However, TMX is not dyadic but rests on the premise that individuals aggregate their role-specific reciprocal exchanges across members of the group, reinforcing their own role identities as well as the group's identity as a team in the process (cf. Jacobs, 1970; Seers, 1989). A high quality TMX is characterized by mutual cooperation, collaboration, and higher social rewards, whereas a low quality TMX is signified by less effort, cooperation, and rewards.

Previous studies have linked TMX to several work outcomes including job satisfaction, performance (Seers, 1989), work attitudes, efficiency (Dunegan, Tierney, & Duchon, 1992; Seers, Petty, & Cashman, 1995), and organizational commitment (Liden, Wayne, & Sparrowe, 2000). TMX might play an analogous, important role in change-related outcomes as well. Support from peers, which is integral to high quality TMX, has been identified as an important resource under COR theory to deal with stress and negative emotions triggered by change. Jones and George (1998) indicated that individuals who enjoy high quality relationships with their team members exhibit more involvement, risk-taking, and extra-role behaviors at work. Members of such teams also engage in open communication, free information exchange and feedback, and reciprocal helping behaviors (Jones & George, 1998; Seers, 1989). These behaviors might significantly influence outcomes such as commitment, cynicism, and turnover intentions in a change context.

Moreover, high levels of mutual trust and support enjoyed by the team members in a high TMX situation, and positive perceptions of change climate might help them

cope with change (Tierney, 1999) and weaken their intentions to leave the organization. This situation, described as *embedding*, protects individuals against shocks (e.g., change) that result in turnover decisions (Mitchell & Lee, 2001) and low affective commitment (Burt, 2001). Thus, previous theory and research provide a sound basis to propose that TMX quality might be related to both primary and secondary change outcomes (see Figure 4).

Hypothesis 4a: Team-member exchange will be negatively related to stress and change-specific cynicism, and positively related to affective commitment.

Hypothesis 4b: Team-member exchange will be negatively related to turnover intentions.

Contextual Fit Antecedents and Change-Related Outcomes

Employee reactions and behaviors are situated within and influenced by context (e.g., Armenakis & Harris, 2002; Oreg, 2006). This realization has led researchers to adopt an interactional approach where the degree of congruence between personal and situational factors is assessed to predict individual adjustment and other outcomes (Maslach, Schaufeli, & Leiter, 2001). From several frameworks encompassing the interactional approach, the Person-Environment fit (P-E fit) model has received much attention recently (e.g., Arthur, Bell, Villado, & Doverspike, 2006; Caldwell, Herold, & Fedor, 2004; Edwards, Cable, Williamson, Lambert, & Shipp, 2006; Siegall & McDonald, 2004). The P-E fit model explains attitudes and behaviors in terms of the discrepancy between attributes of the person and the environment (French, Caplan, & Harrison, 1982). Previous studies have linked P-E fit to outcomes such as performance,

commitment, intentions to quit, and stress (Judge & Kristof-Brown, 2004; Saks & Ashforth, 1997; Spokane, Meir, & Catalano, 2000; Verquer, Beehr, & Wagner, 2003).

In continuously changing organizations, P-E fit might be especially critical since these firms have unique organizational cultures and job requirements that might be hard to match. Additionally, P-E incongruence in change situations might be aggravated by the already high levels of unpredictability and uncertainty. Thus, given the implications of P-E fit for individual and organizational outcomes (O'Reilly, Chatman, & Caldwell, 1991; Vandenberghe, 1999) and the need to understand individual reactions to organizational change (Judge et al., 1999; Piderit, 2000), it seem appropriate to examine the fit framework in the context of continuous change.

Two distinct traditions co-exist in the P-E fit paradigm— *complementary fit* and *supplementary fit* — based on the notions of demand-supply and similarity, respectively (Cable & Edwards, 2004; Muchinsky & Monahan, 1987). *Complementary fit* occurs when environmental requirements are met by individual skills or resources, and vice versa; whereas *supplementary fit* exists when the person and organization share similar characteristics. Corresponding to these traditions, different types of P-E fit exist

In the present study, two common dimensions of individual P-E fit namely, P-O fit and P-J fit, were examined. An important issue worth considering was whether actual (e.g., O'Reilly, Chatman, & Caldwell, 1991) or perceived (e.g., Cable & Parsons, 2001) fit was being measured. In the present study, an individual's perceived fit was measured since it has been determined to be a better predictor of attitudes and behavior than actual fit (Cable & DeRue, 2002). Moreover, it is the perception of "fitting in" that matters in employee reactions, rather than the actual fit (Major, Kozlowski, Chao, & Gardner,

1995). Figure 5 represents the relationships that were hypothesized between P-O fit and P-J fit (contextual fit antecedents), and the primary and secondary outcome variables, in the present study.

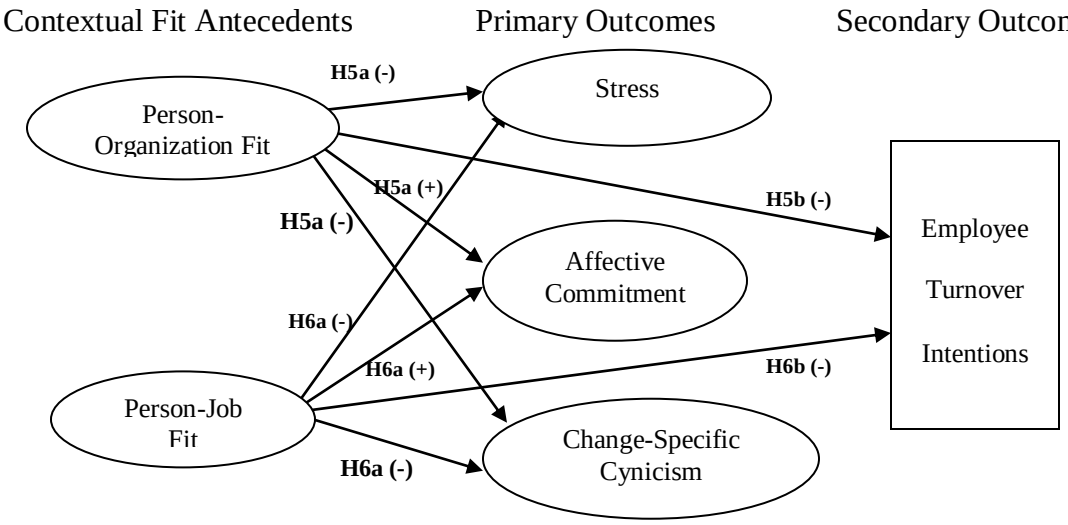

Figure 5: Hypothesized relationships among contextual fit antecedents and primary and secondary change-related outcomes.

Person-Organization Fit

P-O fit refers to the similarity in attributes of the person and the organization. In P-O fit research, value congruence has garnered most attention (Kristof, 1996). Values refer to desired end states or behaviors that transcend specific situations (Schwartz, 1992). *Value congruence* is the match between a person's values and the organizational value system (Chatman, 1989; Kristof, 1996). The concept of value-congruence has been used to explain a number of organizational phenomena. For example, Schneider (1987) used value congruence to explain job choice, entry, and withdrawal decisions. He proposed the attraction-selection-attrition (ASA) model, which posits that people are attracted to organizations that match their own values. Individuals who perceive a mismatch between their personal and organizational values leave the organization, while

individuals who perceive organizational values as similar to their personal values, tend to remain with the organization.

P-O fit fosters trust, openness, improved communication, and predictability in social interactions since people are attracted to and support others who are similar to them (cf. Byrne, 1969; O'Reilly, Chatman, & Caldwell, 1991; Tsui & O'Reilly, 1989). The social-psychological theories about similarity of attitude also confirm that individuals tend to interact more with "similar others" (Byrne, 1971) to reinforce their own values, beliefs, and affect (Swann, 1987; Swann, Stein-Seroussi, & Giesler, 1992). This would result in a shared understanding and perception about events and reduced uncertainty (Kalliath, Bluedorn, & Strube, 1999). In such situations, individuals would likely be more capable of handling change and would feel lower stress and turnover intentions, and higher commitment.

Another reason why P-O fit might be important in predicting change-related outcomes is that, due to greater social interactions and trust (Meglino & Ravlin, 1998), employees with high P-O fit are more aware of an organization's change motives, able to identify required changes, and gain greater acceptance for their change efforts (Erdogan & Bauer, 2005). Consequently, these employees would experience positive outcomes such as low cynicism and stress, and higher intentions to stay.

Thus, given the rationale presented above, and that previous research has linked P-O fit to intentions to quit, performance, organizational commitment, job satisfaction, and strain (e.g., Arthur et al., 2006; Cable & DeRue, 2002; Kristof-Brown, Zimmerman, & Johnson, 2005); it was hypothesized that P-O fit would significantly

predict outcomes during continuous change. Therefore, the following relationships between P-O fit and change-related outcomes were posited (see Figure 5).

Hypothesis 5a: Person-organization fit will be negatively related to stress and change-specific cynicism, and positively related to affective commitment.

Hypothesis 5b: Person-organization fit will be negatively related to turnover intentions.

Person-Job Fit

Corresponding to the "demands-abilities" notion of fit, in the present study P-J fit is conceptualized as the match between individual capabilities and job requirements (Edwards, 1991). It differs from P-O fit in that it specifically focuses on the fit between employees' knowledge, skills, and abilities and work demands (Lauver & Kristof-Brown, 2001). P-J fit influences employee outcomes in a manner similar to P-O fit, but over and beyond P-O fit. In a meta-analysis, Kristof-Brown, Zimmerman, and Johnson (2005) found P-J fit to be strongly correlated to organizational commitment, intentions to quit, and job satisfaction. It has also been related to job performance (Greenberg, 2002) and stress (Xie & Johns, 1995).

Although previous research on P-J fit is minimal compared to P-O fit, especially in the context of change, P-J fit might be especially important during change, since the job requirements under change conditions would be flexible, unpredictable, and unique. A mismatch between the person and the job in highly dynamic organizations is expected to increase stress and turnover intentions and to decrease performance. The P-J mismatch as a result of continuous changes to their jobs might also induce change-related cynicism among employees and lower their organizational commitment. In a field study,

Longenecker, Neubert, and Fink (2007) found P-J mismatch as one of the most common reasons listed for managerial failure in rapidly changing environments. Thus, it appears that P-J fit would influence change-related outcomes (see Figure 5).

Hypothesis 6a: Person-job fit will be negatively related to stress and change-specific cynicism, and positively related to affective commitment.

Hypothesis 6b: Person-job fit will be negatively related to turnover intentions.

Relationships among First- and Second-Level Change Outcomes

Individual reactions to change involve four basic human processes, namely, perception, cognition, affect, and action (Ellis & Harper, 1975; Schlesinger, 1982). These processes do not occur in isolation but are interrelated, in that the final "behavior" is often a result of "affect," triggered by "perceptions" and "cognitions" of the activating event. Confirming this notion, Bovey and Hede (2001) found that individuals' intentions to resist change were influenced by their emotions, which, in turn, were influenced by their perceptions and cognitions about the change.

Thus, it can be argued that the first-level, affective outcomes, such as stress, affective commitment, and change-specific cynicism being examined in the present study, would be related to the second-level, final outcome, i.e., turnover intentions. Figure 6 displays the relationships among primary and secondary change-related outcomes, as posited in Hypotheses 7a, 7b, and 7c, in the following section.

Stress and Turnover Intentions

Parker and DeCotiis (1983) conceptualized job stress as a first-level outcome that might cause second-level outcomes such as avoidance behavior, low productivity, and dissatisfaction, if it persists over a long time. Selye (1976) viewed stress as additive, also

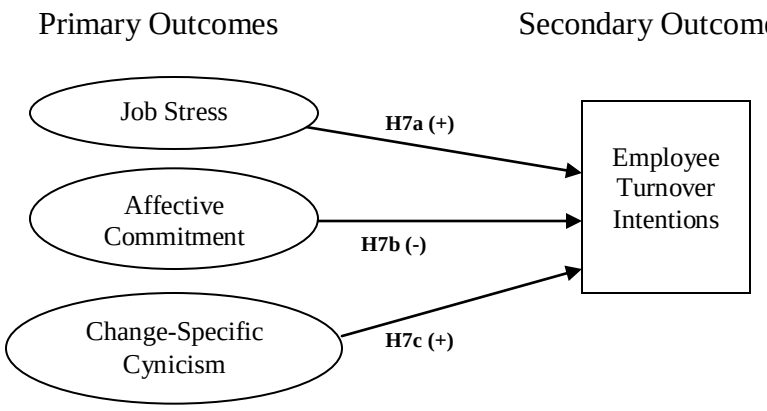

Figure 6: Hypothesized relationships among primary and secondary change-related outcomes.

consistent with the idea that stress would lead to second-level outcomes if it becomes intense or if it continues over a prolonged period. Supporting the notion of stress as an antecedent to other negative outcomes, Schaubroeck and Ganster (1993) noted that chronic stress could diminish an individual's ability to adapt to challenging situations and to perform on challenging tasks, thereby reducing productivity. In another study, Cohen (1980) indicated that under prolonged stress individuals are forced to pay special attention, resulting in information overload. This in turn creates cognitive fatigue and energy drain, thereby negatively influencing task performance.

Several other studies have also confirmed that job stress could lead to a number of lasting deviations at work. For example, stress has been associated with low productivity, absenteeism, and turnover (Beehr & Newman, 1978; Schuler, 1980). Work-related stress has also been linked to burnout, which significant impacts turnover intentions and actual turnover (e.g., Chermiss, 1992), and job performance (Halbesleben & Buckley, 2004; Maslach, 1982). Thus, it was predicted (see Figure 6) that:

Hypothesis 7a: Job stress will be positively related to turnover intentions.

Affective Commitment and Turnover Intentions

Affective commitment, considered an important organizational change variable (Bernerth et al., 2007), is an antecedent to several individual and organizational outcomes including turnover and performance (Allen & Meyer, 1996; Griffeth, Hom, & Gaertner, 2000; Meyer, Stanley, Herscovitch, & Topolnytsky, 2002). It has been a strong, consistent predictor of employee turnover intentions and actual turnover and is included in almost every turnover model (Bentein, Vandenberg, R., Vandenberghe, C., & Stinglhamber, 2005; Griffeth, Hom, & Gaertner, 2000; Mathieu & Zajac, 1990). These findings have been confirmed by a recent meta-analysis conducted by Meyer et al. (2002), involving three commitment dimensions. The authors reported a high negative correlation between affective commitment and withdrawal intentions and added that the effects on withdrawal intentions were consistently strongest for affective commitment across studies. Affective commitment was also found to be linked to better job performance and more organizational citizenship behaviors. In another study, Wasti (2003) found affective commitment to be an important predictor of turnover intentions irrespective of employees' cultural values. Therefore, the following relationship between affective commitment and turnover intentions was proposed (see Figure 6):

Hypothesis 7b: Affective commitment will be negatively related to turnover intentions.

Change-Specific Cynicism and Turnover Intentions

Employee cynicism refers to a negative attitude toward the organization accompanied by negative emotions, mistrust, and deviant behavior (Dean, Brandes, & Dharwadkar, 1998). Thus, high levels of employee cynicism might lead to negative

affective and behavioral responses. Cynicism is an important variable in organizational change research (Bernerth et al., 2007; Armenakis & Bedeian, 1999) that has been proposed as an important antecedent to employees' resistance to change (e.g., Abraham, 2000; Wanous, Reichers, & Austin, 2000). Recently, Stanley, Meyer, and Topolnytsky (2005) differentiated between general and change-specific cynicism and emphasized the importance of the latter in employees' resistance to change. The authors showed that change-specific cynicism correlated more strongly with intentions to resist change than general cynicism.

Thus, given the importance of individual reactions to organizational change (e.g., Judge et al., 1999; Wanberg & Banas, 2000) and the demonstrated role of change-specific cynicism in intentions to resist change (Stanley, Meyer, & Topolnytsky, 2005), it might be argued that change-specific cynicism is significant in change-related outcomes. Employees with high change-specific cynicism would likely harbor negative attitudes toward management, expend energies in resisting change, and experience negative emotions, thereby decreasing productivity and increasing intentions to leave. Thus, in the present study, the following was proposed (see Figure 6):

Hypothesis 7c: Change-specific cynicism will be positively related to turnover intentions.

Mediated Model of Change-Related Outcomes

Previous researchers have espoused and found support for the notion that human processes occur in a rational-emotive-behavior sequence (e.g., Bovey & Hede, 2001; Ellis & Harper, 1975; Schlesinger, 1982). Similarly, in his conceptual work on cognitive, affective, and behavioral responses to change, Smollan (2006) proposed that

organizational change would initially lead to cognitive responses, which, in turn, would trigger affective responses. The affective responses, along with the evaluation of potential behavioral responses, would result in the final intentional or behavioral outcomes. Thus, individual perceptions about change, organizational fit, and social exchanges (cognitive responses) would elicit affective reactions, which, in turn, would influence turnover intentions (intentional outcome).

Previous literature also indicates a possible mediating role of affect in the relationship between change-related self-efficacy (cognitive process) and final outcomes. Applying social-cognitive theory, Bandura (1997) suggested that self-efficacy, which can be task- or situation-specific, impacts outcomes through its influence on various human processes (including affect), which regulate human behavior. Subsequent research has found support for the social-cognitive approach to human behavior (cf. Mccormick & Martinko, 2004). Consequently, it can be logically inferred that change self-efficacy might decrease intent to leave through its impact on affective processes such as stress, commitment, and cynicism, during change (Figure 7).

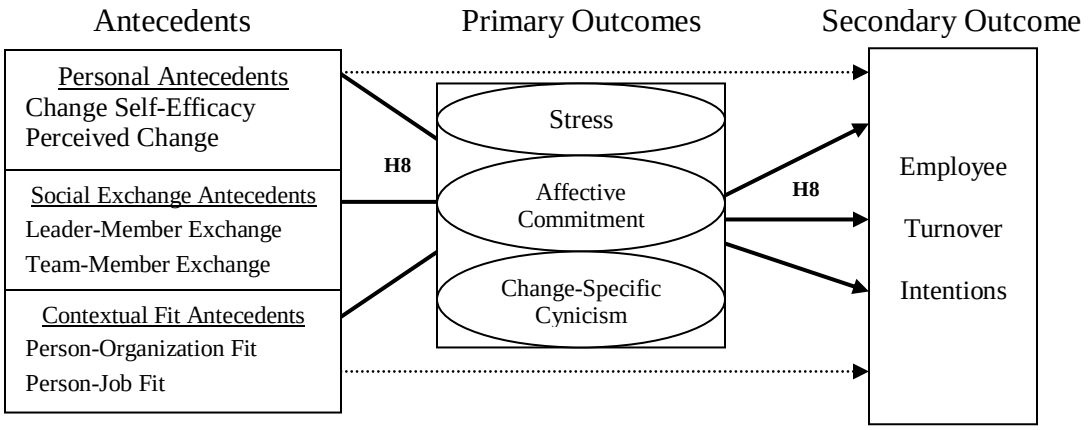

Figure 7: Hypothesized mediating relationships among the antecedents, and primary and secondary change-related outcomes.

Support for the mediating role of affect in change outcomes can also be found in literature related to stress and affective commitment. Stress has often been viewed as a first-level affective outcome that mediates the relationship between perceptual antecedents and intentional and behavioral consequences (Janis & Leventhal, 1968; Motowildo, Packard, & Manning, 1986; Parker & DeCotiis, 1983). For example, the positive relationship between perceived P-O fit and job performance might be due to a reduction in stress, owing to high fit (Arthur et al., 2006). A similar argument for the P-O fit--job performance relationship has been made for organizational commitment (Meyer et al., 2002). Affective commitment has also been found to mediate the relationship between perceived organizational support and employee turnover (Rhoades, Eisenberger, & Armeli, 2001).

Thus, drawing upon past research and theory, a partially mediated model of change-related outcomes was hypothesized in the present study. It was posited that different antecedents such as change-related self-efficacy, LMX, and P-O fit would partially impact employee turnover intentions through their influence on employees' affective reactions to change (see Figure 7).

Hypothesis 8: Affective outcomes (stress, affective commitment, change-specific cynicism) will partially mediate the relationship between personal, social exchange, and contextual fit antecedents and turnover intentions.

Team-Related Antecedents and Team Performance

Team performance under conditions of continuous change is an important area that has largely been ignored in organizational change research. Although team performance has been linked to a number of personal, social exchange, and contextual fit

variables, the present study specifically focused on the role of team leader's change self-efficacy, change-specific cynicism, and LMX, in predicting team performance. Figure 8 presents the hypothesized relationships (Hypotheses 9a, 9b, and 9c) between team leader-related antecedents and team performance.

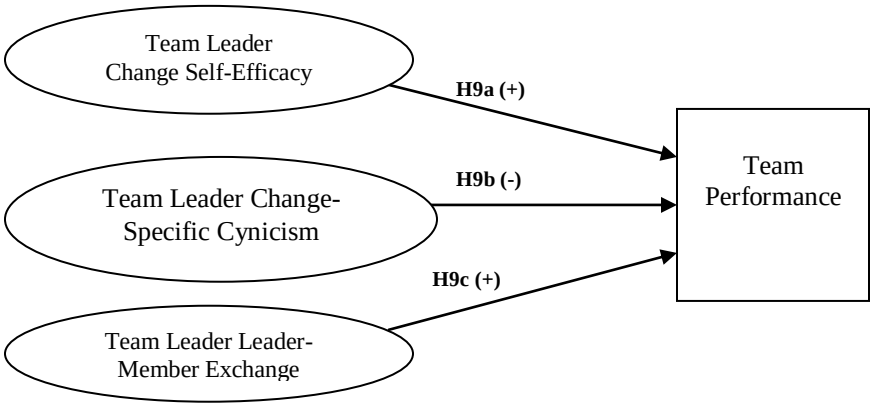

Figure 8: Hypothesized relationships among team leader-related antecedents and team performance, under conditions of continuous change.

Given that previous research has indicated that team performance is influenced by leader characteristics and attitudes (Ammeter & Dukerich, 2002; Sarin & McDermott, 2003), it can be argued that teams whose leaders have high levels of self-efficacy and low levels of cynicism towards change would likely perform better than teams whose leaders have low self-efficacy and high cynicism towards change. Advocating a similar approach, Higgs and Roland (2005) emphasized the important role of leadership in change efforts. The authors indicated that what leaders do and think about change is critical to the success of change efforts.

Higher levels of LMX would also be expected to improve team performance. The quality of social exchanges among peers and a leader fosters mutual trust, support, information sharing, and feedback resulting in members' skill enhancement (Duchon,

Green, & Taber, 1986; Jones & George, 1998; Seers, 1989). This skill enhancement would finally translate to better team performance. In a recent study, Chen et al. (2007) demonstrated the role of LMX in team performance through its impact on individual performance. In another study, LMX was found to be associated with objective and subjective team member performance (Chen, Lam, & Zhong, 2007). Thus, based on logical inferences drawn from existing team and change literature, the following relationships, as presented in Figure 8 above, were hypothesized:

Hypothesis 9a: Team leader change self-efficacy will be positively related to team performance.

Hypothesis 9b: Team leader change-specific cynicism will be negatively related to team performance.

Hypothesis 9c: Team leader LMX[2] will be positively related to team performance.

Summary of Research Hypotheses

Table 1 presents a summary of the research hypotheses. Hypotheses 1-6 assessed the impact of employee change perceptions, social exchanges, and perceptions of fit on first- and second-level change outcomes. Hypothesis 7 investigated how affective outcomes were related to turnover intentions. Hypothesis 8 examined the mediating role of affective outcomes in the antecedent-secondary outcome relationship. Finally, Hypothesis 9 assessed the role of team leader-related variables in predicting team performance.

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[2] Team leader LMX refers to a team leader's perception of LMX, measured by LMX-L (Liden & Maslyn, 1998).

Table 1

Summary of Research Hypotheses

Hypotheses
Hypothesis 1a. Change self-efficacy will be negatively related to stress and change-specific cynicism, and positively related to affective commitment, under continuous change conditions.
Hypothesis 1b. Change self-efficacy will be negatively related to turnover intentions, under continuous change conditions.
Hypothesis 2a. Perceived change will be positively related to stress and change-specific cynicism, and negatively related to affective commitment.
Hypothesis 2b. Perceived change will be positively related to turnover intentions.
Hypothesis 3a. Leader-member exchange will be negatively related to stress and change-specific cynicism, and positively related to affective commitment.
Hypothesis 3b. Leader-member exchange will be negatively related to turnover intentions.
Hypothesis 4a. Team-member exchange will be negatively related to stress and change-specific cynicism, and positively related to affective commitment.
Hypothesis 4b. Team-member exchange will be negatively related to turnover intentions.
Hypothesis 5a. Person-organization fit will be negatively related to stress and change-specific cynicism, and positively related to affective commitment.
Hypothesis 5b. Person-organization fit will be negatively related to turnover intentions.
Hypothesis 6a. Person-job fit will be negatively related to stress and change-specific cynicism, and positively related to affective commitment.
Hypothesis 6b. Person-job fit will be negatively related to turnover intentions.
Hypothesis 7a. Job stress will be positively related to turnover intentions.
Hypothesis 7b. Affective commitment will be negatively related to turnover intentions.
Hypothesis 7c. Change-specific cynicism will be positively related to turnover intentions.

Hypotheses

Hypothesis 8. Affective outcomes (stress, affective commitment, change-specific cynicism) will partially mediate the relationship between personal, social exchange, and contextual fit antecedents and turnover intentions.

Hypothesis 9a. Team leader change self-efficacy will be positively related to team performance.

Hypothesis 9b. Team leader change-specific cynicism will be negatively related to team performance.

Hypothesis 9c. Team leader LMX will be positively related to team performance.

CHAPTER 2

METHOD

Participants and Procedure

The present study involved primary data collection over a period of 3 months from 6 Indian vendor[3] firms providing outsourcing services to clients[4], comparable in terms of their size, business operations, and clients. All the firms had more than 500 employees and provided IT-enabled outsourcing services, such as human resources, banking, customer support, and project designing, to US-based clients mainly. These firms had team-based structures, and data were collected from team members and team leaders, through online or paper-based questionnaires. In this study, teams operating at the lower levels in the organization, comprising of lower-level employees were included. In total, 350 team members and 99 team leaders participated in the present study.

Table 2 presents the overall and organization-wise demographics of team members. A majority of team members were male (74%). The mean age of team members was 27.02 years (*SD* = 3.54), with an average total work experience of 35.69 months (*SD* = 32.44). The average organizational tenure for team members was 13.67 months (*SD* = 12.07), average team tenure was 9.13 months (*SD* = 10.42), and average team size was 19 (*SD* = 11.41).

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[3] In outsourcing, 'vendor' is a firm that provides outsourcing services to other (client) firms.
[4] In outsourcing, 'client' is a firm that out-sources its services, processes, or operations to other (vendor) firms.

Table 2

Demographics of Respondents - Team Members

Variable	Organization						
	Overall	1	2	3	4	5	6
Gender[a]: Male	74	66	84	84	65	66	61
Female	26	34	16	16	35	34	39
Average Age[b]	27.02	26.92	27.09	26.73	27.43	25.75	29.77
Average Team Tenure[c]	9.13	15.81	11.92	4.30	8.34	6.99	6.85
Average Organizational Tenure[c]	13.67	17.46	21.44	4.70	12.75	14.28	19.88
Average Work Experience[c]	35.69	28.66	43.04	27.02	36.84	38.32	57.31
Average Team Size	19	17	19	22	19	16	14
Number of respondents	350	51	87	86	77	36	13

[a]In percentages; [b]In years; [c]In months

Table 3 presents the overall demographics and organization-wise demographics of team leaders. A majority of team leaders were male (83%), with a mean age of 29.08 years (*SD* = 3.94). For the team leader, average total work experience was 74.55 months (*SD* = 43.70), average organizational tenure was 24.42 months (*SD* = 25.37), average team tenure was 11.88 months (*SD* = 10.77), and average team size was 18 (*SD* = 18.19). In the fall of 2006 and spring of 2007, I initiated contact with a number of outsourcing vendor firms in India to set up data collection schedules. In the summer of 2007, I contacted human resource personnel in the participating firms and initiated an online data collection process. In the firms where online data collection was not feasible, I distributed a paper-based version of the surveys. For the online survey, team leaders and team members were provided with appropriate survey links through email. The participants

Table 3

Demographics of Respondents - Team Leaders

Variable	Organization						
	Overall	1	2	3	4	5	6
Gender[a]: Male	83	87	94	80	70	90	73
Female	17	13	6	20	30	10	27
Average Age[b]	29.08	27.86	30.00	31.27	28.88	29.86	29.14
Average Team Tenure[c]	11.88	7.78	19.25	11.28	12.15	11.61	11.67
Average Organizational Tenure[c]	24.42	10.62	48.31	11.90	24.10	19.21	27.35
Average Work Experience[c]	74.55	72.70	88.50	96.84	65.03	81.88	73.71
Average Team Size	18	28	17	23	13	14	17
Number of respondents	99	16	16	10	10	21	26

[a]In percentages; [b]In years; [c]In months

completed and submitted the surveys online. The completed online surveys were automatically stored in a password-protected database. The paper-based surveys were distributed and collected by me personally in one organization, and by respective contact persons in two organizations.

Measures

Demographic Variables

Participants were asked to indicate their gender, age, total work experience, and work experience with their current organization.

Team-Related Variables

In addition to the demographic questions, participants were asked to respond to the following team-related questions: (a) Please provide the name of your team leader. (b) How many members are there in your team, including your team leader? (c) How long have you been working with this team?

Personal, Social Exchange, and Contextual Fit Variables

The antecedents in this study included personal (change self-efficacy and perceived change), social exchange (LMX and TMX), and contextual fit (P-O fit and P-J fit) variables.

Change self-efficacy. Change self-efficacy is defined as "an individual's perceived ability to handle change in a given situation and to function well on the job, despite demands of the change" (Wanberg & Banas, 2000, p. 134). This construct was measured using a 4-item scale adapted from Ashford (1988). The adaptation involved replacing the word *"restructuring"* with *"the changes"* in each item. A sample item from the scale is, "Though I may need some training, I have little doubt I can perform well in face of the changes." Participants rated each item using a 7-point, Likert-response format ranging from 1 (= very strongly disagree) to 7 (= very strongly agree). Coefficient alpha was .88 for the team member scale, and .89 for the team leader scale.

Perceived change. In the present study, perceived change was defined as employees' perceptions regarding the impact and frequency of organizational change at their workplace. Two separate scales (perceived change impact and perceived change frequency) were used to measure perceived change. Principle components analysis results (Table 6) justified the combining of the two scales to measure overall perceived change.

Perceived change impact (employees' perceptions regarding the impact of change on their immediate work setting) was assessed using 3 items adapted from Caldwell, Herold, and Fedor (2004). The adaptation entailed using "*Changes in my company involve…*" instead of "*This specific change involved…*" A sample item from the scale is, "Changes in my company involve changes in daily routines of employees in this work

unit." The descriptive statistics obtained for the scale in the present study (M = 4.33; *SD* = 1.14) were comparable to those obtained by Caldwell, Herold, and Fedor (2004) (M = 4.06; *SD* = 1.29). Participants rated each item using a 7-point, Likert-response format ranging from 1 (= very strongly disagree) to 7 (= very strongly agree). Coefficient alpha for this scale was .86.

Perceived change frequency (employee perceptions about how often changes occur) was assessed using a 3-item scale from Rafferty and Griffin (2006). A sample item from the scale used in current study is, "It feels like change is always happening in my company." The descriptive statistics for the scale in present study (M = 4.40; *SD* = 1.10) were comparable to those obtained by Rafferty and Griffin (2006) (M = 3.94; *SD* = 1.44). Participants rated each item using a 7-point, Likert-response format ranging from 1 (= very strongly disagree) to 7 (= very strongly agree). Coefficient alpha obtained for this measure was .80. The coefficient alpha for the combined perceived change scale was .88.

Leader-member exchange (LMX). LMX refers to the reciprocal process in the dyadic exchange between leader and follower (Wang et al., 2005). LMX was assessed using the 12-item multi-dimensional scale (LMX-MDM) developed by Liden and Maslyn (1998). This scale measures LMX from the perspective of leader as well as member. Participants rated each item using a 5-point, Likert-response format ranging from 1 (= strongly disagree) to 5 (= strongly agree). A similar format used by Greguras and Ford (2006) showed acceptable reliabilities (.75 to .93) for different LMX dimensions. A sample item from the team member scale used in the present study is, "I do not mind working my hardest for my team leader." For the team leader scale, the corresponding

item is "I do not mind working my hardest for my team members." The coefficient alpha was .89 for LMX-S (subordinate) scale and .85 for the LMX-L (leader) scale.

Team-member exchange (TMX). TMX is the extent of reciprocity between a team member and the team in terms of the resources contributed and received (Seers, 1989). In the present study, TMX was assessed with a 10-item scale adapted from Seers, Petty, and Cashman (1995). The scale modification involved changing the items from a question format to a statement format and modifying the response format to maintain consistency with other scales in the study. A sample item from the scale is, "My team members understand my problems and needs." Participants rated each item using a 5-point, Likert-response format ranging from 1 (= strongly disagree) to 5 (= strongly agree). In the present study, coefficient alpha of .81 was obtained for this measure.

Person-organization fit. P-O fit, defined as employee perceptions about their degree of fit with the organization, was assessed using three items adapted from Cable and Judge (1996). The adaptation involved reformatting the items from a question format to a statement format. A sample item from the scale is, "I feel that my values 'match' or fit the values of this organization." Participants rated each item using a 5-point, Likert-response format ranging from 1 (= strongly disagree) to 5 (= strongly agree). It is also important to note that previous studies have used short scales to assess subjective P-O fit (Cable & Judge, 1996; Dineen, Ash, & Noe, 2002; Judge & Cable, 1997). Coefficient alpha of .77 was obtained for this measure.

Person-job fit. P-J fit refers to employee perceptions regarding how well their abilities match their current job requirements. This construct was measured using a 5-item scale from Abdel-Halim (1981). A sample item from the scale is, "I feel that my

work utilizes my full abilities." Participants rated each item using a 5-point, Likert-response format ranging from 1 (= strongly disagree) to 5 (= strongly agree). The coefficient alpha for this measure was .72.

Affective Reactions

Job stress. Job stress is defined as an unpleasant emotional experience aroused by specific events at work. To measure job stress, the present study used the 9-item scale adapted from Parker and DeCotiis (1983). The adaptation involved minor modifications in the wording of 3 items to make them appropriate to the cultural context, i.e., the Indian culture. One of the item was changed from "There are lots of times when my job drives me right up the wall" to "There are lots of times when I feel trapped by my job." The second item was changed from "I have felt fidgety or nervous as a result of my job" to "I have felt disturbed or tensed as a result of my job." The third item was changed from "Sometimes when I think about my job I get a tight feeling in my chest" to "Sometimes when I think about my job I feel a lot of tension." Participants rated each of the items using a 5-point, Likert-response format ranging from 1 (= strongly disagree) to 5 (= strongly agree). For this scale, the coefficient alpha was .93.

Change-related cynicism. Change-related cynicism is defined as "employees' disbelief regarding management's stated or implied motives for a specific organizational change" (Stanley, Meyer, & Topolnytsky, 2005, p. 436). I measured this construct with an 8-item scale used by Stanley, Meyer, and Topolnytsky (2005). A sample item from the current scale is, "I believe that management has a hidden agenda in promoting the changes." Participants rated each item using a 7-point, Likert-response format ranging

from 1 (= very strongly disagree) to 7 (= very strongly agree). Coefficient alpha for this measure was .90 for team member scale, and .93 for team leader scale.

Affective commitment. Affective commitment refers to the employees' emotional attachment with their organization. In this study, affective commitment to organization was assessed with six items from Allen and Meyer's (1990) commitment scale. A sample item from the scale is, "I would be very happy to spend the rest of my career with this organization." Participants rated each item using a 7-point, Likert-response format ranging from 1 (= very strongly disagree) to 7 (= very strongly agree). Coefficient alpha was .87 for this measure.

Dependent Variable

Turnover intentions. Turnover intentions refer to employees' intentions to leave the organization. In this study, employee turnover intentions were assessed with a 3-item scale adapted from Meyer, Allen, and Smith (1993). Scale adaptation entailed presenting the items in a statement format and using a 5-point response format. A sample item from the scale used in the current study is, "I plan to search for a position with another company within the next year." Participants rated each item using a 5-point, Likert-response format ranging from 1 (= strongly disagree) to 5 (= strongly agree). The coefficient alpha for the measure was .89.

Team performance. Team performance is defined as a team's collective work productivity. In this study, a subjective measure of team performance was obtained. Data on team performance were collected from team leaders using a 5-item scale adapted from Barrick, Stewart, Neubert, and Mount (1998). A sample item from the scale is, "So far, most team goals have been achieved." Participants rated each item using a 5-point,

Likert-response format ranging from 1 (= strongly disagree) to 5 (=strongly agree). The coefficient alpha for the scale was .81.

Control Variables

The study controlled for team size, participants' team tenure, company tenure, and total work experience. These variables were chosen as controls since existing team-based literature suggests that these could impact individual employee outcomes (Hirschfeld, Jordan, Feild, Giles, & Armenakis, 2005; Keller, 2001; Williams & Parker, 2000; Zhang, Hempel, Han, & Tjosvold, 2007). For example, it is likely that individuals with greater work experience adapt more successfully to changes and therefore perform better, compared to individuals with lesser work experience. Similarly, team members′ length of team membership is related to team processes such as interdependence (e.g., Timmerman, 2000) and trust (e.g., Maddux & Brewer, 2005), which might influence employee outcomes. Participant's age was also used as a control. Table 4 lists all the measures used in this study, and Table 5 depicts which of these measures were completed by team members and team leaders.

Statistical Methods

Prior to testing the hypothesized relationships, all data were standardized to compensate for different response formats used in the study. The data were exploratory factor analyzed using principle component analysis in SPSS. Next, reliability estimates were calculated for each scale. Two major data analyses techniques were employed to test the hypothesized relationships. The direct relationships between antecedent and outcome variables were assessed with an multivariate regression analysis. The mediation hypothesis, i.e., Hypothesis 8, was tested using hierarchical linear regression.

Table 4

Summary of Measures Used in the Present Study

Variable	Source	Items
Demographic Variables		
• Gender		1
• Age		1
• Total work experience		1
• Work experience with organization		1
• Team size		1
• Team tenure		1
Independent Variables		
• Change self-efficacy	Wanberg & Banas, 2000 *(JAP)*	4
• Perceived change		
a. Impact	Caldwell, Herold, & Fedor, 2004 *(JAP)*	3
b. Frequency	Rafferty & Griffin, 2006 *(JAP)*	3
• Leader-member exchange	Liden and Maslyn, 1998 *(JOM)*	12
• Team-member exchange	Seers, Petty, & Cashman, 1995 *(GOM)*	10
• Person-organization fit	Caldwell, Herold, & Fedor, 2004 *(JAP)*	4
• Person-job fit	Abdel-Halim, 1981 *(PP)*	5
Mediating Variables		
• Job stress	Parker & Dectiis, 1983 (OBHP)	9
• Change-specific cynicism	Stanley, Meyer, & Topolnytsky, 2005 *(JBP)*	8
• Affective commitment	Meyer, Allen, & Smith, 1993 *(JAP)*	6
Dependent Variables		
• Turnover intentions	Meyer et al., 1993 *(JAP)*	3
• Team performance	Barrick et al., 1998 *(JAP)*	5
Total		78

Note. JAP = Journal of Applied Psychology; *JOOP = Journal of Occupational and Organizational Psychology; GOM = Group and Organization Management; PP = Personnel Psychology; OBHP = Organizational Behavior and Human Performance; JBP= Journal of Business and Psychology*

Table 5

Description of Measures Completed by Team Members and Team Leaders

Variable	Team Member	Team Leader
Demographic and Team Variables		
Gender, age, tenure, total work experience	X	X
Team leader name, team size, and team tenure	X	X
Independent Variables		
Change self-efficacy	X	X
Perceived change	X	X
Team-member exchange	X	--
Leader-member exchange	X (LMX-L)	X (LMX-S)
Person-organization fit	X	X
Person-job fit	X	X
Mediating Variables		
Job stress	X	X
Affective commitment	X	X
Change-specific cynicism	X	X
Dependent Variables		
Intention to leave	X	X
Team performance	--	X

X = measures filled by the subject
-- = measures not filled by the subject
LMX-L = Leader-member exchange scale for leader's assessment of the subordinate
LMX-S = Leader-member exchange scale for subordinate's assessment of the leader

To test the significance of mediation, Baron and Kenny's (1986) approach was initially used to ensure that: (a) the independent variable was related to the dependent variable, (b) the independent variable was related to the mediating variable, (c) the mediator was related to the dependent variable, and (d) the effect of independent variable on the dependent variable was significantly reduced when the mediator was added to the model (Frazier, Tix, & Barron, 2004). Additionally, Sobel's test was employed for measuring the significance of indirect effects (MacKinnon, Lockwood, Hoffman, West, & Sheets, 2002; Sobel, 1982).

Common Method Variance

To mitigate concerns regarding common method variance, several statistical methods were employed. First, Harman's one-factor test was conducted by entering all the principal constructs into a principal components factor analysis (Podsakoff & Organ, 1986). There is evidence for common method bias if either a single factor emerges, or one general factor accounts for the majority of the covariance among all the constructs (Podsakoff & Organ, 1986). In this study, the unrotated factor solution revealed that each construct explained roughly equal variance (range = 3 to 18%), indicating no substantial common method bias. Moreover, there was no evidence of a general factor in the unrotated factor solution (Scott & Bruce, 1994).

Second, Lindell and Whitney's (2001) method of employing a theoretically unrelated construct (*marker* variable) to detect common method bias was used. *Age* was used as the marker variable. Age was weakly and nonsignificantly related to all the constructs in the study (range = -.05 to .07) indicating no evidence of common method bias. Additionally, Lindell and Whitney (2001) suggested that in most cases common

method variance could be detected by partialing out the smallest correlation among manifest variables of the remaining correlations[5]. In the present study, the smallest correlation obtained was zero for team member data, and .02 for the team leader data, signifying an absence of common method bias.

Third, the correlation matrix was examined to identify any observable signs of common method bias (Table 9). No unusually high correlations ($r > .90$) were observed (Bagozzi et al. 1991) to indicate the existence of substantial common method bias. Other procedural remedies suggested by past researchers to mitigate common method bias, such as designing questionnaire with unambiguous, simple, and concise items, using **r**eliable measures, and collecting data anonymously were also applied (Podsakoff, P.M., MacKenzie, Lee, & Podsakoff, N.P., 2003). Thus, there was no evidence of serious common method bias in both team member, as well as team leader data, and it is unlikely to confound the interpretations of results.

[5] $r^*_{ij} = r_{ij} - \min(r_{ij})$ (see Lindell & Whitney, 2001).

CHAPTER 3

RESULTS

The first section of this chapter presents the preliminary factor analyses results for the study variables. In the second section, descriptive statistics, intercorrelations, and coefficient alphas for the study variables are presented. The third section presents the empirical test results for each hypothesis. In the final section of this chapter, results of secondary analyses conducted to explore non-hypothesized relationships are exhibited.

Preliminary Analyses

Principle component analysis was conducted to obtain preliminary item reliabilities. Factor analyses results obtained, for the antecedent (change self-efficacy, perceived change, LMX, TMX, P-O fit, and P-J fit) and outcome (job stress, change-specific cynicism, affective commitment, and turnover intentions) variables, for the team member data are presented in the Tables 6 and 7. Individual item reliability was assessed by examining the loading and the cross loadings of each item on their respective factors (Pedhazur & Schmelkin, 1991). Boldface numbers are loadings of indicators on their own construct, the rest are cross-loadings. As is evident from Tables 6 and 7, there were no significant cross-loadings for the team member data, and all the items had a higher loading on their own construct than on other constructs. All item-loadings were more than .40 except one item. One item in the person-job fit scale (PJ2) had a loading of 0.309.

Table 6

Principle Components Analysis Results for Independent Variables - Team Member Data

Rotated Component Matrix					
	Component				
	1	2	3	4	5
SE1					**.725**
SE2					**.760**
SE3_R					**.865**
SE4_R					**.871**
CH_F1			**.767**		
CH_F2			**.665**		
CH_F3			**.802**		
CH_IM1			**.810**		
CH_IM2			**.801**		
CH_IM3			**.767**		
PJ1				**.661**	
PJ2				**.309**	
PJ3				**.670**	
PJ4				**.725**	
PJ5				**.427**	
PO1				**.652**	
PO2				**.704**	
PO3				**.619**	
TMX1		**.589**			
TMX2		**.521**			
TMX3		**.518**			
TMX4		**.578**			
TMX5	.350	**.410**			
TMX6		**.483**			
TMX7		**.714**			
TMX8		**.662**			
TMX9		**.514**			
TMX10		**.525**			
LMX1	**.779**				
LMX2	**.717**				
LMX3	**.718**				
LMX4	**.410**				.324
LMX5	**.622**				
LMX6	**.572**				
LMX7	**.403**	.318			
LMX8	**.525**	.357			
LMX9	**.544**				
LMX10	**.786**				
LMX11	**.774**				
LMX12	**.785**				

Note. *N* = 350. Extraction method: Principal Component Analysis. Rotation method: Varimax with Kaiser Normalization. Absolute coefficient values less than .30 were suppressed.
SE = change-related self-efficacy; CH_F = change frequency; CH_IM = change impact; PJ = person-job fit; PO = person-organization fit; TMX = team-member exchange; LMX = leader-member exchange. _R denotes a reverse coded item.

Table 7

Principle Components Analysis Results for Dependent Variables - Team Member Data

	Rotated Component Matrix			
	Component			
Items	1	2	3	4
STR_1	**.638**			
STR_2	**.748**			
STR_3	**.794**			
STR_4	**.709**			
STR_5	**.778**			
STR_6	**.809**			
STR_7	**.775**			
STR_8	**.773**			
STR_9	**.608**			
CYN1		**.630**		
CYN2		**.759**		
CYN3_R		**.770**		
CYN4	.340	**.700**		
CYN5		**.785**		
CYN6		**.676**		
CYN7	.338	**.679**		
CYN8_R		**.776**		
AC1			**.714**	-.330
AC2			**.731**	
AC3_R			**.775**	
AC4_R			**.818**	
AC5_R			**.818**	
AC6			**.763**	
T_IN1	.464			**.667**
T_IN2	.393			**.792**
T_IN3	.506			**.692**

Note. *N* = 350. Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. Absolute coefficient values less than .30 were suppressed.
T_IN = turnover intentions; STR = stress; CYN = change-related cynicism; AC = affective commitment. _R denotes a reverse coded item.

Principal components analysis results obtained, for the antecedent (change self-efficacy, perceived change, LMX, TMX, P-O fit, and P-J fit) and outcome (job stress, change-specific cynicism, affective commitment, and turnover intentions) variables, for the team leader data are presented in the Tables 8 and 9. As shown in Tables 8 and 9, factor analysis results for the team leader data were also satisfactory. Of the four variables included in the present study (change self-efficacy, LMX, change-specific cynicism, and team performance), only LMX and team performance had cross-loadings.

Confirmatory factor analyses of similar variable sets were conducted, which showed acceptable loadings similar to those found with the principal components analysis. Additionally, retaining the cross-loaded items in the scales did not affect regression results. Therefore, all scale items were retained for final analyses. Retaining all scale items ensured potential comparability of the results with other studies examining the same constructs (Barclay, Higgins, & Thompson, 1995).

Table 8

Principle Components Analysis Results for Independent Variables - Team Leader Data

Rotated Component Matrix				
	Component			
Variable	1	2	3	4
PJ1		**.756**		
PJ2	.374	**.410**		
PJ3		**.764**		
PJ4		**.784**		
PJ5		**.525**		
PO1		**.705**		
PO2		**.708**		
PO3		**.611**		
LMX1	**.541**			
LMX2	**.581**			
LMX3	**.510**	.410		
LMX4			.401	
LMX5	.304		.419	
LMX6	**.376**			
LMX7	**.403**			
LMX8	**.793**			
LMX9	**.846**			
LMX10	**.800**			
LMX11	**.771**			
LMX12	**.729**			
SE1				**.676**
SE2				**.863**
SE3_R				**.923**
SE4_R				**.886**
CH_F1			**.692**	
CH_F2			**.664**	
CH_F3			**.799**	
CH_IM1			**.830**	
CH_IM2			**.776**	
CH_IM3			**.799**	

Note. *N* = 99. Extraction method: Principal Component Analysis. Rotation method: Varimax with Kaiser Normalization. Absolute coefficient values less than .30 were suppressed.
SE = change-related self-efficacy; CH_F = change frequency; CH_IM = change impact; PJ = person-job fit; PO = person-organization fit; LMX = leader-member exchange. _R denotes a reverse coded item.

Table 9

Principle Components Analysis Results for Dependent Variables - Team Leader Data

Rotated Component Matrix					
	Component				
Variable	1	2	3	4	5
CYN1	**.745**				
CYN2	**.834**				
CYN3_R	**.856**				
CYN4	**.770**				
CYN5	**.810**				
CYN6	**.603**				
CYN7	**.845**				
CYN8_R	**.855**				
STR_1		**.520**			
STR_2		**.579**			
STR_3		**.669**			
STR_4		**.695**			
STR_5		**.764**			
STR_6		**.704**			
STR_7		**.695**			
STR_8		**.741**			
STR_9		**.551**			
T_IN1		.423		**.699**	
T_IN2				**.741**	
T_IN3				**.734**	
AC1				-.737	**.330**
AC2				-.502	**.427**
AC3_R					**.854**
AC4_R					**.862**
AC5_R					**.884**
AC6				-.478	**.415**
TMPER1			**.901**		
TMPER2			**.891**		
TMPER3			**.908**		
TMPER4			**.806**		
TMPER5_R	.556	.330			

Note. *N* =99. Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. Absolute coefficient values less than .30 were suppressed.
T_IN = turnover intentions; STR = stress; CYN = change-related cynicism; AC = affective commitment; TMPER = team performance. _R denotes a reverse coded item.

Descriptive Statistics

Tables 10 and 11 exhibit the means, standard deviations, intercorrelations, and coefficient alphas for the team member, and team leader data. For the team member data, the coefficient alphas used to measure the internal consistency of multi-item scales all ranged from .72 to .93. Table 10 also reveals some significant correlations. For example, among the control variables, team size was negatively correlated with team member LMX and TMX. Team tenure and company tenure were correlated with several of the study variables including change self-efficacy, perceived change, LMX, TMX, stress, change-specific cynicism, and affective commitment. These correlations further justified the use of these variables as controls. Overall, the correlations ranged from -.23 to .63 for the team member data.

As shown in Table 11, the coefficient alphas for the team leader scales ranged from .81 to .93. There were some significant correlations also. For example, team size was related to team leader's LMX. Also, team leader's team tenure and total work experience were significantly related to team leader's change self-efficacy. These observations further justify of controls included in the present study.

Hypotheses Testing

Given that the present study involved multiple outcome variables, which might be correlated with each other, multivariate regression analysis was initially used to explore the antecedent-outcome relationships. The multivariate regression procedure provides an omnibus multivariate test (Rao's F approximation) of significance of relationships between independent and dependent variables, while taking into account correlations among the outcome variables (Stevens, 1996).

Table 10

Means, Standard Deviations, Coefficient Alphas, and Intercorrelations among Study Variables for the Team Member Data

Variable	Mean	SD	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1. Team size	19.40	11.55	-														
2. Team tenure	9.22	10.68	.03	-													
3. Company tenure	13.59	12.02	-.04	.48**	-												
4. Total work experience	35.34	32.34	-.03	.13*	.24**	-											
5. Age	27.02	3.54	-.01	.09	.12*	.58**	-										
6. Change self-efficacy	3.34	1.35	.00	.12*	.12*	-.15**	-.04	(.88)									
7. Perceived change	4.38	.98	-.07	.14**	.18**	.03	.01	.32**	(.88)								
8. Leader-member exchange	4.09	.42	-.12*	.13*	.10	.14**	.01	-.04	.16**	(89)							
9. Team-member exchange	4.14	.44	-.13*	.17**	.11*	.04	.02	-.14*	.08	.43**	(.81)						
10. Person-organization fit	3.94	.71	-.04	.13*	.04	.06	.07	-.06	.06	.26**	.37**	(.77)					
11. Person-job fit	2.46	.37	-.04	.06	.01	-.00	-.00	-.01	.03	.28**	.34**	.42**	(.72)				
12. Job stress	2.59	.89	-.05	.16**	.13*	-.09	-.05	.56**	.43**	.08	-.05	.06	-.02	(.93)			
13. Change-specific cynicism	4.16	.98	.02	.11*	.13*	-.04	-.03	.50**	.53**	.04	-.07	.03	.03	.58**	(.93)		
14. Affective commitment	4.93	.90	-.01	.05	-.14*	.03	.07	-.16**	.10	.24**	.31**	.37**	.32**	-.06	-.05	(.87)	
15. Turnover intentions	2.81	1.02	-.00	.21**	.24*	-.12*	-.04	.46**	.33**	-.02	-.04	-.08	-.12*	.63**	.46**	-.23**	(.89)

Note: Parentheses contain coefficient alphas where applicable; N = 330
****** Correlation is significant at the 0.01 level (2-tailed)
***** Correlation is significant at the 0.05 level (2-tailed)

Table 11

Means, Standard Deviations, Coefficient Alphas, and Intercorrelations among Study Variables for the Team Leader Data

Variable	Mean	SD	1	2	3	4	5	6	7	8	9
1. Team size	18.35	18.19	-								
2. Team tenure	12.26	10.74	-.06	-							
3. Company tenure	24.42	25.37	.13	.36**	-						
4. Total work experience	79.13	42.07	.43**	.12	.07	-					
5. Age	29.41	3.87	.15	.27**	.07	.66*	-				
6. Change self-efficacy	2.59	.81	.04	-.21*	.03	-.25*	-.22*	(.89)			
7. Leader-member exchange	3.99	.46	.23*	.10	.02	.19	.15	-.32**	(.85)		
8. Change-specific cynicism	3.70	.83	.09	-.14	-.13	-.11	-.22*	.33**	.17	(.93)	
9. Team performance	4.18	.57	-.03	.10	.09	.09	.15	-.37**	.62**	-.38**	(.81)

Note: Parentheses contain coefficient alphas where applicable; N = 99

****** Correlation is significant at the 0.01 level (2-tailed)

***** Correlation is significant at the 0.05 level (2-tailed)

To further test the significance of each category of antecedents with the outcome variables, as hypothesized in Hypotheses 1 to 7, multiple hierarchical regression analysis was used. This procedure is useful in examining the relationship of each category of antecedents, with each outcome variable separately, while taking into account the control variables. To test the mediated relationships proposed in Hypothesis 8, multiple hierarchical regressions, Baron and Kenny's (1986) procedure, and Sobel's test (1982), were utilized. Baron and Kenny's (1986) procedure is used to test the presence or absence of mediation effect, and Sobel's test is recommended for measuring the significance of the indirect effects (MacKinnon, Lockwood, Hoffman, West, & Sheets, 2002; Sobel, 1982). To assess team-related relationships (Hypothesis 9), hierarchical regression analysis was used.

Previous research has shown that certain variables such as team size, team and organizational tenure, and team member age and work experience might influence work outcomes. To partial out the impact of these variables on employee outcomes, first, all outcome variables were regressed upon the control variables. As shown in Table 12, the multivariate test was statistically significant for the overall model [$F(4, 321) = 49.89$, $p < .001$)], and for team tenure [$F(4, 321) = 3.35$, $p < .01$], organizational tenure [$F(4, 321) = 5.76$, $p < .001$], and total work experience [$F(4, 321) = 2.61$, $p < .05$]. The test was not significant for team size and age.

Table 12

Multivariate Test Results for the Control Variables in Predicting Primary and Secondary Outcomes

Variable	Wilk's Lambda	Pillai's Trace	F[a]	Eta Square	Observed Power[b]
Overall model	.62	.38	49.89***	.38	1.00
Team size	.99	.61	.61	.01	.20
Team tenure	.96	.04	3.35**	.04	.84
Company tenure	.93	.07	5.76***	.07	.98
Total work experience	.97	.03	2.61*	.03	.73
Team member age	.99	.01	.54	.01	.18

Note: $N = 330$; [a]Degrees of freedom = 4, 321; [b]Computed using alpha = .05
*$p < .05$.
**$p < .01$.
***$p < .001$.

Table 13 shows the relationship of each control variable with each of the primary and secondary outcome variable, as indicated by the overall and multivariate F-tests for each dependent variable. Further, Table 14 shows that team tenure was positively related to stress ($\beta = .14$, $p < .05$), affective commitment ($\beta = .14$, $p < .05$), and turnover intentions ($\beta = .12$, $p < .05$). Organizational tenure was positively related to change-related cynicism ($\beta = .13$, $p < .05$) and turnover intentions ($\beta = .23$, $p < .001$), and negatively related to affective commitment ($\beta = -.23$, $p < .001$). Employees' total work experience was negatively related to stress ($\beta = -.14$, $p < .05$), as well as turnover intentions ($\beta = -.21$, $p < .01$).

Table 13

Overall F-Test and Multivariate F-Test for the Control Variables in Predicting Primary and Secondary Outcomes

Variable	Job Stress			Change-Specific Cynicism			Affective Commitment			Turnover Intentions		
	F	η^2	Power	F	η^2	Power	F	η^2	Power	F	η^2	Power
Overall Model	3.39**	.05	.90	1.87	.03	.63	3.00*	.04	.86	7.46***	.10	1.00
Team size	.85	.00	.15	.14	.00	.07	.23	.00	.08	.00	.00	.05
Team tenure	5.01*	.01	.61	.97	.00	.17	5.49*	.02	.65	4.22*	.01	.53
Company tenure	2.15	.01	.31	3.89*	.01	.50	12.63***	.04	.94	13.72***	.04	.96
Total work experience	4.15*	.01	.53	1.39	.00	.22	.10	.00	.06	10.29**	.03	.89
Team member age	.00	.00	.05	.00	.00	.05	1.07	.00	.18	.41	.00	.10

Note: $N = 330$. η^2 = eta squared

*$p < .05$.

**$p < .01$.

***$p < .001$.

Table 14

Multivariate Regression Results for the Relationship between the Control and Primary and Secondary Outcome Variables

Variable	Job Stress	Change-Specific Cynicism	Affective Commitment	Turnover Intentions
Team size	-.05	.02	-.03	-.00
Team tenure	.14*	.06	.14*	.12*
Company tenure	.09	.13*	-.23***	.23***
Total work experience	-.14*	-.08	.02	-.21**
Team member age	.00	-.00	.07	.64

Note. $N = 330$. The values in the table are standardized regression coefficients.
*$p < .05$.
**$p < .01$.
***$p < .001$.

To test the hypotheses 1a, 1b, 2a, and 2b, outcome variables were regressed on personal antecedents (change self-efficacy and perceived change) and control variables. As depicted in Table 15, the multivariate test was significant for the overall model [$F(4, 319) = 25.43$, $p < .001$] and for each of the personal variables, i.e., change self-efficacy [$F(4, 319) = 32.93$, $p < .001$] and perceived change [$F(4, 319) = 26.28$, $p < .001$].

Table 15

Multivariate Test Results for the Control and Personal Variables in Predicting Primary and Secondary Outcomes

Variable	Wilk's Lambda	Pillai's Trace	F[a]	Eta Square	Observed Power[b]
Overall model	.76	.24	25.43***	.24	1.00
Team size	.99	.01	.71	.01	.23
Team tenure	.97	.03	2.75*	.03	.75
Company tenure	.94	.06	4.75**	.06	.95
Total work experience	.98	.02	1.43	.02	.44
Team member age	.99	.01	.74	.01	.24
Change self-efficacy	.71	.29	32.93***	.29	1.00
Perceived change	.75	.25	26.28***	.25	1.00

Note: $N = 330$; [a]Degrees of freedom = 4, 319; [b]Computed using alpha = .05
*$p < .05$.
**$p < .01$.
***$p < .001$.

Table 16 presents the overall F-test and multivariate F-tests for the relationship between personal antecedents and outcome variables. Table 17 presents the multivariate regression results. Overall, change self-efficacy and perceived change accounted for incremental variance in predicting stress ($\Delta R^2 = .34$, $\Delta F(2, 322) = 91.97$, $p < .001$), change-specific cynicism ($\Delta R^2 = .37$, $\Delta F(2, 322) = 101.33$, $p < .001$), affective commitment ($\Delta R^2 = .05$, $\Delta F(2, 322) = 9.48$, $p < .001$), and turnover intentions ($\Delta R^2 = .19$, $\Delta F(2, 322) = 43.96$, $p < .001$), over and above the control variables (Table 17).

Hypothesis 1a predicted that change self-efficacy would be negatively related to stress and change-specific cynicism, and positively related to affective commitment. Presented in Table 16, the results indicate that change self-efficacy significantly predicted stress [$F(1, 322) = 95.77$, $p < .001$], change-specific cynicism [$F(1, 322) = 60.23$, $p < .001$], and affective commitment [$F(1, 322) = 13.75$, $p < .001$]. However, change self-efficacy had unexpected, *positive* relationships with both stress ($\beta = .46$, $p < .001$) and change-specific cynicism ($\beta = .36$, $p < .001$), and an unexpected, *negative* relationship with affective commitment ($\beta = -.21$, $p < .001$). Thus, Hypothesis 1a was not supported (Table 17).

Change self-efficacy was predicted to have a negative relationship with turnover intentions (Hypothesis 1b). As shown in Table 16, the results indicate that although change self-efficacy was a significant predictor of turnover intentions [$F(1, 322) = 50.15$, $p < .001$], the relationship was *positive* instead of the hypothesized negative ($\beta = .36$, $p < .001$). Hypothesis 1b was thus not supported.

Table 16

Overall F-Test and Multivariate F-Test for the Control and Personal Variables in Predicting Primary and Secondary Outcomes

Variable	Job Stress			Change-Specific Cynicism			Affective Commitment			Turnover Intentions		
	F	η^2	Power	F	η^2	Power	F	η^2	Power	F	η^2	Power
Overall Model	30.05***	.39	1.00	31.11***	.40	1.00	4.97***	.10	1.00	19.30***	.30	1.00
Team size	.51	.00	.11	1.29	.00	.20	.05	.00	.06	.41	.00	.32
Team tenure	2.67	.01	.37	.00	.00	.05	5.89*	.02	.68	2.28	.01	.32
Company tenure	.03	.00	.05	.12	.00	.06	12.98***	.04	.95	7.71**	.02	.79
Total work experience	.23	.00	.08	.03	.00	.05	.14	.00	.07	4.36*	.01	.55
Team member age	.30	.00	.08	.30	.00	.08	1.71	.00	.26	.07	.00	.06
Change self-efficacy	95.77***	.23	1.00	60.23***	.16	1.00	13.75***	.04	1.00	50.14***	.13	1.00
Perceived change	35.31***	.10	1.00	80.73***	.20	1.00	10.95**	.03	.91	13.56***	.04	.96

Note: $N = 330$. η^2 = eta squared

*$p < .05$.

**$p < .01$.

***$p < .001$.

Table 17

Multivariate Regression Results for the Relationship between Personal Antecedents and Primary and Secondary Outcome Variables

Variable	Job Stress		Change-Specific Cynicism		Affective Commitment		Turnover Intentions	
	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2
Team size	-.05	-.03	.02	.05	-.03	-.01	-.00	.01
Team tenure	.14*	.08	.06	.00	.14*	.15*	.12*	.08
Company tenure	.09	-.01	.13*	.02	-.23***	-.22***	.23***	.15**
Total work experience	-.14*	-.03	-.08	.01	.02	-.02	-.21**	-.13*
Age	.00	-.03	-.00	-.03	.07	.08	.04	.01
Change self-efficacy		.46***		.36***		-.21***		.36***
Perceived change		.28***		.41***		.19**		.18***
ΔF		91.97***		101.33***		9.48***		43.96***
ΔR^2		.34		.37		.05		.19
R^2	.05	.39	.03	.40	.04	.10	.10	.30
Adjusted R^2	.03	.38	.01	.39	.03	.80	.09	.28
df	5, 324	2, 322	5, 324	2, 322	5, 324	2, 322	5, 324	2, 322

Note $N = 330$. The values in the upper half of the table are standardized regression coefficients.

*$p < .05$.

**$p < .01$.

***$p < .001$.

Hypothesis 2a proposed a positive relationship of perceived change with stress and change-specific cynicism, and a negative relationship with affective commitment. As is presented in Table 16 above, perceived change significantly predicted stress [$F(1, 322) = 35.31$, $p < .001$], change-specific cynicism [$F(1, 322) = 80.73$, $p < .001$], and affective commitment [$F(1, 322) = 10.94$, $p < .01$]. As hypothesized, perceived change was positively related to stress ($\beta = .26$, $p < .001$) and change-specific cynicism ($\beta = .41$, $p < .001$). However, contrary to expectations, it was positively related to affective commitment ($\beta = .19$, $p < .01$). Therefore, Hypothesis 2a was partially supported.

Hypothesis 2b predicted perceived change to be positively related to turnover intentions. The results indicate that perceived change was a significant predictor of turnover intentions [$F(1, 322) = 13.56$, $p < .001$] and the relationship was positive ($\beta = .19$, $p < .001$). Hypothesis 2b was thus supported (see Table 16).

To test Hypotheses 3a, 3b, 4a, and 4b, outcome variables were regressed on the social exchange antecedents (LMX and TMX) and control variables. Shown in Table 18, the multivariate test was significant for the model [$F(4, 319) = 8.56$, $p < .001$] and for both LMX [$F(4, 319) = 3.04$, $p < .05$]and TMX [$F(4, 319) = 6.93$, $p < .001$]. The omnibus F test was significant for stress and affective commitment and approached significance for change-specific cynicism (Table 19).

Table 18

Multivariate Test Results for the Control and Social Exchange Variables in Predicting Primary and Secondary Outcomes

Variable	Wilk's Lambda	Pillai's Trace	F[a]	Eta Square	Observed Power[b]
Overall model	.90	.10	8.56***	.10	1.00
Team size	.99	.01	.58	.01	.19
Team tenure	.97	.03	2.46*	.03	.70
Company tenure	.93	.07	6.37***	.07	1.00
Total work experience	.97	.03	2.68*	.03	.74
Team member age	.99	.01	.71	.01	.23
Leader-member exchange	.96	.04	3.04*	.04	.80
Team-member exchange	.92	.08	6.93***	.08	.99

Note: $N = 330$; [a]Degrees of freedom = 4, 319; [b]Computed using alpha = .05
*$p < .05$.
**$p < .01$.
***$p < .001$.

Table 19

Overall and Multivariate F-Tests for the Control and Social Exchange Variables in Predicting Primary and Secondary Outcomes

Variable	Job Stress			Change-Specific Cynicism			Affective Commitment			Turnover Intentions		
	F	η^2	Power	F	η^2	Power	F	η^2	Power	F	η^2	Power
Overall Model	3.42**	.07	.96	1.98†	.04	.77	8.77***	.16	1.00	5.65***	.11	1.00
Team size	.98	.00	.17	.06	.00	.06	.27	.00	.08	.06	.00	.06
Team tenure	5.50*	.02	.65	1.27	.00	.20	2.02	.01	.29	5.03*	.01	.61
Company tenure	2.33**	.01	.33	4.09*	.01	.52	15.06***	.04	.97	13.95***	.04	.96
Total work experience	5.51*	.02	.65	1.91	.01	.28	.02	.00	.05	9.94**	.03	.88
Team member age	.08	.00	.06	.01	.00	.05	1.89	.01	.28	.40	.00	.10
Leader-member exchange	4.22*	.01	.54	1.95	.01	.28	6.38*	.02	.71	.00	.00	.05
Team-member exchange	5.32*	.02	.63	4.09*	.01	.52	21.10***	.06	1.00	1.84	.01	.27

Note: $N = 330$. η^2 = eta squared

$^{\dagger}p < .10$.

$*p < .05$.

$**p < .01$.

$***p < .001$.

LMX and TMX accounted for incremental variance in predicting stress (ΔR^2 = .02, $\Delta F(2, 322) = 3.40$, $p < .05$) and affective commitment ($\Delta R^2 = .12$, $\Delta F(2, 322) = 22.21$, $p < .001$), over and above the control variables (Table 20). LMX was hypothesized to relate negatively to stress and change-specific cynicism, and positively to affective commitment (Hypothesis 3a). As shown Table 19 above, LMX was found to significantly predict stress [$F(1, 322) = 4.22$, $p < .05$] and affective commitment [$F(1, 322) = 6.38$, $p < .05$]. Further, it was positively related to both stress ($\beta = .12$, $p < .05$) and affective commitment ($\beta = .15$, $p < .001$) (Table 20). No relationship was observed between LMX and change-specific cynicism ($\beta = .09$, *ns*). Thus, Hypothesis 3a was partially supported (Table 20). Hypothesis 3b proposed a negative relationship of LMX with turnover intentions. As given in Table 20, no relationship was found between LMX and turnover intentions ($\beta = .00$, *ns*). Therefore, Hypothesis 3b was not supported.

Hypothesis 4a predicted TMX to be negatively related to stress and change-specific cynicism, and positively related to affective commitment. As shown in Table 19 previously, a significant role of TMX in predicting stress [$F(1, 322) = 5.33$, $p < .05$], change-specific cynicism [$F(1, 322) = 5.09$, $p < .05$], and affective commitment [$F(1, 322) = 21.10$, $p < .001$] was observed. Specifically, TMX was negatively related to stress ($\beta = -.14$, $p < .05$) and cynicism ($\beta = -.12$, $p < .05$), and was positively related to affective commitment ($\beta = .26$, $p < .001$). Thus, Hypothesis 4a was supported (Table 20).

Hypothesis 4b predicted a negative relationship of TMX with turnover intentions and a positive relationship with individual performance. As shown in Table 20, TMX was unrelated to turnover intentions ($\beta = -.08$, *ns*). Thus, Hypothesis 4b was not supported.

Table 20

Multivariate Regression Results for the Relationship between Social Exchange Antecedents and Primary and Secondary Outcome Variables

Variable	Job Stress		Change-Specific Cynicism		Affective Commitment		Turnover Intentions	
	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2
Team size	-.05	-.05	.02	.01	-.03	.03	-.00	-.01
Team tenure	.14*	.15*	.06	.07	.14*	.08	.12*	.14*
Company tenure	.09	.10	.13*	.13*	-.23***	-.23***	.23***	.23***
Total work experience	-.14*	-.16*	-.08	-.10	.02	-.01	-.21**	-.21**
Age	.00	.02	-.00	.01	.07	.09	.04	.04
Leader-member exchange		.12*		.09		.14*		.00
Team-member exchange		-.14*		-.12*		.26***		-.08
ΔF		3.40*		2.24		22.21***		1.09
ΔR^2		.02		.01		.12		.01
R^2	.05	.07	.03	.04	.04	.16	.10	.11
Adjusted R^2	.03	.05	.01	.02	.03	.14	.09	.09
Df	5, 324	2, 322	5, 324	2, 322	5, 324	2, 322	5, 324	2, 322

Note. $N = 330$. The values in the upper half of the table are standardized regression coefficients.
*$p < .05$.
**$p < .01$.
***$p < .001$.

To test Hypotheses 5a, 5b, 6a, and 6b, outcome variables were regressed on contextual fit antecedents (P-O fit and P-J fit) and control variables. As is presented in Table 21 below, the multivariate test was significant for the overall model [$F(1, 319) = 17.68$, $p < .001$] and for P-O [$F(4, 319) = 7.12$, $p < .001$].and P-J fit [$F(4, 319) = 3.95$, $p < .05$] (Table 21).

Table 21

Multivariate Test Results for the Control and Contextual Fit Variables in Predicting Primary and Secondary Outcomes

Variable	Wilk's Lambda	Pillai's Trace	F[a]	Eta Square	Observed Power[b]
Overall model	.82	.18	17.68***	.18	1.00
Team size	.99	.01	.54	.01	.18
Team tenure	.97	.03	2.57*	.03	.72
Company tenure	.93	.07	5.95***	.07	.98
Total work experience	.97	.03	2.63*	.03	.73
Team member age	.99	.01	.49	.01	.17
Person-organization fit	.92	.08	7.12***	.08	.99
Person-job fit	.95	.05	3.95**	.05	.90

Note: N = 330; [a]Degrees of freedom = 4, 319; [b]Computed using alpha = .05
*$p < .05$.
**$p < .01$.
***$p < .001$.

However, the omnibus F test was found to be significant for stress, affective commitment, and turnover intentions only (Table 22). Additionally, P-O and P-J fit together explained incremental variance in predicting affective commitment ($\Delta R^2 = .16$, $\Delta F(2, 322) = 32.36$, $p < .001$) and turnover intentions only ($\Delta R^2 = .02$, $\Delta F(2, 322) = 3.13$, $p < .05$), over and above the control variables (Table 23).

Hypothesis 5a proposed that P-O fit would be negatively related to stress and change-specific cynicism, and positively related to affective commitment. As shown in Table 22, P-O fit significantly predicted only affective commitment [$F(1, 322) = 25.00$, $p < .001$]. The relationship between the two variables was positive ($\beta = .28$, $p < .001$). Hence, Hypothesis 5a was partially supported (Table 23).

P-O fit was expected to have a negative relationship with turnover intentions (Hypothesis 5b). As shown in Table 23, P-O fit was unrelated to turnover intentions ($\beta = -.06$, ns). Thus, no support was found for Hypothesis 5b.

Hypothesis 6a predicted that P-J fit would relate negatively to stress and change-specific cynicism, and positively to affective commitment. As shown in Table 22, P-J fit was a significant predictor of affective commitment only [$F(1, 322) = 13.27$, $p < .001$]. As expected, the relationship between P-J fit and affective commitment was positive ($\beta = .20$, $p < .001$) (Table 23). Hypothesis 6a was therefore partially supported.

Hypothesis 6b proposed a negative relationship of P-J fit with turnover intentions. Results presented in Table 23 confirmed a negative relationship between P-J fit and turnover intentions approaching significance ($\beta = -.09$, $p < .10$), providing support for Hypothesis 6b.

Table 22

Overall F-Test and Multivariate F-Test for the Control and Contextual Fit Variables in Predicting Primary and Secondary Outcomes

Variable	Job Stress			Change-Specific Cynicism			Affective Commitment			Turnover Intentions		
	F	η^2	Power	F	η^2	Power	F	η^2	Power	F	η^2	Power
Overall Model	2.65*	.05	.90	1.35	.03	.58	11.81***	.20	1.00	6.30***	.12	1.00
Team size	.82	.00	.15	.15	.00	.07	.01	.00	.05	.03	.00	.05
Team tenure	4.59*	.01	.57	.86	.00	.15	2.54	.01	.36	5.33*	.02	.63
Company tenure	2.17	.01	.31	3.92*	.01	.51	13.10***	.04	.95	13.32***	.04	.95
Total work experience	4.24*	.01	.54	1.38	.00	.22	.09	.00	.06	10.41**	.03	.90
Team member age	.00	.00	.05	.00	.00	.05	.83	.00	.15	.47	.00	.10
Person-organization fit	1.23	.00	.20	.03	.00	.05	25.00***	.07	1.00	.99	.00	.17
Person-job fit	1.03	.00	.17	.10	.00	.06	13.27***	.04	.95	2.79†	.01	.38

Note: N = 330. η^2 = eta squared

†$p < .10$.

*$p < .05$.

**$p < .01$.

***$p < .001$.

Table 23

Multivariate Regression Results for the Relationship between Contextual Fit Antecedents and Primary and Secondary Outcome Variables

	Job Stress		Change-Specific Cynicism		Affective Commitment		Turnover Intentions	
Variable	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2
Team size	-.05	-.05	.02	.02	-.03	-.00	-.00	-.01
Team tenure	.14*	.13*	.06	.06	.14*	.09	.12*	.14*
Company tenure	.09	.09	.13*	.13*	-.23***	-.21***	.23***	.22***
Total work experience	-.14*	-.14*	-.08	-.08	.02	.02	-.21**	-.21**
Age	.00	.00	-.00	-.00	.07	.06	.04	.04
Person-organization fit		.07		.01		.28***		-.06
Person-job fit		-.06		.02		.20***		-.10†
ΔF		.80		.10		32.37***		3.13*
ΔR^2		.00		.00		.16		.02
R^2	.05	.05	.03	.03	.04	.20	.10	.12
Adjusted R^2	.03	.03	.01	.01	.03	.19	.09	.10
Df	5, 324	2, 322	5, 324	2, 322	5, 324	2, 322	5, 324	2, 322

Note. N = 330. The values in the upper half of the table are standardized regression coefficients.
$^{\dagger}p < .10$
$^{*}p < .05$.
$^{**}p < .01$.
$^{***}p < .001$.

Hypotheses 7a predicted job stress to be positively related to turnover intentions. Results presented in Table 24 indicate that stress significantly predicted turnover intentions [F(1, 326) = 118.85, $p < .001$] and the relationship between the two variables was positive ($\beta = .55$, $p < .001$), as hypothesized. Thus, Hypothesis 7a was supported.

Affective commitment was hypothesized to be negatively related to turnover intentions (Hypothesis 7b). As indicated by the F test, affective commitment was a significant predictor of turnover intentions [F(1, 326) = 21.30, $p < .001$] and the relationship was negative ($\beta = -.19$, $p < .001$) . This lends support to Hypothesis 7b.

Hypothesis 7c proposed a positive relationship of change-specific cynicism with turnover intentions. The findings suggest (Table 24) that change-specific cynicism significantly predicted turnover intentions [F(1, 326) = 6.5, $p < .05$]. Results also indicated a positive relationship between the two variables ($\beta = .13$, $p < .001$). Therefore, Hypothesis 7c was supported.

Table 24

Regression Results for the Relationship between Primary and Secondary Outcomes

Variable	Turnover Intentions			
	F[a]	η^2	Power[b]	β
Overall Model	89.25***	.45	1.00	-
Job stress	118.85***	.27	1.00	.55***
Change-specific cynicism	6.50*	.02	.72	.13*
Affective commitment	110.11***	.06	1.00	-.19***

Note. $N = 330$. β = standardized regression coefficient; η^2 = eta squared; [a]Degrees of freedom = 4, 319; [b]Computed using alpha = .05
*$p < .05$.
**$p < .01$.
***$p < .001$.

Hypothesis 8 predicted a mediating relationship among the variables such that the primary outcome variables, i.e., stress, affective commitment, change-specific cynicism would partially mediate the relationship between antecedents (personal, social exchange, and contextual fit) and the secondary outcome variable (turnover intentions). In the absence of any relationship of LMX, TMX, and P-O fit with turnover intentions (Hypotheses 3b, 4b, and 5b), a mediation hypothesis was tested for perceived change, change self-efficacy, and P-J fit using both Baron and Kenny's (1986) and Sobel's (1982) tests.

With regard to Baron and Kenny's test, results for the first condition (i.e., predictor–mediator; see results for Hypotheses 1a, 2a, and 6a) demonstrated that perceived change and change self-efficacy were significantly related to stress, affective commitment, and change-specific cynicism, and P-J fit was related to stress and affective commitment. Results for the second condition (i.e., mediator–outcome; see results for Hypotheses 7a, 7b, and 7c) showed that stress, affective commitment, and change-specific cynicism were significantly related to turnover intentions. Finally, for the third condition (antecedent– and mediator–outcome), results demonstrated that perceived change, change self-efficacy, and person-job fit failed to reach significance (Table 25) when stress, change-specific cynicism, and affective commitment were included in the equation. The pattern of results indicated full mediation of stress and affective commitment, thus, partially supporting Hypothesis 8. As shown in Table 25, the mediated model explained incremental variance in predicting turnover intentions ($\ddot{A}R^2 = .18$, $\ddot{A}F(3, 318) = 37.39$, $p < .001$), over and above the control and independent variables.

Table 25

Multiple Hierarchical Regression Results for the Mediation Hypothesis

Variable	Turnover Intentions		
	Step 1	Step 2	Step 3
Team size	-.00	.00	.02
Team tenure	.12*	.09†	.07
Company tenure	.23***	.15**	.12*
Total work experience	-.21**	-.13*	-.12*
Age	.04	.01	.04
Change self-efficacy		.35***	.05
Perceived change		.19***	.07
Person-job fit		-.12*	-.06
Job stress			.48***
Affective commitment			-.16***
Change-specific cynicism			.14
ΔF		31.98***	37.39***
ΔR^2		.21	.18
R^2	.10	.31	.49
Adjusted R^2	.09	.29	.47
Df	5, 324	3, 321	3, 318

Note. N = 330. The values in the upper half of the table are standardized regression coefficients.
†$p < .10$
*$p < .05$.
**$p < .01$.
***$p < .001$.

To further test the significance of indirect effects, the Sobel test was employed (Sobel, 1982). As presented in Table 26, the Sobel test statistic was significant for each of the hypothesized relationships, thus confirming the mediation effect. Preacher and Hayes' (2008) method, recommended for assessing the indirect effects in a multiple mediator model, was also employed. The results indicated significant mediation of both stress and affective commitment.

Table 26

Sobel Test Results for the Hypothesized Mediating Relationships

Variable			Sobel Test Statistic
Independent	Mediator	Dependent	
Change self-efficacy	Stress	Turnover intentions	6.89***
	Affective commitment	Turnover intentions	2.95**
Perceived change	Stress	Turnover intentions	5.42***
	Affective commitment	Turnover intentions	-2.89**
Person-job fit	Affective commitment	Turnover intentions	-3.06**

Note. The *p*-values are for two-tailed test.
*$p < .05$.
**$p < .01$.
***$p < .001$.

Hypotheses 9a, 9b, and 9c proposed the relationships between team leader's change self-efficacy, change-specific cynicism, and LMX and team performance. (To test this hypothesis, data collected from team leaders (n = 99) were used. Results, presented in Table 27, revealed that team leaders' change self-efficacy ($\beta = -.12$, *ns*) was unrelated, change-specific cynicism was negatively related ($\beta = -.22$, $p > .05$), and LMX was positively related ($\beta = .58$, $p < .001$) to team performance. Team leader-related variables accounted for incremental variance ($\Delta R^2 = .46$, $\Delta F(3, 90) = 27.57$, $p < .001$) in predicting team performance, over and above the control variables (Table 27). Thus, Hypothesis 9a was not supported, and Hypotheses 9b and 9c were supported.

Table 27

Multiple Hierarchical Regression Results for Team-Related Hypotheses

	Team Performance	
Variable	Step 1	Step 2
Team size	-.07	-.15
Team tenure	.02	-.07
Company tenure	.08	.10
Total work experience	.03	-.04
Age	.13	.05
Team leader change self-efficacy		-.12
Leader-member exchange		.58***
Team leader change-specific cynicism		-.22*
ΔF		27.57***
ΔR^2		.46
R^2	.03	.50
Adjusted R^2	-.02	.45
Df	5, 93	3, 90

Note. $N = 99$. The values in the upper half of the table are standardized regression coefficients.
*$p < .05$.
**$p < .01$.
***$p < .001$.

Figure 9 presents the summary of results for Hypotheses 1 – 8, i.e., the relationships obtained among personal, social exchange, and contextual fit antecedents, and primary and secondary outcomes. Figure 10 presents the summary of results for Hypotheses 9a, 9b, and 9c, i.e., the relationships between team leader-related factors and team performance. Table 28 lists the results of hypotheses testing, corresponding to each hypothesis.

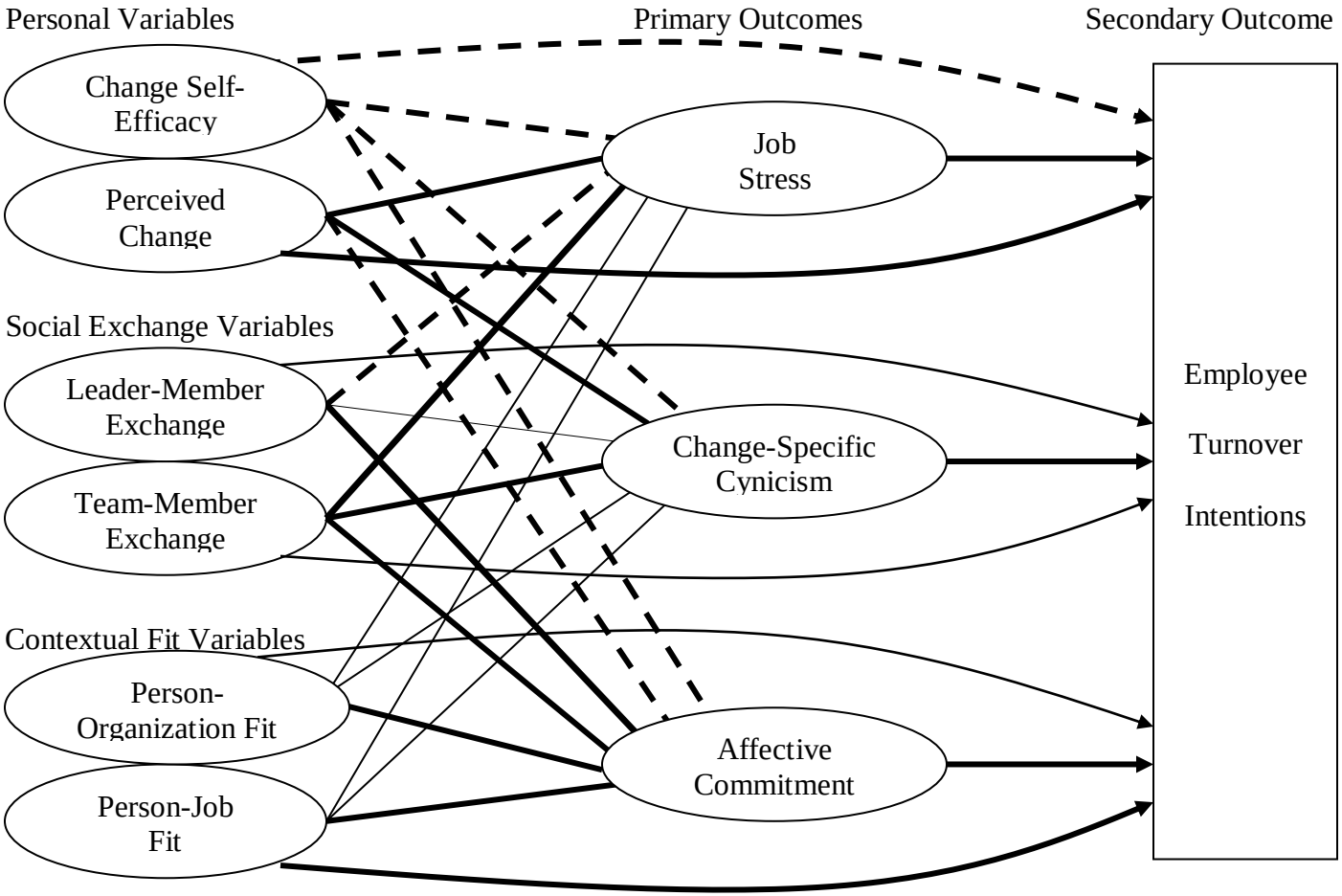

Figure 9: Summary of hypotheses test results (Hypotheses 1- 8) obtained for employees. Bold, regular line and arrows represent significant relationships as hypothesized; bold, dashed lines and arrows represent significant relationships, but contrary to hypotheses; regular lines and arrows represent nonsignificant relationships.

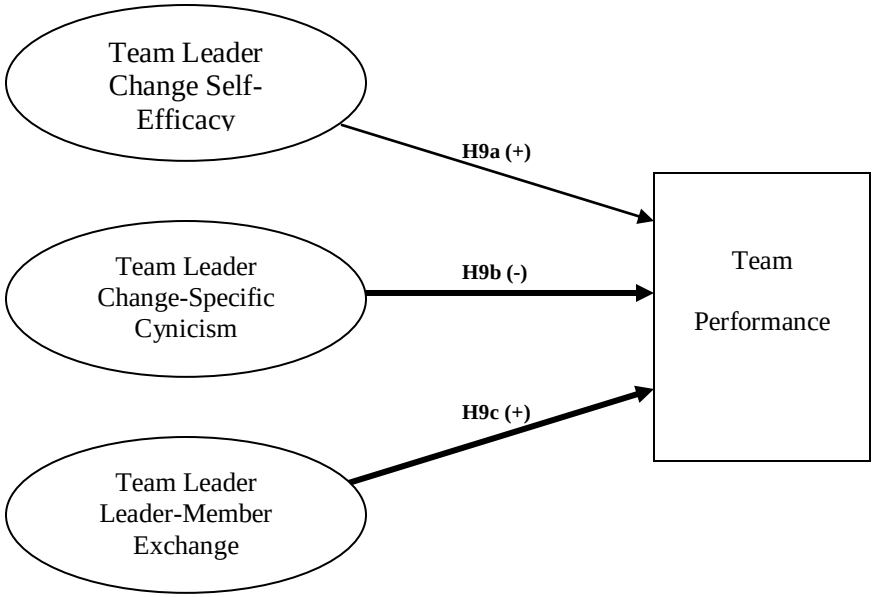

*Figure 10***:** Summary of hypotheses test results (Hypotheses 9a – 9c) obtained for team performance. Bold arrows represent significant relationships as hypothesized; regular arrow represents nonsignificant relationship.

Table 28

Summary of Hypotheses Test Results

Hypothesis	Result
Hypothesis 1a. Change self-efficacy will be negatively related to stress and change-specific cynicism, and positively related to affective commitment, under continuous change conditions.	Not Supported
Hypothesis 1b. Change self-efficacy will be negatively related to turnover intentions, under continuous change conditions.	Not Supported
Hypothesis 2a. Perceived change will be positively related to stress and change-specific cynicism, and negatively related to affective commitment.	Partially Supported
Hypothesis 2b. Perceived change will be positively related to turnover intentions.	Supported
Hypothesis 3a. Leader-member exchange will be negatively related to stress and change-specific cynicism, and positively related to affective commitment.	Partially Supported
Hypothesis 3b. Leader-member exchange will be negatively related to turnover intentions.	Not Supported
Hypothesis 4a. Team-member exchange will be negatively related to stress and change-specific cynicism, and positively related to affective commitment.	Supported
Hypothesis 4b. Team-member exchange will be negatively related to turnover intentions.	Not Supported
Hypothesis 5a. Person-organization fit will be negatively related to stress and change-specific cynicism, and positively related to affective commitment.	Partially Supported

Hypothesis	Result
Hypothesis 5b. Person-organization fit will be negatively related to turnover intentions.	Not Supported
Hypothesis 6a. Person-job fit will be negatively related to stress and change-specific cynicism, and positively related to affective commitment.	Partially Supported
Hypothesis 6b. Person-job fit will be negatively related to turnover intentions.	Supported*
Hypothesis 7a. Job stress will be positively related to turnover intentions.	Supported
Hypothesis 7b. Affective commitment will be negatively related to turnover intentions.	Supported
Hypothesis 7c. Change-specific cynicism will be positively related to turnover intentions.	Supported
Hypothesis 8. Affective outcomes (stress, change-specific cynicism, affective commitment) will partially mediate the relationship between personal, social exchange, and contextual fit antecedents and turnover intentions.	Partially Supported
Hypothesis 9a. Team leader change self-efficacy will be positively related to team performance, under continuous change conditions.	Not Supported
Hypothesis 9b. Team leader change-specific cynicism will be negatively related to team performance.	Supported
Hypothesis 9c. Team leader LMX will be positively related to team performance.	Supported

*$p < .10$

Secondary Analysis

Secondary analysis, using multiple hierarchical regressions, was done to explore additional non-hypothesized relationships among the study variables and to test for any interaction effects. Two major results are worth mentioning. Although LMX and TMX did not have any main effects on turnover intentions, and LMX was unrelated to change-specific cynicism, the interaction effects of LMX and TMX were found to be significant in predicting stress ($\beta = -1.76$, $p < .05$), turnover intentions ($\beta = -1.91$, $p < .01$), and change-specific cynicism ($\beta = -2.85$, $p < .01$) (Table 29). Second, as presented in Table 30, interaction of perceived change and change self-efficacy was also found to be significant in predicting affective commitment ($\beta = .99$, $p < .01$) as well as stress ($\beta = .52$, $p < .05$).

Table 29

Multivariate Regression Results for Interaction of LMX and TMX in Predicting Primary and Secondary Outcomes

Variable	Job Stress		Change-Specific Cynicism		Affective Commitment		Turnover Intentions	
	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2
Team size	-.05	-.06	.02	.02	-.02	.03	.00	-.01
Team tenure	.13*	.15*	.06	.09	.14*	.07	.12*	.16*
Company tenure	.10	.10	.13*	.12†	-.22	-.22***	.23***	.23***
Total work experience	-.17*	-.19**	-.10	-.12†	.00	-.02	-.23**	-.24***
Age	.02	.04	.01	.03	.08	.09	.05	.06
Leader-member exchange		1.17*		1.74***		-.30		1.28**
Team-member exchange		.94†		1.55**		-.18		1.20*
Leader-member exchange*Team-member exchange		-1.82*		-2.82**		.74		-2.18**
ΔF		3.72*		5.71**		14.22***		3.57*
ΔR^2		.03		.05		.11		.03
R^2	.05	.08	.03	.08	.04	.16	.11	.14
Adjusted R^2	.04	.06	.01	.06	.03	.14	.09	.12
Df	5, 322	3, 319	5, 322	3, 319	5, 322	3, 319	5, 322	3, 319

Note. N = 328. The values in the upper half of the table are standardized regression coefficients.

$^{\dagger}p < .10$

$*p < .05$.

$**p < .01$.

$***p < .001$.

Table 30

Multivariate Regression Results for Interaction of Change Self-Efficacy and Perceived Change in Predicting Primary and Secondary Outcomes

Variable	Job Stress		Change-Specific Cynicism		Affective Commitment		Turnover Intentions	
	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2	Step 1	Step 2
Team size	-.05	-.03	.02	.05	-.02	.00	.00	.02
Team tenure	.13*	.07	.06	-.00	.14*	.14*	.12*	.08
Company tenure	.10	.00	.13*	.02	-.22**	-.21**	.23***	.16**
Total work experience	-.17*	-.06	-.10	-.01	.00	-.05	-.23**	-.14*
Age	.02	-.00	.01	-.01	.08	.11†	.05	.03
Change self-efficacy		.08		.07		-1.00***		.20
Perceived change		.06		.24*		-.23		.05
Change self-efficacy*perceived change		.52*		.39		1.00**		.23
ΔF		70.53***		68.13***		9.11***		29.65***
ΔR^2		.38		.38		.07		.19
R^2	.05	.43	.03	.41	.04	.12	.11	.30
Adjusted R^2	.04	.42	.01	.39	.03	.10	.09	.29
Df	5, 322	3, 319	5, 322	3, 319	5, 322	3, 319	5, 322	3, 319

Note. N = 328. The values in the upper half of the table are standardized regression coefficients.

$^{\dagger}p < .10$

*$p < .05$.

**$p < .01$.

***$p < .001$.

CHAPTER 4

DISCUSSION

Summary of Results

The major objectives of the present study were to examine an integrated model of employee outcomes within the context of continuous change, investigate possible antecedents to employees' change-related outcomes, and examine factors affecting team performance, under conditions of continuous change. In investigating the relationship of personal, social exchange, and contextual fit antecedents with both primary and secondary work outcomes, the present study tested a comprehensive model of employee outcomes under continuous change. The findings underscore not only the important role of antecedents in predicting different employee work outcomes, but also the mediating relationships that existed among certain variables. Another important finding was the role of team-related factors in team performance under conditions of continuous change.

Personal variables were the strongest predictors of employee work outcomes in the present study. Personal variables (change self-efficacy and perceived change) were significant in predicting both primary (stress, change-specific cynicism, and affective commitment) and secondary (turnover intentions) outcomes. Among social exchange variables, TMX was a significant predictor of all primary outcomes (stress, change-specific cynicism, and affective commitment), while LMX was significantly related to

stress and affective commitment only. A surprising finding was the unexpected, nonsignificant relationship between social exchange variables and turnover intentions, the secondary outcome in the current study. The contextual fit antecedents (P-O and P-J fit) were important in predicting affective commitment. P-J fit alone was also related to turnover intentions.

The results also indicated mediation of primary outcomes (stress and affective commitment) in relationship between certain antecedents (change self-efficacy, perceived change, and P-J fit) and secondary outcome (turnover intentions). Additionally, it was observed that the team leaders' LMX and change-specific cynicism significantly predicted team performance. However, team leaders' change self-efficacy was unrelated to team performance.

Hypothesized Relationships

Integrated Model of Change Outcomes

The present study is one of the first to examine the predictor-outcome relationship in an integrated manner, under conditions of change. Three categories of antecedents, and two levels of employee change outcomes, were examined to gain a deeper understanding of employee reactions to organizational change. The results confirmed that the interrelationships among different variables are not as simplistic as they are generally believed to be. For example, high level of perceived change was related to high affective commitment, but that did not result in low turnover intentions. Similarly, although LMX and TMX were related to stress and affective commitment, these variables did not predict turnover intentions.

The findings from the present study provide support for the multidimensional view of change-related outcomes proposed by previous researchers (Piderit, 2000; Smollan, 2006). The results confirm that employee responses during organizational change are distinct across different dimensions such as cognitive, affective, and intentional (Piderit, 2000). For example, in this study a high level of perceived change was not only associated with high affective commitment (*positive* affective response) but also with high turnover intentions (*negative* intentional response). Thus, similar stimuli may not invoke the same types of responses across different response dimensions. These findings also conform to the attitudinal perspective on employee reactions to change, which contends that individual responses to change can be conceptualized in terms of different attitude dimensions namely, emotions, cognitions, and behaviors (Lines, 2005). In this study, a turnover intention was used as a proxy for turnover behavior.

These results corroborate Smollan's (2006) model of employee reactions to organizational change, which distinguished between different types of responses to change, while highlighting their inherent interrelatedness. Thus, the present study is important in providing evidence for the multidimensional view of employee outcomes under continuous change. It not only highlights the need for a comprehensive investigation of change-related outcomes in the future, but also demonstrates the limitations of previous studies that have focused on a single or a limited category of change-related outcomes and/or their antecedents (e.g., Judge et al., 1999; Kumar & Kamalanabhan, 2005; Probst, 2003).

Relationship between Personal Antecedents and Outcome Variables

The findings indicate a strong role of personal variables in predicting employee outcomes under continuous change. Both change self-efficacy and perceived change were significant in predicting primary, as well as secondary, change-related outcomes, albeit with some interesting deviations from the hypothesized relationships.

Change self-efficacy and outcome variables. Although change self-efficacy was associated with stress, change-specific cynicism, and affective commitment, the relationship was positive with stress and change-specific cynicism, and negative with affective commitment. Similarly, change self-efficacy had an unexpected positive relationship with turnover intentions.

Although the results for change self-efficacy appear to be counterintuitive and contrary to existing research (Armenakis, Harris, & Mossholder, 1993; Cunningham et al., 2002), several explanations can be forwarded to justify the results. It is likely that individuals with high change self-efficacy have high expectations of themselves regarding their ability to handle change and perform at their job. Additionally, since individuals with high change self-efficacy would appear to be confident and capable of handling change (Bandura, 1982), the supervisor or team leader might also communicate higher job expectations. These high expectations from self and the supervisor may result in high levels of job stress for individuals with high change self-efficacy.

Also, in this study, I did not categorize stress as negative or positive, although the existing literature distinguishes between these two types of stress (cf. Lazarus & Folkman, 1984). It is therefore possible that individuals who believe themselves to be highly capable of handing change, experience high levels of positive stress, as opposed to

negative stress (Suedfeld, 1997). For example, Suedfeld (1997) emphasized that a stressful situation, when perceived as a challenge and met successfully, could result in higher self-esteem, pride, and greater ability to cope with future stressors. It is likely that individuals with high change self-efficacy would perceive continuous change as challenging, and would experience high positive stress or *eu*stress, as opposed to negative stress or *dis*tress (Selye, 1978; Suedfeld, 1997).

There is also a possibility of other factors influencing the results. For example, the hypothesized beneficial effect of change self-efficacy on job stress might have been influenced by factors such as high job demands and less decision latitude (Karasek, 1979) and lack of meaningfulness at work (Edwards & Cooper, 1990), which have been known to induce high stress. Other factors to influencing these results could be social isolation and work-life balance (Nelson & Quick, 1985). Given that the employees in Indian outsourcing companies typically work nightshifts, their social interactions outside of work and work-life balance might become impaired, resulting in high stress.

The present study also suggests that individuals with high change self-efficacy tend to be more cynical of management's motive for change. It is possible, that individuals who perceive themselves as capable of handling continuous change still need to know clearly why changes are being implemented (see Armenakis & Harris, 2002). For example, Armenakis and Harris (2002) emphasized the need to design a change message that not only enhances employees' change self-efficacy beliefs, but also communicates to them *why* the changes are essential. In absence of a clear message, even high self-efficacy employees may be skeptical of management's change agenda.

Additionally, it is likely that highly efficacious individuals are more questioning of management's actions, compared to low self-efficacy employees, since they are more active in handling change. Other factors, such as managerial support (Armenakis & Harris, 2002), organizational culture, and supervisor trust might have influenced the relationship between change self-efficacy and cynicism. Therefore, further exploration is needed to establish the true relationship between change self-efficacy and change-specific cynicism.

Another interesting outcome of the study was that individuals with high change self-efficacy were less committed to the organization compared to the individuals with low change self-efficacy. These results appear to contradict previous research. For example, Herold, Fedor, and Caldwell (2007) reported a positive relationship between self-efficacy and commitment to change. However, it may be worth noting that these authors examined *general* self-efficacy, as opposed to *change* self-efficacy, and commitment to change, as opposed to affective commitment towards the organization. It is possible that individuals with high change self-efficacy may exhibit high commitment towards change, but might not be emotionally committed to the organization. Future investigations of change should include both commitment to change and organizational commitment to clarify the relationship between change self-efficacy and commitment.

A further explanation for the unexpected change self-efficacy – affective commitment link may be found within the context of the study population. The Indian outsourcing industry, from which the study sample was drawn, is a highly dynamic, growing industry (Jain, 2006). There is a shortage of experienced and effective individuals, and firms offer minimal job security, which fosters increased job mobility for

highly skilled employees (Rai, 2006). It is likely that, in such a scenario, individuals who are confident of their abilities and can easily move to other jobs, would be less committed to any one organization. Additionally, affective commitment is also influenced by factors such as perceived favorableness and fairness of the change process (Fedor, Caldwell, & Herold, 2006). Such factors might have influenced the relationship between change self-efficacy and affective commitment in the present study.

Similarly, the positive relationship between change self-efficacy and turnover intentions may not appear unusual when considering the growth patterns and the skill shortage in the Indian outsourcing industry (Rai, 2006). As noted earlier, experienced and skilled individuals are always in demand in the outsourcing industry, resulting in high job mobility across outsourcing organizations. Since individuals with higher change self-efficacy would be more confident and capable of handling any change (Bandura, 1982; Cunningham et al., 2002), it is likely that they would be more inclined to leave the organization for a better opportunity, as compared to individuals with lower change self-efficacy.

Perceived change and outcome variables. Results indicated that a high level of perceived change was associated with high levels of stress and change-specific cynicism. These results are consistent with existing literature (Ashford, 1988; Glick et al., 1995; Probst, 2003). For example, Glick et al. (1995) suggested that frequent changes would lead to high stress among individuals due to perceived unpredictability of the situation. Similarly, Wanberg and Banas (2000) found an association between perceived change impact and work-related irritation. In another study, Probst (2003) found that organizational restructuring had a negative impact on employee perceptions of time

pressure and psychological well-being. Thus, the results of the present study corroborate existing research, which has demonstrated the link between high levels of perceived change and high levels of stress.

Previous researchers have apparently not examined the specific relationship between perceived change and change-specific cynicism. However, the results obtained in the present study substantiate those theoretical models and empirical studies which have associated change with negative attitudinal and affective outcomes. For example, Lazarus and Folkman (1984) proposed that novel situations could evoke negative reactions among individuals. Change-specific cynicism can be one such negative reaction, which is prompted by unique situations resulting from continuous change. In other words, the perceived unpredictability, fostered by a high level of perceived change in the organization (Raffert & Griffin, 2006), might make employees uneasy and highly skeptical of management's intentions in implementing continuous change.

In this study, a positive relationship was observed between perceived change and affective commitment. This finding is contrary to existing studies on perceived change and commitment (e.g., Fedor, Caldwell, & Herold, 2006). In the absence of any theoretical basis to justify these results, it may be assumed that the results were confounded by the presence of certain intervening variables, such as organizational climate (Machin & Albion, 2007) and perceived managerial support (Rhoades, Eisenberger, & Armeli, 2001). These factors might have superseded the negative effects of perceived change on affective commitment. Moreover, in this study, I did not distinguish between positive and negative change perceptions (Fedor, Caldwell, & Herold, 2006), which might have influenced the results.

Perceived change had a positive relationship with turnover intentions. These results are consistent with existing research linking change to turnover intentions (e.g., Oreg, 2006; Stensaker et al., 2002). Smollan (2006), for example, theorized that organizational change would result in negative outcomes such as turnover intentions and actual turnover. In an empirical study, Rafferty and Griffin (2006) demonstrated that employee perceptions of change frequency were related to turnover intentions. Thus, it appears that employees who perceive high levels of change have higher intentions to leave the organization, as compared to employees with lower levels of perceived change.

Relationship between Social Exchange Antecedents and Outcome Variables

Mixed results were observed for social exchange antecedents as predictors of employee outcomes, under continuous change. Both LMX and TMX were significant in predicting primary outcomes, although there were a few departures from the expected. However, neither LMX nor TMX was significant in predicting the secondary outcome, i.e., employee turnover intentions.

LMX and outcome variables. As expected, high LMX was associated with high affective commitment. This corresponds to existing literature that has associated high LMX to high commitment (see Gertsner & Day, 1997). Thus, it appears that the quality of social exchanges between the leader and subordinates plays an important role in determining employees' affective commitment towards the organization. Previous research has attributed such positive influence of LMX to the high level of interaction, interpersonal support, and trust that characterize high LMX (Graen & Uhl-Bien, 1995; Sherony & Green, 2002). These results also validate the COR theory (Hobfoll & Freedy,

1993), which underscores the role of social resources, such as supervisor support, in promoting employee commitment (Halbesleben, 2006).

Surprisingly, with the exception of affective commitment, the relationships obtained between LMX and all other outcome variables, were contrary to expectations. LMX was positively related to stress, and was unrelated to change-specific cynicism and turnover intentions. It is likely that high LMX fosters high stress due to high interpersonal demands on the subordinate (Quick & Quick, 1984), and/or greater responsibility at work (Wardwell, Hyman, & Bahuson, 1964). Previous research has associated complex social demands and high mental demands (due to greater responsibility) to high levels of stress (Schaubroeck & Ganster, 1993). The positive relationship between LMX and stress might also be possibly explained by distinguishing between positive and negative stress (Suedfeld, 1997). Individuals might experience positive stress, and not negative stress, when LMX is high. Since I did not differentiate between positive and negative stress, further investigation is required to verify this supposition.

In this study, the social exchange between leader and member did not influence an employee's change-specific cynicism and turnover intentions. This might be due to other possible confounding factors such as perceived management support or organizational climate. Additionally, it is likely that the social exchange between team leader and team members is insufficient to overcome team members' skepticism or cynicism for management's change efforts. It may also be noted that outsourcing companies have a high turnover rate (Hewitt, 2006), which might render the leader-member relationship highly dynamic. In such a scenario, the long-term positive impact of LMX, on employee attitude and behavior might not be demonstrated since team leader and members would

likely share a short-term relationship. This may also explain the nonsignificant LMX-turnover intentions relationship. Additionally, employee turnover intentions may be determined by other factors such as job satisfaction and justice perceptions (Griffeth, Hom, & Gaertner, 2000), which might outweigh LMX as a determining variable.

TMX and outcome variables. As hypothesized, a high level of TMX was related to low levels of stress and change-specific cynicism and a high level of affective commitment. These results confirm the importance of team-level relational factors in determining employee outcomes, under change conditions. The results also corroborate existing literature, which has linked TMX to several positive work outcomes including work attitudes and organizational commitment (Dunegan, Tierney, & Duchon, 1992; Liden, Wayne, & Sparrowe, 2000; Seers, Petty, & Cashman, 1995).

The findings are also consistent with the COR theory, which identifies peer support as an important resource to deal with stress and negative emotions triggered by change. Similarly, Jones and George (1998) indicated that individuals, who enjoy high quality relationships with their team members, are more involved at work, which might influence outcomes such as commitment in a change context. Other studies have also reported a link between workplace social support and stress (Karasek, Triantis, & Chaudhary, 1982, House, & French, 1980). However, as noted earlier, TMX did not predict turnover intentions. This implies the possible presence of other intervening factors, such as managerial support and work demands, not included in the study.

Relationship between Contextual Fit Antecedents and Outcome Variables

Compared to the personal and social exchange antecedents, the role of contextual fit variables, in predicting employee outcomes under change conditions, was limited. P-O and P-J fit were mainly important in predicting affective commitment.

P-O fit and outcome variables. The results indicated that individuals with a greater P-O fit were more committed to the organization emotionally than individuals with a lower P-O fit. This might occur since a high P-O fit is known to foster trust, openness, and predictability in social interactions (cf. Byrne, 1969; O'Reilly, Chatman, & Caldwell, 1991; Tsui & O'Reilly, 1989). Previous studies have demonstrated a similar, positive relationship between P-O fit and organizational commitment (see Kristof-Brown, Zimmerman, & Johnson, 2005).

P-O fit was unrelated to all other primary and secondary outcomes. Given that the existing research claims a significant role for P-O fit in employee outcomes (e.g., Cable & Edwards, 2004; Kristof-Brown, Zimmerman, & Johnson, 2005), these results are surprising. One of the reasons for these results might lie in the context of this study. The present study was conducted within the context of continuous change. It is possible that, in highly dynamic organizations, the customary notion of P-O fit might not be relevant. For example, due to a complex and continuously changing organizational environment, employees might not be able to identify stable organizational values and to consequently perceive the congruence between their personal and organizational values. Thus, there might be a need to rethink the measurement of P-O fit in complex and dynamic organizational environments.

It appears that, in a change context, P-O fit is valuable in fostering only affective commitment among employees. A high P-O fit might not be associated with reduced stress, cynicism, or turnover intentions, under continuous change conditions. Under change conditions, other factors, such as perceived management support, employee resistance to change, and justice perceptions might overshadow the beneficial effects of P-O fit (cf. Armenakis & Harris, 2002; Bernerth et al., 2007; Oreg, 2006).

P-J fit and outcome variables. P-J fit was found to be unrelated to employee stress. This is a surprising outcome, since greater P-J fit has been associated with stress (Xie & Johns, 1995). A possible explanation that there might be strong intervening influences contaminating the results. For example, P-J fit alone might not be enough to alleviate stress, if employees experience high stress due to factors such as lack of control and high job demands (Karasek, 1979).

P-J fit was also unrelated to change-specific cynicism, although a negative relationship was hypothesized between the two. In the absence of any prior studies that have examined the relationship between P-J fit and cynicism, it is difficult to affirm if these results are an exception or a norm. However, in hindsight, the findings appear to be plausible. Employee perceptions of congruence between job demands and personal skills might be independent of what employees thin k or feel about management's motive for change. For example, it is possible that employees think themselves to be well suited for their jobs, but still do not trust the management's agenda or reasoning for change.

Consistent with existing literature, a high P-J fit was associated with high affective commitment and low turnover intentions (Kristof-Brown, Zimmerman, &

Johnson, 2005), which indicated that it is an important factor in retaining employees, under change conditions.

Relationship between Primary and Secondary Outcome Variables

There was clear evidence of the relationship between primary and secondary outcomes in the present study. Stress and change-specific cynicism were positively related, and affective commitment was negatively related, to turnover intentions. These results provide support for the multidimensional theories of change-related outcomes, which propose that there can be multiple, interrelated responses to change (Lines, 2005; Smollon, 2006).

The findings are also consistent with previous empirical research, which has linked stress, affective commitment, and cynicism to turnover intentions (Griffeth, Hom, & Gaertner, 2000; Meyer & Allen, 1997; Schuler, 1980). For example, Bloom, Alexander, and Nicholas (1992) found stressful work to be associated with voluntary turnover of hospital nurses. Meyer and Allen (1997) reported a strong link between affective commitment and employee turnover. Similarly, Wasti (2003) found affective commitment to be an important predictor of turnover intentions. Change-specific cynicism has been linked to negative outcomes such as resistance to change (Stanley, Meyer, & Topolnytsky, 2005), which might result in turnover intentions, under continuous change conditions.

Mediation of Primary Outcomes

Conforming to the notion of proximal-distal constructs (Kanfer, 1992), the results revealed significant mediating roles of stress and affective commitment, in the relationship between certain antecedents and primary outcomes. Specifically, stress and

affective commitment mediated the relationships between change self-efficacy, perceived change, and P-J fit and turnover intentions. These are significant finding that lend further credence to the multidimensional, integrated model of organizational change (e.g., Piderit, 2000; Smollan, 2006). The results also provide a glimpse into the black box between study antecedents and the final employee outcomes measure. The mediating mechanisms observed in this study might enhance our understanding of *how* different antecedents generate varied employee outcomes to change.

Team Leader-Related Factors and Team Performance

This study is a vital first step towards examining the relationship between team leader-related factors and team performance, under conditions of continuous change. Previous researchers have rarely investigated team leader-related factors under change conditions. This could be a costly oversight, given that teams now pervade almost every organization in the world (Hackman, 2002). The results confirmed the role of team leader characteristics, in predicting team performance during change. A low level of team leader's change-specific cynicism, and a high level of LMX, was associated with a high level of team performance. However, contrary to expectations, a team leader's high change self-efficacy did not translate into a high team performance. Thus, it seems that team members' cumulative task performance is influenced more by leaders' relational and attitudinal responses, rather than their personal beliefs about themselves.

Implications for Research and Practice

The major objectives of any researcher, in conducting a study, are to understand existing phenomena and advance theoretical and applied knowledge in the

field. This study also strived to achieve these objectives. The results obtained have a number of implications for both academicians and practitioners.

Implications for Research

There are several avenues for research that the present study has opened. First, the findings indicate that work outcomes, under conditions of change, are best investigated in an integrated manner, due to the inherent interrelatedness of both antecedent, as well as the outcome, variables. However, since this research was conducted in one particular industry (outsourcing), and within a unique cultural context (Indian), results can only be generalized and validated by future researchers testing the model in different industrial, organizational, and cultural contexts. For example, in the present study, significant results were obtained for TMX, but not for LMX. This might be due to the collectivistic Indian culture (cf. Hofstede, 1991). In an individualistic culture, LMX, with more one-to-one interaction, might be significant, and not TMX. Future research should explore such culture- and industry-specific dimensions.

Secondly, this study focused primarily on a mediated model of employee change outcomes and examined personal, social exchange, and contextual fit antecedents to these outcomes. Future investigations, involving other possible antecedents and the use of moderator variables, are needed to enhance our understanding of employee responses to change, and to clarify the role of certain antecedents, such as change self-efficacy, in change outcomes. For example, in this study, although change self-efficacy predicted a majority of employee outcomes, *all* the results were contrary to expectations. This might indicate the presence of possible moderator variables.

One of the possible moderators could be work demands (Karasek, 1979), which might negate the positive effect of change self-efficacy on job stress. Similarly, organizational communication and management support might also influence employee reactions to change (Armenakis & Harris, 2002). Employees may experience less stress, cynicism, and frustration in a culture of open and clear communication with strong managerial support, as compared to a bureaucratic, opaque culture with little managerial support. Exploring these issues presents an opportunity to advance critical knowledge in the field.

Third, although this study identified the interrelationships among variables, causal inferences could not be sufficiently drawn. To establish causal relationships, a longitudinal design might be needed (Gollob & Reichardt, 1987). Therefore, testing the model with longitudinal data may be useful in determining cause and effect relationships among the variables. Additionally, researchers can add substantially to the field by conducting multi-level investigations. In this study, a multi-level analysis was not conducted since none of the hypothesized relationships required a multi-level investigation. Moreover, the participants could not be categorized into teams due to methodological constraints and the requirement of anonymity. However, researchers would gain substantially by hypothesizing and examining relationships among constructs at multiple levels (e.g., individual and team; individual, team, and organization).

Fourth, in this study, participants were lower-level employees working in formal teams with formal team leaders. The team members worked at the same locations, usually in night shifts. It seems possible that individual responses on variables such as LMX, TMX, stress, and affective commitment might vary for employees working in different

types of teams engaged in different types of tasks. For example, members of self-managed, empowered teams may experience lesser stress and higher commitment to change compared to members of directed, task-focused teams. Future research is needed to understand the extent of such contextual and team leader-related factors in determining employees' reactions to change.

Finally, there is need to explore the concept of change along dimensions other than those examined in this study. In this study, change was operationalized as the change frequency and impact (Rafferty & Griffin, 2006). Other aspects of change such as the nature and extent of change may also be worth exploring (cf. Fedor, Caldwell, & Herold, 2006). Additionally, it would be desirable to include variables such as employee resistance to change, employee change readiness, and specific change processes in a model of change outcomes to fully comprehend the regulatory mechanism of employee reactions to continuous change.

Implications for Practice

The results of this study have several practical implications, especially for organizations that struggle with continuous changes in their internal environment.

Selection. One of the areas that can benefit from this research is selection. The results signify that factors such as change self-efficacy and P-J fit impact employee outcomes under conditions of change. Human resources managers of dynamic firms might benefit by including measures of change self-efficacy and person-job fit while selecting candidates. Although high self-efficacy is considered to be a desirable trait, the results of this study indicate that selecting individuals with high change self-efficacy might result in low commitment and high turnover intentions. Therefore, selecting

individuals with average scores on change self-efficacy might be more useful for organizations looking for a committed and stable workforce. However, more research is needed to clearly understand the impact of change self-efficacy on outcomes.

P-J fit scales can also be a useful tool in hiring decisions to select the right candidate for the right job, especially in the context of change. Organizations have been using P-J fit measures to make their hiring decisions. This study confirms the significance of hiring to achieve a high P-J fit. The results suggest that individuals with a high P-J fit tend to be more committed to the organization, and thus may be easier to retain, as compared to individuals with a low P-J fit. It would also be beenficial for employers to assess job requirements and assign tasks to employees so as to ensure a higher P-J fit.

Retention and training. A major concern of organizations, operating in highly dynamic industries such as outsourcing, is high attrition rates (Hewitt, 2006). For example, the Asian outsourcing industry struggles with an attrition rate ranging from 16% to 39 % (Hewitt, 2006). Similarly, in the Indian outsourcing industry, employee turnover rate varies from 20% to 40%. Therefore, it is imperative for managers to understand the processes or factors that lead to voluntary employee turnover, and to develop an effective retention strategy (Griffeth & Hom, 2001). This study suggests that organizations may want to focus on employee change perceptions, social exchanges, and affective states to reduce attrition. It seems that by modifying employees' change perceptions, employers may mitigate stress and employee cynicism towards change, which would in turn make it easier for them to retain employees. Although the present study did not investigate ways of modifying employee change perceptions, some suggested activities may include developing open communication channels and

information blogs, ensuring high P-J fit, and maintaining transparency in change initiatives.

Another cost-effective managerial activity that can boost employee retention is promoting healthy social exchanges within teams. Our results indicate that positive social exchanges such as LMX and TMX are vital in promoting employee commitment and alleviating job stress and cynicism regarding change, which, in turn should encourage employees to stay. Thus, it is imperative that human resource managers take steps to design teams and train team leaders to ensure good social relationships among team members and leaders. Activities like parties, team-based games, and team-based training could be some alternatives for the employers to consider.

The significant relationships of affective outcomes (stress, change-specific cynicism, and affective commitment) with employee turnover intentions presents yet another implication for the manager. These affective outcomes not only impact turnover intentions directly, but also act as mediators between antecedents and turnover intentions. Academicians have emphasized the importance of affect for employee work outcomes, especially during change (Briner, 1999; Smollan, 2006). However, managers have largely ignored employee emotions as an area requiring immediate managerial attention (Fisher & Ashkanasy, 2000).

The present study highlights the need to manage employee stress, commitment, and change-specific cynicism to improve employee retention under conditions of change. Although some organizations do undertake stress management activities, additional measures such as training, participation, and communications designed specifically to address employee commitment and change-specific cynicism,

may be required. For example, training employees to develop skills and abilities necessary to achieve higher P-J fit would likely promote greater affective commitment. Such activities would not only improve employee well being, but also prevent the organizations from loosing their valuable human resources.

Team performance. With so many organizations structured around teams today (Hackman, 2002), an important goal for which organizations strive is achieving high team performance. In this study, team performance was related to certain team leader-related factors. It seems that managers can improve team performance by selecting team leaders who are less cynical about change and are interactive with their subordinates. Moreover, the results of the present study indicate that, contrary to intuition, a team leader with a high change self-efficacy may not affect team performance. Thus, caution is needed in selecting a team leader based on his/her change efficacy beliefs. Managers would also be wise in identifying change champions who are not cynical of changes, and appoint them as team leaders. Another course of action would be to make the team leaders aware of their change-specific cynicism and its impact on team performance and help them resolve their concerns.

Change management. Finally, in exploring various antecedents to employee outcomes under conditions of change, this study provides valuable insights to managers on how to deal with continuous change. In organizations where change is a permanent, daily routine, human resource managers have a more difficult job compared to their counterparts in less dynamic organizations. Nevertheless, the present study underscores the importance of relational exchanges, P-J fit, and affect management in dealing with continuous change. By taking a holistic approach, and concentrating

simultaneously on several areas indicated by this study, employers can deal with change more effectively and efficiently.

Limitations of Present Research

One important boundary condition of this research relates to the sample, i.e., the individuals and teams included in the study. The study sample consisted of lower-level employees working in formal teams with formal team leaders. Results may vary for teams at higher levels in the organization, such as the top management team, since higher-level employees might perceive change differently compared to lower level employees. For example, in an exploratory interview, one of the senior executives in a participating firm commented that top management usually welcomed change, especially if initiated by the clients, since that usually entailed gaining extra time and money from the client to accommodate those changes. Also, the results might differ for a sample drawn from self-managed, empowered teams engaged in a different type of task. Thus, caution is warranted when interpreting study findings.

Limitations regarding generalizability of the results, posed by the use of one particular industry, i.e., the Indian outsourcing industry, are also acknowledged. These results cannot be generalized without replication in other industrial settings such as the healthcare or software industry. Additionally, the data were collected within a unique cultural context which might have influenced the results. For example, TMX might have played an important role due to the collectivistic Indian culture (cf. Hofstede, 1991). Results might be different for an individualistic culture such as the American culture. Similarly, there might be cultural differences in how people perceive and react to changes

at work. Future researchers should replicate the study in diverse industrial, organizational, and cultural contexts for greater generalizability and reliability.

Another limitation could be the possibility of self-report and common method bias, influencing the results (Podsakoff et al., 2003). Although measures were taken to mitigate concerns regarding these research biases, their incidence cannot be entirely ruled out since the data were self-reported and from a single source. However, since the data did not pertain to sensitive issues, respondents were assured of anonymity of their responses, and the correlations among the constructs exhibited substantial variation (ranging from -.01 to .56), it may be safe to assume only a minimal influence of method effects on the results (Judge, Boudreau, & Bretz, 1994). Additionally, according to Campbell and Fiske (1959), the final relationships among study variables should remain largely unaffected by method variance, since it would similarly inflate relationships among all variables assessed in the same questionnaire. Moreover, previous researchers have found the use of self-report measures appropriate for investigating similar subjective phenomena (Edwards et al., 2006; Spector, 1994).

Another possible consideration is the fact that the sample drawn from each organization was not truly random. The contact person was responsible for soliciting respondents in each organization. However, it seems unlikely that the contact person intentionally chose the participants to garner desired responses. The contact persons sent group emails to the employees, through their respective company servers, soliciting participation, and had no way of knowing who participated. Moreover, the variability obtained in the data, and the means of variables that could be affected by a potentially biased sample, do not reflect such bias (change self-efficacy = 3.34, change-specific

cynicism = 4.16). Previous researchers have drawn similar conclusions for data collected through contact managers in organizations (e.g., Caldwell, Herold, & Fedor, 2004).

Contributions and Conclusion

In spite of its methodological weaknesses, this study makes a number of noteworthy contributions. First, this is the first study that simultaneously examines the interrelationships among personal, social exchange, and contextual fit variables and employee outcomes, under continuous change conditions. Since the results confirmed the interrelationships among the variables, it is critical that these are investigated simultaneously. Although researchers have examined a few of these relationships in the past, there is no previous study that is as extensive as this one or that has examined these relationships in the context of continuous change. Thus, the study sets the foundation for future studies involving continuous change.

Secondly, the inclusion of team-related factors and team performance also make this study important since there are very few studies of organizational change that have examined teams. The results indicated that team leader's change-specific cynicism and LMX influenced team performance under change conditions. This calls for a greater focus on team-based studies of change.

Third, this study is one of the first to examine a mediated model of employee outcomes under conditions of change. It was demonstrated how personal, social exchange, and contextual fit variables interface with the mediating affective processes, to impact a final outcome. Thus, findings from this study may also provide impetus for future research on these mediating processes which might influence the secondary change outcomes.

In conclusion, given the inevitability of continuous organizational change, and the fact that it can be disruptive and disturbing, it is imperative to understand the factors that affect individual and team outcomes under continuous change conditions. Such an understanding might help practitioners minimize employees' negative reactions to change, and thereby improve productivity and job satisfaction. This study was a relevant and timely attempt in this direction. The findings highlight the need for a comprehensive examination of factors affecting employee emotions, intentions, and behaviors under continuous change conditions in the future.

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APPENDICES

APPENDIX A

TEAM MEMBER QUESTIONNAIRE

TEAM MEMBER QUESTIONNAIRE

Directions Please read each statement carefully and circle the response option that best represents your opinion. Please answer all questions.	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I am willing to select a challenging work assignment that I can learn a lot from.	1	2	3	4	5
I often look for opportunities to develop new skills and knowledge.	1	2	3	4	5
I enjoy challenging and difficult tasks at work where I'll learn new skills.	1	2	3	4	5
For me, development of my work ability is important enough to take risks.	1	2	3	4	5
I prefer to work in situations that require a high level of ability and talent.	1	2	3	4	5
I feel that my work utilizes my full abilities.	1	2	3	4	5
I feel competent and fully able to handle my job.	1	2	3	4	5
My job gives me a chance to do things that I do best.	1	2	3	4	5
I feel that my job and I are well matched.	1	2	3	4	5
I feel I have enough preparation for the job I now hold.	1	2	3	4	5
I feel that my values “match” or fit the values of this organization.	1	2	3	4	5
I feel that my values "match" or fit the values of the current employees in the organization.	1	2	3	4	5
I feel the values and personality of this organization reflect my own values and personality.	1	2	3	4	5
I often make suggestions about better work methods to my team members.	1	2	3	4	5
My team members often let me know when I have done something that makes their job easier (or harder).	1	2	3	4	5

I often let my team members know when they have done something that makes my job easier (or harder).	1	2	3	4	5
My team members recognize my potential.	1	2	3	4	5
My team members understand my problems and needs.	1	2	3	4	5
I am quite flexible about switching job responsibilities to make things easier for my team members.	1	2	3	4	5
In busy situations, my team members ask me to help them out.	1	2	3	4	5
In busy situations, I volunteer my efforts to help my team members.	1	2	3	4	5
I am willing to help others in my team finish their work.	1	2	3	4	5
My team members are willing to help me finish my work.	1	2	3	4	5
Overall, I am satisfied with my team's performance.	1	2	3	4	5

I like my team leader very much as a person.	1	2	3	4	5
My team leader is the kind of person one would like to have as a friend.	1	2	3	4	5
My team leader is a lot of fun to work with.	1	2	3	4	5
My team leader would defend my actions to a superior, even without complete knowledge of the issue in question.	1	2	3	4	5
My team leader would support me if I were 'attacked' by others in my company.	1	2	3	4	5
My team leader would defend me to others in the organization if I made an honest mistake.	1	2	3	4	5
I do work for my team leader that goes beyond what is specified in my job description.	1	2	3	4	5
I am willing to apply extra efforts, beyond those normally required, to meet the work goals of my team leader.	1	2	3	4	5
I do not mind working my hardest for my team leader.	1	2	3	4	5
I am impressed with my team leader's knowledge of his/her job.	1	2	3	4	5
I respect my team leader's knowledge of and competence on the job.	1	2	3	4	5
I admire my team leader's professional skills.	1	2	3	4	5

I often think about quitting this organization.	1	2	3	4	5
I plan to search for a position with another company within the next year.	1	2	3	4	5
I might actually leave the organization within the next year.	1	2	3	4	5
I have too much work and too little time to do it in.	1	2	3	4	5
I sometimes fear the telephone ringing at home because the call might be job-related.	1	2	3	4	5
I feel like I never have a day off.	1	2	3	4	5
Too many people at my level in the company get exhausted or burned out by job demands	1	2	3	4	5
I have felt disturbed or tensed as a result of my job.	1	2	3	4	5
My job makes me upset more often than it should.	1	2	3	4	5
There are lots of times when I feel trapped by my job.	1	2	3	4	5
Sometimes when I think about my job I feel a lot of tension.	1	2	3	4	5
I feel guilty when I take time off from my job.	1	2	3	4	5

Please read each statement carefully and circle the response option that best represents your opinion. Please answer all questions.	Very Strongly Disagree	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Very Strongly Agree
Changes frequently occur in my unit.	1	2	3	4	5	6	7
It is difficult to identify when changes start and end.	1	2	3	4	5	6	7
It feels like change is always happening in my company.	1	2	3	4	5	6	7
Change in my company involves changes in daily routines of employees in this work unit.	1	2	3	4	5	6	7
Change in my company involves changes in the way people do their jobs in this work unit.	1	2	3	4	5	6	7
Change in my company involves changes in work unit's processes and procedures.	1	2	3	4	5	6	7
I have reason to believe I may not perform well in my job due to the changes.	1	2	3	4	5	6	7

I get nervous that I may not be able to do all that is demanded of me at my job due to the changes.	1	2	3	4	5	6	7
Wherever changes take me, I'm sure I can handle it.	1	2	3	4	5	6	7
Though I may need some training, I am sure I can perform well in face of the changes.	1	2	3	4	5	6	7
I would be very happy to spend the rest of my career with this organization.	1	2	3	4	5	6	7
I really feel as if this organization's problems are my own.	1	2	3	4	5	6	7
I do not feel a strong sense of "belonging" to my organization.	1	2	3	4	5	6	7
I do not feel "emotionally attached" to this organization.	1	2	3	4	5	6	7
I do not feel like "part of the family" at my organization.	1	2	3	4	5	6	7
This organization has a great deal of personal meaning for me.	1	2	3	4	5	6	7
I intend to make a career in the "outsourcing" profession/industry.	1	2	3	4	5	6	7
I think I will leave the "outsourcing" profession/industry within the next 1-2 years.	1	2	3	4	5	6	7
Overall, I am satisfied with my job.	1	2	3	4	5	6	7
I believe that management's motives for the changes are different from those stated publicly.	1	2	3	4	5	6	7
I believe that management has a ''hidden agenda'' in promoting the changes.	1	2	3	4	5	6	7
Management has been honest in communicating the reasons for the changes.	1	2	3	4	5	6	7
Management is trying to hide the reasons for the changes.	1	2	3	4	5	6	7
There is more to the changes than management is admitting.	1	2	3	4	5	6	7
I question management's motives for the changes at my company.	1	2	3	4	5	6	7
I believe that management's intentions in introducing the changes are very different than they are telling employees.	1	2	3	4	5	6	7
Management has been honest in stating its objectives for the changes.	1	2	3	4	5	6	7

APPENDIX B

DEMOGRAPHIC AND TEAM-RELATED QUESTIONNAIRE
TEAM MEMBER

DEMOGRAPHIC AND TEAM-RELATED QUESTIONNAIRE – TEAM MEMBER

1. Please provide the name of your team leader.

_____

2. How many members are there in your team, including your team leader?

_____

3. How long have you been working with this *team*?

_____ years _____months

4. How long have you been working with this *company*?

_____ years _____months

5. What is your *total work experience* (including your current company and all organizations you have worked for till date)?

_____years _____months

6. Please provide your name.

_____(First)_____(Last)

7. In which year were you born?

_____

8. What is your gender?

Please tick (√). _____Male _____Female

APPENDIX C

TEAM LEADER QUESTIONNAIRE

TEAM LEADER QUESTIONNAIRE

Directions Please read each statement carefully and circle the response option that best represents your opinion. Please answer all questions.	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I am willing to select a challenging work assignment that I can learn a lot from.	1	2	3	4	5
I often look for opportunities to develop new skills and knowledge.	1	2	3	4	5
I enjoy challenging and difficult tasks at work where I'll learn new skills.	1	2	3	4	5
For me, development of my work ability is important enough to take risks.	1	2	3	4	5
I prefer to work in situations that require a high level of ability and talent.	1	2	3	4	5
I feel that my work utilizes my full abilities.	1	2	3	4	5
I feel competent and fully able to handle my job.	1	2	3	4	5
My job gives me a chance to do things that I do best.	1	2	3	4	5
I feel that my job and I are well matched.	1	2	3	4	5
I feel I have enough preparation for the job I now hold.	1	2	3	4	5
I feel that my values “match” or fit the values of this organization.	1	2	3	4	5
I feel that my values "match" or fit the values of the current employees in the organization.	1	2	3	4	5
I feel the values and personality of this organization reflect my own values and personality.	1	2	3	4	5

Please read each statement carefully and circle the response option that best represents your opinion. Please answer all questions.	Very Strongly	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Very Strongly Agree
Going by the current status, my team can be regarded as successful.	1	2	3	4	5	6	7
So far, most team goals have been achieved.	1	2	3	4	5	6	7
The team's output so far is of high quality.	1	2	3	4	5	6	7
So far, the team has finished work in time.	1	2	3	4	5	6	7
The team is satisfied with its performance to this point.	1	2	3	4	5	6	7
It is easy to shift from one company to another in the outsourcing industry.	1	2	3	4	5	6	7
Companies in the outsourcing industry offer good salaries.	1	2	3	4	5	6	7
Companies in the outsourcing industry offer potential for career growth.	1	2	3	4	5	6	7
Companies in the outsourcing industry are always hiring.	1	2	3	4	5	6	7
It is easy to get a job in the outsourcing industry.	1	2	3	4	5	6	7
Changes frequently occur in my unit.	1	2	3	4	5	6	7
It is difficult to identify when changes start and end.	1	2	3	4	5	6	7
It feels like change is always happening in my company.	1	2	3	4	5	6	7
Change in my company involves changes in daily routines of employees in this work unit.	1	2	3	4	5	6	7
Change in my company involves changes in the way people do their jobs in this work unit.	1	2	3	4	5	6	7
Change in my company involves changes in work unit's processes and procedures.	1	2	3	4	5	6	7
I believe that management's motives for the changes are different from those stated publicly.	1	2	3	4	5	6	7
I believe that management has a ''hidden agenda'' in promoting the changes.	1	2	3	4	5	6	7

Management has been honest in communicating the reasons for the changes.	1	2	3	4	5	6	7
Management is trying to hide the reasons for the changes.	1	2	3	4	5	6	7
There is more to the changes than management is admitting.	1	2	3	4	5	6	7
I question management's motives for the changes at my company.	1	2	3	4	5	6	7
I believe that management's intentions in introducing the changes are very different than they are telling employees.	1	2	3	4	5	6	7
Management has been honest in stating its objectives for the changes.	1	2	3	4	5	6	7
I have reason to believe I may not perform well in my job due to the changes.	1	2	3	4	5	6	7
I get nervous that I may not be able to do all that is demanded of me at my job due to the changes.	1	2	3	4	5	6	7
Wherever changes take me, I'm sure I can handle it.	1	2	3	4	5	6	7
Though I may need some training, I am sure I can perform well in face of the changes.	1	2	3	4	5	6	7
I would be very happy to spend the rest of my career with this organization.	1	2	3	4	5	6	7
I really feel as if this organization's problems are my own.	1	2	3	4	5	6	7
I do not feel a strong sense of "belonging" to my organization.	1	2	3	4	5	6	7
I do not feel "emotionally attached" to this organization.	1	2	3	4	5	6	7
I do not feel like "part of the family" at my organization.	1	2	3	4	5	6	7
This organization has a great deal of personal meaning for me.	1	2	3	4	5	6	7
I intend to make a career in the "outsourcing" profession/industry.	1	2	3	4	5	6	7
I think I will leave the "outsourcing" profession/industry within the next 1-2 years.	1	2	3	4	5	6	7
Overall, I am satisfied with my job.	1	2	3	4	5	6	7

Please provide the name of any one of your SUBORDINATES (team members) and respond to the statements below for this subordinate: Name of the subordinate (team-member):	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I like my subordinate very much as a person.	1	2	3	4	5
My subordinate is the kind of person one would like to have as a friend.	1	2	3	4	5
My subordinate is a lot of fun to work with.	1	2	3	4	5
My subordinate defends my decisions, even without complete knowledge of the issue in question.	1	2	3	4	5
My subordinate would support me if I were 'attacked' by others in my company.	1	2	3	4	5
My subordinate would defend me to others in the organization if I made an honest mistake.	1	2	3	4	5
I provide support and resources for my subordinate that goes beyond what is specified in my job description.	1	2	3	4	5
I am willing to apply extra efforts, beyond those normally required, to help my subordinate meet his or her work goals.	1	2	3	4	5
I do not mind working my hardest for my subordinate.	1	2	3	4	5
I am impressed with my subordinate's knowledge of his/her job.	1	2	3	4	5
I respect my subordinate's knowledge of and competence on the job.	1	2	3	4	5
I admire my subordinate's professional skills.	1	2	3	4	5
My subordinate always completes the duties specified in his/her job description.	1	2	3	4	5
My subordinate meets all the formal performance requirements of the job.	1	2	3	4	5
My subordinate fulfills all responsibilities required by his/her job.	1	2	3	4	5
My subordinate never neglects aspects of the job that he/she is obligated to perform.	1	2	3	4	5
My subordinate often fails to perform essential duties.	1	2	3	4	5

The following questions are about YOUR job. Please circle the option that best represents your opinion.

I often think about quitting this organization.	1	2	3	4	5
I plan to search for a position with another company within the next year.	1	2	3	4	5
I might actually leave the organization within the next year.	1	2	3	4	5
I have too much work and too little time to do it in.	1	2	3	4	5
I sometimes fear the telephone ringing at home because the call might be job-related.	1	2	3	4	5
I feel like I never have a day off.	1	2	3	4	5
Too many people at my level in the company get exhausted or burned out by job demands	1	2	3	4	5
I have felt disturbed or tensed as a result of my job.	1	2	3	4	5
My job makes me upset more often than it should.	1	2	3	4	5
There are lots of times when I feel trapped by my job.	1	2	3	4	5
Sometimes when I think about my job I feel a lot of tension.	1	2	3	4	5
I feel guilty when I take time off from my job.	1	2	3	4	5

APPENDIX D

DEMOGRAPHIC AND TEAM-RELATED QUESTIONNAIRE TEAM LEADER

DEMOGRAPHIC AND TEAM-RELATED QUESTIONNAIRE – TEAM LEADER

1. How many members are there in your team, including yourself?

   _____

2. How long have you been working with this *team*?

   _____ years _____months

3. How long have you been working with this *company*?

   _____ years_ _____months

4. What is your *total work experience* (including your current company and all organizations you have worked for till date?

   _____years _____months

5. Please provide your name.

   _____(First)_____(Last)

6. In which year were you born?

   _____

7. What is your gender? Please tick (√).

   _____Male _____Female

8. Any other comments or suggestions (optional).

   _____