

STUDY ON CHANGE MANAGEMENT, ORGANIZATIONAL CULTURE AND EMPLOYEE RESISTANCE DURING DIGITAL TRANSFORMATION IN BUSINESS ORGANIZATIONS

Kamal Kant Sharma,
Research Scholar,
Department of Management,
Shri JYT University, Jhunjhunu,
Rajasthan

Dr. Mahesh Singh Rajput,
Associate Professor
Department of Management,
Shri JYT University, Jhunjhunu,
Rajasthan.

Abstract

Digital transformation has become a strategic necessity for business organizations seeking competitiveness, innovation and operational efficiency. This examines relationship between change management, organizational culture & employee resistance during implementation of digital technologies. It highlights ineffective communication, lack of employee involvement, inadequate training & fear of job displacement contribute to resistance to change. These explore supportive organizational culture in fostering adaptability, collaboration and acceptance of new technologies. Effective change management practices, including leadership support, transparent communication, employee participation and continuous skill development are identified as critical factors for reducing resistance and enhancing transformation outcomes. Findings suggest that organizations that align digital initiatives with their cultural values and actively engage employees are more likely to achieve successful and sustainable digital transformation while improving productivity, innovation & overall organizational performance.

Keywords: Change Management; Organizational Culture; Employee Resistance; Digital Transformation & Organizational Performance.

1. Introduction

Digital transformation has become a strategic necessity for business organizations seeking to improve efficiency, innovation, customer satisfaction and competitive advantage through adoption of advanced digital technologies. Successful digital transformation requires more than technological implementation; it also demands effective management of organizational change & employee adaptation. Change management plays a crucial role in guiding employees through transition by ensuring clear communication, leadership support, training & participation. Organizational culture significantly influences employees' willingness to embrace new technologies as cultures that promote innovation, collaboration & continuous learning facilitate smoother transformation processes. Resistance to change often arises due to fear of job loss, uncertainty, inadequate digital skills & lack of trust in management which can hinder transformation efforts. Therefore, understanding relationship between change management, organizational culture and employee resistance is essential for achieving successful digital transformation. These interrelated factors and provides insights that can help organizations implement digital transformation more effectively while improving employee acceptance, organizational performance & long-term sustainability.

2. Literature reviews

Olorunshola, J. A. et. al. (2026) investigated relationship between change management practices and employee resistance during digital transformation in Nigerian banks. They

examined communication, employee involvement, leadership support and training influenced employees' willingness to adopt digital technologies. Using survey-based data from banking professionals, researchers found that effective change management significantly reduced resistance and improved acceptance of digital initiatives. Transparent communication, continuous skill development and participative decision-making enhanced employee commitment to organizational change. They concluded that people-centered change strategies are essential for ensuring successful digital transformation and sustaining organizational performance in the banking sector.

Purnawan (2025) examined organizational culture can be reconstructed to improve employees' readiness for digital transformation. These explored influence of leadership, communication, employee participation and learning-oriented practices on developing a culture that supports technological change. Findings indicated that organizations with adaptive cultures and continuous learning environments experienced higher levels of employee readiness and lower resistance to change. Leadership commitment and employee empowerment were identified as critical factors in fostering positive attitudes toward digital initiatives. Strengthening organizational culture is essential for achieving successful and sustainable digital transformation.

Ben Yahia et al. (2024) conducted an integrative review to examine causes and nature of employee resistance during digital transformation. They synthesized findings from previous research to identify technological, organizational, psychological and social factors influencing resistance. Review emphasized that resistance should be viewed as a natural response rather than an obstacle providing valuable insights into employees' concerns and expectations. Authors highlighted the importance of transparent communication, participative leadership, employee involvement and continuous training to reduce resistance. Organizations should adopt people-centered change strategies to ensure successful digital transformation.

Schallmo et al. (2023) explored best practices for transforming business models through digital technologies and identified future research directions in digital transformation. Organizations must integrate digital technologies with strategic planning, innovation and organizational culture to remain competitive. Effective leadership, customer-focused strategies & employee engagement were found to be critical for successful transformation. Authors also highlighted the need for continuous adaptation and organizational flexibility in response to technological advancements. Digital transformation requires comprehensive changes in business processes, organizational culture and management practices.

Troise et al. (2022) investigated how small and medium-sized enterprises can successfully implement digital transformation. They analyzed challenges faced by limited financial resources, technological capabilities and employee resistance. Findings showed that effective leadership, organizational learning, innovation and employee involvement significantly enhance digital transformation outcomes. Authors emphasized that strategic planning and collaboration with external support technology adoption and organizational growth. They concluded that SMEs should develop adaptive organizational cultures and invest in employee skills to successfully navigate digital transformation.

Nadkarni and Prügl (2021) reviewed existing literature on digital transformation to develop a comprehensive understanding of its organizational implications and identify future research opportunities. They highlighted that digital transformation extends beyond technology adoption and requires changes in organizational culture, leadership, employee competencies & business strategies. They emphasized importance of dynamic capabilities, innovation & organizational agility in managing digital change. Authors concluded that successful digital transformation depends on aligning technological advancements with human and organizational factors while encouraging continuous learning and strategic adaptation.

Vial (2019) presented a comprehensive review of digital transformation literature and proposed a research agenda to understand its organizational impact. Digital transformation involves integration of digital technologies to reshape business processes, organizational structures, customer experiences & value creation. It emphasized that successful transformation depends on strategic leadership, organizational agility, innovation & employee adaptability rather than technology alone. They also identified major challenges, including cultural resistance, technological complexity and skill gaps. Organizations should align digital initiatives with business strategy and continuously develop capabilities to sustain long-term competitive advantage.

Henriette et al. (2016) examined major challenges organizations encounter during digital transformation. They identified leadership commitment, organizational culture, employee competencies, technological integration & strategic alignment as key factors influencing successful transformation. It highlighted that many organizations struggle with resistance to change, inadequate digital skills and insufficient coordination between business objectives and technological initiatives. These require a holistic organizational approach involving continuous learning, collaboration & effective change management.

Fitzgerald et al. (2014) investigated organizations use digital technologies to improve business performance and maintain competitive advantage. They found that successful digital transformation depends more on a well-defined business strategy than on technology alone. Organizations that integrated digital initiatives with leadership commitment, organizational culture, innovation & employee participation achieved better operational efficiency and customer value. Authors emphasized the importance of developing digital capabilities, encouraging collaboration and fostering adaptability throughout the organization. Strategic vision & effective change management are essential for achieving sustainable digital transformation outcomes.

3. Methodology

Research Approach

A cross-sectional survey approach was adopted. Data were collected from respondents at a single point in time to capture their perceptions regarding digital transformation within their organizations. Survey approach was considered appropriate because it allows collection of information from a large number of employees efficiently & economically. It also facilitates the measurement of attitudes, experiences & opinions using standardized questionnaires, thereby ensuring consistency, comparability & reliability of the collected data.

Study Population

Population consisted of employees working in public & private business organizations that had implemented or were actively undergoing digital transformation initiatives. Employees from different departments including administration, finance, human resources, operations, marketing and information technology were considered for participation. Including respondents from various organizational levels provided a comprehensive understanding of employee experiences, organizational culture & change management practices across diverse functional areas and organizational settings.

Sample Size

A total of 200 employees were selected as sample for study. Sample size was considered adequate to conduct statistical analyses and draw meaningful conclusions regarding relationships among variables. Respondents represented different age groups, educational qualifications, work experience, departments & managerial levels. The selected sample ensured sufficient variability in responses thereby improving reliability, validity & generalizability of findings within selected organizations.

Sampling Technique

These employed simple random sampling to select participants from target population. This technique provided every eligible employee with an equal opportunity to participate in research, thereby minimizing selection bias. Random sampling enhanced representativeness of sample & improved credibility of findings. Where complete sampling frames were unavailable, convenience sampling was used to facilitate data collection while maintaining adequate representation from different organizational departments and employee categories.

Data Collection Instrument

Primary data were collected using a structured questionnaire developed after reviewing relevant literature on digital transformation, change management, organizational culture & employee resistance. Questionnaire consisted of two sections: demographic information and statements related to variables. Responses were measured using a five-point Likert scale, ranging from Strongly Disagree (1) to Strongly Agree (5). Instrument was designed to ensure clarity, reliability and validity while facilitating quantitative analysis.

Data Collection Procedure

Prior to data collection, permission was obtained from respective organizations. Questionnaires were distributed either in printed form or through online platforms depending on organizational preference. Respondents were given sufficient time to complete questionnaire independently. Completed questionnaires were collected, screened for completeness & coded systematically before being entered into statistical software for analysis. Descriptive statistics including frequency, percentage, mean and standard deviation were used to summarize respondent characteristics & variables. Reliability of the questionnaire was assessed using Cronbach's Alpha. Pearson correlation analysis examined the relationships among variables while multiple regression analysis was employed to determine influence of change management and organizational culture on employee resistance during digital transformation.

4. Result & Discussion

Demographic Profile of Respondents

Demographic analysis revealed that respondents represented diverse age groups, genders, educational qualifications, job positions & years of work experience. Most participants belonged to 26–40 years age group and possessed graduate or postgraduate qualifications. Employees from departments providing comprehensive insights into organizational practices during digital transformation. Diverse demographic composition enhanced the representativeness of sample & enabled a broader understanding of employee perceptions across different organizational levels.

Table 1: Demographic Characteristics of Respondents (n = 200)

Variable	Category	Frequency (f)	Percentage (%)
Gender	Male	118	59.0
	Female	82	41.0
Age (Years)	21–30	52	26.0
	31–40	78	39.0
	41–50	48	24.0
	Above 50	22	11.0
Educational Qualification	Graduate	72	36.0
	Postgraduate	98	49.0
	Doctorate	30	15.0
Work Experience	<5 Years	54	27.0
	5–10 Years	76	38.0
	>10 Years	70	35.0

Demographic analysis revealed that respondents represented diverse age groups, genders, educational qualifications & work experience. Majority of respondents were male (59.0%), while females constituted 41.0% of sample. Most participants (39.0%) belonged to the 31–40 years age group. Nearly half of respondents (49.0%) were postgraduates followed by graduates (36.0%). Regarding work experience 38.0% had 5–10 years of experience. Demographic diversity enhanced representativeness of sample & ensured reliable insights into employee perceptions during digital transformation.

Change Management Practices

Findings indicated that effective change management practices positively influenced employees' acceptance of digital transformation initiatives. Respondents agreed that transparent communication, leadership commitment, employee involvement & continuous

training significantly reduced uncertainty associated with organizational change. Organizations that provided adequate support and timely information experienced smoother implementation of digital technologies. Results suggest that structured change management strategies increase employee confidence, improve adaptation to new systems & enhance overall success of digital transformation initiatives.

Table 2: Mean and Standard Deviation of Change Management Practices

Statement	Mean	Standard Deviation
Leadership effectively communicated digital transformation goals	4.21	0.61
Employees received adequate training for digital transformation	4.14	0.67
Employees were actively involved in change process	4.18	0.58
Overall Mean	4.18	0.62

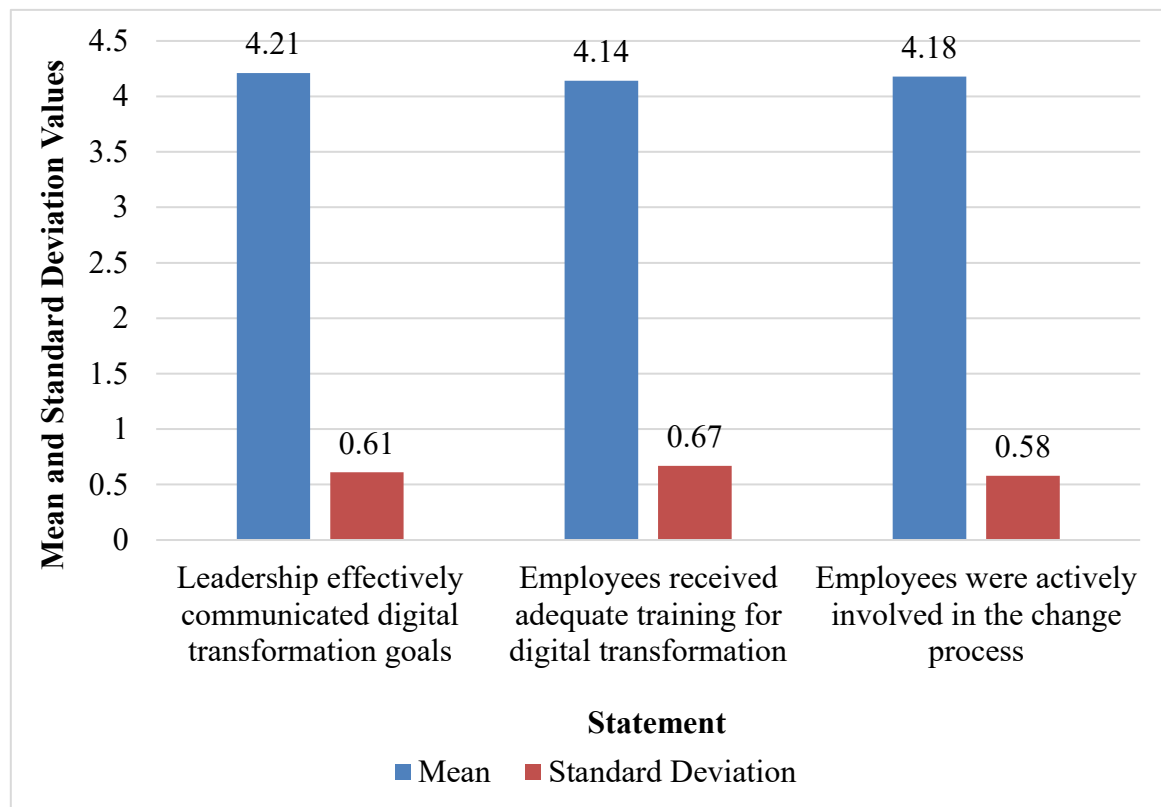


Figure 1: Mean and Standard Deviation of Change Management Practices

Findings indicated that effective change management practices positively influenced employees' acceptance of digital transformation initiatives. Respondents strongly agreed that leadership communication (Mean = 4.21), employee training (Mean = 4.14) & employee participation (Mean = 4.18) facilitated organizational change. Overall mean score of 4.18 indicates that organizations implementing structured change management practices experienced smoother adoption of digital technologies & reduced employee uncertainty.

Organizational Culture

These demonstrated that organizational culture played a crucial role in facilitating digital transformation. Organizations characterized by innovation, collaboration, openness & continuous learning reported higher employee engagement and greater acceptance of technological change. Employees perceived supportive leadership, teamwork & knowledge-sharing practices as essential elements for successful transformation. Organizations with rigid hierarchical structures & limited communication experienced greater challenges during implementation. These findings emphasize that a positive organizational culture strengthens organizational readiness and promotes long-term digital transformation success.

Table 3: Organizational Culture during Digital Transformation

Statement	Mean	Standard Deviation
Organization encourages innovation	4.16	0.64
Teamwork and collaboration are promoted	4.07	0.69
Employees are encouraged to share knowledge	4.05	0.68
Overall Mean	4.09	0.67

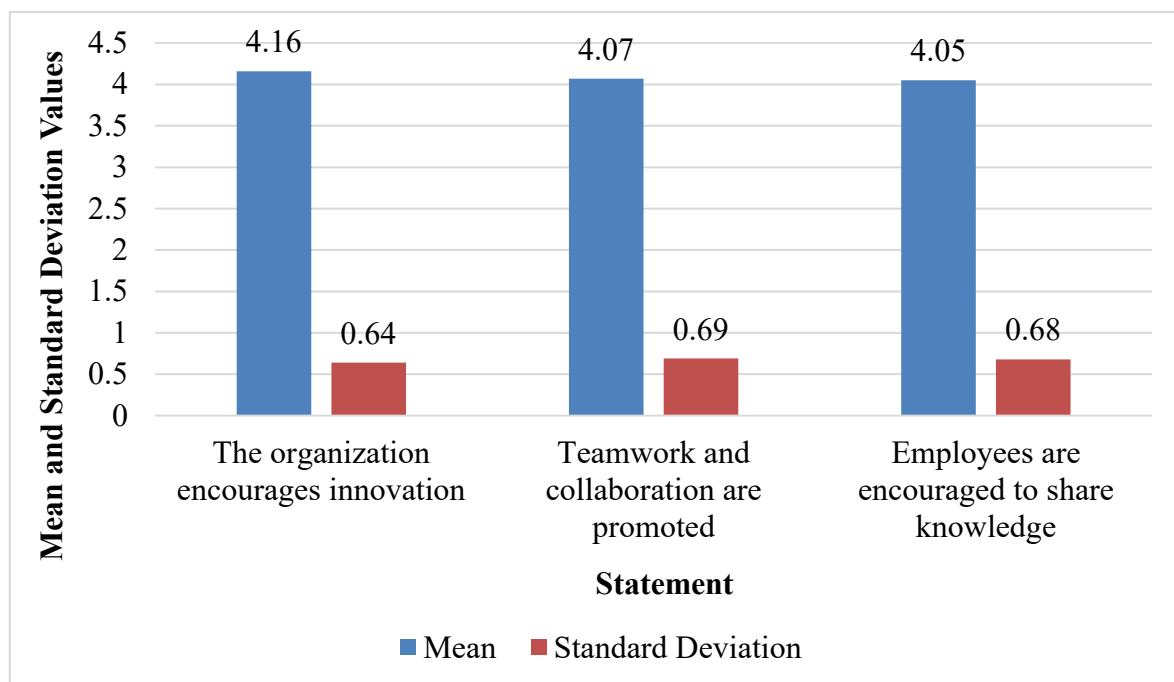


Figure 2: Organizational Culture during Digital Transformation

Analysis demonstrated that organizational culture significantly supported digital transformation. Innovation (Mean = 4.16), teamwork (Mean = 4.07) & knowledge sharing (Mean = 4.05) were highly rated by respondents. Overall mean score (4.09) suggests that organizations with collaborative & learning-oriented cultures are better positioned to implement digital transformation successfully & sustain long-term organizational performance.

Employee Resistance

These found that employee resistance remained one of primary barriers to successful digital

transformation. Resistance was mainly associated with fear of job displacement, lack of digital competencies, uncertainty regarding changing job responsibilities & inadequate communication from management. Employees who received limited training and organizational support exhibited higher resistance levels. Organizations that actively involved employees in decision-making and provided continuous learning opportunities experienced significantly lower resistance highlighting importance of employee participation in transformation initiatives.

Table 4: Employee Resistance during Digital Transformation

Statement	Mean	Standard Deviation
Employees fear job loss due to automation	3.12	0.81
Employees are uncertain about new job roles	2.85	0.72
Lack of digital skills increases resistance	2.56	0.69
Overall Mean	2.84	0.74

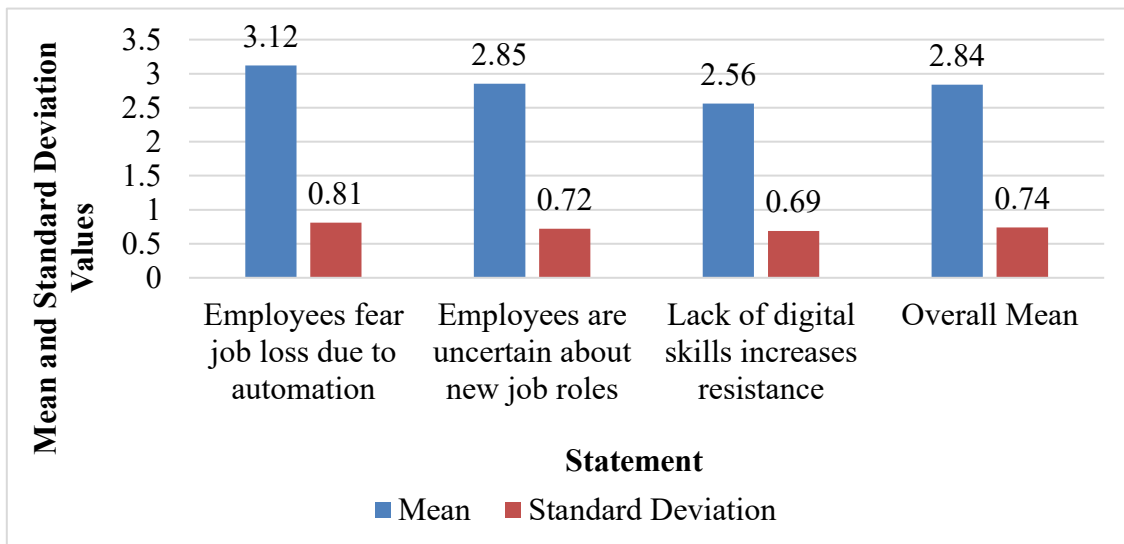


Figure 3: Employee Resistance during Digital Transformation

Employee resistance emerged as one of major challenges during digital transformation. Fear of job displacement (Mean = 3.12), uncertainty regarding changing responsibilities (Mean = 2.85) and inadequate digital skills (Mean = 2.56) contributed to resistance. Overall mean score of 2.84 indicates a moderate level of employee resistance. Organizations providing adequate training, communication and employee involvement were able to minimize resistance effectively.

Conclusion

These concludes that successful digital transformation in business organizations depends not only on technological adoption but also on effective change management, a supportive organizational culture and reduced employee resistance. Findings indicate that transparent communication, leadership commitment, employee participation and continuous training enhance employees' acceptance of organizational change. A culture that promotes innovation, collaboration and knowledge sharing further strengthens digital transformation initiatives and improves organizational readiness. Although moderate resistance was observed due to

concerns about job security, changing roles and digital competencies, organizations that invested in employee engagement and skill development experienced lower resistance levels. Therefore, business organizations should integrate strategic change management practices with a positive organizational culture to ensure smooth digital transformation, improved employee commitment, enhanced organizational performance and long-term competitive sustainability.

Artificial

References

1. Al-Haddad, S. & Kotnour, T. (2015) "Integrating the Organizational Change Literature: A Model for Successful Change" *Journal of Organizational Change Management*, 28(2), 234–262, ISSN: 0953-4814.
2. Ben Yahia, N., Eljaoued, W. & Bellamine Ben Saoud, N. (2024) "Moving Beyond Conventional Resistance and Resistors: An Integrative Review of Employee Resistance to Digital Transformation" *Cogent Business & Management*, 11(1), 1–32, ISSN: 2331-1975.
3. Cieslak, V. & Valor, C. (2025) "Moving Beyond Conventional Resistance and Resistors: An Integrative Review of Employee Resistance to Digital Transformation." *Cogent Business & Management*, 12(1), ISSN: 2331-1975.
4. Fitzgerald, M., Kruschwitz, N., Bonnet, D. & Welch, M. (2014) "Embracing Digital Technology: A New Strategic Imperative" *MIT Sloan Management Review*, 55(2), 1–12, ISSN: 1532-9194.
5. Gong, C. & Ribiere, V. (2021) "Developing a Unified Definition of Digital Transformation" *Technovation*, ISSN: 0166-4972.
6. Henriette, E., Feki, M. & Boughzala, I. (2016) "Digital Transformation Challenges" *Mediterranean Conference on Information Systems Proceedings*, 2016(1), 1–13, ISSN: 2166-9730.
7. Hess, T., Matt, C., Benlian, A. & Wiesböck, F. (2016) "Options for Formulating a Digital Transformation Strategy" *MIS Quarterly Executive*, 15(2), 123–139, ISSN: 1540-1960.
8. Kane, G. C., Palmer, D., Phillips, A. N., Kiron, D. & Buckley, N. (2015) "Strategy, Not Technology, Drives Digital Transformation" *MIT Sloan Management Review*, 14(1), 1–25, ISSN: 1532-9194.
9. Kraus, S., Durst, S., Ferreira, J., Veiga, P., Kailer, N. & Weinmann, A. (2022) "Digital Transformation in Business and Management Research" *Journal of Business Research*, 148, 101–114, ISSN: 0148-2963.
10. Nadkarni, S., & Prügl, R. (2021) "Digital Transformation: A Review, Synthesis and Opportunities for Future Research" *Management Review Quarterly*, 71(2), 233–341, ISSN: 1863-6683.
11. Olorunshola, J. A., Salau, A. N., Tella, R. A., Lawal, O. R. & Adebayo, A. A. (2026) "Change Management Practices and Employee Resistance in Digital Transformation: Evidence from Nigerian Banks." *International Journal of Research and Innovation in Social Science*, 10(14), ISSN: 2454-6186.
12. Purnawan, L. (2025) "Reconstructing Organizational Culture in the Era of Digital Transformation: A Study of Change Readiness Among Employees" *RIGGS: Journal of Artificial Intelligence and Digital Business*, 4(2), 45–61, ISSN: 3025-9423.
13. Resende, S. L., Dias, G. P. & Correia, P. A. (2026) "Resistance to Digital Transition: A Literature Review" *Applied Operations and Analytics*, 2(1), 1–17, ISSN: 2996-6892.
14. Schallmo, D., Williams, C. & Boardman, L. (2023) "Digital Transformation of Business Models: Best Practice and Future Research" *Journal of Business Strategy*, 44(2), 86–95, ISSN: 0275-6668.
15. Troise, C., Corvello, V., Ghobadian, A. & O'Regan, N. (2022) "How Can SMEs Successfully Navigate Digital Transformation?" *Technological Forecasting and Social Change*, ISSN: 0040-1625.
16. Verhoef, P. C., Broekhuizen, T. & Bart, Y. (2021) "Digital Transformation: A Multidisciplinary Reflection and Research Agenda" *Journal of Business Research*, 122, 889–901, ISSN: 0148-2963.
17. Verina, N. & Titko, J. (2022) "Digital Transformation: Conceptual Framework and Future Research Directions" *Sustainability*, 14(1), 221–238. ISSN: 2071-1050.
18. Vial, G. (2019) "Understanding Digital Transformation: A Review and a Research Agenda." *Journal of Strategic Information Systems*, 28(2), 118–144, ISSN: 0963-8687.
19. Wessel, L., Baiyere, A., Ologeanu-Taddei, R., Cha, J. & Jensen, T. (2021). "Unpacking the Difference



- Between Digital Transformation and IT-Enabled Organizational Transformation" Journal of the Association for Information Systems, 22(1), 102–129, ISSN: 1536-9323.*
20. Wiese, S. A., Lehmann, J. & Beckmann, M. (2024) "Organizational Culture and the Usage of Industry 4.0 Technologies: Evidence from Swiss Businesses" *Business Research*, 17(4), 1–34, ISSN: 2198-2627.