

ROLE OF UNFREEZING PRACTICES IN ENHANCING EMPLOYEE RETENTION DURING ORGANIZATIONAL CHANGE.

Master Thesis Report submitted in partial fulfilment of the requirements for the
degree of Master of Business Administration

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Declaration

I hereby declare that the Master Thesis report titled “Role of unfreezing practices in enhancing employee retention during organizational change.” has been undertaken by me in partial fulfilment of the requirements for the award of the degree of Master of Business Administration. I have completed this study under the guidance of Dr. Shelly Gupta

Place: New Delhi

Date:

Ayush Chaudhary

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Certificate

This is to certify that **Ayush Chaudhary (Roll No: 24/DMBA/53)** has submitted the project report titled “Role of Unfreezing Practices in Enhancing Employee Retention During Organizational Change” in partial fulfillment of the requirements for the award of the Degree of Master of Business Administration (MBA) from Delhi School of Management, Delhi Technological University, New Delhi During the Academic year 2025–26.

Place: New Delhi

Date:

Dr. Shelly Gupta

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Ayush Chaudhary

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Executive Summary

In today's ever-changing business environment, change in organizations has become unavoidable due to various reasons such as technology, increased competition, and changes in business strategies. However, one of the most common problems that organizations face during change is how to retain their human resources. Change is likely to bring a sense of uncertainty and insecurity among the employees of the organization. Therefore, for change management to be fully effective, it is not only important to bring changes in the business processes of the organization but also to prepare the employees of the organization psychologically before the change takes place.

The main objective of this research is to examine the impact of the application of unfreezing practices in employee retention during change in organizations, using the change management model proposed by Kurt Lewin. The change management model proposed by Kurt Lewin consists of three steps: unfreezing, changing, and refreezing. The main focus of the present research is to examine the impact of the application of the unfreezing step of the change management model proposed by Kurt Lewin on employee retention during change in organizations.

The results of this study are expected to make a valuable contribution to both academic literature and management practice by underscoring the need to prepare for change at an early stage. Organizations will be able to benefit from this study by developing effective HR interventions that will create a climate of employee preparedness, minimize resistance to change, and boost retention during periods of change.

The study results underscore that effective change management in organizations is not only about implementing changes to structure or technology, but also involves managing employee perceptions, motivation, and preparedness to achieve sustainable organizational effectiveness.

CHAPTER I

INTRODUCTION

INTRODUCTION

In today's ever-changing business environment, organizations are undergoing continuous change due to various reasons such as technology changes, globalization, competitiveness, and market changes. Organizational change, whether structural, technological, or strategic in nature, has become inevitable for organizations to maintain their competitiveness.

Although change is beneficial for organizational performance, it is also capable of generating confusion, nervousness, and resistance among the workforce of the organizations. Employee retention during organizational change has become a significant issue for organizations to address because losing productive workforce may negatively impact organizational performance.

Employees usually associate change with threats to their job security, work roles, and growth opportunities. This may result in decreased employee commitment to the organization. Therefore, organizations need to address employee change management not only from the perspective of change management but also from the perspective of preparing the workforce for change from a psychological and emotional point of view.

The unfreezing stage, which is part of the change management model, according to Kurt Lewin, shows the significance of preparing the employees in the organization before any change initiative is implemented. The unfreezing stage is where the organization ensures proper communication, support from the leadership, employee involvement, and training to minimize any employee resistance to change.

Although this is a critical aspect in the implementation of change in organizations, existing literature on change in organizations has shown minimal focus on the unfreezing stage, with most literature discussing the implementation strategies and outcomes rather than the preparation stage. Additionally, while employee retention and readiness to change have been researched, little research has been conducted on the impact of unfreezing on employee retention through the mechanism of psychological readiness.

This shows the importance of conducting research on this aspect, where change preparation, employee perceptions, and retention outcomes are integrated in one study.

Thus, the objective of this study is to establish the role played by unfreezing practices in enhancing employee retention in organizations, where readiness to change is considered a mediating factor. The study is expected to provide insights on how organizations can prepare their employees to be receptive to change, hence enhancing employee retention in organizations.

Generally, the study on the relationship between unfreezing practices, readiness to change, and employee retention is expected to provide insights on how organizations can effectively manage changes while maintaining employee retention in organizations.

CHAPTER-2

LITREATURE REVIEW

2.1 Introduction

Change in organizations has turned into a continuous necessity in today's organizations due to globalization, technological advancement, competition, and change in employee expectations. Despite the fact that change in organizations is intended to boost organizational effectiveness and sustainability, change has created a sense of uncertainty, anxiety, and resistance among employees. The feeling of uncertainty may lead to low employee morale, low employee productivity, and employee turnover intentions. As a result, employee retention in organizations undergoing change has turned into a challenge.

The concept of unfreezing, which is part of the change management model, underscores the need to prepare employees psychologically and emotionally to change in the organization. The preparation is intended to reduce employee resistance to change. Despite the growing need to change in organizations, little empirical research has been done on the influence of unfreezing practice on employee retention. Therefore, this study aims to investigate the influence of unfreezing practice on employee retention in organizations undergoing change.

2.2 Concept of Unfreezing Practices

Unfreezing practices are a group of practices that are carried out at the organizational level to prepare the workforce for change. This includes dealing with their concerns, eliminating their uncertainties, and gaining their acceptance. They comprise transparency of communication, employee involvement, training programs, leadership involvement, and emotional support programs.

The change management literature suggests that the workforce will be more accepting of change if they are aware of the need for change and receive support from their leadership. Good unfreezing practices are critical because they assist in gaining the psychological acceptance of change, which leads to higher employee retention.

2.2.1 Unfreezing Practices and Employee Behaviour

Studies have indicated that the way employees react to change is dependent on their readiness for the change. Communication, support, and involvement in the change process have a positive influence on employee attitudes towards change. Employees who perceive organizational support tend to demonstrate commitment, as opposed to those who do not perceive organizational support, who tend to have turnover intentions.

Training and development in change have a positive influence on employees, as they get a chance

to acquire new skills, which increases their confidence. This increases their confidence, reducing their fear of the unknown, which might influence their engagement in the organization, thus affecting their retention.

2.2.2 Readiness for Change and Employee Retention

Readiness for change can be defined as "the cognitive and emotional readiness of employees to accept and support the organizational change." Research has indicated that readiness for change can be understood with the aid of theoretical perspectives in explaining the relationship that exists between unfreezing practices and employee retention. An employee who is ready to stay in an organization is one who exhibits low resistance to change, high engagement, and high organizational commitment.

When the unfreezing practices are properly implemented in an organization, the employees tend to develop trust in the leadership of the organization. This makes them ready to stay in the organization.

2.3 Theoretical Frameworks Related to Unfreezing Practices

2.3.1 Lewin's Change Management Theory

The model of Lewin involves an unfreeze, change, and refreeze process. This model again involves the preparation of employees before any kind of change is initiated. The first phase of this model involves unfreeze. This phase mainly involves the removal of resistance to change and making employees aware of the need to bring the change. This will help in the implementation of the changed situation.

2.3.2 Social Exchange Theory

According to Social Exchange Theory, in return for commitment and loyalty to the organization, the employees show commitment to the organization by reciprocating the organization's support. In this case, when the organization supports the employees by communicating with them, providing them with training programs, and involving them in the change process, they in return commit themselves to the organization and stay with it.

2.3.3 Organizational Commitment Theory

The Organizational Commitment Theory asserts that when an employee is emotionally attached to an organization, they are more likely to stay in the organization in uncertain times. "Unfreezing" practice helps in creating trust, engagement, and commitment in an organization, which in turn reduces turnover intentions.

2.4 Measuring Unfreezing Practices: Research Gaps and Scale Considerations

However, there is limited empirical research on how to measure the effectiveness of unfreezing practices in enhancing employee retention. Most studies have concentrated on measuring the outcomes rather than the processes involved in preparing for the change.

2.4.1 Existing Change Management Assessment Models

- Change readiness scales measure the readiness of the employees to undergo a change process. However, they are not specifically related to employee retention.
- Employee engagement surveys are helpful in measuring levels of commitment. However, they are not specifically helpful in evaluating unfreezing practices.
- Organizational climate studies are helpful in evaluating the workplace. However, they are not specifically related to change readiness.

2.4.2 Need for Measuring Unfreezing Practices

There exists a need to measure practices in an organized manner to understand the impact of communication, support from leadership, training, and employee involvement in readiness to change and intention to retain. Understanding these factors will help organizations to come up with an effective change management strategy to prevent any kind of resistance to change, hence maintaining stability within the employees.

CHAPTER 3

RESEACH MATHODOLOGY

3.1 Problem Statement

In today's business organizations, organizational change is unavoidable. This is due to various reasons such as technology development, market rivalry, and employee expectations. However, change management projects may generate uncertainty, resistance, and fear among the workforce, which may affect employee retention negatively. Literature on change management has highlighted the significance of preparing the organization before undertaking change management projects. However, little research attention has been paid to the unfreezing stage of change management as suggested by Kurt Lewin.

Most of the research that has been conducted focuses on employee retention after change management project implementation. Additionally, the relationship between employee readiness for change as a mediator of the relationship between unfreezing practices and employee retention has not been fully explored. Therefore, this study is conducted to examine how unfreezing practices contribute to employee retention through employee readiness for change.

3.2 Research Gap

Prior studies on organizational change processes have mainly focused on post-change outcomes such as performance improvement and retention. Limited studies have been conducted on the preparatory phase in the change process, especially on the unfreezing phase.

In addition:

- Many studies have concentrated on general change management practices rather than specifically developing the concept of unfreezing.
- Many studies have concentrated on employee retention post-change rather than pre-change.
- The mediator role of readiness to change between unfreezing practices and employee retention intention is understudied.
- Combined empirical model studies on early change preparation, readiness to change, and employee retention intention are limited.

This study aims to fill the existing gap by examining the unfreezing practices, readiness to change, and employee retention intention using a single research model.

3.3 Research Objectives

The main objectives of the study are:

- To examine the impact of unfreezing practices on employee retention intention during change.
- To examine the relationship between unfreezing practices and change readiness.
- To examine the mediating impact of change readiness between unfreezing practices and employee retention intention

3.4 Research Design

This study employed a quantitative study design using a structured survey approach. The study aimed at investigating the relationships between unfreezing practices, readiness, and employee retention intention using a statistical approach. A cross-sectional study design is employed in collecting the study data from employees undergoing change in the organization.

3.4.1 Scale Development Methodology

The study employed existing scales, which have been validated, in the study context:

Unfreezing Practices Scale (Independent Variable)

- Developed on the basis of organizational change readiness constructs, which include discrepancy, appropriateness, change efficacy, leadership support, and personal valence.
- Readiness for Change Scale (Mediating Variable)
- Developed on the basis of constructs of Organizational Readiness for Change, which include individual motivation and organizational readiness.
- Employee Retention Intention Scale (Dependent Variable)
- Developed on the basis of constructs measuring employee turnover intentions, which include likelihood of staying or leaving.

All items are measured on a Likert scale ranging from Strongly Disagree (1) to Strongly Agree (5).

3.4.2 Research Approach

The study will adopt a deductive research approach, where the development of hypotheses is influenced by the theoretical frameworks of change management.

The study will use both primary and secondary data sources. For the primary data source, questionnaires will be used as a research instrument. For the secondary source of data, academic journals, books, and previous research will be used.

3.5 Research Question

This study aims to answer the following research questions:

- How do unfreezing practices affect employee retention intention in the process of change?
- Does readiness to change affect employee's willingness to stay in the process of change?
- Does readiness to change mediate the relationship between unfreezing practices and employee retention intention?

3.6 Sampling

3.6.1 Target Population

The study population of interest comprises employees working within organizations that have undergone or are undergoing organizational changes.

3.6.2 Sampling Technique

The study will use stratified sampling to ensure that there is adequate representation of employees who have undergone organizational changes within various organizational contexts. The basis of stratification will be based on the following factors:

- **Industries** such as IT, finance, consulting, HR, marketing, and operations that have undergone organizational changes.
- **Job levels** ranging from entry-level employees to senior management.

- **Years of Experience:** The years of experience of the respondents will vary from 0-5 years, 6-10 years, and above 10 years, which will help understand the difference in their readiness for change and retention intention.

This method of sampling will provide a balanced representation of the data, which will help generalize the results related to unfreezing practices and employee retention.

3.6.3 Sample Size

A sample size of around 80(Purpose of Draft Report) is considered to be appropriate to ensure statistical reliability and meaningful analysis for mediation testing and regression analysis.

3.6.4 Data Collection Method

- **Survey Instrument:** A structured Likert scale instrument to measure unfreezing practices, readiness for change, and intention to retain employees during organizational changes.
- **Interviews (Optional/Supportive):** Informal conversations with HR professionals and managers who are going through change initiatives to understand the contextual nature of change preparation practices.
- **Secondary Data Sources:** Academic journals, organizational reports, and existing research studies related to change management, employee readiness for change, and retention are used to support the theoretical understanding

3.6.5 Research Approach

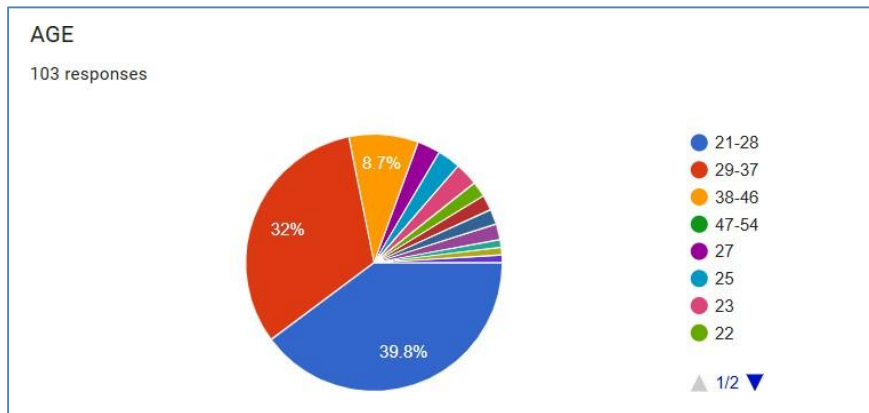
The research design is based on a deductive research approach, where theoretical frameworks from change management literature are used to develop hypotheses.

Primary data collection is done by structured questionnaires, while secondary data is collected from journals, books, and existing literature on organizational changes and employee retention.

CHAPTER-4
DATA ANALYSIS & INTERPRETATION

4.1 DEMOGRAPHIC ANALYSIS

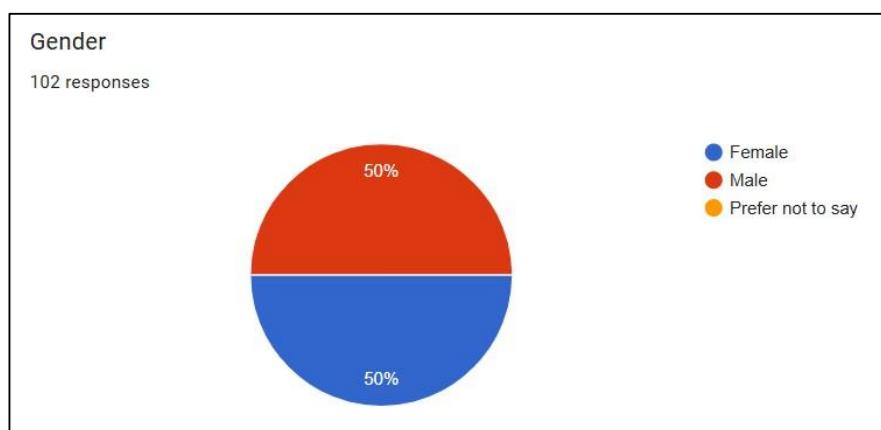
4.1.1



The distribution of ages among the respondents shows that a majority of them belong to the younger age groups. A majority of 39.8% are represented by the 21-28 age groups, followed by 32% who belong to the 29-37 age groups. This shows that people who are at the early or mid-stages of their careers are represented in large numbers. A smaller percentage, i.e., 8.7%, are represented by people who belong to the 38-46 age groups. A very small number are represented by people who belong to the 47-54 age groups or other age groups.

The data shows that this study is largely influenced by younger professionals who are more adaptive to change, receptive to new ideas, and are always eager to grow professionally. This would be helpful to understand trends relating to change, learning, and engagement within organizations. However, the views of older and more experienced people are not as represented.

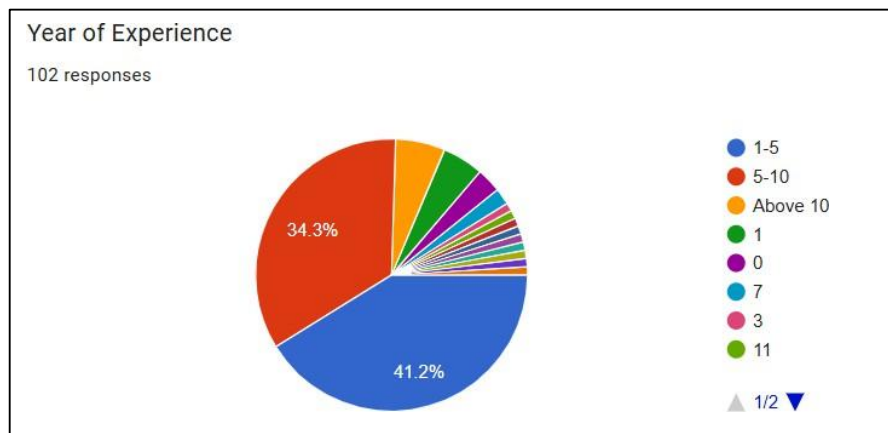
4.1.2



The gender distribution of the respondents reveals a perfectly balanced sample set, where 50% are female and 50% are male. The “prefer not to say” option is not utilized in any of the responses.

The equal distribution implies that both genders are represented in this study without any form of bias towards one gender or another. This provides reliability to the results because they are based on an equal distribution of both genders. This way, it becomes easier to draw meaningful comparisons based on gender differences, if required in further analysis.

4.1.3



The distribution of years of experience among the respondents indicates that most are at relatively early stages in their professional careers. A substantial number, 41.2%, have 1-5 years of experience, followed by 34.3% who have 5-10 years of experience. This indicates that most respondents are at relatively early or mid-stages in their professional careers.

A smaller percentage of respondents have more than 10 years of experience, while only a few have less than 1 year or very specific years of experience, such as 3 or 7 years.

The distribution indicates that most respondents are at relatively moderate stages in their professional careers. This means that most are actively developing their careers. This would mean that most are likely to be engaged with learning, growth, and change within organizations. Perspectives from people with more than 10 years of experience are limited.

4.2 Reliability Analysis

4.2.1 Case Processing Summary

The case processing summary indicates that among the 60 total responses, 57 cases **(95%)** were valid and used for the analysis, and 3 cases **(5%)** were not valid as there was some missing data (listwise deletion).

It is clear that the data has a high level of response completeness, and most of the data is ready

For analysis



		N	%
Cases	Valid	57	95.0
	Excluded ^a	3	5.0
	Total	60	100.0

a. Listwise deletion based on all variables in the procedure.

4.2.2 Reliability Statistics

CHANGE READINESS



Cronbach's Alpha	N of Items
.775	15

The value of Cronbach's Alpha is 0.775 for 15 items, which is an indication that there is a good level of internal consistency among the items in the scale.

TURNOVER INTENTION

Reliability Statistics	
Cronbach's Alpha	N of Items
.716	3

- The Cronbach's Alpha value is 0.716, which is good. Cronbach's Alpha is a measure of how well the items in a scale correlate with each other, which in turn determines how good the scale is in measuring a concept.
- Generally, a value of more than 0.7 is good enough in social sciences. Since the value obtained (0.716) is a bit more than 0.7, it can be said that the items in the scale are reasonably consistent with each other.
- However, it has to be taken into account that the scale has only 3 items. Cronbach's Alpha can be affected by the number of items in the scale. The fewer the items, the lower the value obtained

4.3 DESCRIPTIVE ANALYSIS

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
CR_T	100	2.47	4.87	3.7607	.53021
OR_T	100	2.17	5.00	3.9511	.55983
TI_T	100	1.67	5.00	3.9483	.88500
Valid N (listwise)	100				

- The table below provides a summary of the descriptive statistics of three variables: CR_T, OR_T, and TI_T. The number of respondents for these variables is 100.
- The mean of the scores for variable CR_T is 3.7607, with a standard deviation of 0.53021.

The scores range from 2.47 to 4.87. This suggests that the respondents' opinions fall under a moderate to high level of responses with little variability.

- The variable OR_T has the highest mean at 3.9511, with a standard deviation of 0.55983. The values range from 2.17 to 5.00. This suggests that respondents' opinions fall under a higher level of responses compared to other variables.
- The mean of the scores for variable TI_T is 3.9483. This is close to the mean of variable OR_T. This suggests that the opinions of the respondents fall under a higher level of responses. However, the variable has a higher standard deviation of 0.88500. The values of this variable range from 1.67 to 5.00.

4.4 NORMALITY TEST

Tests of Normality

Tests of Normality						
	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
CR_T	.094	100	.029	.962	100	.006
OR_T	.105	100	.009	.969	100	.018
TI_T	.132	100	.000	.914	100	.000

a. Lilliefors Significance Correction

The table below shows the results of the tests on the data using the Kolmogorov-Smirnov and Shapiro-Wilk tests.

Normality Test Results

| Kolmogorov-Smirnov Test | Shapiro-Wilk Test |

CR_T 0.029 0.006
OR_T 0.009 0.018
TI_T 0.000 0.000

The significance (Sig.) values in all cases are less than 0.05. This shows that all the data sets

4.6.1

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.327 ^a	.107	.098	.84065

a. Predictors: (Constant), CR_T

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.282	1	8.282	11.719	.001 ^b
	Residual	69.257	98	.707		
	Total	77.539	99			

a. Dependent Variable: TI_T
b. Predictors: (Constant), CR_T

1. Model Summary Interpretation

- $R = 0.327$

This shows a moderate positive relationship between the independent variable and the dependent variable.

- $R \text{ Square} = 0.107$

This shows that only 10.7% of the variation in the dependent variable is explained by the independent variable.

→ Therefore, it can be said that the model has a low explanatory power, and most of the variation (about 89.3%) is due to other factors not included in the model.

- $\text{Adjusted } R \text{ Square} = 0.098$

This shows the variance explained by the model after adjusting it according to the sample size and the number of independent variables. The variance explained by the model is slightly lower at 9.8%.

- $\text{Std. Error of Estimate} = 0.84065$

This figure shows the average error in prediction. The lower it is, the better. The figure is moderately high.

2. ANOVA Interpretation

$F = 11.719$

Significance (p-value) = 0.001

Since $p < 0.05$, the regression model is statistically significant.

3. Overall Conclusion

- There exists a statistically significant yet weak correlation between CR_T and TI_T.
- CR_T does have an effect on TI_T, yet it only accounts for a minor portion of the variation.

This means that:

- Other factors are likely to be playing a much larger role
- The model can be improved by adding more predictors

4.6.2 Mediation Analysis: Hypothesis 3

1. First Model (Outcome: OR_T)

Model Fit

- **R = 0.5626, $R^2 = 0.3165$**
 - 31.65% of variance in OR_T is explained by CR_T
 - This is a moderate explanatory power
- **F = 45.3823, p = 0.0000**
 - Model is highly significant

2. Coefficient Interpretation

- **CR_T → OR_T ($\beta = 0.5940$, $p < 0.001$)**
 - Strong, positive, and significant effect
 - As CR_T increases, OR_T significantly increases
- **Confidence Interval: [0.4190, 0.7690]**
 - Does not include zero → confirms significance

CHAPTER V
FINDINGS, RECOMMENDATIONS AND
CONCLUSION

4. Mediating Role of Readiness for Change

The results show that readiness to change has a very important mediating role in the relationship between the use of unfreezing practices and the intention to retain employees. This means that the use of unfreezing practices does not have a direct impact on retention, but it impacts readiness to change, which in turn impacts the intention to stay of employees.

This is in accordance with the theoretical framework, which has been set up with reference to Lewin's Change Model, particularly with reference to the role of the 'Unfreezing' stage.

5.2 RECOMMENDATION

From the above results, the following recommendations are made for organizations that are undergoing change:

1.Improve Communication During the Unfreezing Phase

Organizations need to communicate the following to their employees:

- The need for change (discrepancy)
- The advantages of change (valence)
- The outcomes

2.Improve Leadership Visibility and Support from the Principal

The top management of the organization need to show their support for change by:

- Holding forums
- Holding town hall meetings
- Having two-way communication with the employees

This will improve the confidence of the employees, thus improving their psychological readiness.

3.Achieve Change Efficacy by Training and Skill Development

Employees need to feel confident about change. Organizations need to:

- Develop a training program
- Hold a workshop
- Offer support services

This will improve change efficacy, thus improving change readiness by reducing fear of change

4.Emphasize Psychological Readiness and Not Just Structural Change

The focus is usually placed more on the operational part of change management, whereas the emotional part of the employee is usually neglected. What HR personnel should do is:

- Measure readiness
- Provide counseling support
- Address employee concerns in advance

5. Retention Risk Monitoring in the Early Stages of Change

As a result of uncertainty, the intention to leave may increase. Therefore, HR professionals must:
Monitor employee sentiment

- Administer pulse surveys
- Identify high-risk groups
- Early change management can help avoid voluntary turnover.

6. Retention Risk Monitoring in the Early Stages of Change

As a result of uncertainty, the intention to leave may increase. Therefore, HR professionals must:

- Monitor employee sentiment
- Administer pulse surveys
- Identify high-risk groups
- Early change management can help avoid voluntary turnover.

Conclusion

The original contribution to the existing body of knowledge on change management is based on an investigation into the importance of unfreezing activities in improving employee retention in an organization undergoing changes. The findings of this study confirm that unfreezing activities are important in improving both change readiness and employee retention intention.

The findings of this study confirm that change readiness acts as a psychological bridge in improving employee retention in an organization undergoing changes. Therefore, organizations that can manage the unfreezing process in improving communication, leadership support, and employee confidence are more likely to retain their employees in an organization undergoing changes.

The findings of this study confirm the importance of Lewin's Change Model in improving employee retention in an organization undergoing changes. In today's dynamic business environment, organizations are required to transform from a structural change management approach to an emotional change readiness approach in improving employee retention in an organization undergoing changes.