



iJRASET

International Journal For Research in
Applied Science and Engineering Technology



INTERNATIONAL JOURNAL FOR RESEARCH

IN APPLIED SCIENCE & ENGINEERING TECHNOLOGY

Volume: 10 **Issue:** X **Month of publication:** October 2022

DOI: <https://doi.org/10.22214/ijraset.2022.46978>

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The Role of Leadership on Organizational Change

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Abstract: *The purpose of this research is to investigate the function of leadership in organizational change. A leader acts as a change agent who can effectively manage organizational processes. To comprehend, accept, and execute changes in their business model, firms must continually assess and reevaluate current technological breakthroughs and client expectations. Organizations must now better comprehend the importance of change and prepare themselves to accept not just current but also future trends in order to achieve long-term success. According to many studies, 70 percent of organizational transformation fails to achieve its goals due to inadequate leadership style, despite the fact that leaders play a critical role in a company. As a result, the process of change need effective and highly qualified leadership capable of identifying the most desirable features and addressing challenges in the most suitable manner. According to the examination of literature and the outcomes of real-life case studies studied for this research paper, a leader with the competences "Visionary," "Democratic," and "Transformational," as well as a "Innovative Approach," may ensure more successful organizational change with success. As a consequence, this study offered a model derived from leadership competences, including organizational change, long-term success, and innovation, that express the link between effective organizational change and the function of leadership.*

Key Words: *Organizational Change, Leader, Transformational, Innovative, Democratic and Visionary Leadership.*

I. INTRODUCTION

A. Background of the Study

Dynamism is a crucial component for the existence of any economic unit since change is inevitable. All businesses are subject to the fact that things change constantly, thus they are always working to adapt and enhance their current systems in order to survive competitive work settings. Change is typically necessitated by both internal and external organizational causes. Organizational internal variables include the implementation of new technology, management policies, product/service specifications, and so on. Organizational external factors include new regulation, increased competition, modern technologies, labor unions, and climate change, among others. However, as change is a complicated process, it frequently has unanticipated negative effects because of opposition from various sources.

Effective management and leadership might be the key to successfully implementing change. Additionally, it has been shown that organizational leaders experienced increased pressure throughout the design and execution of organizational reform (Caldwell et al, 2012). It is described as "a meaningful environmental upheaval that necessitates purposeful organizational responses to contain new procedures, norms, values, processes, and staff belief system" when conceiving organizational change (Seeger, et al., 2005 p. 52;). According to the description given, an organizational transformation is a comprehensive field of analysis that is primarily concerned with strategic change (Kotter & Schlesinger, 1979). The planned tactics that are in line with the organizational aim have always accompanied organizational transformation. Thus, by putting in place a flexible strategic change process, the organizational system and its members are better able to upgrade and adapt their current system to meet the demands of changing conditions. Using a different approach, for instance, to manage emerging technologies, contingencies, workflows, and personnel value (Doppelt, 2017; Mintzberg, 1984; Kezar & Holcombe, 2017).

Leadership techniques have a significant impact on how organizational transformation processes turn out. Thus, it is possible to define leadership as the ability of a person to inspire and shape the actions of others in order to accomplish tasks or goals. In order to achieve organizational goals, leadership is a continuous process that focuses on enhancing people's talents to get the greatest performance out of them. In this approach, leaders play a crucial function in the company as a source of introducing fresh perspectives and laying out a corrected course during the process of organizational transformation. Numerous academics have emphasized the significance of leadership, noting that effective leadership creates the organization's vision, goal, strategy, and cultural values for change in addition to empowering and motivating workers to embrace that change (Gill, 2002). The transformational leadership style in change management has drawn a lot of interest from academics and researchers. People readily trust and believe in transformational leaders because they are charismatic, vision-oriented, self-assured, and trustworthy.

Research has shown that, even during organizational transition, transformational leadership has a considerable beneficial impact on employees' performance (Lloyd-Walker & Walker, 2011; Herold, et al. 2008; Paulsen, et al. 2013). Transformational leadership outperformed transactional leadership, notably in the area of change management (Hill et al., 2012). Empirically, it is clear that transformational leadership has a positive correlation with workers' performance throughout transition processes (Herold et al., 2008). It has been endorsed that the stepwise change model would be helpful at the operational level because the organizational change management system process only necessitates minor changes in daily activities and formal interactions, which gradually improves the performance in implementing the strategic change (Edvinsson, 2002). Johnson & Scholes (1999, p 46), divided strategic change into four categories: continuity, flux, incremental, and transformative. These categories may be used to create successful implementation strategies. Moreso, Kezar and Holcombe (2017) proposed three classifications of organizational change, including developmental changes, transitional changes, and transformational changes.

In this study, conceptual models and qualitative research are analyzed, emphasizing the value of strong leadership and change management in the current environment. References from research articles, studies, and theoretical models that have been published in reputable publications have been used to offer perspectives on leadership in change management and how to handle the opposing circumstances of corporate settings. To cope with the inverse business situations with effective leadership and change management procedures, a substantial body of literature has thus been offered in the study's succeeding sections. To emphasize the significance of good leadership and change management in the transformation of the company, these study research questions were created.

B. Statement of the Problem

Today's firms are changing their organizational structures as a result of the competitive climate they are operating in. It's simple to think of new concepts, possibilities, and innovations, but it may be incredibly complex to put them into practice. Therefore, businesses must acknowledge the crucial role of leadership in this process if they are to create the transition effectively and seamlessly. The research aims to investigate how leaders manage organizational transformation and the role of leadership in this process.

C. Research Objectives

This study's goal is to investigate the relationship between successful organizational change and leadership based on two characteristics: "Leadership styles" having visionary, democratic, and transformational "Innovative approach." Given the significance of organizational change and acceptance of the critical role leadership plays in the change process.

- 1) To assess the significance of leadership within an organization.
- 2) To investigate the part that leadership plays in effective organizational change.
- 3) To determine the leadership traits and philosophies that should be embraced for an organization's change process to be successful.

D. Hypothesis

H₀: There is no relationship between successful organizational change and leadership.

H₁: There is a relationship between successful organizational change and leadership.

E. Significance of Study

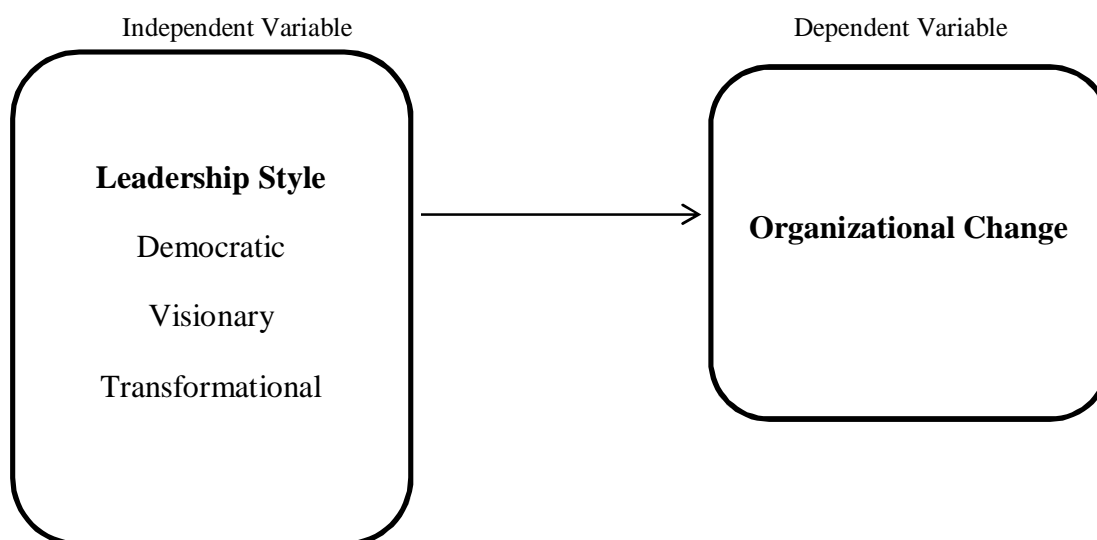
It takes a leader with certain knowledge, abilities, talents, and competences to bring about a successful organizational transformation; change cannot be accomplished overnight. To do that, we must first understand how leadership abilities relate to organizational transformation that is successful. Organizational transformation is a process that aims to achieve desired goals. Therefore, the key to making this shift successfully is having a leader with a clear vision and a creative strategy (Gesell, 2010). Leaders can boost their chances of achieving their goal by utilizing an innovative strategy. Organizations must adapt their business models to the newest technology, trends, and concerns in order to compete in this dynamic and competitive business and trend environment.

This calls for the most skilled leadership, one that is not only able to identify and assess the current business requirements, but also to successfully execute changes. We will be able to examine in this study how a leader's vision and innovative approach are related to the effectiveness of the organizational change based on a number of academic works.

II. LITERATURE REVIEW

A. Conceptual Framework

The conceptual framework serves as the basis for representing or explaining how and why particular variables are connected to one another. We identify the two key leadership variables that are significant in directly influencing the process of organizational transformation after identifying the issue statement and hypothesis. Organizational transformation, which is the dependent variable of major concern in this study report, and leadership style and an innovative approach are the independent factors. So, let's go closer to the structure that is described below.



The framework above shows the direct influence leadership on organizational change

There are several definitions for the broad concept of organization. A team of individuals who consistently work together to achieve organizational objectives or targets is often thought of as the social unit that makes up an organization. Manufacturing and service businesses include places like schools, hospitals, churches, retail outlets, and candy striper groups, among others (Caldwell et al., 2017). The term "change" is used in a broad sense, but according to Sansom and Reid Oxford Dictionary (1994:195), it is a Latin word that means "to improve" (Paulsen et al., 2017). Simply said, change implies to modify or make something better than it was before by adding or removing certain values.

The significance of organizational transformation is viewed differently by different writers and experts. Several people believe it is excellent for long-term sustainability and successful company, and others believe it may provide a competitive advantage in this competitive environment, while others believe it is crucial for survival. So, using a unique method, we investigate the link between effective organizational change and the function of leadership on the basis of leadership styles, namely transformational, democratic, and visionary. A good leader possesses a variety of abilities and attributes, including "leadership styles" and a "innovative approach." A leader must have a clear vision of what and how to execute it by utilizing various leadership styles and imaginative thinking. The vision is an ideal and one-of-a-kind image or the art of perceiving the invisible. Simply put, vision is understanding where you are going and where you are headed. Through this, motivation, inspiration, and shared responsibility may grow and present chances to individuals as they make decisions based on the ultimate result which they examine in their minds (Kotter, 1996).

Dulewicz and Higgs (2005) used their Leadership Dimensions Questionnaire (LDQ) to conduct a research to determine the association between leadership style and transition environment. The research found that the "fit" between leadership style and change environment predicts leadership performance. The LDQ, on the other hand, is based on a thorough examination of the literature but lacks empirical support.

Wren and Dulewicz (2005) found that effectiveness in organizational change had a substantial association with leadership abilities and leadership behaviors in a study of 36 UK Royal Air Force officers. They discovered that the most strongly associated leadership components to effective transformation were managing resources, engaging communication, and empowering followers.

Furthermore, they discovered that cultivating followers, inspiration, and critical analysis were the leadership aspects that were statistically substantially connected to change success.

Higgs and Rowland (2005) found convincing evidence of a link between change success, leader behaviors, and organizational culture in an empirical investigation. According to Higgs and Rowland (2005), the effectiveness of a change is dependent on the behaviors of leaders in a change process, and these behaviors impact the leader's attitude to change. As a result, there is mounting evidence that the leadership attributes and actions of change agents have a substantial influence on the success or failure of organizational change programs (Higgs & Rowland, 2005).

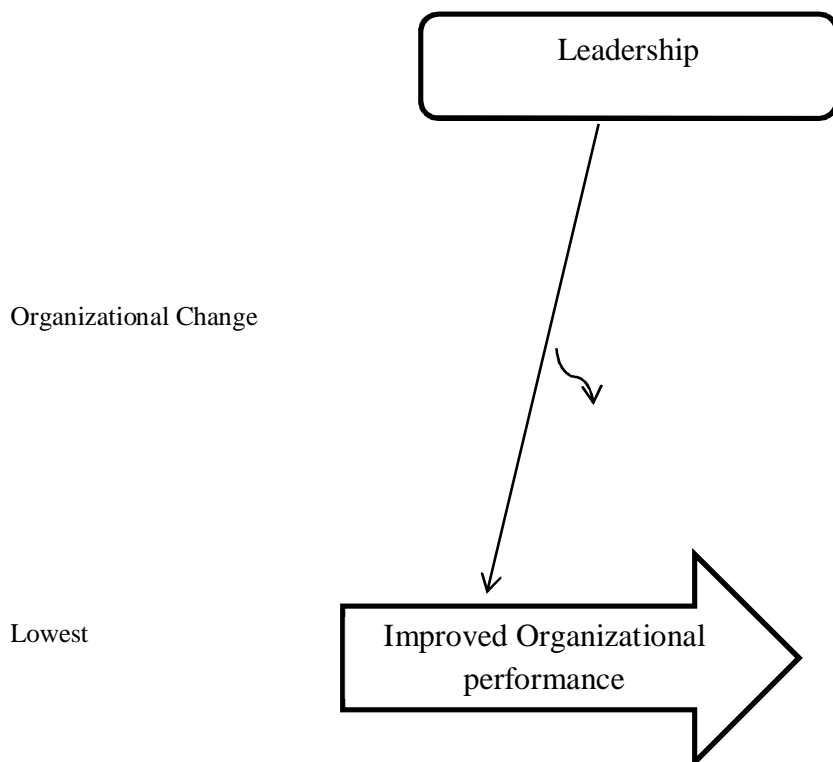
III. RESEARCH METHODOLOGY

The goal of research methodology is to demonstrate the techniques and methods of data collection. This study is mostly qualitative in character. As this method is exploratory and part of a qualitative study, we employed case studies to assist the research. We collected secondary data for this study using secondary sources. We employ a variety of scholarly publications and multimedia goods, among other things. We analyzed a wide variety of diverse literatures in the form of academic publications concerning change management, leadership characteristics, and innovation strategies using an electronic data base, which assisted us in finding the relationship between leadership qualities and organizational transformation. The study also searched distinct "Leadership styles" and "innovative approaches" more thoroughly using computerized data bases. We looked at over 20 publications regarding the notion and role of leadership. Among those publications, the three fourth pieces indicated that visionary leadership and, as a result, an innovative strategy are both critical aspects for bringing about change in an organization. So, after doing content analysis, we conclude that the role of leadership is critical for organizational transformation and creativity.

IV. FINDINGS OF THE STUDY

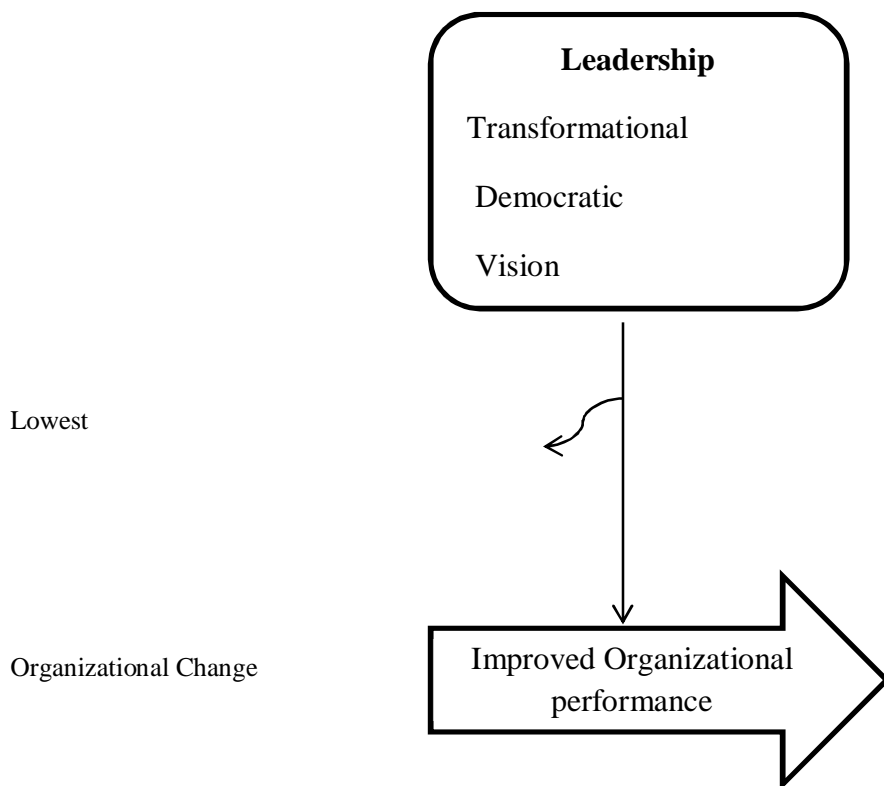
The research study's findings were examined using proposed models. The model outlines the four scenarios of organizational transformation as well as the function of leadership in the change process. Two model scenarios were addressed, along with the findings of the literature research and how they linked to the case studies.

The first scenario (A) describes organizational transformation and the role of leadership in effecting change. Based on our review of the literature, we believe that changes without a clear vision or new ideas can lead to lower levels of success and lower organizational performance.



Source: Uzma et al., (2016)

The model's final scenario (D) is a mix of an innovative leadership strategy, leadership styles such as visionary, democratic, and transformational, and organizational change. It illustrates how effective organizational transformation is contingent on a leader's leadership style and innovative approach.



Source: Uzma et al., (2016)

Many researchers found that leaders with a clear vision and the capacity to implement it with an innovative approach may have a stronger ability to effectively execute change, and this is due to their unique or new manner of managing, thinking, and acting. As a result, we concluded that organizational change that is based on a leader's vision and thus his or her innovative approach to achieving that vision through the use of transformational and democratic styles has a closer and stronger relationship with organizational performance, which leads to improved organizational performance.

V. CONCLUSION

According to our research, we determined that leadership plays an important role in bringing about change in an organization. Organizational transformation is becoming more demanding and prevalent in today's commercial climate. As a result, the Organization tends to embrace change in order to successfully adapt to existing or future trends, technical, economic, and social developments, and to achieve a competitive advantage.

However, implementing change in an organization is a difficult and complex task. Leadership may now play a critical role in managing organizational transformation. Through this research, researchers discovered that leaders must possess a variety of abilities, features, and styles in order to successfully implement organizational transformation. In particular, in the event of organizational transformation, leaders must be visionary and inventive thinkers. Thus, visionary leadership and an innovative strategy have proven to be extremely helpful in effectively implementing organizational transformation. This research effort may also stimulate and inspire whole enterprises to consider the role of the leader as a change agent, as well as the leader's attributes of "Vision and Innovative" Approach, which may increase their chances of success by better managing the organizational change process.

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