THE RELEVANCE OF DIFFERENT ASPECTS OF TRANSFORMATIONAL LEADERSHIP IN ORGANIZATIONAL CHANGE AND TRANSFORMATION INITIATIVES

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Abstract

In the contemporary and intricate corporate landscape, organizational transformation has become imperative for survival, given the constant evolution of uncontrollable factors that directly influence business profitability. Adaptability to these changes presents both opportunities and threats, and organizations that effectively navigate these shifts position themselves for success. In this transformative process, the role of transformational leadership becomes crucial. The various dimensions of transformational leadership directly influence employee behavior. This study examines the relevance and impact of transformational leadership and its multiple dimensions in the context of organizational change and transformation. The findings underscore the pivotal role played by the dimensions of transformational leadership in facilitating successful organizational transitions, mitigating employee reluctance, and fostering a culture conducive to change.

Keywords: Transformational Leadership, Organisational Change, Organisational Transformation

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Section A-Research Paper

Introduction

Organizations have faced extreme levels of unpredictability in their environments, forcing them to constantly modify themselves (Breu and Benwell,1999).Perpetual development is an essential element in any business organization and it leads to change in the existing policies, procedures, and operations. No organization can survive without it and it is an inevitable part. Employees determine the eventual effectiveness of change activities, whether mergers, restructuring, or downsizing (Fugate, 2015). The primary goal of organizational change (which is usually foreseen and planned for) is to move from a present state to a better one. Whenever any change occurs, it leads to a disturbance in the status quo. A change in the status quo faces opposition at all levels of the hierarchy (Orji, 2019). The uncertainty and fear increase in the employees and they resist the change as it creates some uneasiness in them. Managers facing the challenges given by the dynamic transformations occurring in the expanding global economy must cope with the dilemmas connected with implementing change in their businesses to survive and perhaps prosper (Dehler and Welsh, 1994). Managers confronted with the problems presented by the dynamic shifts occurring in the evolving globalized economy must grapple with the difficulties of implementing change in their organizations (Dehler and Welsh, 1994).

Future organizations' prolonged survival is dependent on their ability to implement successful transformations, which is an actual goal in enhancing and transforming the company (Zare, Azzar, Mardani, and Arein, 2014). Human capital is one of the most critical factors in an organization, and gaining their confidence in the transition period is essential. They are the ones on which this change is implemented. What they perceive and behave during the change phase is a significant issue. It has been discovered that some employees resist organizational changes because of how the change is being performed. Organizations, leaders, managers, and HR practices must now be "designed to adapt" because change is widespread and crucial for competitiveness (Fugate, 2015). Human resource transformation is required to maximize the impact of other organizational factors such as organizational structure and technological shifts (Zare et al., 2014).

Leadership plays an essential role in change and transformation as the influence of a leader directly the behavior of employees. In today's corporate world success is impossible without good leadership (Ghasabeh, Soosay, and Reaiche, 2019). A leader can persuade people to follow him. The association between leadership, organizational commitment, and job happiness is based on quality leadership skills (Wanza and Nkuraru, 2016).

In any successful change endeavor, visionary, prioritizing, planning, offering feedback, and rewarding accomplishment are essential leadership and management abilities (Marković, 2008). There are various elements of a leader's behavior that are needed to encourage, especially in a time of change. Transformational leadership plays a vital role in these aspects as its multiple dimensions significantly impact the employees.

Research Gap

There is a shortage of literature on the applicability of transformational leadership in organizational change and organizational transformation. Although many research papers discussed transformational leadership, organizational change, and organizational transformation separately, only a very few articles were found that addressed the applicability of transformational leadership in influencing the behavior of employees towards organizational change and transformation.

Objectives

The paper's primary objective is to determine the applicability of transformational leadership and its various dimensions in a successful change and transformation. Another aim was to discuss how transformational leadership can control resistance during shifts.

Method

The research is secondary by nature. Several research papers and articles selected from reliable databases like Emerald Insight and Google Scholar have been thoroughly studied to go deeper into organizational change, transformation, and leadership. The leadership style best suited to the transition phase(transformational leadership) has been chosen for the study. Its various dimensions are studied individually to understand their implementation in change and transformation in organizations.

Organisational Change

Organizational change has become an essential element of work experience, with adjustments required at the corporate and individual employee levels(Anderson,2013). It is the alteration within the organization and helps to move from the

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status quo position. The changes that take place outside affect the organization directly or indirectly. Due to this, an organization needs to change itself to survive in the environment, and those who do not change themselves as per the need face many problems and ultimately wipe out the market. In the three-step change model, Lewin said that change requires three steps first, unfreeze the stagnant situation, then move towards the planned state, and lastly, refreeze and stabilize it (Robbins, Judge, and Vohra, 2016). At first, it is required to find out whether any change is needed or not. The problem is defined clearly which involves change. Alternatives are found to tackle the problem, and the aftermath of change should be adequately planned to take action without any delay. The existing ways are challenged and the change process is implemented. Lastly, changes are stabilized so that the employees do not return to the old ways (Alkaya and Hepaktan 2003).

Organizational Transformation

Organisational Transformation (OT) is a long-term, continuous, in-depth process that creates and maintains renewal, innovation, and learning attitudes. It alters organizational assumptions and basics, resulting in significantly different organizational structures, procedures, cultures, and strategies (Gallego and Hernandez, 2021).Organizational transformation necessitates changes in factors such as mission, philosophy, process, and hierarchy (Zareetal 2014). OTs involve many aspects of an organization's culture, leadership abilities, work-group creation, policy, and recognition programs through trajectories or critical points (KilmannandCovin,1988).OT necessitates determining values, attitudes, norms, and operations that define the company's organizational culture(Smith and Stewart,2011). Organizational transformation is frequently triggered by the actions of corporate leaders, who out new paradigms in response to signs of turbulence that indicate unknown risks and opportunities or are inspired by a new vision and make an effort to put new tactics in place(Wischnevsky and Damanpour, 2015).

While leading organizational transformation, leaders should use both individual and plural leadership orientations (Canterino, Cirella, and Shani, 2018). Testimonials of organizational transformations include specific aspects of role leadership (SharmaandKhokle,2017).

Resistance

Organizational changes that induce a transformation in the current environment face opposition at all levels of the organization's hierarchy. Unsustainable situations can arise due to organizational resistance to change and a failure to respond appropriately to new opportunities (Orji,2019). Employee health and well-being have been linked to organizational change, with lower self-rated health and higher use of stress-related drugs (Hasson et al.,2006; Dahl,2011). In this way, resistance becomes the biggest hurdle in organizational transformation. There are several reasons for this resistance. Because each person is unique, so are their perspectives and motivations for opposing organizational change. As a result, overcoming resistance to organizational change necessitates a practical grasp of the particular instances driving each employee's reluctance(Sorre, 2016)

Individual Sources

Employees become habitual of the existing methods and do not want any disturbance in their convenience to perform tasks. Thus, any change creates uneasiness in them. People sometimes believe that change will make hurdles in their financial or other security and therefore, they resist because of fear of insecurity. They feel that if they do not appropriately perform new job or tasks, they will lose their job. People do it to keep their perception intact. They only want to hear what they feel and ignore the rest of the information (Robbins et al., 2016).

Organisational Sources

There exist various sub-systems in any organization. A change in one sub-system leads to a change in the other and thus creates complications. In organizations, groups are formed often. Even if an individual does not resist change, the group he belongs to creates psychological pressure on him to fight. When employees face change, they feel the threat of losing their expertise, and fear of being outdated encourages them to resist change. Long-standing power connections may be disrupted by redistribution of decision-making authority, and people may resist due to a loss of power (Robbins et al., 2016).

Transformation Leadership

The term "transformational leadership" was coined by James V. Down ton and further, the concept was taken ahead by leadership expert James MacGregor Burns. According to him,

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transformational leaders and their followers make each other advance and increase the standard of morality and motivation. Idealized Influence (II), Inspirational Motivation (IM), Intellectual Stimulation (IS), and Individual Consideration (IC)are its dimensions (Odumeru and Ogbonna, 2013). During change, organizations must have a clear strategy for dealing with and managing it. In addition, understanding the proper tactics for catalyzing transformation (Lozano,2015). In these situations, transformational leadership can be proved effective as it affects the behavior of employees by providing motivation, enhancing morale, and thus relating to the performance of followers. It encourages followers to share a sense of ownership of their assigned job and recognize their capabilities and weaknesses (Odumeru and Ogbonna, 2013)**.**

Dimension of Transformational Leadership
Idealized Influence is the impact of a leader on the followers by which they feel the leader an ideal person. The characteristics of a leader are such that it gives a positive impression on the followers(Baškarada, Watson, and Cromarty, 2017). The charismatic behavior of a leader is an essential part of this dimension. Idealized Influence is further divided into two categories that are attributed and behavior. Attributed means the traits, characteristics, and behavior that indicate the behavioral aspect of influencing (Passakonjaras, and Hartijasti, 2020). Inspirational Motivation deals with motivating followers toward the organization. The leader sets the goals and pushes the followers towards them. The mission and vision are set and continuous efforts are made to achieve the goals (Baškarada,Watson, and Cromarty, 2017). Intellectual Stimulation enhances the power of

employees to think out of the box so that they can give new ways to tackle problems and help in innovative ways to deal with things.
Along with this, it also helps in brainstorming among followers (Passakonjaras and Hartijasti, 2020). Individual Consideration pays attention to every follower so that the best can be taken out from them and he can be developed in the best possible manner. In this, the various weaknesses among the followers are found, and these are removed by providing training to them (Baškarada, Watson, and Cromarty, 2017).

Transformational Leadership, Organisational Change and Transformation
Breaking the status quo and bringing down change is not an easy task as it is implemented on employees, and employees are different in behavior; thus, most of the time, they resist change and without their proper support, it is not possible to bring any change. Transformational leadership plays a vital role in bringing down change in any organization. The leader is also essential for establishing and facilitating transition in any organization by creating a conducive environment for this phase(Abbas,2010). The empirical research presents that the effect of transformational behavior was particularly striking in the case of reactive, transformative changes that will change the organization's character (Penava, 2014). Transformational leadership emphasizes the necessity of technological advancements while also considering human relations. It emphasizes his status as a trailblazer and communicate his vision through the use of his abilities. In this scenario, the leader has a massive effect on organization's ability to change and innovate.

Figure 1 Dimensions of Transformational leadership and their impact on organisational change and Transformation

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Source: The author

Idealized influence builds the confidence of followers in a leader. Leaders can manage successfully and efficiently because they collect skills and information accumulated through experience. (Abbas, 2010). Managers with a positive mindset and good conduct will be crucial in changing employee behavior and performance at work. The leaders' beliefs and actions have a significant impact on their employees' performance. (Wanza and Nkuraru, 2016). The influence of attributes and behavior of leaders gives a positive attitude to the employees towards transformation.

a) Inspirational motivation is impactful as successful change requires having the necessary inspiration to change which is essential in transformation (Alkaya and Hepaktan, 2003). Motivation accounts for 13 percent of a manager's time during organizational change (Jones, 2010). Encouraging words delivered while leading, encouraging, or rewarding employees can add significant value to extrinsic or intrinsic accomplishment and improve employee encouragement (Muthusamy, 2019). Transformational leaders have a clear and straight vision of the future and they clearly show this vision to employees. Successful transformation needs to have a clear picture of tomorrow. Without vision, successful changes are complicated (Abbas, 2010). Inspirational motivation builds confidence among employees and prepares them to adopt the organization's transformation. Word of encouragement have a powerful motivating influence and can elicit beautiful emotions. Positive language can aid in forming a shared attitude, the expressing of the vision and goal, and the channeling of all employees' energies toward shared goals (Muthusamy, 2019).

b) By applying the intellectual stimulation aspect, the leaders provide new knowledge and ideas that motivate employees to approach organizational problems more naturally (Ghasabehetal.,2019). It requires the most senior positions to be willing to seek feedback on their leadership effectiveness (Alimo-Metcalfe and Alban-Metcalfe, 2002). It is important for effective organizational change and transformation to be open to receive input and suggestions from members (Lingham, Richley, and Soler, 2005). When employees are stimulated intellectually, they feel valued and it instills an urge to participate actively during the transition phase.

c) Individual consideration instills significant contribution to transformation by giving positive attitudes at the personal level (Ghasabehetal., 2019). When opportunities are given to the members to learn and develop supportive networks in the organization, people adjust themselves (Lingham et al., 2005). During the transition, transformational leaders find out the problems that occur at the individual level and try to solve the issues that build up employees' confidence toward change.

Individual consideration gives chance to every employee to make himself a better version of herself. This particular quality helps him to build confidence in dealing with the changes. He is constantly evolving and adapting. His members must keep pace with the developments in their workplace by learning new skills and competencies, and, most critically, by developing insight in a quickly changing environment (Breu and Ben well, 1999).

Managerial Implication

Managers have to deal with the resistance which is occurred in an organization due to a change that taken place inside or outside. Transformational leadership can help a manager in dealing with the transition phase of business in the most appropriate manner. Its various dimensions have an impact on the behavior of employees. If a manager applies dimensions of transformational leadership appropriately in his behavior he will be able to deal with the transition in the most effective manner.

Conclusion

Transformation is a requisite for every business to survive in the ever-changing business environment. The organizations that do not adjust themselves wipe out easily. The change also leads to resistance from employees because of several fears and uncertainty. If a good leadership style is adopted, it can transform employees' mindsets and behavior. Transformational leadership style plays a vital role in the process of change. It concluded that the various dimensions of transformational leadership play a significant role in the transition phase. The idealized influence builds trust in employees, which reduces resistance and makes a change easy to implement. It also influences the subordinates' performance in the workplace. Inspirational motivation encourages them to take one step further toward a shift. A cleared live range of vision to the employees is a must to move towards a successful transition as it clears the confusion among employees and in this way, confusion as a source of resistance is controlled by it. Intellectual

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stimulation increases mental involvement, which improves employees' level of comfort. Individual consideration helps them develop the necessary skills.

Their fear of being outdated reduces drastically and their confidence to work in a changed environment increase. In this way, we can say that all dimensions of transformational leadership help employees adopt change appropriately. It further reduces resistance to change and helps in transformation, which is a big hurdle in implementing the change process. Transforma tional leadership not only helps in reducing resistance but also helps create an environment in which employees embrace change most effectively, which further leads to organizational transformation.

Limitations and Recommendations for Future Research

The present article deals with the study of secondary nature only, which has its limitations. Future research can be done through primary research by selecting a particular sector where the successful change occurred through transformatio nal leadership. A case study can also be done in a specific company. Other leadership styles can also be included to study their effect on change and transformation of the organization.

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