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## Leadership and change in organization

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### Abstract

Organizations are facing every day the need to change. Change is inevitable due to dynamic environment organizations deal with. Organizations undertake changes to survive or to be more effectiveness. Changes may be small or big, whatever they are change process needs to be managed. Organizations are interested to have successful changes and effective leadership plays an important role in organizational change success. Effective leadership is always required to bring effective changes. Leaders have an important role during change management. Employees have positive attitudes and behavior to organizational change, when they see that leaders believe in proposed change and they work hard to make change process successful during organizational change, leaders have to create an environment where employees feel to be protected from change and they feel that leadership will support them during difficulties. Employees needs that their leaders to create connections and commitment during change.

In this paper, we will analyze the role of leaders in change process. Also, we will describe what a visionary leader is. During change process there are different phases (Kotter, 1996). This paper will analyze what a leader can do in each phase. Also, we will distinguish the differences among managers, change agent and leaders.

*Key word: change agent, change process, leader, organizational change, visionary leader.*

### 1 Introduction

Leaders may have different styles or skills during change in organization such as: setting goals, communicating vision, coaching and supporting, monitoring and controlling, building coalitions, etc (E. Cameron; M. Green, 2009). Leadership has a clear idea what he wants to do and he do not discourage from failures (W. Bennis, 1994). Leadership has to guide other members of organizations to vision and goals an organization has. Many researchers have studied leadership styles in change management. Many of these

studies argued that visionary leadership has an important role in organizational change. Bennis (1994), had identified three main characteristic of visionary leaders: passion, integrity and guiding vision. Also, he compared differences of managers and leaders and he separated management from leadership in a very clear way.

Another author, Kotter (1996), also argued that leaders and managers are different. Leaders prepare organizations to change and help them to deal with challenges change will create. Kotter, distinguished the main differences in focus between managers and leaders as is shown in table (1.1).

**Table 1.1: Differences between leaders and managers**

Leaders	Managers
Getting directions	Planning or budgeting
Aligning people	Organizing and staffing
Motivating people	Controlling and solving problems

Source: adapted by Kotter 1996

Early studies evaluated visionary leadership as a successful, but other studies showed that adaptive leadership is more successful nowadays. During organizational change, leaders have to create an environment where employees feel to be protected from change and they feel that leadership will support them during difficulties. Employees need their leaders to create connections and commitment during change. O'Neil identified four leadership roles for change to be successful, a) agent, b) sponsor, c) implementer, d) advocate.

- The sponsor makes change happens. He has line authority over employees who will implement change. Also, sponsor control resources needed for change (money, time, people)
- Implementer, implements change. He report to sponsor for change progress.
- Change agent, is the facilitator of change. Change agent gather data, is educator, adviser or coach.
- Advocate, is usually very motivated. He has an idea and needs a sponsor to make it real.

## 2. Leadership styles and organizational change

According to Bennis (1994), there are basically four types of leadership styles: *commanding leadership style*, *logical leadership style*, *inspirational leadership style* and *supportive leadership style*. These all leadership styles have strong relation with the development of change (Bennis, 1994).

D. Goleman (2000), studied leadership performances of more than 3000 executives all over the world, to understand leadership styles. His study has a crucial role in change management because he identified which

style is suitable for change. Leadership styles according to Goleman are: commanding style, visionary style, affiliative style, democratic, pacesetting and coaching.

- ❖ **Commanding style.** A directive leader makes all the decisions and gives orders to his or her team. Tight control and follow-up combined with high clarity in rules, roles, and expectations are key elements of Directive leadership. This style can be efficient in low skilled teams and when decisions must be made very quickly. This style of leadership can be used in crises time, when urgent change is required.
- ❖ **Visionary style.** A visionary leadership is suitable when employees respect and believe their leader and he is very enthusiastic about proposed change
- ❖ **Affiliative style.** This style is necessary when things are not going well during change. This leadership helps to create trust among employees and to improve relationships.
- ❖ **Democratic style.** This style of leadership can be used when team members have experience. They operate with their leader to create plans to make their ideas real.
- ❖ **Pacesetting style.** Pacesetting leadership is when the leader sets an example of high performance, high pace and high quality. Team members are expected to follow suit, and the pacesetting leader values results more than anything. This leadership style can be good to reach short term results
- ❖ **Coaching style.** This style is appropriate when organizational change acquires new skills or knowledge to employees.

### **3. Leadership's role in organizational change**

Organizations are interested to have successful changes and effective leadership plays an important role in organizational change success. Effective leadership is always required to bring effective changes. According to the different authors the leadership competences are strongly connected with the successful organizational change, “the leadership competences have a great relation with the organizational success and change”. Employee reactions towards change can be positive or negative. When employees show negative attitudes or behavior to proposed change, they are refusing or resisting to change. Resistance to change may lead to change failure. The effective leader is one who can manage the resistance and implement successful changes. This is not an easy duty and only competent leaders can handle it. Competence can be determine as the ability to manage knowledge and other skills and capabilities. There are different competences which are very effective for leaders and which also have connection with the successful organizational change.

Reardon and Rowe (1998) based on leadership styles of Bennis (1995), studied leadership styles during stages of radical change. Some of their study's results they compiled in the table below (tab.3.1).

**Tab.3.1: Relation between different leadership styles with the different phases of radical changes.**

Different Phases of Radical Change	Main Focus	Leadership Styles
Planning Phase	Acquiring information Creative ideas Strategy formulation	Inspirational/ Logical Inspirational Logical
Enabling Phase	Convincing employees Empowering Assisting Employees Explaining the Plans	Logical Inspirational, supportive Supportive Logical
Launching Phase	Implementation in steps Meeting Goals Getting Results Assessing the progress	Logical Commanding Commanding Logical
Catalyzing Phase	Inspiring Energizing Assisting	Inspirational Inspirational Supportive
Maintaining Phase	Overseeing the progress Guiding others Energizing Assisting	Logical Inspirational Inspirational Supportive

Source: Reardon, K.K. & Rowe, 1998, p 134

As it is shows from the tab.3.1, logical and inspirational leaders are more focused on the radical changes.

One strategic change in organizations is changing technology. There are two leadership dimensions to manage technology: a) transactional and b) transformational. Transactional leadership focuses on technological changes and having technical skills but he gives little attention to people and not much focus on problem solving. Transformational leadership on the other hand focuses on need of technological changes and also considers the human relation aspects; this type of leadership shows his role as a path finder and communicates his vision by exercising skills (W. Abbas; I.Asghar, 2010).

Kotter (1996), described some of the action a leader needs to take during all steps of his eight steps model. Cameron and Green (2010), analyzed that the first four steps of Kotter's model are more related to leaders actions.

**Tab. 3.2 Kotter's recommandet actions for the first four steps.**

Kotter's step	Recommended actions
1. Establishing a sense of urgency	Push up the urgency level, Create a crisis by exposing issues rather than protecting people from them. Send more data to people about customer satisfaction, especially where weaknesses are demonstrated. Encourage more honest discussion of these issues.
2. Creating the guiding coalition	Include enough main managers, enough relevant expertise, enough people with good credibility and reputation in the organization and enough ability to lead. Build trust and build a common goal.
3. Developing a vision and strategy	Take time to do this process properly and expect it to take months, it is never achieved in a single meeting.
4. Communicating the change vision	Keep the communication simple and use metaphor and analogy. Creativity is necessary to ensure that many different forms of communication are used to repeat the message. Use two-way discussions and listen to the feedback.

Source: E. Cameron, M. Green; *Making sense of change management*, 2th .edition pp. 168

Cameron and Green (2010) stressed that: “ it is important to establish phases of change so that plans can be made and achievements recognized. This phasing also enables a leader to see the need for flexibility in leadership style, as the change moves from one phase into another phase”

#### 4. Conclusions

1. Change is inevitable due to dynamic environment organizations deal with.
2. There are four leadership roles for change to be successful, a) agent, b) sponsor, c) implementer, d) advocate.
3. Organizations are interested to have successful changes and effective leadership plays an important role in organizational change success.
4. When employees show negative attitudes or behavior to proposed change, they are refusing or resisting to change. Resistance to change may lead to change failure
5. The effective leader is one who can manage the resistance and implement successful changes
6. There are two leadership dimensions to manage technology: a) transactional and b) transformational.
7. Employees need their leaders to create connections and commitment during change.

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