

Leadership Evidences: Communication and the Organizational Change Success

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Abstract: *The aim of this paper is to highlight the importance of the organizational communication to the most important leadership effects - the success of changes within the Romanian companies. A set of hypotheses are tested in order to identify the links between the success of change implementation and elements such as objectives and organizational communication components.*

A set of hypothesis was tested during our research, using specific methods of quantitative and qualitative analysis and the SPSS software. The results of our research, limited to the purpose and the sample size, shows that that organizational communication is liable to the success of changes promoted by leaders within Romanian firms.

Key words: leaders, organizational change, organizational communication

JEL Classification: L29, C59, O52, M13

Motto:

*“Progress is impossible without change”
Winston Churchill*

1. Introduction

The economic crisis revealed the importance of organizational capability to adapt to the everlasting changing environment.

While change has become a regular feature of organisational life (Burnes, 2004), leadership plays a crucial role in this endeavour. The change success can be assessed considering different parameters such as organizational context, factor necessitating change, strategy for change and actors involvement. However, while specific pre-planned steps for each change project are necessary, the implementation is liable to the perception of individual benefits and the satisfaction the change actors can get¹. Therefore, the social trustfulness relationships within organization are important and various theories tackle both the expected roles of leaders as well as the required traits of them.

The purpose of this paper is to highlight a few organizational drivers of successful changes within Romanian companies, such as the internal processes and communication, attention for the final result or objectives.

The first part of the paper briefly presents some theoretical elements of change leadership and communication. The second part of the paper treats in detail the research methodology used. The results are analyzed and interpreted in the last part, followed by final conclusions.

2. Theoretical background

A couple of terms commonly appear in discussions related to leaders: vision,

followers, ethic or communicational abilities. However, a sign of the leaders' existence is the successful changes implemented within the organization they do belong.

Organizational change reflect the move from the ongoing situation towards certain desired situation in the future that is aimed at increased efficiency and competitiveness². It has been studied by many scholars and various key success factors were revealed. Lippitt (1958) considers that interventions intended to modify the functioning of an organization should be premeditated. Lewin, Elrod and Tippett (2002), reflect that specific pre-planned steps are necessary for each change initiative. Therefore, they consider planning of change implementation as the most important key success factor.

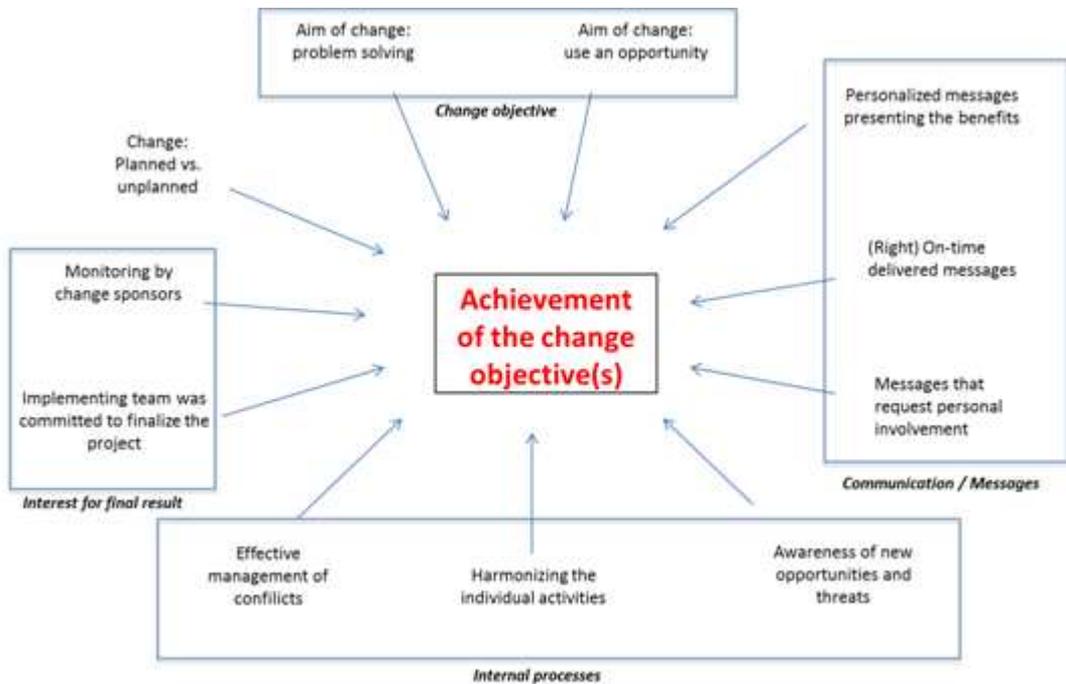
However, change implementation methods based on planning might not be effective in rapid and unpredictable environmental changes. Scholars like Kotter (1996), Kanter et al. (1992) and Luecke (2003) reflected on the 'emergent approach' of change. In their view, change is a process of learning, developed by organisations in their quest to responds to the internal and external environment. Moreover, Todnem (2005) consider that "change readiness and facilitating for change" of the organizational players is the most proper approach of change.

Leaders have a significant role in the launching and implementation of organizational changes. They must be successful in scanning and interpreting of environmental opportunities and threats, as well as they must motivate people to accept changes designed to solve problems or to seize the opportunities.

¹ Robert Fabac (2010), Complexity In Organizations And Environment - Adaptive Changes And Adaptive Decision-Making, *Interdisciplinary Description Of Complex Systems* 8(1), 34-48.

² Gaffney, S. (2010), Dynamics of Organisational Change - the Belfast model, *Gestalt Journal of Australia and New Zealand*, 2010, Vol 7 No 1 Pages 75-88, GANZ

Figure 1. The proposed model



The leadership researchers have found out that there is a significant difference in the expected roles of leaders and required traits of leaders³. Traditional images show leader as the main designer, the one that implement changes, a highly-empathic and skilled orator. It has a vision, is familiar with project management, and successfully supervises and controls. On the other side, the leader is “facilitator of emergent change” that makes connecting possible, while amplifies issues⁴ to get the critical mass necessary to move forward the organization.

To be effective in change implementation, leaders, as change agents, need not only

³ Robert Fabac (2010), Complexity In Organizations And Environment - Adaptive Changes And Adaptive Decision-Making, Interdisciplinary Description Of Complex Systems 8(1), 34-48.

⁴ Cameron, E. and Green, M.: Making Sense of Change Management. Kogan Page Limited, 2004

to overcome resistance from other members of their organization, but also to encourage them to adopt new practices (Van de Ven, 1986). Therefore, the change process is a real exercise of social influence⁵. Consequently, leaders become the most relevant agents within changing organizations in which various interpersonal interactions (including conflicts) take place.

Communication is, we believe, the most important tool that a leader uses to generate results. While he delivers right-on-time personalized messages for each change-stakeholder to get her support and involvement, the leader should be aware of their on-going interest for the final results of change. Moreover, he should secure effective internal processes such as effective management of conflicts and harmonization of the individual activities.

⁵ Idem 2

3. Research Methodology

The purpose of this paper is to highlight a few drivers of successful organizational changes within Romanian companies. Among them an important role is played by the management of organizational processes, communication, as well as by the concentration for the final result or for reaching the objectives. In Figure 1 we present a graphic form of the relations being tested.

We assume that there is a direct relationship between the purpose of change (solving a problem vs. seizing opportunities) and achieving the change objective, while we control for the level it was planned, by the organizational internal processes and the attention for the outcome.

Therefore, we have surmised a set of relationships, as follows:

1. Changes initiated to solve a problem have a greater influence on the outcome of

change than those aiming to tap opportunities

2. There is a positive relationship between the types of messages delivered during the change processes and the level of achievement of the objective.

3. There is a direct, positive, relationship between the internal processes (conflict management, harmonization of individual actions, concern for awareness opportunities / threats) and the level of achievement of the objective.

4. There is a direct, positive relationship between the interest shown by stakeholders (originators, implementation team) and the level of achievement of the change's goal.

In order to test out the assumptions, a request to provide answers to an on-line questionnaire was sent to members of Romanian companies that experimented organizational changes within the last 3 years. Table 1 presents a brief typology of the organizations to which respondents belongs.

Table 1. Distribution of the respondents by the type of company

<i>Type of company</i>	<i>No of answers</i>
Private company owned (mostly by) Romanian investors	73
Private company owned (mostly by) foreign investors	35
Public institution	34
Cross-border (multinational) enterprise	36
NGO / Social partner	8
Grand Total	186

The changes implemented by firms of respondents were very different. In the selection of firms, our research tried to capture the diversity of fields of activity. Thus, there were investigated changes finalized in private companies with various degrees of ownership, as well as in public institutions,

NGOs or social partners. Also, there were investigated various types of finalized organizational changes such as applying new ERP models (24 answers), installation of new manufacturing equipment & implementing a new software (30 answers), optimization of business processes (58), relocation of

activities (17) or restructuring / reorganization (57).

The questionnaire was developed by Orlando Voica and pre-tested on a number of fifteen respondents.

The online filling of the questionnaire succeeded the e-mail contacting phase of respondents. Through an e-mail message

participants were informed about the study goal and were requested to fill-up the on-line questionnaire. Data collection took place between 15 February and 31 March 2013. The respondents were mainly managers or directors of companies that were involved in organizational changes finalized within the last 3 years.

Table 2. Definition of variables

	Min				Max
Variable	1	2	3	4	5
Achievement of the change objective(s)	Not at all / very small exten	To a small extent	Largely	Full	Higher than planned
Change objective: solve an existing problem	Not at all	To a small extent	Largely	To a great extent	Full
Change objective: seize an opportunity	Not at all	To a small extent	Largely	To a great extent	Full
Planned vs Unplanned change	1- Completely unplanned				10 – Detailed planned
Implementing team was committed to finalize the project	Not at all	To a small extent	Largely	To a great extent / full	
Change monitoring by sponsors / promoters	Not at all	To a small extent	Largely	To a great extent / full	
Personalized messages presenting the individual's benefits	Not at all	To a small extent	Largely	To a great extent / full	
(Right) On-time delivered messages	Not at all	To a small extent	Largely	To a great extent / full	
Messages that request personal involvement	Not at all	To a small extent	Largely	To a great extent / full	
Effective management of conflicts	Not at all	To a small extent	Largely	To a great extent / full	
Awareness of new opportunities and threats	Not at all	To a small extent	Largely	To a great extent / full	
Harmonization of the individual activities	Not at all	To a small extent	Largely	To a great extent / full	

	Min	Max	Mean
Dependent Variable: Achievement of the change objective(s)	1	5	3.24
Change objective: solve an existing problem	1	5	3.47
Change objective: seize an opportunity	1	5	3.20
Planned vs Unplanned change	1	10	7.37
Implementing team was committed to finalize the project	1	4	3.01
Change monitoring by sponsors / promoters	1	4	2.95
Personalized messages presenting the individual's benefits	1	4	2.61
(Right) On-time delivered messages	1	4	2.85
Messages that request personal involvement	1	4	2.99
Effective management of conflicts	1	4	2.67
Awareness of new opportunities and threats	1	4	2.89
Harmonization of the individual activities	1	4	2.71

4. Results

Table 4 presents the descriptive statistics for the variables used and the results of ordinary least squares (OLS) regression.

The Tolerance coefficients show that there is little multicollinearity among the independent variables while the adjusted R-Square level of .323 is satisfactory

suggesting that the model encompass the organizational reality.

The OLS regression show that a change will be perceived as successful if it is monitored by sponsors / promoters and of the messages regarding it are delivered right on time. The last one seems to be the most important in this process.

Table 4. OLS regression coefficients

DV	Model	Coefficients		P	Correlations	
		B (Unstandardized)	Beta (Standardized)		Zero-order	Part
	(Constant)	.427		.187		
Iv 1	Change objective: solve an existing problem	.081	.103	.121	.288	.094
Iv 2	Change objective: seize an opportunity	.035	.048	.485	.200	.042
Iv 3	Planned vs Unplanned change	.040	.099	.195	.389	.079

Iv 4	Implementing team was committed to finalize the project	.138	.115	.120	.390	.094
Iv 5	Change monitoring by sponsors / promoters	.194	.187	.015	.456	.149
Iv 6	Personalized messages presenting the individual's benefits	-.061	-.066	.403	.255	-.051
Iv 7	(Right) On-time delivered messages	.342	.268	.003	.471	.182
Iv 8	Messages that request personal involvement	.032	.027	.713	.298	.022
Iv 9	Effective management of conflicts	-.074	-.063	.410	.230	-.050
Iv 10	Awareness of new opportunities and threats	.083	.079	.347	.403	.057
Iv 11	Harmonization of the individual activities	.068	.058	.453	.351	.046

Based on the OLS results there are a few conclusions related to the initial assumptions:

1. Even though it looks like the necessity to solve a problem has a higher effect on the outcome of change (part = .094) than those modifications aiming to seize opportunities (part = .042), the correlation is not statistically significant ($p > 0.05$).

2. There is a positive relationship between the level of achievement of the change objectives and (right) on-time delivered messages ($p = 0.003$). However, there is no significant effect of the variables "Messages that request personal involvement" and "Personalized messages presenting the individual's benefits" on the achievement of the change objectives.

3. There is a not statistically significant relationship between the level of achievement

of the objective and internal processes such as (conflict management, harmonization of individual actions or concern for awareness opportunities / threats.

4. There is a positive relationship between the level of achievement of the change's goal and monitoring by stakeholders ($p = 0.015 < 0.05$). However, there is an insignificant effect of the variables "Implementing team was committed to finalize the project" on the achievement of the change objectives.

5. Conclusions

Organizational change is the process used by organizations to redesign their structure, processes and culture. While the aim of change is to move from the current state toward a future desired state to increase their

effectiveness and efficiency⁶, leaders have an outstanding influence on the initiation and implementation processes.

The study has tried to detect the mechanisms that stimulate the roles of leaders as well as the traits of successful organizations of change implementation.

The reason for change ignition could make the difference between a visionary and a "fire-fighting" leader. The study has tried to prove that a change initiated to solve a problem is more probable to achieve the intended results than a change that aim to seize opportunities, but the results are not statistically significant for our endeavor.

The analysis of responses shows that there is a positive relationship between the level of achievement of the objective and messages delivered right-on-time during the change processes. This is consistent with the researches that suggest that successful leaders, who implement changes, are skilled orators, familiar with project management communication techniques.

On the other side, the leader is presented by the Cameron and Green as "facilitator of emergent change" that present individual benefits and amplifies issues⁷ to get the critical mass necessary to move forward the organization. Bearing in mind the achievement of the change objectives, our study on Romanian companies identify a positive, but no significant effect of the messages that request personal involvement or of those presenting the individual's benefits. This might

have various causes such as lack of trust of individuals or leaders' inability to align and energize followers.

However, our research is consistent with Mitchell et al. (1997) researches regarding stakeholders' relevance and management's efforts. We have found out that there is a direct, positive relationship between the level of achievement of the change's goal and interest shown by stakeholders (originators/initiators or implementation team). Specifically, monitoring by stakeholders will have a significant effect on the achievement of the change's goal, but there is a lower and insignificant effect of the commitment of the implementing team

Leaders are the most relevant agents inside the changing organizations, where various interpersonal interactions, including conflicts, appear. Our study found that the level of goal achievement for changes implemented in Romanian organizations is not statistically significant liable to processes such as conflict management, harmonization of individual actions or concern for awareness opportunities / threats.

These results are limited in scope. The limits come from the fact that the study does not make a thorough distinction between variables that can influence the change (implementation) processes. For instance, the organizational communicational process has not been considered all the specific facets such as the formal/informal communication, top-down / upward communication, level & quality of feedback, aso.

Moreover, the change result is liable to the implementation team commitment, which is determined by various motivational elements that were not clearly distinguished in our research.

⁶ Gaffney, S. (2010), Dynamics of Organisational Change - the Belfast model, *Gestalt Journal of Australia and New Zealand*, 2010, Vol 7 No 1 Pages 75-88.

⁷ Cameron, E. and Green, M.: *Making Sense of Change Management*. Kogan Page Limited, 2004

However, a few strategies and directions of activity arise from this study. First, organizations should set up mechanisms to deliver (right) on-time messages about the change rationales, status and processes. Also, it is important for change initiators (or sponsors) to monitor the whole process of implementation. A good implementation plan has proved to be an important ingredient for success when it was followed.

Also, even though individuals' priorities (and needs) might shift during the period of change, it is important for a leader to energize the team and to deliver messages that assure the participants' involvement and commitment.

This research, limited by its scope and size of the sample, is a starting point for further studies of the relationship between change success and the organizational capabilities of the Romanian companies.

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