

Leadership in Change Context- A Literature Review

Muhammad Ayaz

Lahore University of Management Sciences

Email: 08080005@lums.edu.pk

Abstract

This paper reviews the empirical literature on change leadership and categorized it while raising three important questions: 1) how change is conceptualized? 2) What leadership domains are discussed? 3) How change has been studied? Our findings suggest that existing change leadership research largely considered change as a static event and is very much focused on leadership behaviors and traits. Alternate perspectives on change and leadership have been discussed and neglected areas have been highlighted that provide useful directions for future research.

1. Introduction

Organizations today face the challenges of globalization, knowledge based competition and digital revolution which have changed the business environment. This significant change in the external environment has forced the organizations to adapt and change the ways of operating. Most organizations respond to need for change but as many as 70 percent of change initiatives fail (Kotter, 1996). Researchers have differing views on reasons for these failures but many argue that leadership role is what that makes the difference (Kotter, 2006; Gill, 2003; Senge et al, 1999; Sanchez & Huy, 2009; Battilana et al, 2010).

Leaders are the drivers for change in organizations (Kotter, 1996). Their ability to articulate change distinguished them from managers (Laura & Stephen, 2002). They interpret the signals in the environment and identify the changes needed in the organizations to survive. Many researchers have studied the leadership for managing change successfully. However, as this review will illustrate, empirical studies largely focused on leadership behavior or traits and considered change as a static event. This conceptualization of leadership and change although generate useful insights but ignores certain aspects which could contribute to our understanding

about change leadership. Search for universal leadership traits or behavior has not been successful. Therefore, there is a need to consider other aspects of leadership as well.

Our aim in this review is to identify the gaps in change leadership literature by categorizing the existing research based on conceptualization of change and leadership domains. This paper is organized as follows: in first section different positions on conceptualization of change and leadership are discussed which are then used as an analytical tool to categorize the existing empirical studies on change leadership. Findings are presented and finally conclusion and directions for future research are discussed.

2. Conceptualizing Change

There are different ontological positions on conceptualizing change in organization. It is either conceptualized as ‘process’ or ‘thing’ (Van de Ven & Poole, 2005). Viewing change as process means it is not a concrete entity rather a complex process because organizations itself are complex systems which are constantly being reproduced (Stacey, 1996). On the other hand, an alternate perspective considers change as a real entity because here organization is a concrete thing (Rescher, 1996). Therefore, two definitions of change have emerged in organizations studies: “(1) an observed difference over time in an organizational entity on selected dimensions; (2) a narrative describing a sequence of events on how development and change unfold” (Van de Ven & Poole, 2008: 1380). Each view of change leads to a very different approach to studying organizational change and raise very different questions.

Change as a concrete entity can be studied by statistically explaining the variations in the dependent variable with a set of independent variables. This approach to studying change is referred as ‘variance theory’ (Mohr, 1982). It addresses the questions aimed at identifying causes of change. On the other hand, viewing change as a ‘process’ takes the narrative approach to studying change. Here important question to address is ‘how change unfolds’? which can not be addressed with ‘variance’ approach (Van de Ven & Poole, 2005). Each way of seeing illuminate certain aspects of change while hiding the other as Morgan (2006) puts it ‘every way of seeing is way of not seeing’ thus providing partial understanding of the phenomena under study. For gaining the rich insights of organizational change Van de Ven & Poole (2005) suggest to combine multiple approaches. They argue that ‘variance’ and ‘process’ studies are not mutually

exclusive rather provide complementary evidence and together can increase our understanding about organizational change.

3. Conceptualizing Leadership

Graen & Uhl Bien (1995) noted while reviewing research on leadership: “Despite many years of leadership research and thousands of studies, we still do not have a clear understanding of what leadership is and how it can be achieved. In particular, there appear to be many theories that address different aspects of leadership but little cohesion among the theories that help us understand how they all tie together” (p. 220). Inadequate examination of leadership approaches is one of the reason for this ambiguity, they highlighted. They developed a taxonomy to leadership approaches (refer fig-1) to address the ambiguity surrounding leadership research.

Figure-1 depicts three approaches to leadership: leader, follower and relationship based. Each approach raise different research question and provide useful but partial understanding of leadership. Each domain generates certain insights but overlook other valuable information which can increase our understanding of leadership (Graen & Uhl Bien, 1995). For example, leadership approach focuses on leader traits and behaviors. It asks questions about identifying particular leader behaviors to achieve specific outcomes. Follower based approach concerns follower characteristics and behaviors to achieve intended outcomes. This approach tends to relate follower behaviors to leadership styles. In similar vein, relationship based approach focus on the dyadic relationship between leader and follower and aims to identify relational characteristics for achieving desired outcomes (Graen & Uhl Bien, 1995). Therefore, in order to reduce the ambiguity surrounding leadership research and to gain comprehensive understanding of leadership, authors have suggested multiple domain perspective to leadership as a way forward.

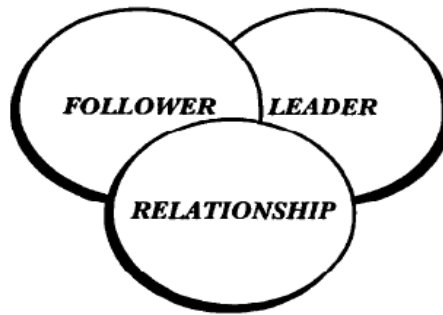


Figure 1. The Domains of Leadership

Graen & Uhl Bien (1995)

3.1 Change Leadership

Leaders are the drivers for change in organizations and managing change is the principle task confronting them (Kotter, 1996). Their ability to articulate change distinguished them from managers because managing change is inevitable for leadership (Laura & Stephen, 2002). Leadership in a change context is comprehensively defined as:

“Leadership is the process of diagnosing where the work group is now and where it needs to be in the future, and formulating a strategy for getting there. Leadership also involves implementing change through developing a base of influence with followers, motivating them to commit to and work hard in pursuit of change goals, and working with them to overcome obstacles to change” (Laura & Stephen, 2002: 217).

Different approaches to leadership explained above are quite relevant in change context as well and have different implications for studying change in the organizations. Leaders based approach tend to consider leader as the rallying point for change and it is assumed that he can bring the wholesale change, while, follower based approach focus on subordinates’ capabilities and their initiatives for successful change. Similarly, relationship based approach considers leader-member relationship as prime factor explaining change. Higgs & Rowland (2005) have identified the change leader competencies for successful change implementation which includes creating a need for change, engaging others in the change process and developing follower’s capabilities to implement and sustain change. This also depicts that to better understand change leadership multiple domain perspective needs to be considered.

4. Leadership Research in Change Context

With above conceptualizations as an analytical tool, we have reviewed the empirical work on leadership in change context to identify the existing patterns of research i.e. how researchers have conceptualized change? How change has been studied? What leadership domains are discussed? This categorization of extant research will provide useful future research directions. Table-1 summarized the existing studies highlighting type of change, leadership domain, change conceptualizations and research findings. Following are the findings of this analysis.

4.1 Leadership Domain

Table-I shows that leadership research in change context is very much focused on leader's role in effective change management. It is focused on identifying effective change leader behaviors and how leader treat and get the buy in of followers. Battilana et al (2010) studied the effect of leadership competence mix on activities involved in planned organizational change. They argue that manager's emphasis on various activities involved in planned organizational change varies with their leadership competencies. Seyranian & Bligh (2008) studied the communications tactics used by charismatic and non charismatic leaders in social change. They content analyzed the speeches of American presidents of 20th century and found that charismatic leaders communicate their similarity to followers in their early interactions to build trust. They use familiar language which follower's can relate to. They negate or problematize the conventions to be changed and then use inclusive language to outline the future vision. Marie & Neal (2006) also stress the importance of communication during change management process which if not done well may have negative consequences. Their result also indicates the importance of change tactics employed by leaders in change process. Similarly, Tyler & Cremer (2005) have found procedural fairness of change leaders to have an impact on follower's acceptance to change. Herold et al (2008) have studied the relationship between change leadership and follower's commitment to change. They did not found significant direct relationship between change specific leadership behavior and follower's commitment to change. Their finding further suggests that transformational leadership is more effective in change

management. However, the quest for universal leader traits and behavior associated with effective leadership has not been successful (Van Breukelen et al, 2006) as this review also illustrates. For example, Groves (2005) found charismatic leadership behavior to be associated with follower's openness to change but on the other hand considering 02 historical case studies Levay (2010) has shown that charismatic leaders are not always agents of change. Similarly, with organizations becoming more diversified and with an increase in knowledge based work, researchers have suggested the need for shared or collaborative leadership (Denis & Langley, 2001; Pearce & Sims, 2002).

Table I- Studies of Change Leadership

Study	Sample	Research Question	Type of Change	Leadership Approach			Conceptualization of Change		Findings
				Leader based	Follower based	Relationship based	Variance	Process	
Battilana et al (2010)	89 clinical managers at the United Kingdom National Health Service who implemented change projects between 2003 and 2004	Exploring the relationship between managers' leadership competencies and the likelihood that they will emphasize the different activities involved in planned organizational change implementation	Change initiatives aimed at Creating new administrative or patient care services and redesigning existing administrative or patient care services.	x			x		Managers' likelihood to emphasize each of the different activities involved in planned organizational change implementation varies with their mix of leadership competencies
Levay (2010)	02 Historical leadership case studies at a Scandinavian university hospital	To explore whether, and if so, how, charismatic leadership can also act in opposition to change	Change in organizational and professional structure	x				x	Charismatic leaders are not always agents of change. They can also act in resistance to change.
Ospina & Foldy (2010)	leadership stories from 40 US social change organizations	How do social change leaders secure the connectedness needed for collaborative work to advance their organization's mission?	Social Change			x		x	Identified five leadership practices that foster strong relational bonds either within organizations or across boundaries with others
Herold et al (2008)	343 employees in 30 organizations across various sectors.	To explore transformational leadership and change-specific leadership behavior of the same leader and how they effect employees' reactions to a given change.	The types of change initiatives in this sample encompassed reorganizations (80%) and remaining projects (20%) were spread across change initiatives, such as quality programs, mergers and acquisitions, and telecommuting programs.	x			x		Direct Relationship between change leadership and follower's commitment to change is not supported. Rather, impact of change leadership is a function of leader's level of transformational leadership and the level of impact the change has on individual's own job

Seyranian & Bligh (2008)	112 Speeches of 17 American presidents	How charismatic and non charismatic leaders communicate for social change?	Social Change: change that modify the existing social order, convention, or status quo in some way.	x			x		Leaders seeking to promote social change would benefit from using the following tactics: similarity to followers, negation, action, tangibility, inclusion, imagery, and less concept-based rhetoric.
Marie & Neal (2006)	A cross-institutional study involving data collection from three universities that merged with several other colleges of advanced education.	What is the impact of leadership on the ability of individuals to accept change?	Merger	x			x		It highlights the fact that the manner in which the change process is managed by leaders will have a significant effect on the outcome.
Groves (2005)	A total of 433 respondents, both senior organizational leaders and their direct followers from 64 organizations participated in this study of which 78% were not-for-profit institutions.	To expose the manner in which charismatic leaders influence followers' attitude toward organizational change and subsequent outcomes.	Mixed	x			x		charismatic leadership behaviors, including the ability to powerfully articulate an inspiring vision and communicate to followers a sense of ownership of the vision, may affect followers' openness to organizational change and perceptions of leadership effectiveness
Tyler & Cremer (2005)	US division of a large multinational financial services company.	to examine whether procedural justice can also reveal positive consequences in terms of empowerment during times of change	Merger	x			x		If leaders act in procedurally fair ways, they are viewed as more legitimate and more competent, and employees are more accepting of organizational change.
Kan & Parry (2004)	a public hospital in the North Island of New Zealand	To investigate nursing leadership in a New Zealand hospital setting using grounded theory method.	The restructuring of bureaucracies, the introduction of new technologies, and the changing demands of the community	x				x	The basic social process of identifying paradox and its subsequent reconciliation and legitimization has considerable influence on acceptance of organizational change efforts.
Laura & Stephen (2002)	150 Managers and 415 managers from a real estate management company and an industrial chemicals firm	To investigate the impact of Leadership self efficacy on manager's attempt to lead change.	continuous improvement initiatives	x			x		High Leadership self efficacy (LSE) managers would engage in more leadership attempts, compared to self-doubters

Pearce & Sims (2002)	71 Change Management Teams in a large automotive manufacturing firm	What kind of leadership is more appropriate for team-based environment?	TQM implementation	x			x		The most important finding of this research is that shared leadership was found to be an important predictor of team effectiveness.
Denis & Langley (2001)	Five Case studies in health care organizations	How can leader achieve deliberate strategic change in organizations where strategic leadership roles are shared, objectives are divergent, and power is diffuse?	Strategic change	x				x	Strategic change in organization with unclear goals and authority require collaborative leadership in which members play complementary roles
Higgs & Rowland (2000)	Case Study of a large MNC	What approach to change management is likely to be most effective in today's business environment? (2) What leadership behaviors tend to be associated with effective change management? And (3) Are leadership behaviors related to the underlying assumptions within different approaches to change?	re-engineering the organization	x			x		Change management competency framework is developed where Change leadership is identified as an important competency to be developed for effective change implementation.
Margarethe and Bantel (1992)	A sample of 87 manufacturing firms from Fortune 500 listed in year 1980	To examine the relationship between demography of top management teams and corporate strategic change.	Strategic change	x			x		The firms most likely to undergo strategic change had top management teams characterized by relative youth, relatively short organizational tenure, high team tenure, high educational level, academic training in the sciences and heterogeneity in educational specialization.

This highlights the importance of situational or relational characteristics in explaining the effective leadership. However, it is surprising to find that there is dearth of empirical work on relationship based approach to leadership in change context. For example, Leader member exchange (LMX) theory which is very much popular in leadership research in general has not been studied in change context. LMX theory is one of the alternatives to traditional behavior and traits approaches for explaining the change leadership. It focuses on the dyadic relationship between leader and members. LMX captures the dynamic interaction between leader and his subordinates. The quality of this relationship is more predictive of organizational outcomes (House & Aditya, 1997). We have found only one study by Ospina & Foldy (2010) which applied a relational approach to leadership i.e. “constructionist approach”. They argue that self and other is inseparable where one constitutes the other. This approach view leadership as an outcome of social construction which results from interactions among organizational members.

4.2 Conceptualization of Change

Table-1 also depicts the hegemony of ‘variance’ approach to studying organizational change. It is because change is considered as a linear phenomenon with discrete and definitive steps. This view of change among researches of leadership is historically coming from Lewin (1951) who proposed a three stage model of change i.e. unfreeze, mobilize, and refreeze. This give rise to the notion that change is a relatively straight process and is driven from top. This is why the research in this tradition has focused exclusively on leader roles and behaviors for leading change successfully. This review found only four studies which studied change as a process. One is study by Denis & Langley (2001) who developed the process theory of leadership and strategic change. They considered strategic leadership as a collective, processual and dynamic phenomenon where leadership role over time is constructed, de-constructed, and reconstructed as contextual forces evolved. They were interested in temporal sequence of events to uncover the change process rather than taking a cross sectional view. Kan & Parry (2004) is the second empirical study which has also taken the process perspective to change leadership. They support the notion that leadership is a dynamic process. It is the interaction between leader and follower where one influence the other. They argue that identification of paradox and its subsequent reconciliation and legitimization by managers has considerable influence on follower’s acceptance of organizational change initiative. Third study in this category is Levay

(2010) who analyzed two historical case studies over time uncovering the change process. They successfully challenged the prevailing Weberian notion that charismatic leadership is always associated with change and found that it can also act in resistance to change. Fourth is Ospina & Foldy (2010) who employed narrative approach to study leadership stories in social change organizations.

The process approach is more analytical and less prescriptive. It provides meaningful insights of change management process in complex settings where multiple variables interacts and could produce unpredictable results (Burnes, 1996). Research has shown that the interaction among leader and followers may generate unpredictable outcomes which challenge 'one look' top down approach to change (Higgs & Rowland, 2005; Rumselt, 1991; Harris & Ogbonna, 2002).

4.3 Resistance to Change

Another important finding of this review is an underlying assumption in change leadership research. This research assumes employee's resistance to change i.e. they always be resistant. Employee does not resist change per se rather resist the loss if any emanating from change (Dent & Goldberg, 1999). Successful change implementation is very much dependent on employee support and participation. Therefore, leaders have to generate employee enthusiasm and support rather than overcoming resistance to change while implementing change. They have to deal with issues emanating from change rather than blaming others for failures of their initiatives (Piderit, 2000). Role of leader follower relationship is crucial here. Procedural fairness and high level of trust between leader and member will help to overcome the issues and create support for proposed organizational change.

5. Conclusion and Directions for Future Research

Organizations today are operating in a dynamic and unpredictable environment where they have to constantly adapt. There is an agreement among researchers studying organization that pace of change in business environment has never been greater then today and this change comes in all shapes, forms and sizes (By, 2005; Burnes, 2004; Kotter, 1996; Senior, 2002). Therefore, studying change in organizations call for approaches that can capture the dynamic nature of change process. Existing research in change leadership as this review illustrates has

largely been ‘acontextual’, ‘ahistorical’, and ‘aprocessual’. Time must be an integral part of change studies and change needs to be considered as a continuous process and not just detached episodes of events (Pettigrew et al, 2001). Atemporality leads to inadequate theorizing as “The past is alive in the present and may be shaping the emerging future” (Pettigrew et al, 2001, p.700). However, there are few studies that have taken the holistic and dynamic perspective of change process. Future studies should be directed in this direction to resolve the mysteries of leadership in general and change leadership in particular.

In addition, organizations are responding to these changes and adopting more flatter and agile structures with more empowering team oriented cultures (Piderit, 2000). This demands revisiting the traditional models of leadership where focus is on leadership traits and behaviors. It is shown in this review that change leadership research has largely focused on leaders based approaches where relationship and follower based approaches have been neglected. Keeping in view the dynamic nature of change process relationship based approaches can provide useful insights. One such approach is LMX which can be considered as a process approach. It focuses on what leaders actually do (Van Breukelen et al, 2006). Multiple domain studies are also neglected in change leadership literature. Multiple domain studies focusing on leader- follower relationship and followership characteristics can further enrich our understanding (Graen & Uhl Bien, 1995).

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