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Leadership Competencies in Organisational Change Management

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ABSTRACT

Organizational change is a constant phenomenon in the global competition. The organizations need to change their strategies accordingly to have competitive advantage in the ever changing environment. Many organizations are applying change management practices by focusing on leadership competencies. In response to complex and fast-moving marketplace realities, companies increasingly have no choice but to make changes, according to the environmental forces. Organizations must also address other changes, such as the appointment of new top leaders, the introduction of advanced technology, or revamped product lines. Change management must be spearheaded by leadership competencies and several crucial elements, including an awareness of the different roles and capabilities at all levels of the employees effective systems, processes, and an appropriate structure. The leaders have to play a role to define and measure success of the organization periodically and assess progress.

This paper focuses on the role of leadership in change management process. The research is based on extensive review of literature, in order to find out the leadership competencies.

KEYWORDS : Competencies, Leadership, Change Management, and Strategies

Introduction:

The organizations which are focusing on developing strategies according to the demands of the markets will have competitive advantage. Change in the organizations is inevitable as the drastic changes are taking place in the environment. Change management is an essential area of concentration for the healthy growth of any business, it is important even for the survival of any organization in today's business world. Successful change in any organization is impossible without the active participation of management. Every living creature is reluctant to change, whether it is a planned change or accidental change. Respondents of change are affected by both external and internal factors; study reveals that internal factors are actually the management style and leadership that influence the process of change (Chirimbu, 2011). (Smith, 2005) considered the inherent conundrum of organizational change: that people, the human resources of organizations, are both an essential factor in organizational change and, at times, the biggest obstacles to achieving change. Therefore, it is concluded that important element for a successful change in any organization is "Leadership". Leaders are known as "Champions of Change"- as it is the top management of any organization who keep the process of change going on and maintaining the operational reliability of the organization (Nadler & Nadler, 1998). The change is to be implemented at three different levels, i.e., individual, group and organization. At every level of change, leadership plays different role as it's the virtual duty of a leader to manage the people and make their efforts to be at their best in favor of change for an organization

Organizations are forced to change the strategies due to uprising of new technology and competition. Everyone knows that change is not going to take place at once. In fact, few organizations meet their stated objectives (Anderson, 2011). Change management has highly focused on people, identity and the patterns of human interaction. Lack of leadership concentration on the complexity of change, poorly developed strategy and structures, last but not least attention towards people behavior towards change make the process of change management ineffective.

Research Objectives

The general objective of the study is to provide a clear understanding of how leadership facilitates the process of change in an organization and also the change management process. The specific objectives of the study are as follows:

- To identify the role of leadership in an organization.
- To study the process of change management and leadership initiatives
- To identify leadership competencies for effective process of change.

Review of the Literature

Competence is the state or quality of being adequately or well qualified; ability, skill and knowledge whereas competency as the quality of being adequately or well qualified physically and intellectually. Change is becoming a way of life for organizations, employees and manager's alike (Leanna & Barry, 2000). With organizational change occurring at a more rapid pace than ever before (Wanberg & Banas, 2000), the ability to identify, cope with, and capitalize on organizational change is becoming a requirement of effective managers.

Competence and Competency

Competence is defined in a number of ways by different authors. Letsinger (1998) define competence in terms of knowledge, skills, abilities, and behaviours that are required to perform a job successfully.

Hall (1996) views competence as a matter of "fitting". He defines competence as follows: "Competence, as a state of adaptive fitness and response readiness, is the sustained capacity of people to respond in a committed and creative fashion to the demands placed on them by their environments".

Spencer and Spencer (1993), a competency is "an underlying characteristic of an individual that is causally related to criterion-referenced effective and/or superior performance in a job or situation". For this research, competencies refer to the knowledge, skills, abilities, and behaviours that are required for success in leadership roles.

Distinction between Competence and Competency:

Competence: The state or quality of being adequately or well qualified; and a specific range of skill, knowledge, or ability whereas competency as the quality of being adequately or well qualified physically and intellectually.

Organisation Change

In defining organisation change, most authors refer to it as a process of transition from one state to another. Veldsman (2002) describes organisation change as "the difference in the state of an organisation at two separate locations in time and/or in space." The earlier location refers to the "what is" state of the organisation and the latter location to its "what should/must be" state. "State" refers to the mode of existence and functioning of the organisation. The change process encompasses the conversion of the "what is" state into the "what should/must be" state. Schalk, Campbell and Freese (1998) describe change as "the deliberate introduction of novel ways of thinking, acting and operating within an organization as a way of surviving or accomplishing certain organization goals". In this sense, "novel" refers to new, different or unique, and as such implicates doing or thinking differently.

Leadership

There is no single, universally accepted definition of a leader. At a broad level, the common characteristic of a leader is that he should be ahead of others and have the ability to articulate his thoughts clearly. Lead-

ership defined as a process whereby one individual influences other group members towards the attainment of defined group or organizational goals. According to Gaughan (2001), the study of leadership began around the 1930's. The earlier models (situational or contingency models) focused on identifying styles and behaviours that were dependent on a range of situational factors. Later models (post 1980) focused on change and gave rise to a "new" leadership approach, i.e. the paradigm shift towards "transformational" leadership.

Change-Management Leadership Competencies

The authors have identified few competencies which are as follows:

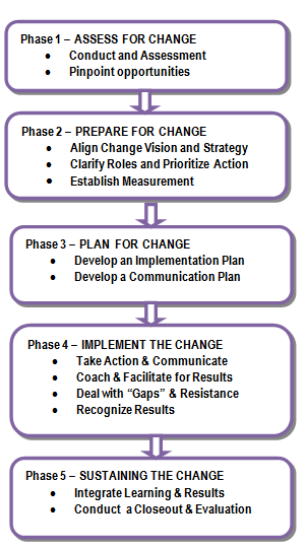
The authors (Spangenberg, Schroder, and Duvenhage(1999) stress the importance of creating a Visionas an important competency of leadership. In addition to creating a vision, the above authors identify a number of "key" or "core" competencies required by leaders to manage change successfully. The following are some examples of the core competencies identified: Sense of Mission, Effective Change Agent, Strategic Competence, Conceptual Competence, Negotiation, Develop Team-Oriented Structures and Systems, Communication and Developing Self and Others.

The leadership competencies plays a key role in change management as the leader's skills, abilities provides the direction to the organization based on the change. The leadership roles like Initiator, Shaper, Monitor, and Assessor plays a significant role in organizational change management. The Initiator competencies associated with setting a vision, communicating the vision and obtaining support for it. The competencies associated with the Shaper role focused on inducing and reinforcing the change initiative, the development of employees' competence to meet the change requirements, and the empowerment of employees to meet the change requirements. The Monitor competencies associated with employee consultation, the handling of emotional reactions, and the eliminating of resistance and conflict. The Assessor competencies are linked to measuring and assessing change outcomes and the provision of focus areas for future change initiatives.

Organisational Change Management

A change management is actually a vital plan in designing how the organization is to move from its current state to a desired future state. Organizational change is a planned activity as it serves as a linkage between the different parts of a change process, setup priorities and timelines, assigning responsibilities, establishing mechanisms for review and revision where change is necessary. For an effective change management process, it is required to be properly planned. Effective planning for change must begin well before changes are to take effect and consultation should be done (Smith, 2006). According to Ajay (2002), change is an illogical and emotional process. Being a leader of change, one has to focus more on human aspects of change as individuals are the main actors in sphere of intellectual capital. Organizational change is a multifaceted and long term task.

Change Management Process



In the change management process, the leader's role in assessing the change and identify the opportunities of change. In the next phase, the change management is to focus on changing the vision and strategy according the changes in the environment. The third of phase of change management goes with proper plan for the change by developing a plan. In the fourth phase, the plan is to be implemented with proper coaching, fill the gaps and recognize the results. In the last phase of change management, the results are to be evaluated and take further steps to improve the change management strategies.

Leadership Style

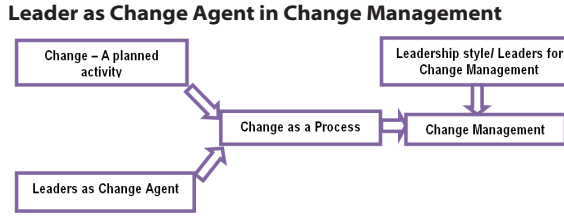
Important element for a successful change in any organization is "Leadership" leaders are the role model personalities in any community. Lowder (2009) have discussed Leadership Model for Change Management, he concludes that Transformational leadership focuses on organizational development where as servant leadership have concern about the development of followers.

Transformational Leadership

The transformational leader was first identified by Downton (1973) in his discussion of rebel leadership and revolution. More fully described by Burns (1978), the concept of transformational leadership was later modelled empirically by Bass (1985). Transformational leadership adds to the more effective aspects of transactional leadership and eschews its less effective and dysfunctional aspects. Transformational leadership describes what leaders do when they raise motivation and achievement to levels beyond previous expectations and when they develop people to their fullest potential and contribution. It transforms people's expectations about themselves. Transformational leadership behavior augments transactional leadership. It adds substantially to helping individuals, groups and organizations by helping the followers transcend their own immediate self-interests, increase their awareness of the larger issues, and shift the goals towards achievement and self-actualization (Bass, 1990).

This model of transformational leadership describes how leaders go beyond their task orientation and relationship orientation and display sensitivity and responsiveness to the needs of followers, are agents of radical change, are strongly articulate, are willing to take personal risks, and are idealistic and compelling in their vision of the future (Bass, 1990). Transformational leaders display characteristics and behavior that Bass and Avolio (1994) call the four'I's: individualized consideration, intellectual stimulation, inspirational motivation, and idealized influence.

Leader as Change Agent in Change Management



The leader plays a role as change agent in organizational change. The effectiveness of change management is depended on leader's vision in making the change as a planned activity and it should be based on the keen observation of environmental forces. The change management must be in phased manner like assessing the change, prepare for the change, plan for the change, implement the change and sustain the change.

Leadership Competencies for Organisational Change Management

1. **Creating Vision:** The leader has to create the vision, change the vision and strategies according to the changes that are taking place in the environment. The leader's thinking has the personal discipline to adhere to the path and take challenging actions.

2. **Skills and Abilities:** The skills and abilities of the leaders play a key role in managing the change in the dynamic environment. The ability to concentrate and be attentive to the changes gives good results to the organization.

3. **Optimism:** The leadership views life as a set of constantly shift-

ing, interacting parts that can produce a rising number of combinations and assume that a new set of opportunities will emerge that will produce even more demanding challenges.

4. **Strategic Thinking:** The leadership competency focuses on strategic thinking. The organistaion's long term perspective will be focused more in developing the vision and mission.

5. **Communication:** The communication is the one of the key factors in organizational functioning and the leadership competency focuses on proper communication to all the levels of the employees in the organization.

6. **Change Agent:** The leader act as a change agent in the organization. The transformational change presents enormous ambiguity it becomes obvious that the ability of the leadership creates employees to accept the change and adopt it.

7. **Sense of Mission:** A leader focuses on mission and develops the plan of action and implement according to the changes. The focuses in understanding of organizational culture generally and organization are current and desired cultures specifically, as well as plan for making the shift will be based on mission of the organization.

8. **Transformational Competency:** A leader is personally committed to the change when the transformational leadership is being possessed. The next challenge for the leader is is to garner the same deep level of commitment from others. This begins with the leader's ability to influence others through transformational leadership.

9. **Sound Judgment**: The ability of the leadership is to make great decisions is actually rare, and extraordinarily valuable as good judgment comes from experience.

10. **Stewardship:** The leadership role is to act with the competency of stewardship. There are as many ways to lead an organization, and change, the leader must have the focus of willingness to be accountable for the well-being of the larger organization.

CONCLUSION

In the contemporary organizational changing phenomenon, the leadership competencies play a pivotal role in change management. The effective change management is essential to creating a sustained level of performance. The leaders and employees to maintain productivity, motivation and morale, while continuing the company's commitment to its stated values and excellent customer service, the changes are to be observed and make the strategies accordingly. The transformational leadership with strategic thinking makes the organization to be challenging in the competitive environment. The change management is to be given priority in organizational functioning at regular intervals. The leaders and employees competencies will address the challenges of changes in the environment.

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