

# Transformation Leadership, Employees' Motivation and Behavioral Support for Organizational Change

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#### **ABSTRACT**

The aim of the study is to find out the relationship of transformational leadership, motivation and employees behavior to support organizational change in case of Ethiopia Shipping and logistic service enterprise. The study used both quantitative & qualitative research methods. The study also utilized both primary and secondary data sources. The statistical analysis of the study has carried in to consideration depending on the essential variables by using linear regression model. This study used three predictor variables such as transformational leadership, employee motivation, and employee behavior to what level they support the dependent variable organizational change. As the analysis and findings indicates that organizational change is highly affected by transformational leadership, employee motivation and employees behavior. Moreover, these variables influence organizational change directly. As finding of the study shows that transformational leadership, employee motivation and employees behavior have significant and positive impact on supporting organizational change in Ethiopia Shipping and logistic service enterprise. This study suggested that the transformational leadership, employee motivation, and employee behavior plays a great role for the effectiveness and efficiency of the organizational sustainable change.

**Keywords:** Employee behaviour, Motivation, Organizational change, Transformational leadership.

#### 1. INTRODUCTION

Organizational change is the process in which an organization changes its structure, practices, activities, and organizational culture that influence changes within the organization and the organization's positive effects in achieving organizational goals and succeeding the change programs [1]. In this regard, leadership has been seen as one of the most important variables affecting the attitudinal dimension of organizational life and considered as critical element in organizational changes [2]. Transformational leadership is an influential mode of leadership that is associated with high levels of individual and organizational performance [3]. In addition, the affective and attitudinal responses of employees to organizational change more than behavioral responses [4]. Contemporarily, the impacts of transformational leadership can see in two different ways. First, is to examine the underlying process through which transformational leadership influence followers' behavioral support for change. Second to explore the mediating roles of selfefficacy and affective commitment change on the relationship between transformational leadership and behav-

ioral support for change. In many ways, researchers who have explored transformational and charismatic leadership, it must include motivational effect [5]. Actually, scholars have described transformational leadership by taking motivational effect regarding the followers through four dimensions that proposed in transformational leadership. Therese are idealized influence, inspirational motivation, individualized consideration, and intellectual stimulation [6]. Therefore, research on the behaviors of transformational leaders proposes that transformational leadership is intervened by the leader's activities the aptitude to design a common vision, to coherent clear, expressive goals to permit employees, and dependable behavior. On the other hand, emphasizing the importance of collective interest, transformational leadership that evoke followers' higher-order needs and motivates them to identify with a vision that reaches beyond their own self-interest [7]. In different perspective, motivation as intensity of effort on individual to get desired goals [8]. Motivation is elaborated by are persistence, direction and intensity. In contrast, employee attitudes toward change can impact



their acceptance and support to change, and employees' supportive behavior are a pre-condition for successful planned change [9]. Transformational leadership is related with positive conduct of employees including duty performance and numerous actions of organizational citizenship behaviors [10]. In addition, transformational leaders tend to orient their followers to perceive organizational change in a positive way and, accordingly, to enhance their followers' supportive behavior toward organizational change [11].

To sum up, as many research findings believed that behavioral support and leadership affects organizational change. Whereas, some findings argued that leadership affects motivational and organizational change. However, few literature and empirical studies show that there are other variables affect organizational changes. Those variables may have influence on organizational change whether it affects directly or indirectly. So that it needs further research and supportive reasonable investigations. So this research initiated to assess and explore the factors affecting (transformational leader, employee motivation and employees' behavior support) for organizational support. The study used different literatures that support how those variables affect organizational change in relation to leadership, employee motivation, and employee behavior in areas of organizational change. Hence, the objectives of this study are to assess the relationship between transformational leadership and organizational change to determine the degree of employee motivation and behavior associate each other. In addition, the study intended to answer three basic research questions such as: 1) how transformational leadership, employee motivation, and employee behavior affects organizational changes? What degrees these factors influence organizational change?

# 2. THEORETICAL AND EMPIRICAL STUDIES

# 2.1. Transformational Leadership and Organizational Change

Leadership is a quality of an individual that inspire the followers for achieving their goals. Leadership is to not only direct the follower but also assist in a critical condition when they require support. Defining leadership as the continuous process of influencing the followers, it is necessary for leaders whom followers should to follow [12]. Transformational leadership has portrayed in the literature as different from transactional or monitoring types of leadership. For instance, distinguished transformational leaders from transactional leaders [12]. Transformational leadership builds team spirit, reframes stressful events into developmental opportunities,, and inspire others to perceive difficult situations as meaningful challenges necessary for developing one's professional and personal skills [13].

In the perspective of transformational leadership, motivation can be achieved through informal roles, and other social activities among peers [14]. As the theory of transformational leadership show, there is positive relationship between transformational leadership and other variables like satisfaction, commitment, motivation and performance of employees. In addition, there is a positive relationship among transformational leadership and employee creativity that results consistence effect [15]. Moreover, leaders care for their needs and wants related to social activities that ultimately affect the power of ideas generation. Besides this, transformational leadership surrounded by idealized influence, intellectual stimulation, and inspirational motivation [16]. On the other hand, transformational leadership has positive manner on employees that includes duty performance and numerous actions of organizational citizenship behaviors [17].

Job-related stress in an individual's perception related to organizational and environmental events affects organizational change [18]. Indeed, supervisors play an important role in structuring the work environment by providing information and feedback to employees and by controlling the powerful rewards that acknowledge the employee's personal worth [6].

#### 2.2. Motivation

Motivation defined as intensity of effort of an individual to get the desired goals. Key components that elaborate the motivation are persistence, direction and intensity. In this case, the effort should be to a specific and production side that can produce positive and fruitful results, the efforts should be consistence to achieve required aim, and how much the individual is intense to get required goals for him as well as organization. Motivation can be positive, negative and neutral. Positive motivation will be in shape of salary, recognition and fringe benefits. Motivation actually drive the force that exist in person to act in desire way [19].

Transformational leaders can influence followers' behavior by promoting higher levels of intrinsic value associated with goal accomplishment, emphasizing the linkages between followers' effort and goal achievement by creating a higher level of personal commitment to a common vision, mission, and organizational goals [20].

#### 2.3. Employee Behaviour

Employee behavioral support for change refers to behaviors that are consistent with the goals of change [21]. There are three kinds of behavior, which supportive change: Compliance refers to employees' willingness to do what is required of them by the organization in implementing the change. Cooperation refers to employees' acceptance of the spirit of the change and will-



ingness to do little extras to make it work. Championing refers to employees' willingness to embrace the change and "sell" it to others [18]. In practice, organizational change causes changes to demands readjustment, average employees' normal routines, creates fear, uncertainty, and doubt [22].

# 2.4. Conceptual Framework and Hypothesis of the Study

According to research objective and questions, hypotheses are stated.

- H<sub>1</sub>- there is positive relationship between transformational leaders, organizational change and its associated attributes.
- 2) H<sub>2</sub>- Employee Motivation and organizational change with each other.
- 3) H<sub>3</sub>- Employee behavior and organizational change. Attributed is associated each other.
- H<sub>4</sub>- There is a direct positive relationship between transformational leader and employees motivation

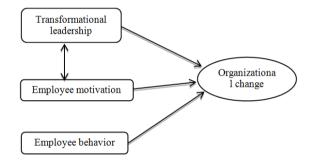


Figure 1 Conceptual Framework of the Research

#### 3. RESEARCH METHODOLOGY

The aim of the study is to find out the relationship of transformational leadership, motivation and employees behavior to support organizational change. The study used both quantitative & qualitative research methods. The study utilized both primary and secondary data sources. The primary data sources were the selected individual respondents from Ethiopia Shipping and Logistics service Enterprise.

The study used purposive simple random sampling technique. The validity and representativeness of the sample has taken into consideration from the total population of 500. The study tried to control the possibility of bias and sampling errors. The sample size is 102 computed through non-probability purposive sampling techniques. The sample 95 has decided based on the central limit theorem. The data gathering tools are questionnaires for collecting data on respondents. In the questionnaires, a nominal and ordinal Likert scale type of

measurement used. The main reason for selecting this technique is that every element of the population has equal opportunity for electing as sample for study. Actually 100 questionnaires was send to population were useable for study and after data screening 95 responses were reported due to outlier problem.

In this study, the collected data coded and processed using SPSS program for all necessary analysis. Multivariate analysis techniques used for testing hypotheses, significance and relationship of variables. The Nominal and ordinal scales used in data collection and statically testing method like the one chi-square is used to determine the significance level among all variables. Descriptive statistics such as mean, mode, median and standard deviation also calculated to determine the central tendency and dispersions of the data. The hypotheses and the relationship of variables tested using Chi-square goodness-of-fit tests and Pearson correlation coefficient.

### 4. ANALYSIS AND INTERPRETATION OF DATA

#### 4.1. Analysis of Demographic Data

In this study, out of 95 respondents 60.6% (57) and 39.4% (37) of respondents were male and female respectively. This implies that participation of women still low and the expectation of the organization to participate women's in institution has not realized and needs attention.

The majority (73.4%) of the respondents were between age group less than 35 and (26.6%) of the respondents are in greater than 36 age group. This indicates that half of the respondents were young and the remaining matured (above 30 years). On the other hand, majority of respondents (66%) were degree holders, (19.1%) of the respondents have diplomas and 14.9% of respondents' masters' holders. This result shows that in this institution most of employees have degree holders.

#### 4.2. Descriptive Statistics

As the figure 2 Respondents' satisfaction level indicates that almost respondents responded they are satisfied.

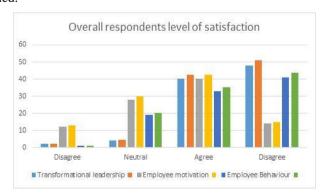


Figure 2 The overall respondents' satisfaction level



In this study, almost 94 copies of questionnaires collected from Ethiopia Shipping and logistic service enterprise staff and boards, of head office. All the questioners replied fully. Descriptive measures of responses.

Table 1. Summary of Descriptive Statistics

List of variables	N	Mini- mum	Maxi- mum	Mean	Std. Deviation	Vari- ance
Organiza- tional Change	94	2	5	4.021	.63886	.580
Transforma- tional mean	94	1	5	4.425	.67981	.862
Employee Motivation	94	1	5	4.202	.83704	.928
Employee Behaviors	94	1	5	3.595	.89586	.951
Valid N (listwise)	94	1	5	4.06	0.7629	0.830

As the above table 1 Summary Descriptive Statistics Mean response of transformational leaders related 10 Questions were 4.42 and the standard deviations were 0.67(67.9%). The transformational leaders suggest the existence of variability in rating of respondent.

The transformational leaders mean responses were greater than 2.00 that indicate transformational leaders have high level of contribution for the organizational change.

Mean of respondents on employees motivation were 4.20 and standard deviations were 0.837 (83.0%). This suggest that the existence of variability in rating of respondent on employees motivation. Since the mean were greater than 2.00, employees motivation needs to support organizational change achieve.

Employees' behaviors are also independent variables. The mean of respondent were 3.59 and the standard deviations were 0.89586. This implies (89.58%) employees' behaviors variability in rating respondent. The mean were greater than 2.00 this show that, the employees behavior highly contributed in organizational change.

The mean of transformational leader with employee motivation were 3.4421 and the standard deviations were 0.97540 standard deviations (97.54%). The process also shows the existence of variability in rating respondents on contribution organizational change.

#### 4.3. Reliability and Normality Test

In order to test and confirm the internal reliability of the instrument, the Cronbach's Alpha Reliability statistic were used.it is used for evaluation of assessments and questionnaire so the researches to add accuracy and validity and accuracy to the interpretation of data. Reliabilities of 0.70 and above recommended for the basic researches.

Table 2. Reliability statistics

Variables to test	Cronbach's Alpha	N of Items
TRL	.944	10
EMO	.956	9
EBE	.958	10
ORCH	.945	29

According to table 2 reliability statistics, it can observe that the coefficient of reliability of item measuring all variable found to be Cronbach's Alpha greater than 0.94 for the response of the 94 respondents. This statistics used to test the consistency of the responses for variable.

Therefore, the instruments accepted as reliable since the reliability coefficient is alpha > 0.7.

Based on figure 3 normality test we can use to know normality of the data is by observing the distribution of data. Hence, the further the value of skewness is from zero, the more likely that the data are not normally distributed. In a normal distribution, the values of skewness are zero. If a distribution has values of skew above or below zero then this indicates a deviation from normal. According to the test result if the value is positive and skewness indicates too low scores in distribution, whereas negative value indicates a build –up of high scores.

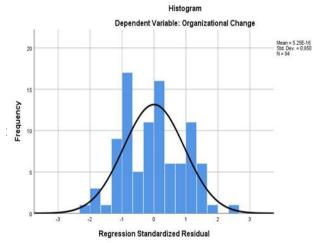


Figure 3 Normality test

#### 4.4. Correlation Regression

Pearson correlation coefficient (r) used to determine the strength of relationship between the dependent and independent variables. A parameter measures the strength of association between two variables. As the above table, indicate the results of correlation among the dependent and independent variables. It observed that there is positive and significant correlation between



transformational leadership and organizational change. Because r=.672\*\* and P< 0.01 it means we accept the significant relationship between transformational leadership and organizational change.

Table 3. Correlation regression result

Correlations		Organizational Change	Transfor- mational mean	Em- ployee Motiva- tion	Employ- ee Be- haviors
Organiza-	Pearson Correlation	1	.672**	.676**	.616**
tional	Sig. (2-tailed)		.000	.000	.000
Change	N		94	94	94
Transfor- mational mean	Pearson Correlation		1	.546**	.250*
	Sig. (2-tailed)			.000	.015
	N			94	94
Employee Motivation	Pearson Correlation			1	.153
	Sig. (2-tailed)				.141
	N				94
Employee Behaviors	Pearson Correlation				1
	Sig. (2-tailed)				
	N				

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed)

As the above table 3 Correlation regression shows Employee motivations also have positive and significant relationship with organizational change due to r=.676\*\* and P-value is less than 0.01 so we accept significant relationship between employee motivation and organizational change. That indicates the positive and significant relations with organizational change.

Employee behavior also has positive and significant relation with organizational change because r=.616\*\* and P<0.01 that indicant relation is significant at .01 level of significant. Our hypotheses accepted that indicates the significant relations between employee behavior and organizational change.

Employee motivation also has significant relation with transformational leadership due to the p- value 0.000 and r = .546\*\*implies that there is significant correlation and the positive r-value shows that there is direct relationship between them.

The above table 3 Correlation regression shows that all variables have strong correlated with dependent variable. Regarding the result revealed that there is a significant and direct linear relationship between dependent and independent variable.

#### 4.5. Hypothesis Test Decision

Table 4. Hypothesis Test Result

	Decision on hypothesis				
Variables	P< 0.05	Calculated p- value 0.01	Decisions		
Organizational change	0.05	0.01	Accept on all p values		
Employee behav- ior	0.05	0.01	Accept on all p values		
Employee motiva- tion	0.05	0.01	Accept on all p values		

#### 4.6. Linear Regression

a. Predictors: (Constant), Employee Behaviors, Employee Motivation, Transformational mean

b. Dependent Variable: Organizational Change

Table 5. Linear regression Model Summary

	R	Ad- justed	of the		Chang			
R	Squar e			R Square Change	F Chang e	df1	df2	Sig. F Chang e
.892ª	.795	.788	.294	.795	116	3	90	.000

The table 5 linear regression model demonstrate that the multiple R (correlation) value of  $R^2$  0. .795 indicates there is strong and positive relationship between the dependent and independent variables. R Square value of the model showed that 79.5% variance on organizational change. This is due to the effective of transformational leadership, Employee motivation, Employee behavior. The remaining 20.5% of the variation on organizational change is due to other unexplained factors that has not depicted in the model.

#### 4.7. Regression Coefficient

Table 6. Coefficient Regression Result

Regression	Coefficient	Standard	t-Value	p- Value	Confidence Interval 95%	
Table		Error			Lower	Upper
Constant	0.1081605	0.220635	0.49022	0.6252	-0.330	0.546
Em_ Behav- iors	0.335621	0.035174	9.54149	< 0.0001	0.265	0.405
Em_ Motiva- tion	0.326990	0.043520	7.51356	< 0.0001	0.240	0.413
TR_ Leader- ship	0.301037	0.054693	5.50411	< 0.0001	0.192	0.409

According to table 6 coefficient regression the dependent and independent variables were significantly related with confidence interval of 99.9% or p-value <0.01.

<sup>\*.</sup> Correlation is significant at the 0.05 level (2-tailed)



As the above table 6, the coefficients explain two things: the Beta Coefficients, which indicate the positive or negative relationship of each variable to the model whereas t and p values showed the influence of the independent variables on the dependent variable. According to the above table shows, that the transformational leadership improved by 1% the organizational change increases by 0.301% keeping all other independent variable constant. Furthermore, the table showed that as employee motivation improved by 1% the organizational changes increased by 0.326% keeping other factors are constant. In addition, as employee behaviors improved by 1% it also improved the effectiveness and efficiency of organizational change improved by 0.335% keeping other factors constant.

Regression equation:

Organizational change = 0.10816057 + 0.33562135 Employee behavior + 0.32699026 Employee motivation + 0.30103783 Transformational leadership

# 5. CONCLUSION AND RECOMMENDATION

Organizational change is the movement of an organization from one state of affairs to another. Transformational leadership is a process that changes and transforms people. Through transforming the leadership aspect, employee and their motivational behavior, indeed organizations can transform as well. In this regard, the findings of this study indicate that transformative leadership, employee motivation and behavior are functions of organizational change, affective commitment to change and the importance of transformative leadership in effective leadership. The results of this study show that transformative leadership, employee motivation and behavior are functions of organizational change.

Employee Motivation is very important factor for organizational change.it is the one factor of that can enhance the capability of employees and can lead to success of organization. Those three independent variables have strong association with dependent variable and have strong relationship between each other.

A regression model developed to test the developed hypotheses to determine the significance of the relationship. This model incorporated the Factors (independent variables) to predict the organizational change. The dependent variable was the organizational change and the independent variable includes transformational leadership, employees' motivation and behavior factors. A regression used to predict the value of certain variable based on the other variable.

The model summary shows those variables are 75.2% significant to help organizational change. This is due to the effect of transformational leadership, Employee motivation, Employee behavior. The remaining

24.8% of the variation on organizational change is due to other unexplained factors that has not depicted in the model. From these findings we can conclude that the organizational change is supported by transformational leadership, employee motivation and employee behaviors.

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