

Mediating Role of Employee Readiness to Change in the Relationship of Change Leadership with Employees' Affective Commitment to Change

Najmuddin Somadi¹, Alice Salendu²

^{1,2}Faculty of Psychology, Universitas Indonesia

najmuddinsomadi@gmail.com, alice.salendu@gmail.com

Abstract

This study aims to see whether the quality of change leadership affects affective commitment to change through a mediator of employee readiness to change at private hospital X which is changing organizational structure and leadership. The population of this study was employees of private hospital X with a sample of 212 employees. The measuring instrument used in this study is the Change Leadership Scale (Liu, 2010) with an alpha coefficient of 0.98, the Readiness for Organizational Changer Questionnaire (Holt, et al., 2007) with an alpha coefficient of 0.92, and Commitment to change Inventory (Herscovitch & Meyer, 2002) with an alpha coefficient of 0.79. This study was analyzed using Pearson correlation analysis and Hayes mediation (2018). The results showed that employees' readiness to change significantly as a mediator in the relationship between change leadership and affective commitment to change ($b = 0.118$, $SE = 0.024$, $p < 0.001$, 95% CI [0.07, 0.16]). This research was carried out only until the design of the intervention program, namely reorientation and socialization was presented to representatives of private hospital X, this was due to changes in the Board of Directors and several company policies making intervention programs difficult for researchers to implement at this time. Based on the assessment of the presentation of the intervention program design, it shows that the representatives of private hospital X are satisfied with the program design and can be implemented after the establishment of a new policy by the management team.

Keywords

employee readiness to change;
change leadership; affective
commitment to change



I. Introduction

Change has now become a premier need for an organization and is one of the most important aspects to create effective management (Hussesy, 2000). Changes that occur can be caused by rapid global developments, the risk of a business, there is an opportunity, innovation, and a new leadership system (Madsen, Miller, & John, 2005). Every change that occurs will create a new paradigm, where organizations are required to manage work more efficiently to achieve optimal results. This is as experienced by Private Hospital X by making changes. This change is intended so that the company can improve organizational performance and the quality of service for the community. The ability to change is becoming increasingly important because it is the ability to develop sustainably (Burnes, 2017; Teixeira & Werther, 2013; Porter et al., 2016) so that organizations can compete and maintain their existence (Bharihoo, 2005). becomes increasingly important because it is the ability to develop sustainably (Burnes, 2017; Teixeira & Werther, 2013; Porter et al., 2016) so that organizations can compete and maintain their existence (Bharihoo, 2005).

Balogun and Hailey (2008) explain that changes that occur in organizations are not only seen from the side of the organization but also the employees in the organization. This is because the success of the changes that occur is also very dependent on the attitudes and behavior of individuals in it. Although this change has a good purpose for the organization, it will still cause a sense of uncertainty and anxiety in employees (Grunberg, 2008). Employees who have a positive attitude and intention to change, are defined as employee commitment in the organization and this is considered an important requirement for successful implementation of change (Herscovitch & Meyer, 2002; Caldwell & Lie, 2008). Employee commitment to change is recognized as a factor that must be owned by every individual in the organization to make organizational changes successful (Mangundjaya, 2013). Organization must have a goal to be achieved by the organizational members (Niati et al., 2021). The success of leadership is partly determined by the ability of leaders to develop their organizational culture. (Arif, 2019).

Herscovitch and Meyer (2002) define commitment to change as an individual's mindset that directs behavior to take a series of actions that support the successful implementation of change in the organization. According to Santhidran et al (2013) of the three commitments to change, affective commitment is more able to describe performance when compared to normative commitments and continuity. An affective commitment to change is a commitment based on the desire to provide support for change based on the belief that the change has benefits (Herscovitch & Meyer, 2002).

Various studies have been conducted to find out what factors influence employee commitment to change, both external factors such as change communication (Kalyal & Saha, 2008), organizational justice (Stjernen, 2009), leadership styles such as transformational leadership and change leadership (Herold, 2009). et al, 2008; Liu, 2010), as well as internal factors such as trust in the organization (Kalyal & Saha, 2008), superior-subordinate relationships (Parish et al, 2008), and employee readiness to change (Herold et al., 2008; Holt et al., 2007). Previous research has looked at the importance of external factors, namely leadership, to overcome difficulties in carrying out organizational change (Fernandez & Rainey, 2006; Stewart & Kringas, 2003), especially change leadership which is practice-oriented and includes leadership behaviors such as visioning, enlisting, empowering, monitoring. , assists individual adaptation, communicates change (Herold et al., 2008; Armenakis et al., 1993). Furthermore, this behavior also focuses on implementing certain changes that are intended to partially change the overall organizational change (Herold et al, 2008).

In addition, Vakola (2013) explains that planning changes that will be carried out by the organization will not be optimal if there is no desire in the individual in the organization to change. An internal factor that can influence an individual's commitment to participate in change is the readiness of employees to change (Neves, 2009; Mangundjaya, 2016) because individuals within the organization are part of the direct experience of organizational change (Mangundjaya, 2016). Previous research has shown that employee readiness to change can be a factor influencing affective commitment to change (Mangundjaya & Gandakusumo, 2013; Mangundjaya, 2016; Radian, 2018). In addition, previous research also shows that employee readiness to change can also act as a mediator between leadership style and affective commitment to change (Santhidran, 2013), where employee readiness to change can be facilitated due to leadership and in turn will affect commitment to change. (Walker et al., 2007).

Seeing that both leadership style (change leadership) and employee readiness to change play an important role in increasing affective commitment for employees (Higgs & Rowland, 2000; Jones, Jimmieson, & Griffiths., 2005; Kim, Hornung, & Rousseau, 2011)

and employee readiness can also be a mediator in the relationship between leadership style and commitment to change (Walker et al., 2007; Santhhidran, 2013), so this study will look at the mediating role of employee readiness to change in the relationship between change leadership and affective commitment to change. The case study was conducted at Private Hospital X, which is currently undergoing a transition to changes in leadership and organizational structure.

II. Review of Literature

2.1 Affective Commitment to Change

An affective commitment to change is a commitment based on the desire to provide support for change based on the belief that the change has benefits (Herscovitch & Meyer, 2002). This commitment develops when individuals are involved in change, have an identity for change or when individuals can associate themselves with organizational change initiatives (Herscovitch & Meyer, 2002). Affective commitment to change in previous research has also shown that it is a good predictor in predicting individual behavior shown by employees towards change implementation (Herscovitch & Meyer, 2002; Meyer et al., 2007; Parish et al., 2008).

2.2 Change Leadership

Change leadership is defined as a leadership style that is more intended in the context of implementing change, where aspects of a leader's behavior are specific to implementing changes in organizations that have a context from the beginning and the end (Liu, 2010). Change leadership can also be defined as the behavior of direct supervisors who have the goal of creating organizational change and the capacity for change recipients to implement these changes (Higgs & Rowland, 2010). Mangundjaya (2021) also emphasizes that change leadership is the style of a leader to make changes with the desire and vision for the future for organizations that need change; the desire and ability to carry out and direct change, as well as the willingness and ability to accompany a change process, to produce better organizational conditions. That is, it can be concluded that change leadership is a leadership style that is specifically aimed at achieving success in implementing change as proposed by Liu (2010).

2.3 Employee Readiness to Change

Individual readiness to change according to Armenakis et al (1993) is a person's beliefs, behavior, and intentions towards the required change and is related to their perception of the individual and organizational capacity to achieve success in the change. Armenakis et al (1993) define readiness to change as cognitive behavior in the form of resistance and support for change efforts.

The concept of readiness to change was further developed by Hanpachern (1998) by trying to relate it directly to organizational development. He said that readiness for change is the extent to which an individual is mentally, psychologically, or physically ready to participate in development activities. Furthermore, Holt et al. (2007) develop a more comprehensive understanding of readiness for change. Holt et al. (2007) stated readiness to change as a comprehensive attitude that is continuously influenced by content (what changes), process (how the change is implemented), context (environment in which change occurs), and individual (characteristics of the individual who is asked to change).) who have involvement in organizational change.

III. Research Method

This study uses 3 (three) types of research questionnaires, namely: 1) A questionnaire to measure affective commitment to change from the Commitment to change Inventory (CCI) developed by Herscovitch and Meyer (2002); 2) Questionnaire to measure change leadership Scale developed by Liu (2010); 3) Questionnaire to measure employee readiness to change. Readiness for Organizational Changer Questionnaire developed by Holt et al., (2007). The three questionnaires have been translated into Indonesian and modified by Mangundjaya (2019). This questionnaire uses a Likert scale with a range of 1-6, namely strongly disagree (STS), disagree (TS), slightly disagree (ATS), somewhat agree (US), agree (S), strongly agree (ST). The three questionnaires have also been tested for reliability and validity with the following results: affective commitment to change has a Cronbach alpha value of = 0.79 and an index validity range of 0.4-0.6 with $p < 0.01$; change leadership has a Cronbach alpha value of = 0.98 and an index validity range of 0.8-0.9 with $p < 0.01$; employee readiness to change has a Cronbach alpha value of = 0.92 and an index validity range of 0.4-0.7 with $p < 0.01$.

The selection of respondents in this study used a non-probability sampling technique with a convenience sampling method. The number of samples in this study was 212 employees of Private Hospital X who were facing changes in leadership and organizational structure. The employees who are the samples of this research meet the required research criteria, where workers have at least a minimum of 1 (one) year of service, both contract employees and permanent employees

Research Hypothesis

Ho: Employee readiness to change is not significant as a mediator in the relationship of change leadership with affective commitment to change

H1: Employee readiness to change significantly as a mediator in the relationship of change leadership with affective commitment to change

IV. Results and Discussion

4.1 Results

From the table below, it can be seen that the majority of research respondents are female by 78.3%, aged 27-40 years by 50.9%, with undergraduate education at 43.9%, from the medical and nursing divisions by 58.5%, positions at the staff level by 76.4% and experienced working less than three years by 24.5%

Table 1. Descriptive Test of Demographic Data

Description	Category	Amount	Percentage
Gender	Man	46	21.7%
	Woman	166	78.3%
Age	21-26 Years	43	20.3%
	27-40 Years	108	50.9%
	40-60 Years	61	28.8%
Education	Senior High School	29	13.7%
	D3	87	41%
	S1	93	43.9%
	S2	3	1.4%

Division	Medical Administration Division	11	5.2%
	Finance & Accounting Division	14	6.6%
	Marketing & Public Relations Division	1	0.5%
	Medical & Nursing Division	124	58.5%
	Medical Support Division	56	26.4%
	HR & General Division	6	2.8
Position	Equivalent installation head/part	5	2.4%
	Equivalent of section head / unit	19	9%
	Equivalent coordinator / PJ	26	12.3%
	Staff	162	76.4%
Years of service	<3 Years	52	24.5%
	3-5 Years	24	11.3%
	5-10 Years	29	13.7%
	10-15 Years	35	16.5%
	15-20 Years	33	15.6%
	> 20 Years	39	18.4

Description. N= 212

The results of the Pearson correlation analysis on all variables used in this study showed that all variables were positively and significantly correlated. A summary of the results of the variable correlation test and the reliability of each measuring instrument can be seen in Table 4.5 as follows.

Table 2. Correlation Test

Variable	M	<i>Alpha Cronbach</i>	<i>Person's Correlation</i>		
			(1)	(2)	(3)
(1)Change Leadership	4.54	0.98	-		
(2)Employee Readiness	4.53	0.92	0.54*	-	
(3)Affective Commitment	4.55	0.79	0.34*	0.61*	-

Note: M = mean, * p < 0.001

Based on the correlation results above, it can be concluded that there is a positive and significant relationship between change leadership, employee readiness to change, and affective commitment to change. The table above also shows the results of reliability testing for each variable. Overall, Cronbach's alpha coefficient shows a value above 0.7. It can be interpreted that the measuring instrument used in this study has good internal consistency.

Mediation analysis was carried out with change leadership as a predictor (X), affective outcome commitment (Y), and employee readiness to change as a mediator (M). Mediation analysis showed that the indirect effect of leadership change on affective

commitment was statistically significant ($p < .001$) with a 95% confidence interval (CI) above 0 (0.07 to 0.16) based on 5000 bootstrapping. This shows that there is a mediating effect of the trust variable on superiors (Hayes, 2018). According to Cohen (1988) the value of the mediating effect is divided into 0.02-0.15 (low), 0.15-0.35 (medium), and > 0.35 (high), so it can be said that the role of media in this study is included in the medium category because it has an effective value of 0.32. In addition, the direct effect of leadership change on affective commitment gave a statistically insignificant result ($p = 0.852$). This shows that the relationship of leadership change to affective commitment to change becomes insignificant after there is a mediator of employee readiness to change.

Table 3. Mediation Test

Measurement	<i>b</i>	SE	<i>p</i>	95% Confidence Interval		Completely standardized effect
				Lower	Upper	
<i>Direct Effects</i> KP – KA	0.004	0.023	0.852	-0.042	0.05	0.0122
<i>Indirect Effect</i> KP-KIB-KA	0.118	0.024	$<.001$	0.072	0.168	0.3277
<i>Total Effect</i> KP-KA	0.122	0.023	$<.001$	0.076	0.1688	0.3398

Description: KP = change leadership, KIB = employee readiness to change, KA= affective commitment to change

From the results of the analysis, it can be assumed that the readiness of employees to change plays a full role as a mediator in the relationship between change leadership and affective commitment to change.

4.2 Discussion

This study aims to see whether employee readiness to change is significant as a mediator in the relationship between change leadership and affective commitment to change. The results of the mediation analysis support the hypothesis in this study, namely the readiness of employees to change significantly as a mediator in the relationship between change leadership and affective commitment to change. The results of this study also confirm previous research which shows that employees' readiness to change can also act as a mediator between leadership style and affective commitment (Santhidran, 2013). In addition, leadership is also able to facilitate readiness to change and in turn will affect commitment to change (Walker et al., 2007), so it can be concluded that high affective commitment to change is influenced by how leaders implement change including in informing change, persuading, , provide instructions, and involve employees in change planning (Barrett, 2010).

The presentation of the research results above can provide input for company management, especially private hospital X which is facing a changing situation, that management can focus more on increasing employee readiness to change before making intervention programs aimed at increasing affective commitment to change. Furthermore, in increasing employee readiness to change, management in the organization can focus on intervention/initiative programs to reduce employee resistance/resistance to changing conditions. Furthermore, management can also increase the interaction between superiors and subordinates by communicating to inform changes that are happening or will occur. According to Chao et al., (1994) individuals who get optimal communication

(socialization) will feel more satisfied at work, feel more involved in their work, adapt more easily than individuals who do not get optimal communication (socialization) from their organization. According to Poole & Van de Ven (2002), these activities also have a strong influence on the behavior of employees within the organization, this is because communication both with reorientation and socialization has two characteristics of influence, namely behavioral and affective influences. When viewed from the behavioral aspect, reorientation and socialization will provide direction for employees to behave in accordance with company policies and procedures. Meanwhile, if viewed from the aspect of affection, reorientation and socialization activities will affect the willingness of employees to do work according to organizational instructions (Poole & Van de Ven, 2002).

This study also still has limitations regarding the depth of the data obtained. Researchers only have data on changes to the new structure and the old structure without any other supporting data such as changes in the job desk and indicators of work achievement. In addition, because of data collection using self-reports -study and the involvement of internal parties in distributing questionnaires, so there is still potential for bias (social desirability) in the data (Podsakoff et al., 2003). Based on this, future research related to this matter needs to use other data collection methods, such as conducting focus group discussions and taking data separately for at least two weeks between the first data collection and predictor or outcome data (Podsakoff et al., 2003). In addition, this study also has limitations in generalizing the research data, because the context of the research was carried out specifically in the Health industry at private hospital X. Suggestions that can be given based on the results of this study are that it is necessary to do other research related to leadership change and employee readiness to change towards the creation of affective commitment to change in companies in other industries by using a larger sample, to enrich the results of research on the management of change in organizations.

V. Conclusion

Based on the results of the research analysis, it can be concluded as follows:

- a. Employee readiness to change is significant as a mediator in the relationship between change leadership and affective commitment to change in a private hospital X.
- b. The intervention design that was presented received a good response from representatives of private Hospital X, but the design cannot be carried out at this time due to changes in the Board of Directors and several company policies so that the intervention program cannot be implemented at this time.

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