Leading Change, Internal Communication and Change Management in the University Environment

Hartini Ahmad¹, Siti Noratisah Mohd. Nafi¹ and Leonis Marchalina²
¹Universiti Utara Malaysia, Malaysia, {hartini@uum.edu.my, noratisah@uum.edu.my}
²Prasetiya Mulya University, Indonesia, {leonis_marchalina@gmail.com}

ABSTRACT
Change is assumed as a challenge that most of organisations confront regardless their types of business and sizes. Hence, the leading change and internal communication are very significant in the change management context. This paper aims to provide an understanding on the change management in the university based on the leadership and internal communication factors. This paper is based on the survey questionnaires sent to the employees in the selected university. Other than that the qualitative approach was conducted by interviewing the selected participants for the study. The paper indicates the effective leadership and communication for change were associated to the change management commitment. Furthermore, the moderating effect of the internal communication is very significant in the change implementation by the leader of the university. The paper is hoped to contribute to the body of knowledge in terms of the subject matter in a university setting. The paper’s main contribution is making explicit on both top management’s and employees’ factors on the change management to guide the university to meet the desirable results, as well as to ensure the business sustainability.

Keywords: Leading change, internal communication, change management, Malaysian university.

I INTRODUCTION
The call for business entities to change and be resilient, particularly in this highly competitive and dynamic environment (Child, 2015; Walmsley & Lewis, 2014) is burgeoning. It demanded the organizations to consider and be alert of their past, present, and future (Burke, 2013; Wooten, & Hoffman, 2016). This encompasses all sectors such as telecommunication, tourism, manufacturing, higher educations. This change comes in many ways whether in a large or in a small scale (Ahmad, 2017), and how the organisations react to that. Malaysia currently has 20 public universities, and strive to achieve a world-class status and operate as a hub for higher education in the Southeast Asia region (Ministry of Higher Education, 2017a) and to redesign higher education, which is the change necessary in the university (Ministry of Higher Education, 2017b; Sani, 2017). Therefore, recently they are so many changes required because of the business process redesigning agenda (Lee, 2017; Sani, 2018), including the budget cut due to the economic downfall.

In 2015, the Higher Education Blueprint presented a new funding formula on the university budget to get the university to continue with its core business. The mandate was given to the leaders of the higher educations/universities to bring the academia to the future state. Hence, the leading change is important, and how this relates to the organisational performance (such as Ramezan, Sanjaghi, & Baly, 2013; Vencato, Gomes, Schere, Kneipp, & Bichuetti, 2014). In addition to that, the current research aware that the success or failure of the change programme as reported in many studies (such as, Ahmad & Francis, 2006; Ahmad, Francis & Zairi, 2007; Clifford, 2012; Vencato et al., 2014), which had reached two-thirds, and were relied mostly on the people’s commitment in the organisation.

To lead a change, initiative is important to its success, because nearly no one is able of single-handedly leading and managing change process in an organisation and assembling the right “guiding coalition of people to lead a change. The following characteristics such as position power, expertise, credibility and leadership are the traits to guide the coalition (Kotter, 1996). As studied before, the leadership factors indeed affect the employees’ commitment to change (Ahmad & Jalil, 2013; Gelaidan & Ahmad, 2010). A number of studies has proved that there is a significant relationship between leadership styles and employees’ commitment to the organisations (Bass & Riggio, 2006). Likewise, numerous studies have discovered the significant impact of leadership behaviour towards organisational commitment (Ahmad & Gelaidan, 2011). Nevertheless, there is still a lack of evidence on the link of leadership styles and the employees’ commitment to change to certain change initiatives (Herold et al., 2008). The role of leaders apparently influences the level of commitment among employees in organisations (Ahmad, 2017; Ahmad & Gelaidan, 2011).
Leaders face a lot of adversities while dealing with change in their organisation (Booth, 2015; Bridges & Bridges, 2017). Although the study of the university context is limited, the pressures are the same as other businesses, particularly because of the limited budget and resources (Lee, 2017). In addition to that, the university should establish its recognition in the QS World Ranking alike, the national and international accreditation, reputation etc. The lack of confidence of leadership in decision-making can affect the change commitment as one of the forces of the global crisis (Chander & Welsh, 2015).

Although there are many debates on the leadership styles, transformational leadership was known as a suitable leadership style that fits with the organisational change (Bass & Riggio, 2006). This type of leadership supports the employee’s commitment, self-efficacy and empowerment during change (Ahmad & Jalil, 2013), and generates compliance and consistency with commitment that ensured by transactional leadership (Newman, 2012) that understanding there is no standard agreement on any leadership styles that would influence the commitment to change.

Other than that, many studies focused on a vital role of internal communication in the change process (Ahmad & Jalil, 2013; Bull & Brown, 2012). However, there is still little evidence found on the relationship between internal communication and organisational commitment (Bull & Brown, 2012), and the effect to the leading change. Communication is an important component to adapt with the change processes by those that are affected (Kotter, 1995; Olins, 2017). The internal communication, which is well known to decrease uncertainty and apparently as a crucial factor in obtaining commitment (Simoes & Esposito, 2014).

Without effective employee communication, change is barely possible whereby it has been ignored by most leaders of the universities context. Simoes and Esposito (2014), stressed that communication aligned with the change gains commitment among employees by decreasing their tendency to resist the change. It creates a sense of belonging for sustainable and cohesive attempts to change are the importance of communication itself (Bull & Brown, 2012; Olins, 2017), less focus on the university context. Jalil (2011) studied that internal communication hypothesizes the direct relationship with commitment to change among employees in strengthen their sense effectively. University change is crucial in order to compete in globalisation world in developing countries to get a sustainable competitive advantage.

To date, the organisational change issues, specifically the university are still being neglected and there is still a lack and limited possible insight for practitioners in relying it as management practices based on empirical study. Furthermore, recent evidence highlights the change management, particularly the commitment to change is required from the whole organisations in order to achieve the desirable outcomes (Abrell-Vogel & Rowold, 2014; Adil, 2016). Due to the importance of commitment to change, as mentioned earlier, it has attracted scholarly attention and interest on what factors might influence it (Adil, 2016; Chen et al., 2012). In fact, in responding the change globalisation within the organisation, only around 13% employees who put commitment to stay in their companies around the world (Whitter & Azzouzi, 2016). Factors that should be influencing commitment to change have been explored in several studies in both organisational and individual level (Abrell-Vogel & Rowold, 2014; Adil, 2016; Chen et al., 2012; Erkutlu & Chafra, 2016).

II LITERATURE REVIEW

A. Emergent and Planned Change Approach

According to Hayes (2014), the logic for the emergent approach rooted from the faith that main decisions within organisations evolve over time and the result of intertwined political and cultural processes. If the organisations work consistently, the change happen slowly as it can be understood as the process of altering from one state to another more stable state relatively whereby it happened in emergent change. Burnes (2004) asserted that emergent change occurred when the employees did not accomplish their job routines, deal with breakdowns, contingencies and opportunities in their daily job routinely. He then highlighted that the approach of emergent change approach comprises of the ongoing alterations, adaptations and accommodations that yield the significant change without any primary intentions to do so. Dawson (1994) believed that change must correlated to the organisation’s objectives, products and systems as well as the business market. He further highlighted that in the rapid and unstable business environment nowadays, if change interference is remaining, the companies tend to establish short-term results and enhance instant outcomes rather than reduce the issues. Hence, Hayes highlighted that “The key decisions about matching the organisation’s resources with opportunities, constraints and demands in the environment evolve over time and are the outcome of cultural and political processes in organisations” (p.37).
In this context, Kotter (1996) recommended that in order to successfully implemented change, some prerequisite conditions should be demonstrated. For instance, the high level of commitment from both leaders and employees is necessary to execute change. In addition, he highlighted that more than 80 percent of successful change can be focused on the establishment of employees’ commitment to organisational change, whereas the other 20 percent can be contributed to management of budgeting, planning, problem solving and organising.

According to Lewis (1994), planned change has been the most prominent change practice since 1950s, therefore, organisational change can be defined as the process of appropriate approach of change types that can be implemented from one stage to another stage based on the pre-planned steps that depends on the company’s condition. People who failed to implement the adaptive organisations continuously need to alter into planned change. This change approach could resolve the issues that faced by organisations that occurred from dissatisfaction into status quo. Argyris and Schon (1978) stressed that the incremental change focused on the improving the existed systems and continue within the present business model, whereas radical change will be applied when the cultural change is necessary to change the organisational model. The university also face both types of change and should manage the change properly for the business sustainability (Senge, 2014).

B. Leadership Styles

A transformational leadership the most innovative leadership behaviour could altering or managing the employees’ needs to the greater levels of consideration for the company’s development (Bass, 1985). As a result, transformational leadership was proved to be the most effective for certain aspects such as organisational commitment, extensive attempts, objective organisational success, employees’ satisfaction and effectiveness (Judge & Piccolo, 2004; Rowold & Heinitz, 2007). This type of leadership focused on the self-improvement and individual interests of the employees (Adil, 2016; Chen et al., 2012). Transformational leaders assert the significant of valuing and appreciating the employees (Abrell-Vogel & Rowold, 2014; Erkutlu & Chafr, 2016). Moreover, transformational leadership can be seen as well as a method to awaken the company’s needs of change to a higher development and motivation (Bass, 1985). Likewise, he explained that this leadership style leader as an agent who empower the employees to create missions, achievements and collect goals in the process of change implementation. Transformational leadership highlighted how the leaders should behave through their charisma, concern on the employees’ needs, and improve the employees’ problem-solving skills to achieve beyond the desirable goals for the employees (Bass, 1985; Bass & Riggio, 2006).

According to Darney-Baah (2015), transformational leadership personifies as the appropriate leadership style among others that was wanted by most of leaders in any organisations. Hence, there is a link between transformational leadership and supportive cultural change among employees whereby they perceived that leaders ought to be competent in order to achieve the strong commitment among employees to change. Furthermore, Warrillow (2012) defined transformational leadership as “creates positive change in the followers whereby they take care of each other’s interests and act in the interest of the group as a whole” (p.356).

A study by Svendsen and Jоensson (2016) asserted that transformational leadership defined as the significant antecedent of change that comprises into four characteristics such as inspirational motivation, idealized influence, individual consideration and intellectual stimulation (Bass & Riggio, 2006). Transformational leaders individually interact with the employees during change program and might expressed and encouraged moral behaviours by being a good listener (individual consideration). And then those leaders also push the employees to see the things from different perspectives and stimulate their critical thinking during change process (intellectual stimulation) so they can gain the innovative ideas from the employees. Lastly, the transformational leaders empower and encourage the employees to perform for the target of organisational change (idealized influence and inspirational motivation) and enhance the employees’ motivation to push their ultimate potentials to achieve the goals (Bass, 1985), and do not burn out (Bellou & Chatzinikou, 2015).

C. Internal Communication

Communication is required to adapt with the change processes by those that are affected (Bull & Brown, 2012). Without the effective employee communication, change is barely possible whereby it was ignored by most of companies. According to Simoes and Esposito (2014), communication that aligns with the change gains commitment among employees by decreasing their tendency to resist the change. The relationship between communication and organisational change have been attracted the attention of previous researchers on the last decades (Johansson & Heide, 2008). In raising awareness among employees on the necessity of change and
creating a sense of belonging for sustainable and cohesive attempts to change are the importance of communication itself (Ahmad & Jalil, 2013; Sundstro & Annika, 2009). The sense of disequilibrium with the current status quo will be increased with an effective internal communication (Raineri, 2011). Instability of current performance mandates change, need to be communicated timely and transparently to stakeholders; particularly the employees. Without a proper and adequate communication, it might make harder or irresponsible to execute the change plan, such as through the policy plan (Lai & Ong, 2010).

Organisation which made frequent and solid communication efforts to ensure understanding and support of the change program will likely see the sense of urgency for change among employees rise (Hertog et al., 2010). The management should exemplify the needed changes in the company by playing a key role in the circulation of information of the change process. Based on the findings by Hertog et al. (2010), the majority of the firms considered communication as an effective tool by the leader to stimulate a sense of urgency. Internal communication theory linked employees to their organisation as it extends its scope to include linkages between internal communication and organisational commitment (Ruck & Welch, 2012). Awad and Alhashemi (2012) investigated the employees’ motives for communicating with their superiors and co-workers, their satisfaction and commitment towards their organisation. The importance of their study is to depict how employees’ purposes for communication relate to satisfaction and commitment with their leaders, jobs and the company at which they work.

### III METHODOLOGY

#### A. Sampling

Data were collected from 224 employees in Malaysian public universities (both academic and non-academic staff). The survey took 15-20 minutes approximately in completing filled the questionnaires that were distributed to the respondents directly using a self-administered questionnaire.

#### B. Items and Measurement

Each item was assessed by a five-point of Likert scale that raging from ‘1’ "Strongly Disagree" to '5' "Strongly Agree".

**Items for Commitment to Change**

The items of commitment to change is based on the organisational commitment questionnaire (OCQ) adapted from organisational commitment of Mowday, Steers and Porter (1979) in general theory of workplace commitment. It was a precise instrument to measure the employees’ commitment to work in any organisations. Somehow, this study used the nine administered items that used only positively worded items from fifteen items originally whereby it was applied in several studies before.

**Items for Leadership Styles**

Multifactor Leadership Questionnaires (MLQ) is the instrument that developed by Bass (1985) to measure the transformational and transactional leadership styles. Initially, MLQ include five dimensions that measure the transformational leadership that consist of charisma (idealized influence), intellectual stimulation, individualized attention, contingent reward, and management-by-exception. According to Avolio and Bass (1991), transformational leadership and transactional leadership were measured by 15 items whereby transformational leadership were measured by 1-10 items while transactional leadership were measured by 11-15 items.

**Items for Internal Communication**

In order to adapt to the new circumstances, employees should facilitate the communication during the change processes (Cummings & Worley, 2014; Lewis, 2006). Internal communication is vital to create and maintain the relationship in order to create bonding among employees in organisation that can engage them into commitment to their organisations with the leaders (e.g. Awad & Alhashemi, 2012). The variable consists of nine (9) items that was adapted from Hoyle (2010), Herold et al. (2008) and Paton et al. (2008).

### IV RESULTS AND DISCUSSIONS

Data were first checked for descriptive statistics such as frequency analysis to detect missing values and outliers before they were subject to further tests by using SPSS Version 22 software. Factor analysis was run on the main constructs: commitment to change, leadership style and internal communication.

Table 1 shows the descriptive, correlations and reliability coefficients of the main variables. As indicated, the instruments that measured the main variables were deemed to be reliable, as the alpha coefficients were all beyond the acceptable level of .70 (Nunnally, 1978). Findings elaborate that all under study variables are significantly and positively correlated with each other.
The first model explained about that the effect of leadership style on commitment to change was .210 percent that indicated by $R^2$. It means that leadership style explained about 21% (percent) of variance of the commitment to change. Table 2 shows that the next model explains the moderating effect of internal communication on the relationship between the leadership style and commitment to change. The $R^2$ was .516 at which it explains about 52% (percent) of contingent effect of internal communication on the relationship between leadership style and commitment to change. To sum up, the internal communication was proved to give moderate effect on leadership style to commitment to change by revealing a higher value.

Table 1. Mean, Intercorrelations and Reliability Coefficients of Main Variables.

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>S.D</th>
<th>$\alpha$</th>
<th>LS</th>
<th>CC</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Commitment</td>
<td>3.24</td>
<td>.65</td>
<td>.84</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communication Commitment</td>
<td>3.34</td>
<td>.99</td>
<td>.89</td>
<td>.39</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Change</td>
<td>3.48</td>
<td>1.14</td>
<td>.91</td>
<td>.42</td>
<td>.423</td>
<td>1</td>
</tr>
<tr>
<td>Leadership Style</td>
<td>3.48</td>
<td>1.14</td>
<td>.91</td>
<td>.42</td>
<td>.423</td>
<td>1</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.05 level (2-tailed).
IC = Internal Communication; CC = Commitment to Change; LS = Leadership Style

Table 2. Model Summary of Internal Communication, Leadership Style and Commitment to Change.

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>$R^2$</th>
<th>Adj $R^2$</th>
<th>Std. Err of the Est</th>
<th>Change Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$R^2$ Chng</td>
</tr>
<tr>
<td>Dim 1</td>
<td>.458</td>
<td>.664</td>
<td>.210</td>
<td>.058</td>
<td>226.5</td>
</tr>
<tr>
<td>Dim 2</td>
<td>.458</td>
<td>.664</td>
<td>.210</td>
<td>.058</td>
<td>226.5</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Leadership Style
b. Predictors: (Constant), Leadership Style, Leadership Style * Internal Communication
c. Dependent Variable: Commitment to Change

It was revealed that the internal communication is able to affect the commitment to change strongly in a company based on the empirical analysis that being revealed. Internal communication allows the employees to gain trust from their university, so that they will commit to their organisation to embark on the change. This finding is supported by the existing literatures on the positive contribution of internal communication in organisational change (e.g. Crestani, 2016; Raineri, 2011; Simoes & Esposito, 2014), suggested that internal communication significantly affect the employees’ commitment to change from all aspects, including have a significant impact on the leading change (Awad & Alhashemi, 2012; Ruck & Welch, 2012; Togna, 2014). Furthermore, it extends its scope to include linkages between internal communication and commitment in the change context (Ruck & Welch, 2012). Internal communication is required to adapt with the change processes by those that are affected (Bull & Brown, 2012), and reduce the resistance to change (Simoes & Esposito, 2014). In particular, the leaders need to understand that the thoughtful and meaningful words they communicated with employees gave the sense of values among employees McKay et al. (2013). The values they experienced create their moral obligation to commit in their organisation (Islam et al., 2014).

The leadership style that establish commitment, increase motivation and empower their employees to achieve the company’s goals ensure the commitment to change. Notably, these leaders focused on the employees’ commitment that merit their organisations’ future. It was proved by transformational leadership components such as idealized influence that convince and connect to the employees with charisma by which it unconsciously makes the employees committed to leaders’ vision (Luo, Song, Gebert, Zhang, & Feng, 2016). The power of charismatic trait in transformational leaders gains more effort and sincere commitment among employees. It is supported by Joo, Yoon, & Jeung (2012) in a Fortune 500 that highlighted a transformational leadership significantly related to organisational commitment. A higher commitment among employees occurred when employees perceived their leaders by transformative styles such as vision articulation and intellectual stimulation, and understand the vision through the internal communication.

V CONCLUSION

This research is hoped to contribute to the body of knowledge on the change management, in the university environment. It is hoped to reveal the understanding on the importance of internal communication in affecting the leadership style and commitment to change. Studies on organisational change will attract many scholars in initiating the academic activities toward improving a better understanding about the importance of employees’ commitment to change in terms of theoretical perspective. In terms of the practical perspective, this present research encourages the university to explore more their internal communication practices effectively so that it can be useful for their organisational change. In a nutshell, the commitment to change undoubtedly poses an interesting phenomenon in the development of
university core business globally as a reaction to change. In fact, this issue can be seen as interesting opportunities and benefits among universities in order to develop their business despite of its challenges that affect the world of education industry. The respond of how leaders can communicate the change effectively to their subordinates and affect their attitudes to commit to the change itself seemed to be the most challenging issues.

REFERENCES


