
The Effect of Transformational Leadership on Individual Multidimensional Reactions to Organizational Change with Self-efficacy as a Mediator

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Abstract

There have been many previous studies that have analyzed individual reactions to organizational change and associated them with various antecedents. However, these studies tend to only dichotomize individual reactions into forms of resistant and not resistant. Resistance itself is inconsistently defined and associated with many different aspects. This study analyzes individual reactions to organizational change from another point of view using a comprehensive re-conceptualization of reactions with an attitude theory approach that include cognitive, emotional, and intentional dimensions. This study includes transformational leadership variables as part of the leadership factor and self-efficacy as part of the individual factors that influence organizational change. The research sample includes 304 civil servants within the BPS-Statistics of Jawa Tengah Province, Indonesia. The collected data were analyzed using Partial Least Square Structural Equation Modeling (PLS-SEM). The results of the bootstrapping analysis show that transformational leadership has a significantly positive effect on the three dimensions of individual reactions to change. The influence of transformational leadership can be enhanced through the role of self-efficacy as a mediator. This research provides practical implications for organizations in increasing the chances of successful change efforts through positive individual reactions. Positive reactions are generated through transformational leadership which can provide self-efficacy as an important resource for individuals in the process of organizational change. In line with COR theory, individuals who have resources tend to be more prepared to face challenges, demands, and uncertainties, especially in the context of organizational change.

Keywords: organizational change, transformational leadership, self-efficacy, reaction to change

1. Introduction

Organizations basically will never be in a static environment. The dynamics of the organizational environment raise various challenges, demands, and problems that must be faced by the organization. These various obstacles can arise from internal and external organizations. For government organizations, external challenges often arise as a result of changes in regulations issued by the government. In compiling the grand design of organizational change, the government has of course considered many things and is oriented toward future success, but in practice, it is not easy for each organization to be able to adapt.

Organizational ability to adapt quickly and take policies that are timely and on target is needed so that organizations can survive various challenges. Organizations need to manage change continuously while facing new challenges and adapting to turbulence in their operating environment (Oreg & Berson, 2011). Organizational change is a planned process of moving an organization from its current state to another in the future. Organizational changes are aimed at maintaining organizational effectiveness and efficiency in achieving organizational goals. Change involves building new understandings, new practices, and new relationships (Thomas *et al.*, 2011). Various interventions can be carried out by organizations to support the success of change efforts. Even though organizations are increasingly driven to make changes (Birkinshaw & Ridderstråle, 2017), the success rate of change programs is very low (Palmer *et al.*, 2016) – most change initiatives either fail to achieve their intended goals, or fail. Various forms of resistance can arise from the individual, group, or organizational level as a whole and cause the failure of change efforts.

Change management efforts determine the success of the organizational change process. Central to the success of this effort is employee reaction and implementation of behavior related to change (Oreg *et al.*, 2011). Employee reactions to change determine their actions in the organizational change process (Bouckenoghe, 2010), whether they will cooperate in implementing the organizational change or reject it; Such actions can directly facilitate or hinder the progress of organizational change. Therefore, realizing successful change requires the cooperation of employees, any form of resistance from employees can hinder change initiatives (Piderit, 2000). Employees as the smallest unit in the organization, can generate resistance at the individual level and become a source of resistance at the group and organizational levels. Successfully managing employee resistance is a major challenge for change initiators and arguably more important than any other aspect of the change process (O'Connor, 1993).

Many studies have analyzed individual reactions to organizational change and related them to various antecedents. However, these studies tend to separate individual reactions into a dichotomy, resistant or not resistant. On the other hand, individual resistance to change is defined inconsistently in various studies. Resistance is associated with many different dimensions. These studies tend to attribute resistance to a single dimension. Labianca *et al.* (2000) use a cognitive approach and focus on organizational schemas. Vince and Broussine (1996) focused on the emotional dimension during organizational change. Brower & Abolafia (1995) emphasized behavior in their study and defined resistance as action and inaction. Ashforth & Mael (1998) define resistance as a deliberate act of resistance. This definitional inconsistency can be a source of differences in understanding. Piderit (2000) has tried to redefine resistance using a multidimensional concept. This concept is in line with the tripartite attitude theory which states that individuals will respond to something throughout three dimensions, cognitive, emotional, and intentional. These three dimensions are also the definitions most often used in defining resistance in previous studies. The multidimensional concept defines resistance as a coordinate point formed from three-dimensional axes of resistance as depicted in Figure 1.

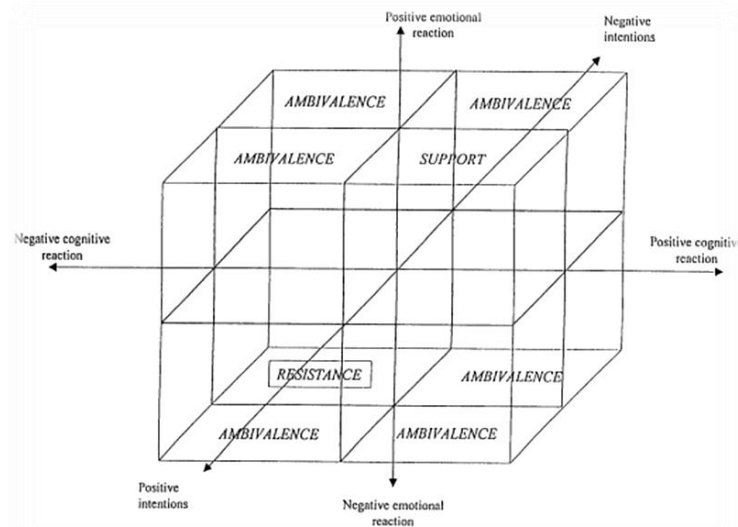


Figure 1. Individual Reactions to Organizational Change (Piderit, 2000)

In contrast to the reaction dichotomy, multidimensional conceptualization makes it possible to see individual reaction combinations. This conceptualization is important because individuals can respond to change differently in all three dimensions. If the form of support for change is a condition where the three forms of individual reactions are positive and the rejection reaction is a condition where the three forms of reaction are negative, then there are still six other reaction combinations that cannot be captured by this dichotomy. For example, an organizational change can cause an emotional reaction in the form of disappointment and sadness for an employee, but on the other hand, the employee may realize and think about the importance of the organizational change being made, and therefore the employee intends to support organizational change. In this situation, it cannot be determined whether the employee's reaction is resistant or not resistant.

Multidimensional analysis can sharpen our understanding of how employees respond to a change (Piderit, 2000). With multidimensional conceptualization, organizations can see the impact of interventions, whether they can affect individual reactions to organizational changes as a whole or only partially on certain dimensions. This study aims to provide a deeper understanding of the phenomenon of individual resistance to organizational change and relate it to leadership factors and individual internal factors.

Transformational Leadership and Individual Multidimensional Reactions to Change

As is known, leaders have a central role in determining employee reactions to change (Higgs & Rowland, 2011). In various organizational change literature, transformational leadership has been rated as the most applicable (Bass, 1985) and identified as an important predictor of employee reactions to change (eg, Chou, 2013). Transformational leadership refers to a leadership style that aims at transforming employees' self-interest into self-realization, directing employees to pay more attention to organizational success (Bass, 1985). Transformational leadership can effectively gain employees' positive attitudes and reduce their negative attitudes toward organizational change (Zhao *et al.* , 2016).

Social information processing theory (Salancik & Pfeffer, 1978) states that leadership behavior conveys various types of information that can shape employee perceptions, attitudes, and behavior. The first characteristic of transformational leadership is the ability to share a clear vision (Bass, 1985). The ability of transformational leaders to convey the importance of change to their employees can make them better understand why change initiatives need to be carried out by the organization. Furthermore, transformational leaders are also good at expressing beliefs about the future of the organization (Bass & Avolio, 1995), and being able to convince employees that the organization can implement these changes. Transformational leaders also act as charismatic role models (Podsakoff *et al.*, 1990) who put collective interests above their interests. This behavior makes employees aware that leaders act as advocates for organizational change. Transformational leaders also have personal attention so that employees receive individual attention and support for their personal growth (Podsakoff *et al.*, 1990). This reinforces employees' belief that the transformational leader will ensure employee benefit when organizational changes are implemented. Finally, transformational leaders provide motivational inspiration. They are expected to motivate employees to process information about organizational change positively and further help employees generate positive cognitive and emotional reactions to organizational change. In general, transformational leadership can produce positive employee attitudes toward organizational change (eg, commitment, openness, and readiness) and reduce employee negative reactions (eg, cynicism and resistance). Based on the theoretical basis and arguments above, the following hypotheses can be formulated:

- H_{1a}**: Transformational leadership has a positive effect on individual cognitive reactions to organizational change
- H_{1b}**: Transformational leadership has a positive effect on individual emotional reactions to organizational change
- H_{1c}**: Transformational leadership has a positive effect on individual intentional reactions to organizational change

Self-efficacy and Individual Multidimensional Reactions to Change

To complete the analysis in this study, the researcher feels the need to include the antecedents of the employee's internal factors. Various interventions carried out by organizations to increase the chances of successful organizational change cannot be separated from the consideration of individual internal factors. Every individual in the organization is unique and has different abilities, characteristics, and goals. Therefore, in responding to change, each individual will have different readiness.

Individual readiness is closely related to confidence in their abilities, which is called self-efficacy. Many studies have defined self-efficacy and stated that self-efficacy is an important determinant of employee readiness. Individuals will carry out activities that they believe they can do and tend to avoid activities that they judge beyond their ability (Bandura, 1997). According to Gist & Mitchell (1992), self-efficacy is a person's estimate of his or her ability to organize activities on a particular task. Perceptions of personal abilities influence mindsets, actions, behaviors, and emotions under stressful conditions. Research has shown that efficacy affects

stress reactions and goal attainment (Bandura, 1982). Someone who believes that he is capable of doing what is assigned to him will tend to react positively compared to those who do not have the ability. Based on the theory and arguments above, the following hypotheses can be formulated:

H_{2a} : Self-efficacy has a positive effect on individual cognitive reactions to organizational changes

H_{2b} : Self-efficacy has a positive effect on individual emotional reactions to organizational change

H_{2c}: Self-efficacy has a positive effect on individual intentional reactions to organizational change

COR theory suggests that individuals will seek to acquire, retain, protect, and maintain a valuable set of resources. Some examples of these resources are supervisor support, status, information, social relations, and personal resources such as self-efficacy, resilience, and optimism. Based on COR Theory, in the context of organizational change self-efficacy is part of the resources that will ultimately influence attitudes and behaviors that support change. Personal resources in the form of self-efficacy can be provided by transformational leaders to their followers. Various characteristics of transformational leadership can increase attitudes that support change, giving followers confidence that change can achieve the desired results (Shamir *et al.*, 1993). Transformational leaders provide charismatic role models that make followers feel confident that they will be able to cope with the demands of change (Bass & Riggio, 2006). Furthermore, transformational leaders can also provide motivational inspiration and personal attention to their followers, providing encouragement and opportunities for followers to develop (Shamir *et al.*, 1993). When transformational leaders, with their various characteristics, can increase the self-efficacy of their followers, the followers will have the confidence to face organizational change with its various demands. This belief will affect the mindset, emotions, and behavior of employees so that it leads to support for change.

Based on the theory and arguments above, this study tries to analyze the indirect effect of self-efficacy on the relationship between transformational leadership and individual reactions to organizational change, including the role of mediation and moderation. The next hypothesis tested in this study is as follows:

H_{3a}: Self-efficacy mediates the relationship between transformational leadership and individual cognitive reactions to organizational changes

H_{3b}: Self-efficacy mediates the relationship between transformational leadership and individual emotional reactions to organizational changes

H_{3c}: Self-efficacy mediates the relationship between transformational leadership and individual intentional reactions to organizational change

Based on the various variable relationships above, a research conceptual model can be formulated as follows:

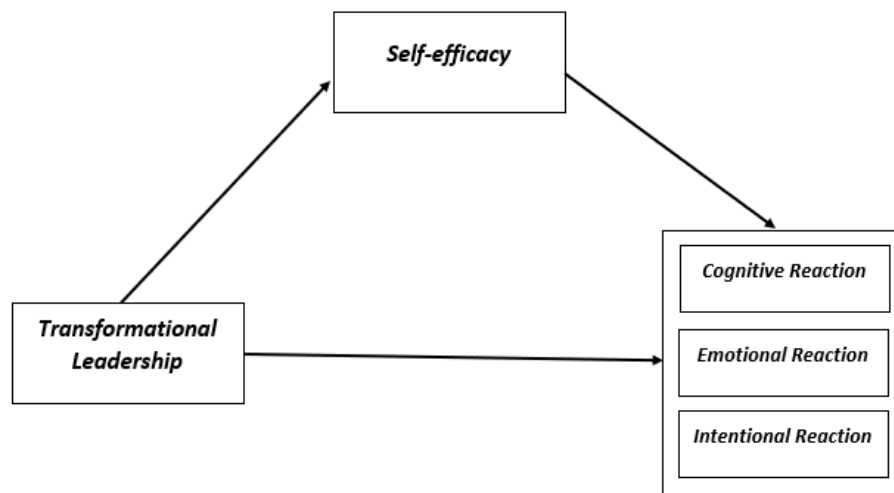


Figure 2. Conceptual Model

This research was conducted at BPS-Statistics of Jawa Tengah Province. BPS is a government agency that has the task of providing statistical data. The existence of government regulations regarding the implementation of bureaucratic reform requires BPS to make various organizational changes, including: simplification of the organizational structure, transformation of business processes, rearrangement of human resources, etc. These changes naturally elicited various reactions from the employees. BPS is currently intensively developing the concept of transformational leadership in its organization. Hughes, et al. (2018) stated that organizations often fall for the latest fads or campaigns around different leadership concepts. Every organization faces its own situation, so that the concept of successful leadership in one organization may not be suitable for other organizations. This research was conducted at BPS to ensure that the policies adopted are in accordance with the needs of the organization, not just following the trend of the leadership model. HR rearrangement at BPS also requires information about what resources BPS should seek for its employees. For this reason, this study analyzes the effect of self-efficacy, as an important resource for individuals, on individual reactions to organizational change.

2. Method

This research uses quantitative methods. The population in this study is civil servants within the BPS-Statistics of Jawa Tengah Province, Indonesia, consists of 35 regional work units. Sampling was carried out using the Slovin formula, where to obtain a minimum sample size of n from several N populations with a significance level of α can be calculated using the following formula:

$$n = \frac{N}{1 + N\alpha^2} \quad (1)$$

Based on this formula, with a total population of 1,239 the minimum sample size required is 304 samples. Selection of the sample using simple random sampling. The sample size for each regional work unit is proportional to the number of employees in that work unit to the total number of employees.

Collecting data in this study used an online questionnaire which was filled out by the respondents themselves. The questionnaire in this study was divided into four main sections, namely: (1) Respondent's demographics information; (2) Perception of individual reactions to organizational changes; (3) Perceptions of transformational leadership; and (4) Perception of self-efficacy. Respondents' perceptions were evaluated using a Likert scale of 1 to 5. The data in this study were analyzed using the Partial Least Square-Structural Equation Model (PLS-SEM) using Smart PLS which includes measurement and structural model evaluation.

Individual multidimensional reactions to change are evaluated through indicators adopted from Piderit's research (2000), which consist of eleven statements on the cognitive dimension, ten statements on the emotional dimension, and ten statements on the intentional dimension. The cognitive response shows a form of belief in the object of behavior that can be obtained from verbal questions. Eagly & Chaiken (1998) argue that beliefs can be expressed on various levels, positive or negative, and with varying intensities. A person's emotional response can be inferred from verbal statements about their feelings towards the object of behavior. Eagly & Chaiken (1998) define this dimension as the feelings, moods, emotions, and actions of the sympathetic nervous system that people experience with behavioral goals and then associate with them. Individual reactions to organizational changes on this dimension can also range from strong positive emotions (such as joy or happiness) to strong negative emotions (such as anger or fear). The intentional response shows an attitude that reflects one's judgment of the object of behavior based on past behavior and intentions to act in the future (Eagly and Chaiken 1998).

For this study, the researcher was interested in comparing the total scores for emotional, cognitive, and intentional reactions so that the negative items of each reaction were scored inversely and added up to produce a total score. By combining positive and negative items, the researcher can assign three total scores to be compared which support the tripartite theoretical basis of attitudes.

The first antecedent in this study, transformational leadership, was evaluated using the Transformational Leadership Scale of the MLQ Form 5X Multifactor Leadership Questionnaire (Bass & Avolio, 1995), consisting of thirteen questions. Bass (1990) defines transformational leadership as a leadership style in which leaders can broaden and prioritize employee interests, increase employee awareness, employee acceptance of goals and duties, and make employees prioritize group interests over personal interests. The second antecedent, self-efficacy, was evaluated by adopting the eight-item questions from Chen *et al.* (2001).

3. Results and Discussion

Data collection was carried out within three weeks. The research questionnaire was compiled in an electronic questionnaire using an online form. The question items were randomized for each respondent to get a more valid perspective on each statement item. The total number of respondents who participated in this study was 336 people. Incomplete data containing outliers

were eliminated leaving 304 responses according to the minimum sample size required in the Slovin method. The level of accuracy used in this study is 5%.

A simple descriptive analysis based on the respondent's answers to the demographic information question group shows that respondents are dominated by university graduates with the following details: 45.07% are Bachelor Degree; 19.74% of Masters Degree; 19.41% of Diploma. While the remaining 15.78% had a high school education and below. The percentage of male respondents was 57.89% and the remaining 42.11% were women. Most of the respondents (79.93%) stated that they had worked for more than 5 years in their current work unit.

Measurement Model Evaluation

To ensure that the questionnaire used can measure each variable precisely and accurately, and also produce consistent answers, the validity and reliability tests were carried out. The reliability test is carried out by looking at the outer loading value on each question item. For social science research, Hair, JF, *et al.* (2017) requires an outer loading value in the range of 0.4 – 0.7 so that the question items can be declared reliable. Question items CR1 and CR8 from cognitive reaction variables and question items IR6, IR7, IR8, IR9, and IR10 from intentional reaction variables were eliminated because their outer loading values did not meet the requirements. The PLS-SEM algorithm also produces Cronbach alpha (representing the lower bound) and composite reliability (representing the upper bound) values which can be used to evaluate internal consistency reliability. Question items are declared to have internal consistency reliability if the value of both is above 0.7. The variables in this study can be declared to have consistency reliability because they have a Cronbach alpha above 0.7 as presented in Table 2.

The first validity criterion is convergent validity, evaluated by the Average Variance Extracted (AVE) value. Convergent validity evaluation is used to determine the extent to which a measure has a positive correlation with alternative measures of the same construct. Based on Hair, JF, *et al.* (2017), a variable is declared to meet the convergent validity criteria if it has an AVE value above 0.5. All AVE values of the variables in this study are worth more than 0.5 as can be seen in Table 2. This shows that the variables used meet convergent validity. The elimination of questions based on the value of the loading factor simultaneously affects the improvement of the AVE score.

The next validity criterion that can be seen from the PLS-SEM algorithm is discriminant validity. To be able to state that a variable meets the criteria of discriminant validity, the outer loading value of each question item must be greater than the cross-loading value for other question items. In this stage, the CR10 and CR11 question items from the cognitive reaction variable were eliminated because they did not meet the discriminant validity requirements. The outer loading and cross-loading values of each question item can be seen in Table 1. The value in bold is the highest loading value for each question item.

Table 1. Outer Loading and Cross Loading Values

	Cognitive Reaction	Emotional Reaction	Intentional Reaction	Transformational Leadership	Self-Efficacy
CR2	0.732	0.535	0.563	0.365	0.513
CR3	0.835	0.680	0.768	0.463	0.616
CR4	0.807	0.665	0.696	0.377	0.564
CR5	0.827	0.728	0.738	0.42	0.647
CR6	0.730	0.593	0.641	0.376	0.532
CR7	0.788	0.655	0.652	0.457	0.558
CR9	0.637	0.629	0.493	0.334	0.444
ER1	0.739	0.804	0.734	0.463	0.594
ER2	0.739	0.833	0.724	0.427	0.596
ER3	0.770	0.824	0.747	0.416	0.610
ER4	0.728	0.779	0.696	0.441	0.574
ER5	0.691	0.787	0.686	0.436	0.537
ER6	0.324	0.558	0.294	0.216	0.257
ER7	0.548	0.713	0.467	0.348	0.386
ER8	0.424	0.660	0.388	0.295	0.296
ER9	0.486	0.687	0.412	0.298	0.412
ER10	0.514	0.729	0.444	0.350	0.442
IR1	0.657	0.627	0.816	0.441	0.609
IR2	0.696	0.626	0.788	0.398	0.579
IR3	0.724	0.678	0.823	0.410	0.649
IR4	0.722	0.669	0.838	0.409	0.584
IR5	0.705	0.644	0.834	0.389	0.596
TL1	0.496	0.480	0.462	0.898	0.508
TL2	0.490	0.483	0.490	0.882	0.493
TL3	0.407	0.450	0.397	0.840	0.398
TL4	0.475	0.453	0.465	0.910	0.460
TL5	0.471	0.475	0.435	0.919	0.484
TL6	0.449	0.451	0.438	0.911	0.426
TL7	0.480	0.455	0.453	0.897	0.484
TL8	0.491	0.469	0.466	0.906	0.428
TL9	0.448	0.425	0.404	0.906	0.437
TL10	0.453	0.427	0.426	0.854	0.403
TL11	0.455	0.448	0.459	0.880	0.460
TL12	0.371	0.362	0.354	0.838	0.394
TL13	0.507	0.498	0.487	0.890	0.510
SE1	0.523	0.466	0.544	0.338	0.732
SE2	0.630	0.537	0.607	0.459	0.857
SE3	0.645	0.586	0.659	0.500	0.852
SE4	0.576	0.533	0.568	0.419	0.782
SE5	0.622	0.589	0.614	0.412	0.865
SE6	0.596	0.584	0.615	0.431	0.833
SE7	0.411	0.348	0.484	0.261	0.647
SE8	0.603	0.546	0.607	0.417	0.805

After the question items that did not meet the requirements were removed, the PLS-SEM algorithm was run again to get the final value of Cronbach's alpha, composite reliability, and AVE. The value of Cronbach's Alpha, composite reliability, and AVE for each variable can be seen in Table 2.

Table 2. Cronbach's Alpha, Composite Reliability, and AVE values

Variables	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Cognitive Reaction	0.882	0.909	0.590
Emotional Reaction	0.910	0.924	0.550
Intentional Reaction	0.878	0.911	0.673
Transformational Leadership	0.977	0.980	0.788
Self-Efficacy	0.918	0.934	0.640

Note: The final result after eliminating question items that do not meet the requirements

Structural Model Evaluation

The bootstrapping algorithm is carried out to produce the indicator values needed in hypothesis testing. The relevance of the theory proposed in the study was tested by comparing the parameter coefficient values and the t-statistical significance values in the bootstrapping algorithm. Hair, JF, *et al.* (2017) stated that the hypothesis can be accepted if the p-value is less than the α value and the t-statistic value is more than the threshold value α . The bootstrapping output is presented in the following table:

Table 3. Direct Effect

	Original Sample	T Statistics	P Values	Result
Transformational Leadership -> Cognitive Reaction	0.201	4.018	0.000	Supported
Transformational Leadership -> Emotional Reaction	0.231	4.007	0.000	Supported
Transformational Leadership -> Intentional Reaction	0.160	2.893	0.002	Supported
Transformational Leadership -> Self-Efficacy	0.513	8.217	0.000	Supported
Self-Efficacy -> Cognitive Reaction	0.623	13.460	0.000	Supported
Self-Efficacy -> Emotional Reaction	0.544	10.913	0.000	Supported
Self-Efficacy -> Intentional Reaction	0.656	14.974	0.000	Supported

Based on Table 3, it is known that the p-value for each direct relationship between variables is less than 0.05 so it can be concluded that at the 95% confidence level, the variables of transformational leadership and self-efficacy significantly have a positive effect on three individual reactions to change. The first hypothesis examines the positive influence of transformational leadership on the three dimensions of individual reactions to change, cognitive, emotional, and intentional. The p-value for each of these relationships is 0.000 so the relationship between the two is stated to be statistically significant at an alpha of 5%. This result is in line with Mayner's research (2017). The magnitude of the path coefficient value indicates the magnitude of the influence of transformational leadership variable on each reaction dimension. Based on Table 3 above, although they both have a positive influence, it is known

that the effect of transformational leadership on intentional reactions is the smallest. From the table above it can also be seen that the positive effect of self-efficacy on each dimension of individual reaction to change is greater when compared to the direct effect of transformational leadership.

Table 4. Indirect Effect Through Self-Efficacy

	Original Sample	T Statistics	P Values	Results
Transformational Leadership -> Cognitive Reaction	0.320	7.644	0.000	Supported
Transformational Leadership -> Emotional Reaction	0.279	7.103	0.000	Supported
Transformational Leadership -> Intentional Reaction	0.337	7.359	0.002	Supported

Table 5. Total Effect Result Through Self-Efficacy

	Original Sample	T Statistics	P Values	Results
Transformational Leadership -> Cognitive Reaction	0.521	9.337	0.000	Supported
Transformational Leadership -> Emotional Reaction	0.510	9.119	0.000	Supported
Transformational Leadership -> Intentional Reaction	0.497	8.552	0.000	Supported

Table 4 shows how self-efficacy can mediate the relationship between transformational leadership in individual multidimensional reactions to organizational change. Meanwhile, in Table 5, it can be seen the total effect of the exogenous variables on the endogenous variables. The existence of self-efficacy as a mediator can increase the effect of transformational leadership on individual multidimensional reactions to organizational change.

Furthermore, the evaluation of the model is carried out by looking at the value of the coefficient of determination (R^2) and the effect size (f^2). The coefficient of determination (R^2) is a measure of the predictive power of the model and is calculated as the squared correlation between the actual endogenous construct variable values and their predictions. PLS-SEM aims to maximize the R^2 value of the endogenous latent variables in the path model. In general, an R^2 value of 0.75 is stated as substantial strength; 0.5 as medium strength; 0.25 as weak strength. The effect size f^2 allows for assessing the contribution of the exogenous construct to the R^2 value of the endogenous latent variable. In general, an f^2 value of 0.02 indicates a small effect; 0.15 shows a moderate effect; and 0.35 indicates a large effect of the exogenous construct on the endogenous construct. The values of R^2 and f^2 can be seen in the table below:

Table 6. Coefficient of Determination (R^2) and Effect Size (f^2)

	Cognitive Reaction	Emotional Reaction	Intentional Reaction	Self-Efficacy
R^2	0.557	0.478	0.564	0.263
f^2 (Self-Efficacy)	0.630	0.407	0.708	---
f^2 (Transformational Leadership)	0.065	0.073	0.042	0.357

From the table above it is known that the effect size of the self-efficacy variable on individual multidimensional reactions is all categorized as a large effect. On the other hand, the effect size of the transformational leadership variable on individual multidimensional reaction variables is categorized as a small effect.

Based on the various indicators mentioned above, it can be seen that transformational leaders who have the characteristics of being able to become role models have charismatic influences, provide inspirational motivation, intellectual stimulation, and individual consideration directly have a positive effect on individual cognitive, emotional, and intentional reactions to organizational change. This finding also confirms previous research which states that transformational leadership is important in the context of organizational change because it leads to positive reactions to change (Bayraktar & Jimenez, 2020).

A better relationship is obtained by including self-efficacy as a mediator. Various characteristics of transformational leaders, in the context of organizational change, can increase individual confidence in their ability to deal with organizational change. In line with the COR theory, which states that self-efficacy is part of an important resource for individuals, individuals who control greater resources will have more confidence to be able to face various demands, challenges, and uncertainties resulting from the organizational change process. Transformational leaders are providers of self-efficacy as a resource for individuals who convince them to be able to deal with organizational change.

Contribution

This research contributes theoretically to providing empirical evidence of the influence of transformational leadership and self-efficacy on individual reactions to organizational change, which can enrich our understanding of what factors influence how people respond to organizational change. This research also helps strengthen the concept of transformational leadership as an effective leadership model in managing organizational change and developing employees who are more adaptive and competitive in the future.

This finding may imply that when organizations implement change, one of the interventions that can be carried out to increase individual positive reactions to change can be obtained through transformational leadership. This leadership style has been shown to have a significantly positive effect on individual reactions to change comprehensively in all three dimensions: cognitive, emotional, and intentional. The simultaneous influence of these three dimensions further convinces that the influence of transformational leadership can make individuals fully support change. Organizations can make various efforts to create transformational character leaders such as conducting training and development.

Organizations also need to pay attention to the provision of self-efficacy as an important resource for individuals in the process of organizational change. The provision of these resources can be done through transformational leadership. Transformational leaders can provide role models for their followers, making followers believe that change is possible. They also give individual consideration, show the results of individual performance, and provide feedback and motivation that will be able to increase their confidence in their abilities.

Research Limitation

This research is limited to analyzing the effect of transformational leadership on individual multidimensional reactions to organizational change by using self-efficacy as a mediator. Individual multidimensional reactions are limited to assessing positive reactions without considering the possibility of negative reactions arising from two antecedents. Further research can be carried out by analyzing the positive and negative effects of the two antecedents on individual multidimensional reactions to organizational change. Research can also be developed to analyze the effect of each dimension of individual reactions to organizational change on individual reactions in general or its effect on various other endogenous variables.

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