



LEADERSHIP IN TIMES OF CHANGE: A STUDY OF TRANSFORMATION STRATEGIES IN THE IT INDUSTRY

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ABSTRACT

In the rapidly evolving landscape of the Information Technology (IT) industry, organizational change has become a constant necessity for companies striving to maintain competitiveness and innovation. This study delves into the critical role of leadership in navigating these transformations, focusing on the strategies employed to manage and guide organizational change initiatives. Through a comprehensive analysis of various leadership approaches, this research identifies the key factors that influence successful change management in IT organizations.

The study examines case studies of IT companies that have undergone significant transformations, highlighting the leadership styles, decision-making processes, and communication strategies that contributed to either the success or failure of these initiatives. By analyzing these elements, the research uncovers patterns and best practices that can be applied to future change initiatives in the IT industry. Additionally, the study explores the challenges leaders face in aligning their teams with the strategic vision and the methods they use to foster a culture of adaptability and resilience.

1. INTRODUCTION

The concept of leadership has been discussed extensively by philosophers and researchers from time immemorial. It is identified as a popular theme for research and discussion in both industry and academia. Leaders, by virtue of their unique characteristics have the ability of influencing organizations and society at large. The dynamics of the modern changing business environment and the complexities associated with the human assets in organizations demand a differential set of skills and leadership capabilities from the managers and administrators while leading a professional team. Many organizations, irrespective of size and type, compete against each other for creating a unique space for existence while operating in an environment that is more challenging and complex than in the yester years.

Along with their technical expertise and exposure, managers shall also develop certain leadership skills and traits that help them in leading the organization to success.

Managers with effective leadership characteristics recognize the value of satisfied employees to bring an organization to excellence. Majority of the leadership surveys including the research explain that leaders make a difference in their subordinates' satisfaction and performance. Thus it is necessary for organizations to create a climate that encourages and stimulates employees' creative thinking. Some of the important studies on leadership have suggested creativity as a critical skill-set for leaders and have explained creativity as the ability of people to blend ideas in a distinctive way or to make extraordinary associations between ideas.



Leaders play a critical role in an organization in its success or failure. Successful organizations have leaders who are responsive to new opportunities and direct the enterprise to progressively execute key strategic imperatives. In the era of technological and dynamic world, leaders have to take up the challenges in the environment of the business and turn these radical and fundamental changes into competitive advantages of the organization. Leaders do things differently, that enhances the efficacy and performance of the organization. Turbulent environments require efficient managers to lead employees towards accomplishing business goals. Managers have different roles and responsibilities at each level of management within an organization. These roles and responsibilities require capabilities of professional maturity for managers.

Therefore, 'leadership' as a concept is widely being debated, articulated and further researched in the field of management. The body of knowledge throws light on multiple dimensions of leadership. However, research works on comparative analysis of leadership of IT and Non-IT managers and its impacts on organizational excellence in India in general in the State of Telangana in particular are not available in academic literature. Therefore this study compares and contrasts the leadership characteristics of managers of IT and non-IT organizations.

This chapter presents a brief narration about the concept of IT and Non-IT industries and different theories of leadership.

Concepts of It and Non-It Industries

Industry in General

When India achieved independence in 1947, the industrial scenario was indeed bleak since the British had undertaken infrastructural and other developments only in areas suited to their requirements. Though there was a strong textile industry in Mumbai and Ahmadabad, based on the availability of cotton and the existence of a strong domestic demand, heavy industries were practically nonexistent barring TISCO (Tata Iron and Steel Company) and IISCO (Indian Iron and Steel Company) in the steel sector set up by private initiatives. The first Prime Minister of India, Jawaharlal Nehru, envisioned a Soviet style of planned economy with the Government controlling the dominant heights of the industry.

Bhilai, Durgapur, and Rourkela were added in the steel sector, with foreign collaboration and aid. Sindri, Trombay, Gorakhpur fertilizer units joined the existing joint sector company, FACT (Fertilizers And Chemicals Travancore). BHEL (Bharat Heavy Electricals Limited), BHPV (Bharat Heavy Plate & Vessels), NTPC (National Thermal Power Corporation) and HMT (Hindustan Machine Tools) put up sizeable units all over the country and State Trade Corporation and Minerals and Metals Trading Corporation ensured a steady supply of raw materials. The successes of the Green Revolution synergizing the use of water, seeds and fertilizers ensured that India would no longer be dependent on hand-outs like PL-480 food grains from USA.

2. LITERATURE REVIEW



Adair, J. (2003) Change management is an essential process in today's dynamic business environment, as organizations continuously face the need for transformation to adapt to market trends, technological advancements, and competitive pressures. To navigate these changes successfully, organizations require effective change management strategies. In this perspective, the study aims to examine various change management models with examples from real life. The results of this study aim to equip organizations with a comprehensive understanding of change management models, enabling them to select and implement the most suitable approach for their unique transformational needs. By embracing dynamic change management strategies, organizations can enhance their ability to adapt, innovate, and thrive in an ever-evolving business landscape.

Alban Metclafe, R. I. & Alimo Metclafe, B. (2000) The chapter investigates the critical relationship between technology and organizational culture change. It presents a framework that elucidates the interplay between technological adoption and the ensuing cultural shifts within organizations. The author delves into the various stages of the digital transformation process, examining the challenges and opportunities that organizations encounter as they integrate new technologies. By drawing on real-world examples and case studies, the chapter underscores the pivotal role that organizational leaders play in guiding their teams through these transitions, fostering a culture of adaptability, and promoting a growth mindset. The chapter also explores the importance of addressing the human element in digital transformation efforts, emphasizing the need to effectively manage change, overcome resistance, and bridge skill gaps to ensure a successful transition. Furthermore, the author discusses the ethical implications of adopting new technologies, advocating for a responsible and people-centric approach to innovation. In conclusion, the chapter offers a forward-looking perspective on the future of organizational culture in the digital era, anticipating emerging trends and novel technologies that will continue to shape the way organizations function. This informative chapter provides a valuable resource for understanding and navigating the complex interplay between organizational culture change and technology.

Adams, Andrea. (2012) The present study explores the complexities associated with organizational transformation in the modern digital era. The study intends to identify the dynamics influencing organizational transformation processes by concentrating on the function of transformational leadership and its interaction with artificial intelligence (AI) integration in human resources management (HRM). This study investigates the effects of transformational leadership styles on successfully managing organizational change through the use of a mixed-methods approach that includes qualitative interviews and quantitative surveys. It also looks into how employee engagement and organizational adaptability are affected when AI technologies are integrated into HRM procedures. It also looks into the effects that AI technology integration has on employee engagement and organizational adaptability in HRM practices. This study offers valuable insights into how leadership strategies change in the face of technological advancements through in-depth analysis. It has



practical implications for HR practitioners and organizational leaders who want to use AI to drive successful change management initiatives in the digital age.

AL-Mlaifi, Yousuf A. (2005) This literature review provides a comprehensive analysis of current research and scholarly articles pertaining to change leadership and management. It explores various concepts, theories, and best practices relevant to organisational change. Effective change leadership and management are highlighted as essential for successfully navigating complex and challenging changes. The review delves into theoretical frameworks and models designed to guide the understanding and implementation of change. These conceptual tools offer valuable insights for practitioners and academics in analysing, planning, and executing change initiatives. Furthermore, this literature review contributes to a deeper understanding of change leadership and management concepts, theories, and best practices. It offers valuable perspectives for ongoing research projects and practical applications in the field. By synthesising existing knowledge, this review aims to inspire and inform individuals engaged in change leadership and management, fostering greater success in organisational transformations.

3. METHODOLOGY

In today's era of globalization and competition the main concern for the employees is to beat the competition and hence the concern of managers has grown to develop the measures to increase the commitment of employees. The Indian IT industry is growing fast and globalization, deregulation and digitalization have brought many changes. The revenue of Indian IT industry reached to US \$106 billion in FY-2014. According to the website NASSCOM the estimated employment generated by the sector has reached 230,000. The sector has till date generated direct employment to about 2.8 million people and indirect employment to 88.9 million people in the country.

The Indian IT organizations have much higher employee turnover than other countries. To keep a pace with the existing players in the market & to beat the competition, it is of utmost priority for the Indian IT organizations to prepare their employees for the global scenario (Raman, Chadee, Roxas, & Michailova, 2013). As a result it is important to examine the organizational commitment of IT employees in India (Raukko, 2009). In the post era of liberalization, globalization and threshold competition resulting in change of global competition, the main concern for organizations is the management of change and its impact on the employees (Nilakant & Ramnarayan, 2007). The current study will enable the IT organizations to cope with transitions; deal with issues like resistance to change & resistors, develop vision & plans for the change.

The study also helps to examine the methods to cope with resistance to change and ways to increase organizational commitment. The previous studies on organizational change focus mainly on the process and resistance to change. Whereas the current study addresses the most important issue i.e. the consequence of change on the employees of organizations. The main concern for managers during downsizing, M&A and turbulent change is maintaining

employees' commitment to the organization. The findings of the study are an important contribution to the literature and also for the organizations assessing the outcome of change on the employees'.

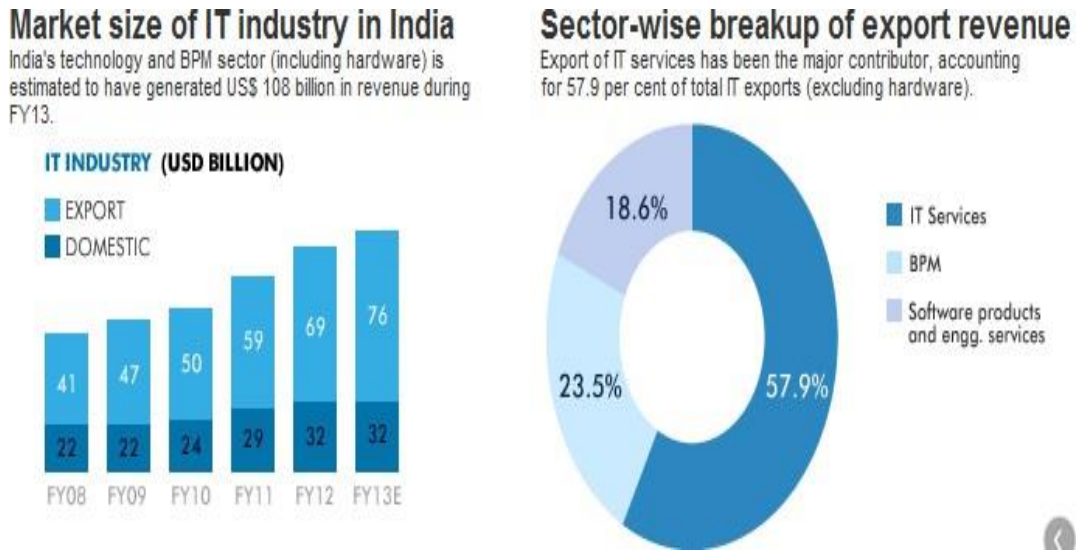


Figure Indian IT Industry

Thus with this rationale, the aim of the present study was to investigate the organizational change in the IT organizations and its impact on the organizational commitment. Being a crucial characteristic of the organization, the organizational climate is found to be one of the most important factor that influences the evaluations and opinions of employees in the form of job attitudes such as satisfaction towards job, extent of involvement in work and commitment to the organization. The employees who perceive that the organization climate is favourable to their needs, they are more likely to be satisfied, innovative and flexible when faced with unexpected problems at workplace. However, if employees perceive their organizational climate as unfavourable, they are more likely dissatisfied and resist change. Therefore, understanding the relationship between organizational climate and the attitude of the employees towards their jobs has become important. This chapter seeks to explore the relationship between organizational climate of large scale IT of Telangana and the three most focal job attitudes namely job satisfaction, job involvement and organizational commitment.

4. RESULTS

“Change is not the same as transition. Change is situational: the new team, the new structure, the new role, the new site, the new procedure. Transition is the psychological process people go through to come to terms with the new situation. Remember that transition is internal and change is external.”

Organizational change can be defined as the process of continually renewing the

organizations structure, its capabilities and direction so as to serve the ever-changing needs of external and internal customers. The main concern for the managers in the organization today is active management of the processes and the outcomes associated with the change. Hence, to understand the impact of organizational change fully, it was very important to analyse the effect of the individual organizational change dimensions in the selected IT organizations with respect to gender and on the basis of managerial hierarchy. For complete analysis, sample size of 421 respondents was considered for the study. T-tests and ANOVA were used to compare individual Organizational change dimensions amongst the organizations. This analysis was done on the basis of gender and management levels.

Perception Regarding Change Is Inevitable For Survival

In the present research, whether change is inevitable for the survival of any organization has been studied from the perspective of employees in the selected IT organizations.

Table T-test results regarding change is inevitable for the survival of the organization

	Mean	Standard Deviation	Mean	Standard Deviation	T-Values	df	Sig. (2-tailed)	Mean Difference	Std. Error Diff
	Males		Females						
Change is inevitable for the survival of the organization	3.53	1.112	3.58	1.275	-.411	419	.682	-.048	.117

***p < 0.001; ** p < 0.01; *p < 0.05

Results reflect that mean score of female employees regarding change is inevitable for the survival of the IT Organizations is a little higher than that of male employees of organization. As p-value for t- test is not significant and is greater than .05, it can be inferred that the male and female respondents felt that the change is inevitable for the survival of IT organizations.

Table Level of Managerial hierarchy and perception regarding change is inevitable for the survival of the IT Organizations

	Level	Mean	Std. Deviation
Change is inevitable for the survival of the IT Organizations under study	Senior	3.58	1.038
	Middle	3.45	1.177
	Junior	3.75	1.288
	Total	3.55	1.183

Table shows that the mean value of junior managers is highest followed by senior managers and are lowest for middle level management regarding change is inevitable for the survival of the IT Organizations. The mean score is high for all levels indicating that all levels of

managers perceive change to be inevitable for IT Organizations.

Table ANOVA analysis regarding whether Change is inevitable for the survival of the IT Organizations across Managerial Hierarchy

		Sum of Squares	df	Mean Square	F	p-value
Change is inevitable for the survival of any organization	Between Groups	6.568	2	3.284	2.361	.096
	Within Groups	581.480	418	1.391		
	Total	588.048	420			

***p < 0.001; ** p < 0.01; *p < 0.05

From the p-value in the above table it can be understood that there is no significant difference in the responses of all the employees in the IT organizations under study, as the p value is above the assumed table value=0.05. As a result it can be concluded that employees at all the three level of managerial hierarchy of the IT organizations under study felt that the change is inevitable for the survival of the IT organizations under study. H_{1.2}: There is a significant difference in the perception of managerial level regarding change is inevitable for the survival of the organization has not been accepted.

Overall results reflect that H₁: there is a significant difference in the perception of gender and managerial level employees' regarding change is inevitable for the survival of IT organizations has not been accepted. In other words both the genders and managers at all levels consider change as inevitable for the survival of the IT organizations.

Perception Regarding Whether The Organizations Have Witnessed Change In The Last Couple Of Years

The perception of the employees whether organizations have witnessed change in the last couple of years in the selected IT organizations has been analysed on the basis of gender and levels of managers.

Table T-test results regarding whether the organizations have witnessed some changes in the last couple of years in Selected IT Organizations

	Mean	Standard Deviation	Mean	Standard Deviation	T-Value	df	Sig. (2-tailed)	Mean Difference	Std. Error Diff
	Males		Females						
Organizations have witnessed some changes in	3.55	.883	3.72	.874	-1.926	419	.055	-.167	.087

the last couple of years in the IT organizations									
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***p< 0.001; ** p< 0.01; *p< 0.05

Table shows the perception of male and female employees whether organizations have witnessed change in the last couple of years in the selected IT organizations.

The mean score of females is a little higher than that of males. As the mean score is high, both the male and female employees' perceived that the IT Organizations have witnessed change in the last couple of years. From the p-values for the t-test it can be further understood that there is no significant difference in the responses of all the male and female employees in the selected IT organizations, as the p-values are above the assumed table value of 0.05.

Table Level of Managerial hierarchy analysis regarding whether the organizations have witnessed some changes in the last couple of years across: Mean values

	Level	Mean	Std. Deviation
Organizations have witnessed some changes in the last couple of years since you have joined the organization/SBU/Vertical	Senior	3.59	.860
	Middle	3.57	.905
	Junior	3.77	.842
	Total	3.62	.882

Table shows the mean values of perception of senior, middle and junior level are in the range of 3.57 to 3.77. From the p-values it can be furthered inferred that employees at the managerial level perceive that the organizations have witnessed some changes in the last couple of years.

Table ANOVA results regarding whether organizations have witnessed some changes in the last couple of years across levels of managerial hierarchy

		Sum of Squares	Df	Mean Square	F	p-values
Organization has witnessed some changes in the last couple of years since you have joined the	Between Groups	3.297	2	1.649	2.131	.120
	Within Groups	323.406	418	.774		
	Total	326.703	420			



organization/SBU/Vertical					
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***p< 0.001; ** p< 0.01; *p< 0.05

On the basis of the results, it can be inferred that there is similarity of perception of gender and managers regarding whether organizations have witnessed change in the last couple of years in the selected IT organizations.

Perception Of Employees For The Reasons For Bringing, Methods Used To Implement And Manage Change Initiatives And Steps Used By The Management For Bringing About Organizational Change

In order to understand the perception of the employees' regarding how the change initiatives were managed in the IT organizations, the employees were asked to give their perception regarding the various reasons for bringing about change initiatives, in their companies. The analysis was done on the basis of Gender and Level of managerial hierarchy.

5. CONCLUSION

The findings of the present study provide an important addition to the field of leadership studies and help to address the limited research related to the relationship between servant leadership and organizational citizenship behavior of the teams. In light of the growing focus on citizenship behavior of the teams, confirming the positive effect of servant leadership on the effectiveness of teams is difficult to overestimate. On the one hand, the high degree of statistical significance in the findings provides both a high degree of confidence in the findings and a strong basis for future investigation into this relationship, On the other hand, particularly for organizational leaders implementing servant leadership qualities in developing the citizenship behavior of the teams is becoming mandatory. Organizations need to nurture the servant-oriented nature of the leadership within their organization which will develop citizenship behavior among the team members which in turn contributes to the effectiveness of the organizations. With this focus in mind, the following will be addressed in this chapter: (a) findings from the study, (b) suggestions or recommendations based on the study and (c) summary of the research project and findings.

Findings from the study

- **Findings regarding the designation:** kind of ownership does influence one of the servant leadership qualities i.e organizational stewardship. This is because Organizational stewardship describes the extent that leaders prepare an organization to make a positive contribution to society through community development, programs, and outreach. These leaders also work to develop a community spirit in the workplace, one that is preparing to leave a positive legacy. This is possible if the leaders are in good position in the organization. As the power of taking decision which is representing the organization rests in the hands of the high position this could be possible.

If the boss of the respondent is not a servant leader then this quality is bound to suffer with the respondent. Similarly due to the designation, altruism factor which is one of the organizational citizenship behavior is influenced. Altruism includes all types of voluntary actions of workmen displayed to help the fellow workmen in performing their work and overcoming problems within the organization, if the Servant leader is not in a good position in the organization then it is difficult to permit the team members to perform. Because s/he has to respond to the reporting officer. If the SL is in a good position and can understand the impact s/he can permit the team members to practice freely.

- **Findings regarding the experience in the current company:** it is observed that experience in the current company influences one of the servant leadership qualities i.e organizational stewardship. This is because Organizational stewardship describes the extent that leaders prepare an organization to make a positive contribution to society through community development, programs, and outreach. These leaders also work to develop a community spirit in the workplace, one that is preparing to leave a positive legacy. Creating the positive legacy is possible if the leaders have very good experience in the existing company. The more attached to the company the leaders will leave a positive legacy.

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