

## LEADERSHIP BEHAVIOUR IN INITIATING AND MANAGING ORGANIZATIONAL CHANGE – LITERATURE REVIEW AND CASE STUDY OF POULTRY COOPERATIVES, A RURAL ENTERPRISE OF JHARKHAND, INDIA

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### ABSTRACT

The study is done to look into different organizational change models and leadership behaviours in the change process. The case of poultry cooperatives of Jharkhand India is studied to look into the aspects of initiating and managing the organizational change process. A mixed approach of literature review and mapping behavioural aspects through unstructured interviews with the group of leaders and managers was done. The exploratory study helped find the crucial behaviours and role play by the governing board members and managers of the case cooperatives in organizational change management. Further research is needed to establish the leader's behavioural contribution in collective enterprises run by the rural community of India. The study provides ample opportunity to do a detailed study of the subject matter.

**Keywords:** Leadership behaviour, Managing organizational change, Poultry cooperative - A rural enterprise.

### Introduction

Change is a must to remain relevant in general, the same as in the case of an organization. Organizational change may get triggered by the need for business expansion, acquiring new technology that may have the compulsion of business environment out here or the choice of internal organizational requirements. "Organizational change refers to the actions in which a company or business alters a major component of its organization, such as its culture, the underlying technologies or infrastructure it uses to operate, or its internal processes" (Tim Stobierski, Harvard Business School).

Organizational change management depends on leaders and managers involved in the process. Organizational change in cooperative like business setup, where bringing consensus for change is add on perhaps to make it a more complex process. Leaders play a crucial role in change management. Leaders have to have a thorough understanding of the need for change, a detailed strategy to roll out the change process and be ready to address any crisis that arises due to it.

There are several models of organizational change. The paper tried to include as many such models of organizational change as possible to accommodate in the limited time frame. Also, the research studies so far have been done about the behaviours of leaders in initiating change management in

mainland business entities. The study of leadership behaviours in collective enterprises for organizational change management is limited, specifically for rural cooperatives.

The current paper is divided into multiple sections, like literature review for various organizational change models, leadership behaviours in change processes, and the reference case study for leadership behaviours of rural poultry cooperative of Jharkhand, India for the organizational change process.

### Research questions and objective of the study

collective enterprises of Jharkhand have undergone a shift, as discovered when working on an earlier paper on tribal women leadership in Jharkhand. As a result, a study topic arose:

- Does leadership behaviour play any effect in the organizational change process?
- Does leadership behaviour in rural firms have a similar impact on initiating and managing organizational change?
- To bring specific knowledge from rural enterprise leadership's behavioural impact on the change process to the existing subject arena.

### Methodology

An exploratory research technique is used to examine the literature on related topics and map behavioural features via unstructured interviews

with managers and leaders of the rural collective enterprise of Jharkhand. Following that, there is a conclusion section that also contains the research areas that need to be explored further.

### Limitations of the study

Because of the restrictions imposed under the Covid-19 pandemic, only a few interviews were conducted, therefore the interpretation is confined to those interviews. The interpretation is based on a single case, which may have cross-verification constraints. The subject matter's prospects may also be stymied by researchers' biases.

### Literature review

#### Organizational change models

The term "organizational change" refers to a set of actions that result in a shift in directions and/or processes that alter how organizations operate. It could be used to define their success narrative, as well as any other form of event or failure. Organizational changes can be planned or unplanned. The planned adjustments are more related to management, in which management makes a conscious effort to achieve a goal (Hage, 1999).

Organizations require changes to improve their internal and external functionality, and this is a demand of time (Caetano, 1999). An organization that cannot adapt to change will not be able to compete for long (Boston, MA, 2000). Organizational changes have a variety of substantial advantages, including improved competitiveness, improved financial performance, improved employee and customer happiness, and most importantly, it leads to ongoing improvement and sustainability.

According to the nature of the organization and its environment, some organizations adopt small changes (incremental changes), while others may go deep into organizational transformation, also known as corporate transformations (radical changes), which necessitate large-scale changes and are difficult to manage (Boston, MA, 2000). The term "organizational change" refers to a company's transition from a known (current state) to an unknown (desired future state) state. Because the future of this change is unpredictable and may affect people's worth, coping capacities, and competency, the organization's people do not support change unless they are convinced that the

status quo is unacceptable (Cummings & Worley, 2003).

Kurt Lewin's model is one of the first fundamental planned change models, Unfreezing, Changing, and Refreezing is the three phases of Lewin's three-step change model. In the framework of Kurt Lewin's three-step change process, a model of organizational change highlights critical stages in the change implementation process. According to Lewin's research, successful organizational change can be planned, but it requires that the system be unfrozen. According to Lewin, forces working for the status quo will cause less resistance and stress than forces working for change, and this strategy will be more effective. To shift the "quasi-stationary equilibrium" stage, one can increase the forces striving for change, decrease the forces maintaining the status quo, or combine both forces for proactive and reactive organizational change through knowledge sharing and individual willingness with the help of stimulating change leadership style.

"Change management," according to Moran and Brightman (2001), is "the constant renewal of an organization's direction, structure, and skills to meet the ever-changing needs of external and internal customers." Regardless of the size or age of the company, change is a constant. Because the world is changing at such a rapid pace, businesses must adapt quickly to expand and survive (Alvesson & Sveningsson, 2008). Internal and external environments influence how organizations change. There are two types of organizational change, according to Pierce, Gardner, and Dunham (2002): reactive and proactive change. Reactive change happens when an organization is forced to change due to internal or external pressures, whereas proactive change occurs when the organization decides that change is wanted.

The paper "The determinants of organizational change management success: Literature review and case study" by Abdelouahab Errida and Bouchra Lotfi (2021) published a complete literature evaluation for organizational change models. It states that multiple "Change Management models" have been developed over time employing diverse theories and principles from various disciplines. And, according to Parry et al., there are two types of change management models: processual and descriptive. A processual model specifies the steps for implementing and managing change, whereas a descriptive model specifies the primary variables

and aspects that influence the success of the change. In addition, Abdelouahab Errida and Bouchra Lotfi have compiled a list of 37 different Change management models in both categories. They've included 18 different Processual models and 19 different Descriptive models under Processual models. Abdelouahab Errida and Bouchra Lotfi divided these into 12 categories based on meaning resemblances and redundancies, as well as sub-factors.

1. Clear and shared vision and strategy of change
2. Change readiness and capacity for change
3. Change team performance
4. Activities for managing change management
5. Resistance management
6. Effective communication
7. Motivation of employees and change agents
8. Stakeholder engagement
9. Leadership and sponsorship
10. Reinforcement and sustainment of change
11. Approach and plan for change
12. Monitoring/measurement

The implementation of change entails changing the current condition of the organization to the intended state, however, this will not happen rapidly, but rather concurrently. Activity planning, commitment planning, and change management structures were described by Beckhard and Harris (1987) as three actions for implementing change. For a successful change, activity planning creates a road map or path for organizational change, events, and specific activities. The specific activities consist of integrated change tasks that are temporally oriented and expressly tied to the organization's change priorities and goals.

Employee involvement is the oldest and most effective technique for overcoming resistance to organizational change when creating and executing change. According to Pierce et al. (2002), to stimulate the process, employees must be informed about the change. Leaders must educate, communicate, participate, involve, task support, provide emotional support and incentives, control, co-opt, and persuade staff to accept change.

In a nutshell, organizational transformation is an intentional effort made by the organization's leader/leadership/manager to improve the organization. The change process could be driven by a variety of sources, including external or internal pressures for change, technological, social, or economic issues. Furthermore, an organizational

leader's/vision leadership and new ideas can be a driving force behind organizational change.

### Leadership behaviours in change processes

A "vision" must be the starting point for any change attempt or initiative. Creating a vision will clarify the direction for change, whether it is motivated by external (political, economic, social, or technological) or internal (policy, systems, or structure) factors. Furthermore, the vision will aid in motivating people who are impacted to take appropriate action (Ugur Zel, 2016).

In his paper "Effective Leadership Behavior: What We Know and What Questions Need More Attention," Gary Yukl, a Professor in the School of Business at the University of Albany (Dec 2012), describes four meta-categories of leadership behaviours with their component behaviours that are used to influence the performance of a team, work unit, or organization. Those are

- 1) Task-oriented – includes component behaviours such as clarifying, planning, monitoring operations, and problem-solving;
- 2) Relationship oriented – includes component behaviours such as supporting, developing, recognizing, and empowering; and
- 3) Change oriented – includes component behaviours such as advocating change, envisioning change, encouraging innovation, and facilitating collective learning.
- 4) External - this category comprises networking, external monitoring, and representing component behaviours.

These meta categories have different primary aims, but they all include performance elements.

The primary objectives for

- Task-oriented behaviour - to do tasks efficiently and consistently
- Relationship-focused behaviour — to boost human capital
- change-oriented behaviour — to boost creativity, group learning, and external environment adaption.
- External leadership behaviour — promoting and defending the team's or organization's interests.

These meta-categories also involve distinct specialized behaviours for achieving the goals. Gary Yukl goes on to mention that the success of each component behaviour in terms of results is dependent on the circumstances.

Kotter's 8-step change model (Kotter & Rathgeber, 2006) is used to explain the leader's roles during a change process. To achieve success, John Kotter's change model consists of eight crucial steps, each of which requires the leaders to play their role effectively.

Step 1: Create a Sense of Urgency

Step 2: Build the Guiding Team

Step 3: Get the Vision Right

Step 4: Communicate for Buy-In

Step 5: Empower Action

Step 6: Create Short-Term Wins

Step 7: Don't Let Up

Step 8: Make Change Stick

### **Step 1: Create a Sense of Urgency**

The leaders must describe how the change issue will affect the organization to members of the organization in precise terms. The motivations and factors motivating a change endeavour must be communicated to management and employees. Combating complacency, resistance, and fear of the unknown requires a candid discussion of the organization's existing situation. Leaders must maintain and reinforce their belief that change is required for the organization's survival and growth throughout the transition process.

### **Step 2: Build the Guiding Team**

A leader must assemble a team of participants with sufficient power to initiate and drive change at the start of a change endeavour. For a change project to succeed, one leader, no matter how powerful or charismatic, requires cooperation and active support. Individuals from diverse levels within the organization must be chosen for a guiding coalition to be effective. They must be chosen for their great leadership talents, expertise, and relationship-building ability. Their strong leadership must target and overcome individuals who appear to be resistant to change.

### **Step 3: Get the Vision Right**

This step focuses on demonstrating how to deliver a relevant vision and make it work for the change initiative. The stakes have been raised, and leaders are ready to take charge... But in which direction should we go? People frequently believe that a vision is irrelevant to business reality and that it is a waste of time. It is the vision that will lead them in the right direction.

### **Step 4: Communicate for Buy-In**

Many people are resistant to change because they may not comprehend why it is necessary. Leaders must convey the change vision to all individuals

who will be affected by and participate in the change as they prepare to implement it. Leaders must remind their followers of both the goal and the rationale for change regularly.

### **Step 5: Empower Action**

This step is all about motivating a large number of individuals to act. It's not just about the motivation for change; it's also about the possibilities for change.

### **Step 6: Create Short-Term Wins**

Change is a never-ending process. While completing a milestone is important, it does not ensure the change initiative's ultimate success or entire validation. Throughout the transformation, must track progress, examine goals, and re-evaluate the organization's path to ensure success. Maintaining the sense of urgency with which the process started. Most importantly, ensuring the long-term success and viability of the endeavour.

### **Step 7: Don't Let Up**

Accomplishment is due until the change has become ingrained in the organization's culture.

Wave after wave of change must be made until the vision becomes a reality.

### **Step 8: Make Change Stick**

Change is a continuous cycle. Must foster the steering coalition's strong, long-term leadership, and must use them to personify the new ideas, behaviours, or attitudes. This can be done by predicting the consequences of the change project and devising strategies for integrating the change into supporting systems, processes, and practices.

Even though leadership and management are two completely different systems, an organization may be astonished to learn that there is no single system that perfectly matches its demands. Management is a system that emphasizes planning, budgeting, and oversight. Leadership is more concerned with guiding people and leading them on the right path by the organization's vision and objective, as well as interacting with and inspiring them to perform their tasks. Aside from that, the contemporary business environment necessitates an organizational change to stay up with the fast-paced changes. If the company does not alter to adapt to the market, it will not be able to survive. Leadership is responsible for giving a clear vision and a methodical approach to achieving that vision because without leadership, there will be no change in the management of the business (Atkinson, 2015).

### The Case of rural enterprise for the organizational change process

Jharkhand women self-supporting poultry cooperative federation limited (JWSPCFL), Ranchi, Jharkhand - One of the largest smallholder poultry production integrations, the only enterprise in Jharkhand with three hatcheries, five feed mills, a parent broiler breeder farm, and a layer farm for commercial egg production with broiler poultry production. The company employs around 130 people in several departments such as production, marketing, accounting, and finance, as well as hatchery and feed mill management. Almost 300 skilled para-veterinary personnel support and provide essential services to producer members at their doorstep. Rural women in Jharkhand own and run the business completely. Because Mondragon is a well-known cooperative network around the world, the women poultry cooperative federation in Jharkhand must also be recognized as a federated cooperative. Women's cooperatives' democratic process of rotational leadership engagement is just the tip of the iceberg in terms of their leadership potential and talents (Bhaskar et al., 2022).

By 2016, the JWSPCFL had limited its focus to broiler chicken production and supporting hatcheries and feed mills operation. It has been in operation as a broiler poultry production firm since 2002-03. To mitigate the risks associated with a single-activity business, the management began looking for ways to diversify the firm. There were many reasons for organizations to consider organizational transformation, including the changing market landscape, stiff competition from larger market participants, and stagnant member returns. Together with the company's executives and top management, they began looking into the prospects of diversifying while still contributing to the company's present production system. To do so, they held a series of brainstorming meetings, consulted industry experts to understand future trends, and enlisted the help of experts to assess the industry scenario. They also shortlisted three potential diversification areas (breeder farms, commercial layer farms, and retail outlets for dressed chicken).

It was shown in unstructured interviews with JWSPCFL leaders and managers that they were truly professional during the organizational change process. The transition was well-planned.

The current state of the transition that began in 2018 (data by JWSPCFL)

- a. The Breeder farm - It has a capacity of 45,000 birds and the ability to produce 18,000 hatching eggs per day, which fulfils fifty percent of the total Day-Old Chicks (DOC) required by the cooperatives for chicken production.
- b. Commercial Layer farm - It has 300 units of 400 birds each with a capacity of about 1,20,000 birds, producing 85,000 table eggs per day.
- c. Dressed chicken retail outlets — the operation is closed and there are no transactions at this moment.

JWSPCFL's complete organizational change process is mapped out using Kotter's 8-step change model, which reveals a step-by-step engagement approach.

#### Step 1: Create a Sense of Urgency

Leaders and Senior managers conferred among themselves and sought advice from specialists to arrive at a consensus for the transition process. They emphasized their confidence in the necessity for transformation to ensure the enterprise's future security and viability.

#### Step 2: Build the Guiding Team

On the initiation, a team of senior managers, technological experts, and staff representatives was formed. They defended and persuaded other stakeholders to start the change process. The leaders expressed trust in the diversification team that had been put together.

#### Step 3: Get the Vision Right

The leaders and managers stated their need for finance, technical assistance, political backing, and other resources to begin the three identified diversification operations.

#### Step 4: Communicate for Buy-In

The leaders made quite an effort to persuade and alienate other members of the group about the necessity for change. They continue to address it in all relevant internal meetings and have informed the affected employees. The reluctant members were given ample time to consider the situation.

#### Step 5: Empower Action

The leaders encouraged everyone to provide all technical intricacies of new activities, problems, funds needed, precautionary measures to take and to guarantee that the change process is successful and achieves the goal for which it was started.

#### Step 6: Create Short-Term Wins

They took one step at a time and progressed accordingly. After persuading the members, they

worked to bring in the resources they needed, then filled it with additional members and locations of activities.

#### **Step 7: Don't Let Up**

While executing, they faced a variety of challenges, including developing new skill sets for staff, hiring additional relevant professionals, harassment by local influential people with nefarious motives, financial constraints, and a shift in the political landscape, among others. Despite these obstacles, they maintained a steadfast focus and concerted efforts to make the change a reality.

#### **Step 8: Make Change Stick**

The success of two of the three projects has provided enough confidence to revamp the retail outlets that have failed. They are attempting to find the venture's missing linkages and gaps in preparation. They intend to make another attempt to make retail outlet activities a success.

### **Conclusion**

Change is required for an organization to remain relevant. The need for strategic change due to new technology which may be by the business environment out here, or the choice of internal organizational requirements can all induce organizational transformation. Leaders and managers who are active in the process are critical to the success of any organizational change process. Organizational change in a cooperative, where gaining consensus for change is an add-on, may make it a more complex and time-consuming process.

Research on Leadership behaviours in Organizational change management in collective

enterprises is scarce, particularly in rural cooperatives. The case of poultry cooperatives in Jharkhand, India, is investigated to know the characteristics of initiating and managing organizational transformation. The literature reviews and behavioural mapping with leaders and managers, in this case, find that cooperative leaders and managers have the component behaviours of supporting, developing, recognizing, and empowering along with advocating change, envisioning change, encouraging innovation, and facilitating collective learning. This set of components behaviours is a combination of Relationship orientation and Change orientation, discussed in Gary Yukl's four meta-categories of Leaders' behaviour in the change process.

In Kotter's 8-step of the organizational change process, the case analytics reveals how a group of rural collective enterprise leaders has approached a step-by-step engagement in the change process. They have succeeded in two out of three activities identified for the change process and they are reworking on third activity to look into the reasons for failure. This clearly states how professionally the change process has been initiated and managed.

### **Future research directions**

Further research is needed to establish the detailed leader's behavioural overall contribution in collective enterprises run by the rural women of India. The study provides ample opportunity to do a detailed study of the subject matter.