The effects of organizational communication, leadership, and employee commitment in organizational change in the hospitality sector

Abstract
The purpose of this study was to empirically analyze the interrelationships among organizational communication, leadership, and employee commitment, in terms of organizational change. A structural model was developed to delineate the interactions between the constructs, and to explore the mediating effects of leadership and employees’ commitment on the relationship between communication and organizational change. A quantitative online survey was conducted, based on a sample of 335 employees from the hospitality sector. Findings indicated that organizational communication positively and significantly affected leadership and employee commitment and was positively related to organizational change. Furthermore, this study argues that communication, leadership, and employee commitment are key variables in the success of organizational change. The findings can provide academics and managers with a valuable and much-needed approach to managing change, by identifying the predictors of organizational change, and by exploring how individual antecedents affect the success of organizational change.

Keywords
Organizational communication, leadership, employee commitment, organizational change, structural equation modeling.

1. Introduction
The hospitality sector is experiencing a period of change and uncertainty, especially due the constant changes in technology, economic, social, political, legal, and environmental conditions. Globalization, and the consequent existence of a constantly changing and increasingly competitive environment, motivated by the appearance of numerous (sometimes much cheaper) accommodation establishments, oblige organizations to make permanent adjustments to changes, to avoid being rapidly overtaken by competition (Burke, 2014). Flexibility is required in human resource utilization and organizational communication (James & Collins, 2008). In this sense, it is necessary to identify the antecedent variables that influence the success of organizational changes and analyze their effects (Gelaidan & Ahmad, 2013; Bellou & Chatzinikou, 2015).
Examinations of companies’ ability and inability to enact organizational change have shown that the primary reasons for failed change include a lack of capacity on the part of leaders (Ahmad & Seet, 2009), and a lack of commitment to organizational change (Burke, 2014; Gelaidan & Ahmad, 2013). Recent studies have highlighted the need to examine the impact that employees’ commitment has regarding change, because the role of this variable has not been sufficiently considered to date (Abrell–Vogel & Rowold, 2014).

There have been several attempts to empirically identify and isolate the key factors that determine better adaptation to change. This facilitates the creation and maintaining of a competitive advantage, but the results of these studies have been inconclusive. Walker et al. (2007) have highlighted the role of organizational communication in the process of change, but few studies have considered its effect on employees’ commitment in organizational change, and none have examined the synergistic effect of organizational communication, leadership, and employees’ commitment as antecedents of organizational change.

Jaros (2010) have recognized that leaders and managers play a central role in influencing employees’ understanding of changes, and thus influence employees’ willingness to commit to changes. It may be stated that in the organization the context of change and employees are the engine of change, then leaders, managers and supervisors are the drivers. According to Rogers (2003), they may be considered change agents because their role is to influence attitudes and behaviors in the workplace. Furthermore, Gilley et al. (2009) argued that leaders and managers are responsible for change strategy, implementation, and monitoring. The strategies and tactics they can use in order to gain acceptance of change primarily include active participation and communication (Self et al. 2007).

By communicating with employees, leaders can help them to develop an awareness of the possible impact of changes as well as reduce feelings of uncertainty and resistance to change (Rogers, 2003). Recently, researchers emphasized the role of commitment to change, which reflects employee’s level of attachment to the implementation of change programs (Jaros, 2010). Jaros (2010) maintained that if subordinates are committed to change programs, there will be a better change of successful implementation.

The lack of unanimity between previous findings, and the existing gaps in the literature suggest that this is an issue that has not yet been resolved, and that it requires additional research. Considering this, the primary aims of the present study are:

1. Analyzing relevant literature on the subject and investigating the mediating effects of leadership styles and employees’ commitment on organizational change.
2. Building an integrated conceptual model that facilitates the investigation of the synergistic effects that communication, leadership, and employee commitment have on organizational change.
3. Empirically analyze the afore-mentioned relationships in the hospitality sector in Portugal, using structural equation modeling analysis.

Based on previous studies, the individual effects of the three antecedents (organizational communication, leadership, and employees’ commitment) on organizational change, and the synergistic effect of these variables on organizational change, were tested. By simultaneously considering the effects of both leadership and employees’ commitment as mediating variables, this work makes an important contribution to filling a gap in organizational change research.

2. Literature review and hypotheses development

2.1. Organizational communication

To communicate is to convey information, thoughts, or feelings, in a manner that allows them to be received and understood by the receiver (Koschmann, 2016). For an organization to achieve its desired objectives, communication is an essential component, as it can be used to
motivate employees to achieve these objectives (Clampitt & Downs, 2004). Further, the ability to communicate efficiently is a key factor for managers, given that it is required in all functions of management, and the role of communication during organizational change becomes even more important (Kitchen & Daly, 2002; Christensen, 2014).

Over the last two decades, organizational communication and its role in organizational change, have received special attention from academics and managers (Johansson & Heide, 2008). Some researchers have emphasized the role of communication in organizational change, stating that it is an essential element that allows employees to adapt and get involved in the change process (Bull & Brown, 2012).

2.2. Leadership

Leadership concerns the interaction between leaders and subordinates, with leaders seeking to influence the behavior of employees in a manner that results in the achievement of the organization’s goals (Yukl, 2013). For Yukl (2013), leadership can be defined from various points of view, such as the “traits, behaviors, influence, interaction, role relationships, and occupation of an administrative position.” Leadership can also be defined as the relationship between a leader and a group that have common interests determined by said leader (employees) (Shastri et al., 2010). Many scholars and researchers agree that leadership is the combination of skills and behaviors that exhibit those skills (James & Collins, 2008).

2.2.1. Transactional leadership, transformational leadership and laissez faire leadership

The classical theories of leadership are based on the behaviors of leaders and their relationships with their employees. However, newly developed theories of leadership focus not on leaders’ behaviors, but on the kind of incentives or rewards that leaders offer, and define three types of leadership: transactional, transformational, and laissez-faire (non-leadership). Transactional and transformational leadership styles, as a part of modern leadership theories, have been attracting great interest (Bass & Avolio, 2000). The range of behaviors starts with transformational leader behaviors, then stepping down to transactional leader behaviors, before reaching the lowest leader interaction – laissez-faire leader behaviors (Bass et al., 2003).

Avolio et al. (2004) note that transformational leaders are those who motivate employees to go ahead and perform better, by appealing to their higher-level needs. They inspire subordinates to transcend their own interests, in favor of the group or the organization. Transactional leaders use extrinsic motivation to guide and motivate their employees to achieve the organization’s objectives; this can include using strategies such as awards (Bass, 1997). Transformational leaders encourage the empowerment of employees, make employees feel important, and foster a high level of initiative (Lindebaum & Cartwright, 2010).

Both transformational and transactional leaders actively intervene and try to prevent problems, although they use different approaches. When we analyze these two active forms of leadership, we find that they are often contrasted with the third style of leadership: laissez-faire leadership (Bass & Avolio, 2000). This style of leadership is a contrast to the active leadership styles of transformational and transactional leadership. It is virtually an absence of leadership, when an individual avoids making decisions and demonstrates a passive indifference to both tasks and interpersonal relationships in the workplace (Bass & Avolio, 2000). James & Collins (2008) describe the laissez-faire leader as a passive leader who is reluctant to influence subordinates’ considerable freedom, to the point of handing over their responsibilities.
2.3. Employee’ commitment to change

Commitment refers to an employee’s willingness to remain a member of the organization and their willingness to expend effort to achieve organizational goals (Mowday et al., 2013). The impact of employee commitment on the success of organizations is a topic that has received special attention from academics and researchers interested in the study of human behavior (Meyer et al., 2004). Highly committed employees are less likely to leave the organization and look for a new job (Allen & Meyer, 1996).

There are various definitions of employee commitment, depending on the temporal perspectives applied and the contexts in which they are developed (Shuck et al., 2011). In a general way, employee commitment can be defined as a construct formed by cognitive, emotional, and behavioral factors that influence employees’ individual performance (Shuck et al., 2011).

Abraham (2012) explained employees’ commitment as the degree to which employees feel job satisfaction and an emotional connection to the success of their organizations. Meanwhile, Sundaray (2011) emphasized the cognitive, emotional, and behavioral factors associated with employees’ commitment. The cognitive element refers to their beliefs about the company, the managers, and its organizational culture; the emotional element relates how employees feel towards the company, the leaders, and their colleagues; and the behavioral element refers to the contributions of the employees, which is reflected through the effort spent in their jobs (Lockwood, 2007).

Analysis of relevant literature shows that the most relevant theory of employee commitment to change is comprised of the Three-Component Model, developed by Hersovitch & Meyer (2002) –affective commitment, continuance commitment, and normative commitment– anchoring it in the theoretical foundations of the more general and universally acknowledged model of workplace commitment (Bouckenooghe et al., 2015). Affective commitment reflects the employees’ desire to support the changes that are being introduced in the workplace, based on their belief in the associated benefits (Meyer & Allen, 1997). Continuance commitment reflects employees’ understanding of the psychological and financial costs associated with leaving the company, and their personal difficulty in finding new employment. Normative commitment reflects a strong sense of belonging to the organization, which is an effect of experiencing a feeling of gratitude for an organization that has given employees the opportunity to engage in personal and professional enhancement (Meyer et al., 2004).

According to Herscovitch & Meyer (2002), the affective subscale measures an individual’s desire to be committed to a change, the continuance subscale measures the perceived costs associated with a change, and the normative subscale measures an individual’s feeling of obligation toward a change.

2.4. Organizational change

Greenberg & Baron (2018) define organizational change as changes, planned or unplanned, in organizational structure, technology, and/or the people associated with the organization. Campbell (2014), meanwhile, defines such changes as an organization’s movement from a known state (current situation) to an unknown state. Both definitions imply a transition from an existing state to something new and unknown, while the concept of planned change emphasizes precise changes that have been deliberately designed, developed, and implemented.

Organizational change is necessary when individuals and organizations are negatively affected by technological advances and increased competition, which brings the risk of losing competitiveness, and even closure, in the case of organizations (Batillana et al., 2010; Carter et al., 2013). To respond to such developments, organizations must adjust their strategies and the allocation of their resources or must adopt new technologies in response to (or in
anticipation of) advances in innovation, increased competition, or changes in the tastes and needs of consumers.

Some studies have reported that change has become one of the most important challenges facing organizations and their leaders (Herold et al., 2008). Madsen et al. (2005) argued that in the present and future economy, change is crucial for an organization to become more effective and efficient. Further, to achieve effectiveness and efficiency, organizations must also adapt to the rapid changes that occur in the external environment (Erakovic & Powell, 2006). Leaders are primarily responsible for the full formulation and implementation of the organizational change process, and for promoting the involvement of employees in the change process (Herold et al., 2008).

Change is essential for organizations to maintain efficiency in the market. For change to be implemented fully, however, employee commitment and effective leadership is required (Gelaidan & Ahmad, 2013). If people within the organization lack commitment, it is very likely that any attempt to implement change will fail (Elias, 2009).

2.5. Relationship between organizational communication, leadership, employee’s commitment, and organizational change

Particularly in recent decades, the relationship between organizational communication and organizational change has been the subject of considerable volume of research. However, the obtained results have not been conclusive. Ahmad and Jalil (2013) identified a direct relationship between organizational communication and employees’ commitment, as well as their influence on organizational change. Lockwood (2007) discussed that transparent and consistent internal communication from the management was an important driver of employee commitment (Jiang & Men, 2015). Others, however, have not found any evidence for such a relationship. It has also been suggested that possible mediating variables may affect the afore-mentioned relationship (Johansson & Heide, 2008; Kotter, 2012).

Regarding the cohesion and sustainability of organizations, the need to improve employees’ awareness of the need for change, and the need to create a sense of belonging to the organization, both demonstrate the importance of communication in the process of change (Sundström & Annika, 2009). Communication promotes a sense of team spirit in the organization and is therefore essential for strengthening commitment and cohesion among employees (Raineri, 2011). Some researchers have demonstrated that stimulating communication during the change process allows employees to realize how organizations must adapt to a new environment, as well as what organizations must do to achieve this adaptation (Lewis, 2006).

Avolio et al. (2004) identified a positive relationship between transformational leadership and employee commitment. Mert et al. (2010), in also arguing that there is a positive relationship between leadership styles and employee commitment, stated that transformational leaders have a positive influence on the organizational commitment of their followers. In particular, they identified three ways: ensuring that employees adopt the highest-level values; emphasizing the relationships between leaders, employees, and achieving goals; and by sharing the organization’s vision and goals. Bouckenooghe et al. (2009) argued that regarding employees’ perceptions of their organizations’ ability to change, more communicative leaders are positively correlated with a greater readiness to change. Herold et al. (2008) likewise found transformational leadership to be associated with higher levels of commitment to change.

2.6. Mediation effects of leadership styles and employee commitment

Previous studies have devoted significant attention to the relationship between leadership and employee commitment. They show that employee commitment is greater for employees whose leaders encourage their participation in decision-making activities (Ugboro, 2006).
Avolio et al. (2004) have found a positive relationship between transformational leadership and employee commitment. Lo et al. (2010) found that leadership styles are important dimensions of the organizational context, because they shape subordinates’ employee commitment. Herold et al. (2008) likewise found transformational leadership to be associated with higher levels of commitment to change.

Buciuniené and Skudiené (2008) investigated the relationship between employees’ commitment and leadership styles, finding positive correlations between transformational leadership and effective and normative employee commitment. A laissez-faire leadership style was found to be negatively associated with employees’ commitment, however. Consistent with previous studies, Avolio et al. (2004) found a positive relationship between transformational leadership and organizational commitment.

Many studies have determined that there was a relationship between leadership styles and employee commitment (Buciuniené & Skudiené, 2008; Lo et al., 2010). Thus, it can be assumed that leadership style has a significant effect on employee’s commitment. These studies were generally conducted in business organizations, yet a similar study has not yet been conducted in the hospitality sector.

### 3. Conceptual model and research hypotheses

Organizations need an integrated approach to drive systematic, constructive change while reducing the obstacles to change (Al-Haddad & Kotnour, 2015). To understand the role of leadership and communication in organizational change is crucial to promote commitment to change (Portoghese et al., 2012). The purpose of this study was to build and to test a theoretical model linking the impact of communication, leadership style and commitment to change, and to identify key predictors that can influence organizational change (Figure 1). The aim was also to explore whether the leadership style and employee commitment are mediating variables between organizational communication and organizational change. Organizational communication is the independent variable, and organizational change is the final dependent variable. Leadership and employee commitment are the mediating variables.

![Figure 1: Structural Model.](source)

**Legend:** OCOM: organizational communication; LEAD: leadership; ECOM: employee commitment; ORCH: organizational change; DCOM: downward communication; QINF: quality of information; UCOM: upward communication; RINF: reliability of information; TRAF: transformational leadership; TRAS: transactional leadership; LAIF: laissez-faire; AFTC: affective commitment; NORC: normative commitment; CONC: continuance change; CLIC: climate of change; PROC: process of change; READ: readiness of change.

Source: Own elaboration.
The relationships that are established between the variables in the model lead to the following hypotheses:

H1a. There is a positive relationship between organizational communication and leadership style.
H1b. There is a positive relationship between organizational communication and employee commitment.
H1c. There is a positive relationship between organizational communication and organizational change.
H2. There is a positive relationship between leadership style and organizational change.
H3. There is a positive relationship between employee commitment and organizational change.
H4. There is a positive relationship between leadership style and employee commitment.
H5a. Leadership style mediates the effect of organizational communication on organizational change.
H5b. Employee commitment mediates the effect of organizational communication on organizational change.

4. Research methodology

Given that the main objective of this study is quantitative in nature, the questionnaire is the most appropriate instrument to investigate the attitudes of a large population (Babbie, 2016), and also is the most widely used methodology in the study of social sciences (Stacks, 2017).

The proposed conceptual model postulates a set of relationships between latent variables, measured by multiple indicators. Furthermore, the latent variables act simultaneously as dependent variables in one relationship, and as independent variables in another relationship. Therefore, a structural equation analysis of the proposed model was carried out using AMOS because it ensures the validity and reliability of the results. AMOS simultaneously estimates the parameters of the measurement model and structural model. However, its analysis must be developed in two independent stages: the measurement model analysis and the structural model analysis.

The measurement model analysis involves the examination of the adequacy of the scales by analyzing the relationships between each construct and it is based on Principal Components Analysis (PCA) calculations. This procedure guarantees the reliability and validity of the measure instruments. This procedure starts with the development of an analysis of the factor structure of the data, performed through Principal Components Analysis and Oblique Rotation with the software SPSS. This initial step allows us to discard indicators that simultaneously present high factorial loading in multiple factors. Items that present high loadings across factors were discarded. After exploring the information factor structure, we estimated the measurement model with AMOS in order to analyze the internal consistency. This process essentially involves three stages. First, the reliability of the individual indicators shall be evaluated using their factor loadings (λ). This permits an evaluation of whether or not every indicator that forms the construct is highly correlated with its respective latent variable. The results show that all the values exceed the threshold of 0.7 required. Second, composite reliability was explored analyzing Cronbach Alpha’s and convergent validity through Average Variance Extracted (AVE). Composite reliability indicates whether or not the set of variables is consistent in what it intends to measure. Both the Cronbach Alpha and the Composite Reliability exceeded the critical threshold of 0.7 for all variables (Nunnally & Bernstein, 1994). In this case, The AVE values were above 0.5 for all scales (Fornell & Larker, 1981), which guarantees convergent validity (Table 1).

The examination of the structural model focuses on testing the causal relationships between the constructs of the theoretical model. To evaluate the goodness of the model's fit
we used the set of good-of-fit measures given by AMOS. The structural model is examined by the $R^2$ values of the observed variables which present values exceeding the minimum thresholds of 0.50 (Table 1). Overall, the goodness-of-fit measures were above 0.90 showing adequate fit to the data (Kline, 2016), and SRMR and RMSEA were both below the cut-off values of 0.08 and 0.06, respectively (Table 2).

4.1. Data collection and sample

The data used to test the hypotheses were collected from employees in the hospitality sector in Portugal at all levels working in the sector. This sector recently underwent an important restructuring process, due to the strong growth of tourism and the appearance of many tourist accommodation establishments, which have contributed to significantly increase competitiveness in the sector.

Hotel contacts and the sample database were obtained from hotels that recently underwent a restructuring process to adjust to the new market conditions, using data from the official website for Portugal as a tourist destination. Data were collected online between November and December 2018. A total of 450 questionnaires were sent, of which 335 were completed and considered to be valid (74.4% response rate). For the objectives of this research, the sample size was considered adequate and appropriate for structural equation modeling (Hair et al., 2018). The sample consisted of 170 female (51%) and 165 male (49%) participants. Approximately 49% of the respondents were aged from 25–34, followed by ages 35–44 (27.3%), ages 45–54 (13.8%), and ages 55–64 (9.9%). About 88% of the respondents have been in the company for more than 5 years and about 70% have been in the job for more than 5 years, which shows that we are dealing with an experienced and knowledgeable sample of the company. A high number of respondents has been linked to lower-level and middle-level management roles (72%), over 5 years (64%), and more than half (60%) reported that their companies underwent restructuring processes.

The questionnaire was pre-tested before being distributed to the participants. This consisted of evaluation by two specialists in marketing and communication, each of whom were fully familiar with the objectives of the research. Each specialist was asked to evaluate the clarity of each question regarding the specific context being studied.

4.2. Measurement model

The measurement of the constructs was based on scales from previous research, which have been proved to be statistically robust (Churchill, 1999). The questionnaire was divided into five parts. The first four parts contained questions about the four constructs of the model. The last part of the questionnaire contained questions concerning the respondent’s demographic characteristics, namely age, gender and education level.

The Communication Satisfaction Questionnaire (CSQ), developed by Downs & Hazen (1977; 2004), is the most widely accepted measure of organizational communication. The CSQ has been shown to be consistent and reliable across organizations and has become a reliable measure of organizational communication (Clampitt & Downs, 2004). The adapted survey for this study consisted of 35 items that were distributed as follows: downward communication, quality of information, opportunity to upward communication, and reliability of information. The Cronbach’s Alpha values for each of these factors were 0.94, 0.88, 0.89, and 0.83, respectively. These values are excellent, and reflect high internal consistency. The reliability of this communication instrument has also been established in several studies (Musah et al., 2014; Hassan et al., 2016).

The instrument used to measure leadership styles was the Multifactor Leadership Questionnaire (MLQ-Form 5X), developed by Bass and Avolio (2000). According to Turner and Müller (2003), MLQ is the most widely used leadership measure and is considered the best validated measure of leadership styles (Yukl, 2013). The measure consists of 45 items that
converge in three factors: transformational leadership, transactional leadership, and *laissez-faire*. The Cronbach’s Alpha value for transformational leadership was 0.92, for transactional leadership was 0.75, and for *laissez-faire* was 0.79. The Cronbach’s Alpha for the full scale was 0.83.

The three-component model of organizational commitment, as conceptualized by Herscovitch & Meyer (2002), has become the most widely used instrument to assess organizational commitment to change. The present study utilizes the Organizational Commitment Questionnaire (OCQ) to assess three dimensions of commitment: affective commitment, normative commitment, and continuance commitment (Allen & Meyer, 1996). The Cronbach’s Alpha values for each subscale were 0.91, 0.90, and 0.89, respectively, which is good.

The Organizational Change Questionnaire (OCQ), which was derived from the study of Bouckenooghe et al. (2009), was the instrument selected for this study. This instrument measures the domain’s climate of change, process of change, and readiness of change. The reliability for the whole questionnaire was measured which turned out to be 0.82. The Cronbach’s Alpha values for all variables were above the recommended value of 0.70 (Nunnally & Bernstein, 1994).

### 4.3. Data reliability and validity

The data were reduced to composite variables, and a confirmatory factor analysis (CFA) was conducted to test the data reliability and validity. After principal component analysis (PCA) with oblique rotation, 35 organizational communication indicators were extracted into four factors, which accounted for 68.3% of the total variance and KMO=0.849; the 45 leadership indicators were extracted into three factors, which accounted for 64.4% of the variance and KMO=0.840; the 18 employee commitment indicators were extracted into three factors, which accounted for 72.2% of the variance and KMO=0.881; and the 39 organizational change items were extracted into three factors, which accounted for 66.2% of the variance and KMO=0.885, which exceed the recommended limit of 0.60 and indicate the sampling adequacy for each variable in the model and for the complete model (Hair et al. (2018).

Before conducting a test of the structural model, in order to ensure unidimensionality, the composite reliability and variance-extracted measures for each construct were also calculated (Table 1). Results show that all reflective constructs meet the requirements of construct reliability, since their composite reliabilities are greater than 0.70 (Nunnally & Bernstein, 1994). The latent variables achieve convergent validity because their average variance-extracted (AVE) was greater than 0.50, suggesting that the indicators are representative of the latent variables (Fornell & Larcker, 1981).

<table>
<thead>
<tr>
<th>Variables</th>
<th>R²</th>
<th>Composite Reliability</th>
<th>Average Variance-Extracted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational communication (ξ₁)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Downward communication</td>
<td>0.72</td>
<td></td>
<td>0.85</td>
</tr>
<tr>
<td>Quality of information</td>
<td>0.82</td>
<td>0.67</td>
<td></td>
</tr>
<tr>
<td>Upward communication</td>
<td>0.65</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reliability of information</td>
<td>0.74</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leadership style (η₁)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transformational leadership</td>
<td>0.72</td>
<td></td>
<td>0.87</td>
</tr>
<tr>
<td>Transactional leadership</td>
<td>0.75</td>
<td>0.69</td>
<td></td>
</tr>
<tr>
<td>Laissez-faire</td>
<td>0.56</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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<table>
<thead>
<tr>
<th>Employee commitment (η2)</th>
<th>Affective commitment</th>
<th>0.66</th>
<th>0.78</th>
<th>0.72</th>
</tr>
</thead>
<tbody>
<tr>
<td>Normative commitment</td>
<td>0.69</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Continuance commitment</td>
<td>0.71</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Organizational change (η3)</th>
<th>Climate of change</th>
<th>0.72</th>
<th>0.88</th>
<th>0.66</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process of change</td>
<td>0.75</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Readiness of change</td>
<td>0.65</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Own elaboration.

Table 1 also shows that R² values of the observed variables ranged from 0.56 to 0.82. All of the values of R² were higher than the recommended level of 0.50. Therefore, it can be said that the constructs were valid and reliable.

5. Results

The conceptual model was analyzed using a two-step approach: (1) assessment of the construct validity of the measurement model through confirmatory factor analysis (CFA), and (2) assessment of the structural model, using the maximum likelihood estimation method.

5.1. Confirmatory factor analysis

Table 2: Goodness of Fit Measures.

<table>
<thead>
<tr>
<th>Goodness-of-Fit Measures</th>
<th>Estimated Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absolute Fit Measures</td>
<td></td>
</tr>
<tr>
<td>Likelihood-Ratio Chi-square (χ²)</td>
<td>120.8</td>
</tr>
<tr>
<td>Degrees of Freedom</td>
<td>45</td>
</tr>
<tr>
<td>Goodness-of-Fit Index (GFI)</td>
<td>0.92</td>
</tr>
<tr>
<td>Comparative Fit Index (CFI)</td>
<td>0.95</td>
</tr>
<tr>
<td>Standardized Root Mean Square Residual (SRMR)</td>
<td>0.05</td>
</tr>
<tr>
<td>Root Mean Square Error of Approximation (RMSEA)</td>
<td>0.04</td>
</tr>
</tbody>
</table>

| Incremental Fit Measures                      |                 |
| Adjusted Goodness of Fit Index (AGFI)         | 0.90            |
| Non-Normed Fit Index (NNFI)                   | 0.95            |
| Normed Fit Index (NFI)                        | 0.93            |

| Parsimonious Fit Measures                     |                 |
| Parsimonious Normed Fit Index (PNFI)          | 0.71            |
| Parsimonious Goodness-of-Fit Index (PGFI)     | 0.66            |

Source: Own elaboration.

All of the standardized coefficients, except laissez-faire leadership, exceeded 0.70, indicating that the proposed measurement model had construct validity (Table 3).
Table 3: Results of the Measurement Model.

<table>
<thead>
<tr>
<th>Exogenous Variables</th>
<th>Path Coefficients</th>
<th>Standardized Coefficients</th>
<th>t Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>DCOM (X1)</td>
<td>λ_x11 (DCOM-OCOM)</td>
<td>0.85***</td>
<td>10.21</td>
</tr>
<tr>
<td>QINF (X2)</td>
<td>λ_x21 (QINF-OCOM)</td>
<td>0.88***</td>
<td>8.35</td>
</tr>
<tr>
<td>UCOM (X3)</td>
<td>λ_x31 (UCOM-OCOM)</td>
<td>0.92***</td>
<td>9.02</td>
</tr>
<tr>
<td>RINF (X4)</td>
<td>λ_x41 (RINF-OCOM)</td>
<td>0.88***</td>
<td>7.56</td>
</tr>
<tr>
<td><strong>LEAD</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRAF (Y1)</td>
<td>λ_y11 (TRAF-LEAD)</td>
<td>0.84***</td>
<td>12.31</td>
</tr>
<tr>
<td>TRAS (Y2)</td>
<td>λ_y21 (TRAS-LEAD)</td>
<td>0.73***</td>
<td>11.23</td>
</tr>
<tr>
<td>LAIF (Y3)</td>
<td>λ_y31 (LAIF-LEAD)</td>
<td>-0.40***</td>
<td>-9.83</td>
</tr>
<tr>
<td><strong>ECOM</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AFTC (Y4)</td>
<td>λ_y42 (AFTC-ECOM)</td>
<td>0.70***</td>
<td>12.60</td>
</tr>
<tr>
<td>NORC (Y5)</td>
<td>λ_y52 (NORC-ECOM)</td>
<td>0.83***</td>
<td>10.15</td>
</tr>
<tr>
<td>CONC (Y6)</td>
<td>λ_y62 (CONC-ECOM)</td>
<td>0.86***</td>
<td>16.97</td>
</tr>
<tr>
<td><strong>ORCH</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CLIC (Y7)</td>
<td>λ_y73 (CLIC-ORCH)</td>
<td>0.75***</td>
<td>12.28</td>
</tr>
<tr>
<td>PROC (Y8)</td>
<td>λ_y83 (PROC-ORCH)</td>
<td>0.74***</td>
<td>9.74</td>
</tr>
<tr>
<td>READ (Y9)</td>
<td>λ_y93 (READ-ORCH)</td>
<td>0.98***</td>
<td>10.71</td>
</tr>
</tbody>
</table>

χ² = 120.8; df = 45; p<0.01; GFI=0.92; AGFI=0.90; CFI=0.95; SRMR=0.05; RMSEA=0.04

Table 4: Results of the Structural Model.

<table>
<thead>
<tr>
<th>Coefficients</th>
<th>Path Coefficients</th>
<th>Standardized Coefficients</th>
<th>t Value</th>
<th>Hypotheses</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>γ_11</td>
<td>OCOM → LEAD</td>
<td>0.83***</td>
<td>8.56</td>
<td>H1a</td>
<td>Supported</td>
</tr>
<tr>
<td>γ_21</td>
<td>OCOM → ECOM</td>
<td>0.52***</td>
<td>3.08</td>
<td>H1b</td>
<td>Supported</td>
</tr>
<tr>
<td>γ_31</td>
<td>OCOM → ORCH</td>
<td>0.88***</td>
<td>9.07</td>
<td>H1c</td>
<td>Supported</td>
</tr>
<tr>
<td>β_21</td>
<td>LEAD → ECOM</td>
<td>0.85***</td>
<td>8.34</td>
<td>H2</td>
<td>Supported</td>
</tr>
<tr>
<td>β_31</td>
<td>LEAD → ORCH</td>
<td>0.69***</td>
<td>6.67</td>
<td>H3</td>
<td>Supported</td>
</tr>
<tr>
<td>β_32</td>
<td>ECOM → ORCH</td>
<td>0.65***</td>
<td>3.94</td>
<td>H4</td>
<td>Supported</td>
</tr>
</tbody>
</table>

Source: Own elaboration.

5.3. Hypotheses testing

This study hypothesized that organizational communication has a significant positive effect on leadership style (H1a), employee commitment (H1b), and organizational change (H1c). Examination of Table 4 shows that communication indeed had a large positive and significant effect on leadership style (γ_{11}=0.83, p<0.001), meaning that the greater the quality of communication, the better the leadership style (t=8.56, p<0.01). This conclusion shows that organizational communication has a positive effect significant on leadership style, which
supports hypothesis H1a. In the same way, examination of Table 4 confirms that organizational communication indeed had a positive and significant effect on employee commitment ($\gamma_{21} = 0.52$, $p<0.001$), meaning that the better the quality of communication, the greater the degree of employee commitment ($t=3.08$, $p<0.001$). This shows that organizational communication has a positive effect significant on employee commitment, which supports hypothesis H1b, and organizational communication had a direct and significant positive effect on organizational change ($\gamma_{31} = 0.88$, $p<0.001$), meaning that a high degree of communication significantly and positively affects the organizational change process ($t=9.07$, $p<0.001$), which supports hypothesis H1c.

This research hypothesized that leadership style has a positive and significant effect on organizational change (H2). Table 4 shows that leadership style had a positive and significant effect on organizational change ($\beta_{31} = 0.69$, $p<0.001$; $t=6.67$, $p<0.001$, which supports H2. However, while transformational leaders ($\lambda_{y11} = 0.84$, $p<0.001$) and transactional leaders ($\lambda_{y21} = 0.73$, $p<0.001$) both had a direct positive relationship on organizational change, laissez-faire leaders had a negative relationship ($\lambda_{y31} = -0.40$) (Table 3).

It was also hypothesized that employee commitment positively influences organizational change (H3). Table 4 confirms that employee commitment had a positive and significant effect on organizational change ($\beta_{32} = 0.65$, $p<0.001$), meaning that the higher the employee commitment, the greater the degree of organizational change ($t=3.94$, $p<0.001$), which supports hypothesis H3.

The fourth hypothesis posits that managers’ leadership styles positively influences the degree of employee commitment (H4). Examination of Table 4 confirms that leadership style had a positive and significant effect on employee commitment ($\beta_{31} = 0.85$, $p<0.001$), meaning that the better the quality of leadership style, the greater the degree of employee commitment ($t=8.34$, $p<0.001$), supports hypothesis H4.

5.4. Mediation effects of leadership style and employee commitment

The structural model specified both direct and indirect paths between organizational communication and organizational change. This study aimed to contribute to previous research (Elving, 2005), by testing the mediation effects of leadership styles (H5a), and the mediation effects of employees’ commitment (H5b) in the relationship between organizational communication and organizational change.

A test of indirect effects using a bootstrap procedure ($N = 2,000$ samples) was conducted to test H5a and H5b. This study found a significant and positive mediating role of leadership styles in the relationship between organizational communication and organizational change ($\beta = 0.57$, $p=0.001$, 95% CI: 0.51-0.67), supporting H5a. The indirect effect from organizational communication to organizational change through employee commitment was also statistically significant ($\beta = 0.34$, $p=0.001$, 95% CI: 0.27-0.46), supporting H5b. The indirect effects of organizational communication to organizational change through leadership style and employee commitment relationships were also statistically significant ($\beta = 0.46$, $p=0.001$, 95% CI=0.34-0.56). A good relationship between the leader and its employees can indirectly influence organizational change and their commitment is critical to the success of organizational change.

6. Discussion and conclusions

Based on a review of the literature, the purpose of this study was to investigate the effects of organizational communication in organizational change and provide both theoretical and managerial implications in this area. This was achieved by empirically testing the hypothesized conceptual model and the hypotheses made regarding the direct and indirect effects of organizational communication, leadership, and employee commitment on organizational change. The study also aimed to determine the synergistic effect of the above-mentioned variables on organizational change.
By empirically exploring the factors which may facilitate organizational change in a fast-changing environment, the study findings provide important theoretical and managerial implications. Theoretically, first, it extends the efforts in examining possible drivers for organizational change, revealing that communication, leadership styles, and employee commitment shape a favorable environment for successful change (Men & Stacks, 2013). More importantly, the study found a mediating effect of leadership style and employee commitment on the relationship between organizational communication and organizational change. Second, employee commitment was also found to have a positive effect on organizational change, while leadership style was found to have a direct effect on employee commitment and an indirect effect, through employee commitment, on organizational change. Third, this study shows how focusing on the leadership–employee commitment relationship may shed light on drivers behind sources of organizational change success. Specifically, leadership style and employee commitment combination foster firm’s capacity to adapt to changing conditions and allow firms to face complex environment challenges. Concerning the mediating variables, the empirical findings provided support for the argument that organizational communication is an important antecedent of leadership style, employee commitment and organizational change (H1a, H1b and H1c).

From a practical perspective, the study findings offered strategic insights into how organizations and managers should communicate to create a favorable change environment, based on a participatory leadership style and employee commitment in the change process. The contributions of this study to management are important because managers can identify the antecedents of organizational change and allows understanding the effect of the leadership style and employees’ commitment on the success of the change processes.

Given the findings that communication, leadership style and employee commitment contribute to success of organizational change, this study emphasizes the need for managers to adopt an empowering leadership approach, in order to involve employees in the change processes and reduce resistance to change. When employees are empowered, they are more likely to have discretionary behaviors that benefit the company image, and so managers are encouraged to communicate efficiently with their employees, and to practice a participatory leadership style. This study could be very helpful for companies in identifying communication and leadership styles, or in understanding the profiles of those employees who are best equipped to enjoy and endure the organizational change process.

This information is valuable in terms of refining managers and employee selection and in terms of training strategies. If companies do not provide formal or informal ways to air employees’ anger and frustration internally, then employees may instead express their anger to customers. Managers should avidly communicate the change objectives and benefits of organizational change and pay special attention to their employees, because when employees are committed to the organization, they are attentive, absorbed in their work, dedicated, often have a strong sense of belonging to the organization, and tend to support management, identify with the organization’s goals, and commit to the change process in their organization.

Overall, results from this study provide additional support for the relationship between organizational communication and organizational change and go a step further in the simultaneous inclusion of key variables that may help to explain previous relationships. This is important because, as mentioned before, it is generally accepted that communication plays an important role in the success of organizational change.

7. Limitations and directions for future research

Despite the innovative explorations of this study, several limitations that should be addressed in future research. One possible limitation was the use of samples only from the employees’ perspective in one particular industry, which can also generate some uncertainty as to potential single-method bias and reliance on perceptual measures, which are subject to
cognitive biases. This is particularly relevant when the research relies mainly on unidimensional constructs such as the case of this study. In order to reduce the threat of common method variance bias and enhance causal inference it will be also valuable for further research (1) employing multiple respondents, (2) obtaining multiple types of data, or (3) adopting a longitudinal approach rather than cross-sectional, as would have been desirable (Podsakoff et al., 2003; Rindfleisch et al., 2008). Therefore, caution is needed when generalizing our results to other services or groups. It is important to validate our proposed model with different user populations in different contexts.

Future research may also consider other causal and mediating variables related to the model, like credibility, behavioral integrity, motivating language, culture, innovation, and organizational performance. It would be helpful to explore predictors of organizational communication and organizational change in a B2B setting. Another possible avenue for research concerns the use of possible moderators affecting the relationship between communication and organizational change.

References


