



Global Conference on Business & Social Science-2014, GCBSS-2014, 15th & 16th December,  
Kuala Lumpur

## The role of leadership and employee's condition on reaction to organizational change

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### Abstract

Organizational change plays an important to achieve the success of organizational change. The objective of this paper is to identify the role of leadership and employee condition on reaction to organizational change. This study was conducted at state-owned organizations with 539 respondents. The results showed that job satisfaction act as mediator between change leadership and individual readiness for change and commitment to change, and employee engagement was not significantly correlated with commitment to change. This research is important for organizational change management in order to plan and implement changes more effectively.

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Peer-review under responsibility of GLTR International Sdn. Berhad.

*Keywords:* Commitment to change; individual readiness for change; change leadership; job satisfaction; employee engagement.

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### 1. Introduction

In order to survive in the competitive world like today, every organization has to be aware with the external demands of the environment, and organizational change is one of the strategies to adjust the environment. However, not every organizational change program was successful, there are even more than 50% of the change program were failed (Pritchett, 1997). There are many variables that influence the results of change such as the content of the change; the

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process of the change; the context of the organization and the people in the organization that involve with the change (Walker, Armenakis, & Bernerth, 2007; Galpin 1996).

On the other hand, many researches showed that the important variable in terms of the success of change is people, as without the supports of the people, whatever good the change program was developed, the change program cannot be achieved successfully. In this regard, people not only should be ready to organizational change, but they also have to be committed with the change (Herscovitch & Meyer, 2002). The success of organizational change lies on people, in this regard on their employee's commitment to change. As a result, it is very important to identify what are the variables that might increase people's commitment to change.

In relation with organizational change, previous research always mention about the importance of leader and its leadership style in organizational change, as with a good leader organizational change can be achieved successfully (Balogun & Hailey, 2008). On the other side, researchers also mentioned the importance of people and its characteristics in order to achieve organizational change. Based on that discussion, this study will identify the importance and the contribution of people, in this regard the condition of people in reaction to organizational change, (which will be discussed by individual readiness for change and commitment to change) as well as the importance of leadership when they led the process of change (change leadership) on commitment to change.

## 2. Literature Review

Literature review will discuss about commitment to change, individual readiness for change, change leadership, job satisfaction and employee engagement.

- Commitment to Change

The concept of Commitment to Change by Herscovitch & Meyer (2002) was derived from the concept of organizational commitment (Meyer & Allen, 1991) as an extension of the concept of organizational commitment at the special condition of the organization, that is during the organizational change (Herscovitch & Meyer, 2002). In this regard, Herscovitch & Meyer (2002) define commitment to change as a force (mind-set) that binds an individual to a course of action deemed necessary for the successful implementation of a change initiative.

Furthermore, Herscovitch & Meyer (2002) have mentioned that there are three types of Individual Commitment to Change as follows: a) Affective commitment to change (AC2C) refers to a desire to support a specific change being introduced in the workplace, or desire to provide support for the change based on a belief in its inherent benefits to change; b) Continuance commitment to change (CC2C) refers to the employees understanding that resistance to change is associated with specific costs to the company and to themselves; they remain committed due to the high cost of leaving; and c) Continuance commitment to change (CC2C) refers to the employees understanding that resistance to change is associated with specific costs to the company and to themselves; they remain committed due to the high cost of leaving.

- Change Leadership

Herold et al. (2008) and Liu (2010) stated that change leadership is the behaviours that target at the specific change consist of visioning, enlisting, empowering, monitoring, and helping with individual adaptation (Herold, 2008; Liu, 2010). Moreover, Liu (2010) mentioned that there are two factors in Change Leadership namely, a) Leaders' Change Selling Behavior, action that attempts to promote the change during the unfreezing stage, make it clear why the change was necessary, and b) Leaders Change Implementing Behavior, action to push a change forward and consolidate success throughout the implementation.

- Individual Readiness for Change

Hanpachren (1997) defined individual readiness for change is the extent to which individuals are mentally, psychologically, or physically ready, prepared, or primed, to participate in organization development activities. He further developed the instrument to measure individual readiness for change based on three dimensions as follows; (1) resisting; (2) participating; and (3) promoting. Resisting is the negative attitude of the individual toward change. Participating is the individual participation in the change process. Promoting is about how far a person would like to implement the change process. In this paper the researchers used the concept by Hanpachern (1997).

- Job Satisfaction

There are many definitions about job satisfaction, namely: Job satisfaction is the degree to which people like (satisfaction) or dislike (dissatisfaction) their jobs (Spector, 2002). Another definition of job satisfaction and job dissatisfaction is that job satisfaction is a pleasurable emotional state resulting from the appraisal of one's job as

achieving or facilitating one's job values while job dissatisfaction is the un-pleasurable emotional state resulting from the appraisal of one's job as frustrating or blocking the attainment of one's values. Furthermore, Jewell (2009) introduced the facet concept of job satisfaction.

According to Jewell (2009), job satisfaction is employee satisfaction consists of many aspects in their works, which can be measured totally or partly. The facets of job satisfaction according to Spector (1997) are as follows: Pay, promotion, fringe benefit, supervision, and co-worker, operating conditions, nature of work, communication, and reward. In this research, researchers will use the concept of job satisfaction by Spector (2002).

- Employee Engagement

Employee Engagement *consists of energy and passion that possess by the employee to work according their roles and status* (Hewitt, 2010). Furthermore, Hewitt (2010), mentions that employee engagement consists of three dimensions, namely: a) Stay, that is the willingness of the employee to continue as being part of the organization; b) Strive, the willingness of the employee to give maximum efforts to do things that increase the organization productivity; and c) Say, the willingness of the employee to express about the pride of the organization.

### 3. Methods

Participants for this study were 539 employees who worked at two financial state-owned organizations. Sample was collected from two financial state-owned companies that had undergone some organizational changed, such as restructuring the organizational, development of strategic marketing, and changes on general system and procedures. Samples were chosen by convenience sampling.

Data was collected through 5 types of questionnaires, namely: 1) *Commitment to Change Inventory*, (Herscovitch & Meyer, 2002), which was developed and modified to Indonesian language, consists of 18 items; 2) *Change Leadership Inventory*, which was developed and modified from the concept of Herold, Fedor, & Liu (2008), consist of two factors in Change Leadership namely: a) Leaders' Change Selling Behavior; b) Leaders Change Implementing Behavior; 3) *Individual Readiness for Change Inventory* (Hanpachern, 1997); 4) *Job Satisfaction Inventory* (Spector, 2002); and 5) *Employee Engagement Inventory* (Hewitt, 2010). All data were collected and administered on site during work time. Data were analysed using SEM (LISREL) and Descriptive Analysis.

### 4. Hypotheses

- Hypothesis 1: Change Leadership has positive and significant impact on Commitment to Change with the mediator of Job Satisfaction.
- Hypothesis 2: Change Leadership has positive and significant impact on Individual Readiness for Change, with the mediator of Job Satisfaction.
- Hypothesis 3: Change Leadership has positive and significant impact on Commitment to Change with the mediator of Employee Engagement.
- Hypothesis 4: Change Leadership has positive and significant impact on Individual Readiness for Change, with the mediator of Employee Engagement.

### 5. Results

Results will be discussed by SEM/LISREL and Descriptive Analysis.

#### 5.1. Respondent's Profile

Table 1: Profile of respondents

Demographic Variables	N	%	Demographic Variables	N	%
Gender			Tenure		
Male	334	61.97	2-10 years	259	48.05
Female	205	38.03	>10 years	280	51.95

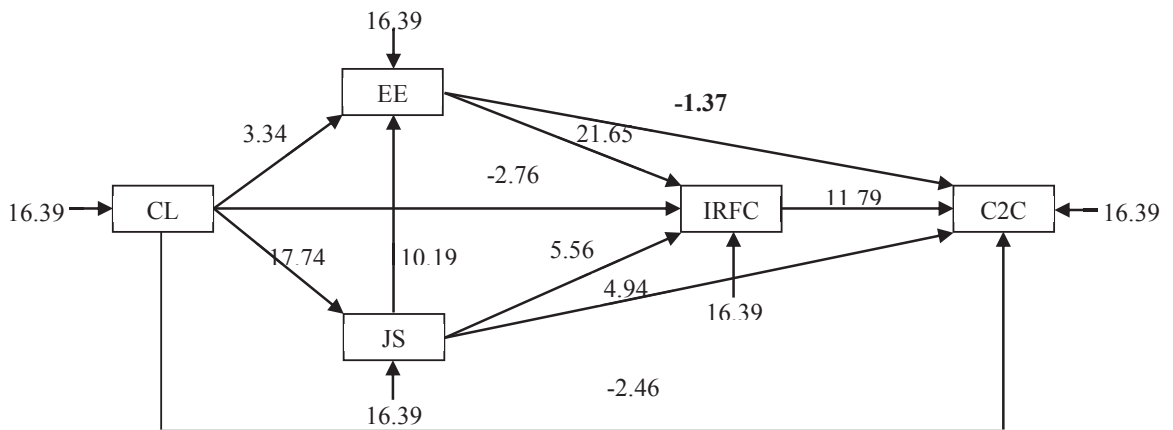
Age			Position		
<25 yr. old	12	2.23	Non Staff	78	14.47
25–44 yr. old	422	78.29	Staff	234	43.42
45–56 yr. old	105	19.48	Section Head	79	14.66
Education			Dept. Head		
Sr. High School	7	1.30	Division Head	44	8.16
Bachelor Deg	439	81.45	Management	4	0.74
Post Grad	93	17.25			
Total	539	100.00	Total	539	100.00

From Table 1, it shows that the profile of the respondents are as follows: male (61.97%), range of age between 25–44 years old (78.29%), bachelor’s degree (74.77%), staff (43.42%), length of works more than 10 years (51.95%).

5.2. The Results of SEM

Table 2: Results of SEM

No	Path	Coefficient	t-value	Conclusion
1.	CL → EE	0.10	3.34	Significant
2.	CL → JS	0.46	17.74	Significant
3.	CL → IRFC	-0.06	-2.76	Significant
4.	CL → C2C	-0.09	-2.46	Significant
5.	EE → C2C	-1.37	-1.37	Not Significant
6.	EE → IRFC	0.70	21.65	Significant
7.	JS → C2C	0.25	4.94	Significant
8.	JS → IRFC	0.19	5.56	Significant
9.	JS → EE	0.42	10.19	Significant
10.	IRFC → C2C	0.74	11.79	Significant



Chi-square = 0.00, df = 0, P-value = 1.0000, RMSEA = 0.000

Figure 1: Model Testing

From Figure 1, and Table 2, the results show as follows:

1. Change Leadership has positive impact significantly on Employee Engagement
2. Change Leadership has positive impact significantly on Job Satisfaction.
3. Change Leadership has negative impact significantly on Individual Readiness for change
4. Change Leadership has negative impact significantly on Commitment to change.
5. Employee Engagement has not significantly have an impact on Commitment to Change.
6. Employee Engagement has positive impact significantly on Individual Readiness for Change.
7. Job satisfaction has positive impact significantly on Individual Readiness for Change
8. Job Satisfaction has positive impact significantly on Commitment to Change.
9. Individual Readiness for Change has positive impact significantly on Commitment to Change.
10. Job satisfaction is a mediator between Change Leadership and Individual Readiness for Change.
11. Job satisfaction is a mediator between Change Leadership and Commitment to Change.

Table 3: Goodness of Fit (GOFI)

GOFI	Result Value	Standard Value of Fit	Conclusion
P value	1.0000	p-value $\geq$ 0.05	Good Fit
RMSEA	0.0000	RMSEA $\leq$ 0.08	Good Fit
GFI	1.00	GFI $\geq$ 0.90	Good Fit

The results show that the t value has filled the requirement of goodness of fit.

Table 4: Hypotheses Testing Finding

Hypothesis	Description	Findings
H1	Change Leadership has positive and significant impact on Commitment to change with the mediator of Job Satisfaction.	Supported
H2	Change Leadership has positive and significant impact on Individual Readiness for change with the mediator of Job Satisfaction.	Supported
H3	Change Leadership has positive and significant impact on Commitment to change with the mediator of Employee Engagement.	Not Supported
H4	Change Leadership has positive and significant impact on Individual Readiness for change with the mediator of Employee Engagement.	Not Supported

### 5.3. Descriptive Analysis

The followings discussion showed the results of descriptive analysis of change leadership, employee engagement, job satisfaction, individual readiness for change and commitment to change based on the demographic profile, as follows:

#### a) Change leadership

Results showed that gender had significant differences ( $p=0.045$ ,  $p < 0.05$ ), which showed that male has higher score on Change Leadership. Furthermore, the results also showed that position had significant differences ( $p=0.000$ ,  $p < 0.01$ ), however it can be said that there was significant correlation with their perception on change leadership, as section head had the lowest score amongst all position (from staff to division head). Furthermore, it also showed that other demographic profiles (age, education and tenure) had no significant differences.

### **b) Job Satisfaction**

Results showed that demographic variables (age, education, tenure and position) had significant differences in terms of job satisfaction, and only gender that had no significant difference. Results also showed that there was positive and significant correlation between educational background and job satisfaction ( $p=0.01$ ,  $p<0.05$ ). Furthermore, it also showed that position had positive and significant correlation with job satisfaction ( $p=0.000$ ,  $p<0.01$ ), the similar results also found for tenure and age, it showed that there was positive and significant correlation between tenure and job satisfaction ( $p=0.01$ ,  $p<0.05$ ), as well as there was positive and significant correlation between age and job satisfaction ( $p=0.04$ ,  $p<0.05$ ). From the results, it can be concluded that the higher the duration that people had, the higher position that people hold, the older the person is, and the longer they work in the organization, will be followed with higher score on job satisfaction.

### **c) Employee Engagement**

Results showed that gender and age had no significant differences on employee engagement, and other variables, such as educational background, position and tenure showed significant differences. Furthermore, the results also showed that there were positive and significant correlation between educational background with employee engagement ( $p=0.01$ ,  $p<0.05$ ), between position and employee engagement ( $p=0.000$ ,  $p<0.01$ ); and between tenure and employee engagement ( $p=0.001$ ,  $p<0.01$ ). It can be concluded that the higher educational background of a person, the higher position of a person hold, as well as the longer of a person stay in the organization will be followed by the higher score on employee engagement.

### **d) Individual Readiness for Change**

Results showed that in general, only age that has no significant differences on Individual Readiness for Change. The results show that gender has significant difference which show that male has higher score on Individual Readiness for Change ( $p=0.000$ ,  $p<0.01$ ). The other variable, such as educational background, position and tenure showed significant differences. Furthermore, the results also showed that educational background had positive and significant correlation with individual readiness for change ( $p=0.01$ ,  $p<0.05$ ), which can be concluded that the higher educational background of a person, it will be followed with the higher score on Individual readiness for change. Moreover, the study showed that ( $p=0.000$ ,  $p<0.01$ ).

### **e) Commitment to Change**

The results showed that all demographic variables had significant differences on commitment to change. It showed that male had higher score on commitment to change ( $p=0.02$ ,  $p<0.05$ ), Furthermore it also showed that there was positive correlation between educational background ( $p=0.01$ ,  $p<0.05$ ); position ( $p=0.000$ ,  $p<0.01$ ), tenure ( $p=0.000$ ,  $p<0.01$ ) and age ( $p=0.000$ ,  $p<0.01$ ) with commitment to change. It can be concluded that the higher the educational background that people had, the higher the position of a person in the organization, the longer the employee work in the organization as well as the older they are, will have the higher score on commitment to change.

## **6. Discussion**

The study showed that change leadership by itself cannot develop individual readiness for change and commitment to change. This study was supported the previous study conducted by Mangundjaya (2013) who found that there was positive and significant correlation between change leadership with commitment to change. However, the study had contradictory results from the previous study conducted by Herold et al., (2008) who mentioned that there was positive and correlation between change leadership and commitment to change. It is assumed that differences on the types of organization, types of organizational culture as well as types of organizational change will have an effect on the result. The results of the study also showed that Job Satisfaction is important in reaction to change, both in developing individual readiness for change and commitment to change, a job satisfaction act as mediator between change leadership to individual readiness for change and between change leadership on commitment to change. In this regard, it can be concluded that change leader should develop job satisfaction in order to develop individual

readiness for change and/or commitment to change. On the other hand, the study also showed that employee engagement had no significant impact on commitment to change. This finding was quite surprising, as employee engagement had significant impact on individual readiness for change. The findings were also not supported the previous study conducted by Mangundjaya (2014a) in different types of state owned organization. On the other hand, the positive contribution of employee engagement to individual readiness for change was also supported the previous study conducted by Mangundjaya (2011).

This study also challenged the previous findings that mention leader and their leadership style can play an important role in organizational change (Balogun & Hailey, 2008), however with these findings it showed that change leadership only played an important role if they can develop job satisfaction in their employees (before, during, and after the organizational change), without the existence of job satisfaction, that change leadership by itself cannot develop readiness for change and commitment to change.

Furthermore, the results also showed that in terms of commitment to change there was positive correlation between age, tenure, position and educational background with their score on commitment to change. These results supported the previous study conducted by Mangundjaya (2014b) in construction state-owned companies which stated that age and tenure have positive correlation with commitment to change. It can be concluded that the older of a person, and the longer people work in the organization will have positive impact on their commitment to change.

## 7. Conclusion & Implication

This research showed that change leadership by itself cannot have a positive impact on people reaction to change that is to their readiness for change and commitment to change. Furthermore, it also showed that job satisfaction act as mediator between change leadership and individual readiness for change and commitment to change. It can be concluded that a leader as a change agent should make sure that they have developed satisfaction and welfare amongst employees, before they want to conduct organizational change, in order to develop positive reaction to organizational change, both in readiness for change and in commitment to change.

These findings can be used for management in implementing change management in their organization, such as providing job satisfaction and or workplace well-being for their employees. Furthermore, the study also showed that age, position, and tenure had correlated with commitment to change; in this regard management can assign their employees who are senior, respected, and has higher position to act as change agent in their organizational change program.

## 8. Limitation & Further Studies

This study was held at a state-owned organizational that conducted organizational changes in terms of organizational structures, strategy and operating procedures, however it is not large scale and radical types of organizational change, in this regard, generalization cannot be done, and further study should be conducted in various types of organizations, as well as various types of organizational changes. Moreover, from the study it showed that age, position, and tenure had correlated with high commitment to change, in this regard these results should be taken into consideration, as the change program in these two organizations were not radical such as merger and acquisition, in which the results might be different.

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Global Conference on Business & Social Science-2014, GCBSS-2014, 15th&16th December,  
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## Is job satisfaction a moderator or mediator on the relationship between change leadership and commitment to change?

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### Abstract

The purpose of this paper is to investigate the mediating effects of job satisfaction on the relationship between change leadership and commitment to change in the Indonesia's State Owned Companies setting. Data were gathered from 539 State-Owned Enterprise employees. Data were collected using questionnaires about job satisfaction, change leadership, commitment to change. Descriptive analysis reported by factor analysis, reliability analysis, pearson correlation with additional hypothesis testing using hierarchical multiple regression. The results shows as follows: Job Satisfaction can be regarded as mediation variable between Change Leadership and Commitment to Change.

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Peer-review under responsibility of GLTR International Sdn. Berhad.

*Keywords:* Job satisfaction, change leadership, commitment to change, factor analysis, hierarchical multiple regression

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### 1. Introduction

Commitment to change has positive impact to the organizational effectiveness, such as improved performance Parish et al., 2008); and the success of change implementation (Parish et al., 2008, Herold et al. (2007). Other issue is the issue of leadership behavior and job satisfaction has received a great deal of attention in many organizational behavior studies, including during organizational change. (Pool, 1997; Savery, 1994).

The impact of change leadership as well as job satisfaction to commitment to change is important to be studied upon. Previous study conducted by Mangundjaya (2013) showed that Change Leadership alone has no significant

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impact to Commitment to Change. In this regard, the question arises about the role of Job Satisfaction between Change Leadership and Commitment to Change. The purpose of this paper is to investigate the impact of Job Satisfaction on the relationship between Change Leadership and Commitment to Change in the State Owned Companies in Indonesia setting that undergone organizational change.

## 2. Job Satisfaction, Change Leadership and Commitment to Change

- Job Satisfaction

Job satisfaction is the degree to which people like (satisfaction) or dislike (dissatisfaction) their jobs (Spector, 2006). In other words, job satisfaction is defined as an emotional response to individual's task similar to the social and physical conditions of the workplace. Another definition of job satisfaction and job dissatisfaction is that job satisfaction is a pleasurable emotional state resulting from the appraisal of one's job as achieving or facilitating one's job values while job dissatisfaction is the un-pleasurable emotional state resulting from the appraisal of one's job as frustrating or blocking the attainment of one's values.

Dubrin (1992) stated that job satisfaction has positive relation with loyalty, low turnover and good mental health. Furthermore, Jewell (1990) introduced the facet concept of job satisfaction. According to Jewell (1990), job satisfaction is employee satisfaction consists of many aspects in their works, which can be measured totally or partly. The facets of job satisfaction according to Spector (2002) are as follows: Pay, Promotion, Fringe Benefit, Supervision, Co-worker, Operating Conditions, Nature of the Work, Communication and Reward. In this research, researchers will use the concept of job satisfaction by Spector (1995).

- Change Leadership

The terminology of change leadership has been discussed by Herold (2008) and Liu (2010). Change leadership defined as the behavior that target at the specific change consist of visioning, enlisting, empowering, monitoring, and helping with individual adaptation (Herold, 2008; Liu, 2010). Furthermore, Liu (2010) also mentioned that there are two factors in Change Leadership namely, a) Leaders' Change Selling Behaviour, action that attempts to promote the change during the unfreezing stage, make it clear why the change was necessary, b) Leaders Change Implementing Behavior, action to push a change forward and consolidate success throughout the implementation.

- Commitment to Change

Herscovitch & Meyer (2002) defined commitment to change as a force (mindset) that binds an individual to a course of action deemed necessary for the successful implementation of a change initiative. This mind-set can be reflected to varying degree in three dimensions: a) desire to provide support for the change based on a belief in its inherent benefits to change (affective commitment); b) a recognition that there are costs associated with failure to provide support for the change (continuance commitment to change); and c) sense of obligation to provide support for the change (normative commitment to change).

## Methodology

This part consists of four sections. The first section presents the research strategy that is conducted in this research. The second part will discuss the sampling methods. The third section will discuss tools of data collection and the fourth section will elaborate methods to analyze the data. The research strategies consist of: 1) In-depth literature review, A literature review discusses published information in a particular subject area, and information in a particular subject area within a certain time. 2) Conduct Reliability and Validity testing of the measurement tools. 3) Conducting survey. Data were collected using Convenience sampling at State-Owned Organization which conduct organizational changes, with the characteristics of respondents are as follows, permanent employees, have been working at least two years in the company, and at least Senior High School graduates. In this study, the researcher will use various scale (questionnaires) as follows: 1) Change Commitment Inventory (Herscovith & Meyer, 2002), 2) Change Leadership and 3) Job Satisfaction, which has already translated in Indonesian language, and has been tested its reliability and validity. Based on model that authors has been built, Data will be analyzed using descriptive analysis and regression analysis and SEM (Lisrel) to know interrelationship between variables.

Results and Findings

Respondent’s Profile

Table 1: Profile of respondents

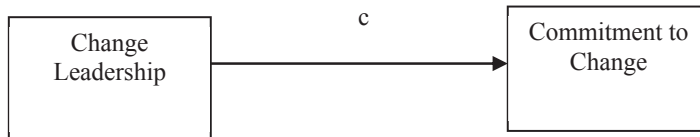
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Bachelor Degree	403	74.77			
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• Intermediation Variable Analysis

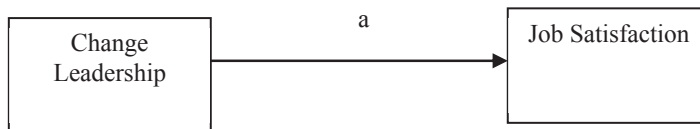
To test job satisfaction variable as intermediation variable between change leadership and commitment to change, one must fulfill several stage (Baron and Kenny, 1986):

- a) Estimate the impact of Change Leadership to Commitment to Change (see path c). Based on the estimation, c value must be significant.



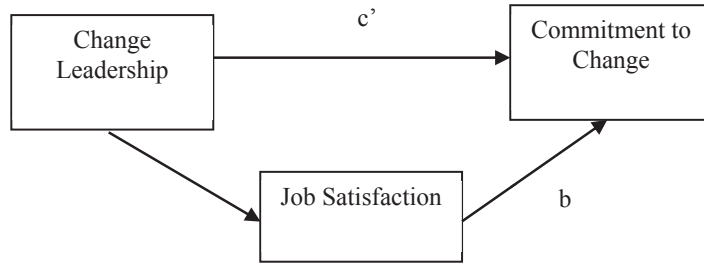
MODEL 1

- b) Estimate the impact of Change Leadership to Job Satisfaction as mediating variable (see path a). Based on the estimation, a value must be significant.



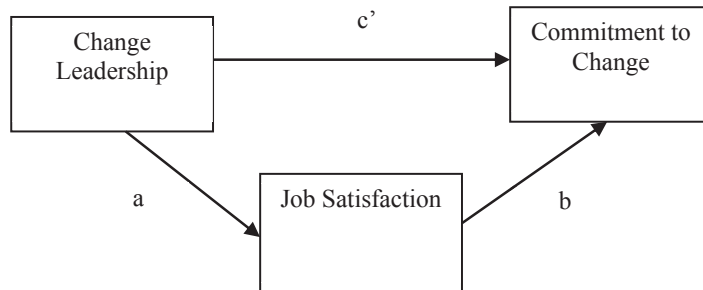
MODEL 2

- c) Estimate the impact of Change Leadership and Job Satisfaction to Commitment to Change (see path c and b). Based on the estimation, c value must be significant.



MODEL 3

Based on all stages we can draw model:



Model 4

To test the Job Satisfaction mediation effect to Change Leadership and Commitment to Change:

- Coefficient in path c in model 1 significant
- Coefficient in path a in model 2 significant
- Coefficient in path b in model 3 significant

Table 2: Summary Result

Variable	Path Coefficient	SE	T-value	T-Value > 1.96	Mediation Effect Criteria
<b>Model 1:</b>					
Change Leadership → Commitment to Change	c=0.174	0.0354	4.906	Significant	Ok
<b>Model 2 :</b>					
Change Leadership → Job Satisfaction	a=0.461	0.0260	17.741	Significant	Ok
<b>Model 3:</b>					

Job Satisfaction -> Commitment to Change	b=0.569	0.0535	10.639	Significant	Ok
Change Leadership -> Commitment to Change	c'=-0.0886	0.0406	-2.184	Significant	Ok

Based on result from calculation to testing coefficient Job Satisfaction variable as intermediation variable between Change Leadership and Commitment to Change, all model fulfill mediation effect criteria. Testing coefficient from Change Leadership to Commitment to Change shows that T-value 4.906>1.96. This path coefficient fulfils the mediation effect criteria for model 1.

On model two, testing coefficient path from Change Leadership to Job Satisfaction shows that T values 17.741>1.96. This coefficient path fulfils the mediation effect criteria for model 2. In model three, there are two path coefficients in this model. First is Job Satisfaction to Commitment to Change, to test the coefficient from Job Satisfaction to Commitment to Change, which showed that T-value 10.639>1.96. This path coefficient fulfils the mediation effect criteria for model 3. Second, between Change Leadership to Commitment to Change, to test coefficient from Change Leadership to Commitment to Change, which showed that T-value -2.184>-1.96. This path coefficient fulfils the mediation effect criteria for model 3.

Table 3: The results of Stage 1, Model 1

TITLE: Impact of Change Leadership to Commitment to Change

R	R Square	Adjusted R Square	Std. Error of the Estimate
.207 <sup>a</sup>	.043	.041	.60340

Based on model, mean of Commitment to Change is 4, 86112 while mean of Change Leadership is 4.3975. Standard deviation of Commitment to Change is 0.61620 while standard deviation of Change Leadership is 0.73426. R<sup>2</sup> from the model is 0.043. This means that 4.3 % varian in Commitment to Change can be explained by Change Leadership, while the rest 95.7% explained by another factor.

Table 4: Change Leadership on Commitment to Change

	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	4.097	.158		25.936	.000
Change Leadership	.174	.035	.207	4.906	.000

Based on model, Change Leadership has an impact (sig: 0.00<0.05) to Commitment to Change with positive direction.

Table 5: Stage 2: Model 2

The Impact of Change Leadership to Job Satisfaction

R	R Square	Adjusted R Square	Std. Error of the Estimate
.608 <sup>a</sup>	.370	.368	.44278

R<sup>2</sup> from the model is 0.370, which means that 37 % varian in Job Satisfaction can be explained by Change Leadership while the rest 63% explained by another factor.

Table 6: Change Leadership to Job Satisfaction

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
(Constant)	2.204	.116		19.016	.000
Change Leadership	.461	.026	.608	17.741	.000

a. Dependent Variable: Job Satisfaction

Based on model, Change Leadership has an impact (sig: 0.00<0.05) to Job Satisfaction with positive direction.

Table 7: Model 3, Impact of Change Leadership and Job Satisfaction to Commitment to Change

R	R Square	Adjusted R Square	Std. Error of the Estimate
.458 <sup>a</sup>	.210	.207	.54879

Based on model, mean of Commitment to Change, Change Leadership and Job Satisfaction are 4.8612; 4.3975 and 4.2324. Standard deviations of them are 0.61620; 0.73426 and 0.55712. R<sup>2</sup> from the model is 0.210. This means that 21% varian in Commitment to Change can be explained by Change Leadership and Job Satisfaction while the rest 79% explained by another factor.

Table 8: Change leadership, Job Satisfaction on Commitment to Change

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	2.843	.186		15.296	.000
Change Leadership	-.089	.041	-.106	-2.184	.029
Job Satisfaction	.569	.053	.514	10.639	.000

Based on the LISREL calculation it showed that the first stage to test the impact of mediating variable of Job Satisfaction showed that Change Leadership has significant impact (c=0.174, t (537)=4.906, p=0.000) to Commitment to Change variable. In other words, it fulfills the requirement of first criteria.

The second stage is to test the impact of independent variable (Change Leadership) to mediating variable (Job Satisfaction). Based on the result, Change Leadership has significant impact (a = 0.461, t (537) =17.741, p=0.000) to Job Satisfaction. The overall result shows that all criteria accepted. The third is testing the impact of mediating variable (Job Satisfaction) to dependent variable (Commitment to Change). In the third stage, regression process cannot be done alone from Job Satisfaction to Commitment to Change but must involve Change Leadership variable. The result shows that Job Satisfaction has significant impact (β=0.569, t (537) =10.639, p=0.000) to Commitment to Change. In conclusion, it fulfils third criteria. Based on this result, Job Satisfaction can be concluded as mediating variable between Change Leadership and Commitment to Change.

To see whether mediating variable is partial mediation or full mediation, this study test c' coefficient. C coefficient value is 0.174 while c' is 0.0886 so path coefficient value from Change Leadership to Commitment to Change has decreased after Job Satisfaction variable mediating the relationship between them. Although decreasing in c value to c' take place, the path still significant. So that, intermediation model of Job Satisfaction is partial mediation.

## Discussion

The result showed that partial mediation effects were found between Commitment to Change and Change Leadership. This finding were not supporting previous study conducted by Wiliam and Hazer, (1986) who have done some causal models of commitment in which the effect of the various independent variables on commitment are fully mediated via job satisfaction. Leader is a very important variable in organizational change process, however precious research conducted by Mangundjaya (2013) showed some contradictory results about the role of Change Leadership in Commitment to Change., which stated that Change Leadership were not significantly correlated with Commitment to Change.

This finding supported the previous study by Savery, (1994); Zeffane, (1994); and Wilson, (2002) which mentioned that there is positive relationship between leadership behavior and organizational commitment. Yousef (1998) also mentioned that changes in leadership behavior will lead to the increase of the levels of organizational commitment, job satisfaction and performance (Yousef, 1998).

In other word, it can be said that in order to improve employee's satisfaction, it requires appropriate leadership behavior. This finding also supported previous findings by Albion and Gagliardi (2007) who found that during organizational change, leadership behavior are related to job satisfaction. In this regard, good change leadership followed by high job satisfaction is needed in order to achieve high commitment to change. Job satisfaction is related to employee wellbeing, and employee wellbeing during organizational change is very important, as during organizational change, people will feel stress, anxiety and insecure, and as a result good change leadership that can provide a feeling of comfort and self confidence is very much needed.

## Conclusion

Based on this result, it can be concluded that Job Satisfaction plays an important role in Commitment to Change, in this regard; leader should develop and establish employee satisfaction and well being in order to develop their commitment to change. The significance of this research is important for management in conducting organizational change, as management should pay attention to their employee job satisfaction and well-being, before, during and after organizational change, in order to achieve high commitment to change from their employees.

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