

ORGANIZATIONAL AGILITY IN THE TELECOMMUNICATIONS SECTOR: LEADERSHIP AND CHANGE CAPABILITY IN ZIMBABWE

¹Robert Tawanda Moyo and ¹Grace Chipso Ndlovu

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Abstract

This study investigates the impact of leadership and change capability on organizational agility within Zimbabwe's major mobile network providers. Organizational agility, a contemporary focus in organizational research, is shaped by factors such as leadership and change capability. Historically, organizations maintained competitive advantages through low competition and high entry barriers. However, globalization has lowered these barriers, enabling new competitors to challenge established entities, thus heightening the need for agility. With rapid technological advancements, organizations must adapt to stay competitive. This research examines three leading mobile network providers in Zimbabwe: Econet Wireless, Net One Zimbabwe, and Telecel Zimbabwe, focusing on the role of leadership and organizational change capability. Utilizing a mixed-methods approach, the findings demonstrate that emphasizing change capability and shared leadership fosters organizational agility. Statistical analysis confirms a strong correlation between leadership, change capability, and agility, with hypothesis testing yielding a 95% significance interval. The proposed model offers valuable insights for organizations seeking to enhance their agility in a competitive market.

INTRODUCTION

Numerous factors contribute to business failure, including bad management, misguided leadership, strategic shortcomings, market changes, or a combination of these, and sometimes, simply bad luck. A recent study by Maud et al. (2020:27) indicates that over 50% of companies are unlikely to survive beyond sixteen years, with the highest corporate mortality observed in the fourth year. In a constantly evolving world, an organization that currently leads in its industry may not necessarily exist or maintain its leadership position in the future. Consequently, there are instances of corporations that were once primary competitors in their markets but failed to withstand shifting market conditions. One notable example is Circuit City, which boasted over 1,400 stores domestically and internationally and achieved sales exceeding \$11 billion in both the U.S (ibid, 2008). However, today, Circuit City, once a major player in the consumer electronics industry, no longer exists. Campbell (2014:18) observed, "In less than 10 years, Circuit City was transformed from one of the most powerful

¹ Graduate School of Business, Bindura University of Science Education, Zimbabwe.

electronics and technology retailers in the country to being a wholly nonexistent company that completely vanished from the U.S. retail landscape. While these companies continue to operate today, they do so at a diminished level or scale compared to their previous prominence. The primary reasons behind their decline were attributed to their failure to adapt to new technologies or changing consumer preferences. Maud et al. (2019) highlight that the ultimate cause of their current state lies in these companies' inability to be agile. It is against this backdrop that the study is centered on examining the impact of leadership and change capability on organizational agility within mobile network providers in Zimbabwe. The study aimed to investigate three key aspects: firstly, to establish the effect of leadership on organizational agility; secondly, to establish the effect of change capability on organizational agility; and thirdly, to identify leadership traits that ignite change capability, ultimately leading to organizational agility.

LITERATURE REVIEW

Organizational agility and capacity for change

The concept of organizational agility has been a subject of debate among scholars and practitioners, lacking a unified description. Almahamid et al. (2010:388) noted the absence of a widely accepted definition for organizational agility, as scholars approach the concept from various perspectives. According to Almahamid et al. (2010:388), organizational agility involves the "abilities to adapt its processes, strategies, production lines, resources, and so on to respond to the new created by change." Diverse viewpoints exist, with some scholars defining agility as an organization modifying itself in response to new market conditions. Other researchers perceive agility as the ongoing organizational development of communication, individuals, and teams (Oliveira et al., 2012). Similarly, achieving organizational agility and readiness for change is linked to continuous improvement. Oliveira et al. (2012:654) stated that "agility is manifested by factors like continuous improvement, continuous delivery, and communication, maturity of the team, and people flexibility." Recognized as a crucial characteristic in today's competitive digital era, agility is deemed essential for every organization (Susanty et al., 2022).

Worley et al. (2014:26) defined agility as the capability to make timely, effective, and sustained organizational change. Understanding the role of leadership styles in managing organizational agility is crucial for organizations operating in internationally competitive markets, and Zimbabwe is no exception (Akkaya and Tabak, 2020).

Organizational agility can be perceived as the ability to predict future opportunities, enabling organizations to foresee and capitalize on new opportunities swiftly (Setili, 2014:4). While scholars may present agility from various perspectives, it is important to note that their definitions converge on organizational agility involving the capacities to predict, react to, or create change in the environment. Soparnot (2011) defined organizational change capacity as follow:

Change capacity is the ability of the company to produce matching outcomes (content) for environmental (external context) and/or organizational (internal context) evolution, either by reacting to the changes (adaptation) or by instituting them (pro-action) and implementing the transition brought about by these changes (process) in the heart of the company (642).

Leadership

The essence of leadership involves two entities: individuals or a group influencing, and followers who are affected by that influence (Northouse, 2021; Robbins and Judge, 2017). Moreover, Bass and Bass (2009:25) described leadership as "an interaction between two or more members of a group that often involves a structuring or described leadership as "an interaction between two or more members of a group that often involves a structuring or restructuring of the situation and of the perception and expectations of the members." Kouzes and Posner (2007) identify leadership as a

connection among followers choosing to follow and individuals aspiring to lead. Yukl (2002:7) defines leadership as follows: "Leadership is the process of influencing others to understand and agree about what needs to be done and how it can be done effectively, and the process of facilitating individual and collective efforts to accomplish the shared objectives."

Northouse (1999). Similarly, Robbins and Judge (2017) view leadership as the capability to inspire individuals toward specific ideas or objectives. Leadership occurs when leaders encourage followers to take actions to achieve certain aims that reflect their principles, inspirations, and desires (Burns, 2012).

Seers et al. (2003) found that leadership is defined similarly among scholars. Seers et al. (2003:79) stated, "Across all categories, the consistent theme is that leadership involves a social phenomenon in which a person may exert power, persuade, direct group or individual behavior, facilitate goal achievement, or otherwise influence other people." Additionally, leadership involves identifying, comprehending, challenging, and reforming the perceptions of individuals.

Leadership influence

Influence is an integral part of the relationship between leaders and followers; indeed, leadership cannot be effective if it lacks influence (Northouse, 2021). As Maxwell (1998:17) succinctly stated, "Leadership is influence." Equally, Yukl (2002:141) noted, "Influence is the essence of leadership." Consequently, a leader is an individual with the highest influence within a group. Leaders create the highest influence by adding value to their followers. As Cashman (2008:24) wrote, " Leaders create the highest influence by adding value to their followers."

Moreover, followers also influence leaders. Bass and Bass (2009) explained that leaders influence their followers, and followers influence their leaders. Furthermore, Bass and Bass (2009:400) stated, "Successful leaders influence their followers and bring about change in their followers' attitudes and behavior. Bass and Bass (2009) explained that an important quality of a transformational leader is idealized influence. Bass and Bass (2009) elaborated on idealized influence when he wrote:

Idealized Influence (Charisma) involves leaders displaying conviction, emphasizing trust, taking stands on difficult issues, presenting their most important values, and highlighting the importance of purpose, commitment, and the ethical consequences of decisions. Such leaders are admired as role models, generating pride, loyalty, confidence, and alignment around a shared purpose. Additionally, followers express idealized influence by idolizing their leaders' charismatic features. As a result, the comprehension of influence is enhanced by understanding the source of influence, which is social power.

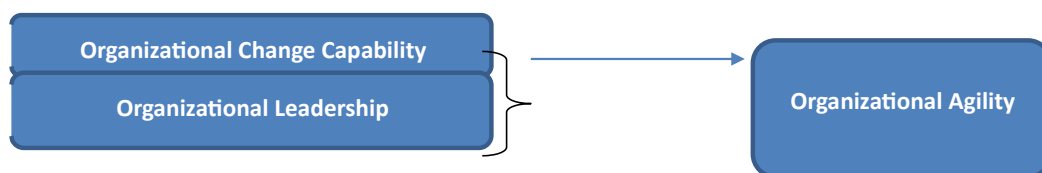


Figure 1. Conceptual framework model.

Source: The researchers.

Conceptual framework

Organizational agility is the dependent variable, while organizational change capability and organizational leadership are the independent variables. In this study, the intention is to investigate whether there is a relationship between the two independent variables and the dependent variable, and to determine the extent of this relationship. Figure 1 depicts the conceptual framework model.

Empirical studies

Several prior studies have explored the relationship between leadership behavior and organizational agility. These studies have affirmed that organizational agility tends to increase when employees are given the opportunity to participate in decision-making by their management or leadership (Steyrer et al., 2008).

Additionally, organizational agility is positively influenced when leaders demonstrate an interest in employees' welfare, exhibit fairness and provide support to their employees.

Simultaneously, some scholars (Bushra et al., 2011; Kim and Brymer, 2011) have argued that supervision is significant factor guiding employee agility within their organization. In a study examining leadership styles and organizational agility in the mining industry in South Africa, McIlaggan et al. (2013) found that employees at a mine in Mpumalanga perceived leadership styles to be more transformational and transactional.

Moreover, the participants perceived that both leadership styles are a product of the augmentation effect, indicating the extent to which transformational leadership depends on transactional leadership.

Moreover, Almahamid et al. (2010) examined the link between leadership style, organizational agility, and employee innovativeness in university libraries. Their findings demonstrated that the leadership style, particularly autocratic and laissez-faire, did not have any influence on the agility of employees in university libraries. On the contrary, the majority of library professionals tended to be extremely committed to their institutions because they appreciated a result-oriented culture.

Research gaps

The convergence around an emergent relationship between leadership, change capability, and organizational agility masks several gaps and inconsistencies in the current literature. The researcher views these gaps and inconsistencies as opportunities to bolster the emergent conceptualization, thereby moving toward a more robust understanding of the effect of leadership and change capability on organizational agility in Zimbabwe's mobile network providers. Successful leading technology companies may sustain their high performance only if they remain agile in their environment (Akkaya and Tabak, 2020).

To identify and exploit these opportunities, the researcher organizes the gaps in the literature into main concerns: sample size, as there is no study that has used 116 respondents; the case study involving three telecommunications companies; and the variables, which include leadership, change capability, and agility, are novel to the study. The data collection method creates differences with previous studies, where in this study, 150 questionnaires were distributed, and the response rate was 95%. It is imperative to note the environment within which the study took place—the country Zimbabwe—operating under lockdown due to the Covid-19 pandemic wave.

Table 1. Samples of agile variables correlated with change capability.

<u>Component</u>	<u>Initial</u>	<u>Extraction</u>
Develops leaders at all levels	1.000	0.857
Encourages innovation	1.000	0.810
Encourages managers to develop the leadership skills of their direct reports	1.000	0.757
Has formal mechanisms to connect senior management with people at all levels of the organization	1.000	0.795
Encourages everyone to share leadership activities	1.000	0.886
Has purpose, mission, values, and management systems that act as a coherent whole to drive behavior and performance	1.000	0.842
Considers the ability to change a strength of the organization	1.000	0.880
Spends a lot of time thinking about the future.	1.000	0.864
Has a well-developed change capability?	1.000	0.972

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Has a strong reputation in the marketplace for its ability to change?	1.000	0.719
Is able to implement changes better than most organizations	1.000	0.785
Has a strong commitment to developing people?	1.000	0.729
Has a track record of delivering on the goals of change initiatives	1.000	0.886
Has strategies that can adapt to changing markets	1.000	0.792
Has change management, talent management, and strategic planning processes that are well coordinated	1.000	0.800
Has enough budget “slack” so that people can develop new products or better ways of working together	1.000	0.844
Has a shared, enterprise-wide change management model	1.000	0.922
Has flexible reward systems that change to take advantage of opportunities	1.000	0.718
Can successfully manage several change initiatives simultaneously	1.000	0.777
Supports individuals developing new knowledge and skills	1.000	0.709

The mixed-method approach was employed, combining the researcher's quantitative and qualitative methods (Creswell, 2003; Johnson et al., 2007; Tashakkori et al., 2021). A list of all company hierarchies was obtained from the company authorities, and the researcher purposively selected respondents deemed necessary for the research, including managers and employees with a good understanding of the organization. This approach is often used in qualitative research, aiming to gain detailed knowledge about a specific phenomenon rather than making statistical inferences. Non-probability purposive sampling, which is suitable for exploratory and qualitative research, was utilized.

The study population consisted of employees and managers in the three mobile network operators. Data collection was conducted via Qualtrics, an online survey website. The researcher contacted individuals in the three organizations, providing an email with an overview of the study, a link to the online survey, and the researcher's email address. Subsequently, the contacted individuals forwarded the email or the survey link to others within their organizations. The online survey outlined the study and asked each individual for their willingness to participate in the research.

RESULTS AND DISCUSSION

After performing correlation testing using the 2-tailed test and selecting correlations where $p = 0.01$, the study found correlations with shared leadership and many organizational agility characteristics. Consequently, a sample of statements and their corresponding characteristics was selected to illustrate the correlation between Leadership and any of the organizational agility scores. The correlation demonstrates a statistically significant relationship between leadership and any of the organizational agility scores. Examples of significant correlations between shared leadership and organizational agility include encourages innovation ($r = 0.524$), vertical information sharing ($r = 0.506$), and a sense of shared purpose ($r = 0.524$).

Similarly, after performing correlation testing using the 2-tailed test and selecting correlations where $p = 0.01$, the study found correlations with change capability and many organizational agility characteristics. Consequently, a sample of statements and their corresponding characteristics was selected to show the correlation between change capability and any of the organizational agility scores. Table 1 shows samples of agile variables correlated with change capability. The correlation reveal a statistically significant relationship between change capability and any of the organizational agility scores. Examples of significant correlations between change capability and organizational agility include strong future focus ($r = 0.585$), change-friendly identity ($r = 0.622$), development orientation ($r = 0.501$), develops robust strategies ($r = 0.693$), flexible resources ($r = 0.517$), flexible reward systems ($r = 0.456$), and development orientation ($r = 0.433$).

Factor analysis

The communalities indicate how much of the variance in each of the original variables is explained by the extracted factors. Higher communalities are desirable, and the cutoff point is set at $p > 0.5$. In the case of the communalities in Table 1, all variables are above the cutoff point. The least is ranked at 0.709, which is a significantly valuable figure.

The results demonstrate that leadership has a highly positive and important effect on organizational agility and is strongly correlated ($r = 0.544$, $p < 0.001$). Change capability also has a significant and positive influence on the agility of the organization ($r = 0.342$, $p < 0.001$). An insignificant relation occurred between other variables of leadership and organizational agility ($r = -1.128$, $p > 0.005$). Additionally, the suggested model has an acceptable value of the goodness-of-fit index.

Joiner and Josephs (2019) discovered that leadership agility plays a crucial role in creating agile organizations. Pulakos (2019) reached the conclusion that organizational leadership is important for implementing "better practices" to enhance organizational agility and, consequently, performance.

Conclusion

There is a strong effect of leadership and change capability on organizational agility to maintain organizational existence in Zimbabwe. The leadership traits identified ignite change capability, leading to organizational agility in the studied organizations. The factor analysis demonstrated that all factors being analyzed were above a p-value of 0.5, leading to the conclusion that these factors are desirable. As stated by Wadhwa and Rao (2003), the boundaries between flexibility and agility are blurred. The researcher has made a first attempt to develop a questionnaire to assess the importance of domains resulting in organizational agility in the telecommunications business segment. Najrani (2016) wrote, "Organizational agility is the ability to recognize change in the market and allocate resources to take advantage of that change." Organizations can achieve agility by developing change capability and leadership. An organization capable of change takes new knowledge and implements a change plan that takes advantage of these new insights. Flexible resources involve shifting all the organization's employees and resources to achieve the new organizational objectives by capturing new changes and trends in the environment. Change capability cannot be effective if an organization does not possess effective leadership. In the end, applying these tools could help organizations become agile entities and endure over time.

Recommendations

Based on the results, findings, and conclusions, the following recommendations have been deciphered. The study recommends to the management of mobile providers to keep leadership and change capabilities as the key elements of organizational agility.

Research contribution

The study identifies the leadership traits that are important for organizational agility, contributing to the body of knowledge. For economic players (businesses), identifying the relationship between organizational change capability and leadership and organizational agility is significant because it is the key to building and sustaining an agile entity.

Delimitations

The study was limited to Harare, where the main business decisions are made, as this is the location of the headquarters of the companies under study.

Limitations

The study was limited within the parameters of the telecommunications business, as the companies under study are telecommunications mobile network providers. In Zimbabwe, the study was novel, and limitations associated with novelty cannot be undermined.

Further research

It is worth analyzing the external factors determining the level of agility of organizations and suggesting a model that combines internal and external agility factors. Developing a methodology to assess the influence of external factors on the level of organizational agility is important. Additionally, offering an algorithm that enables organizations to move to a higher level of agility, allowing them to adapt more quickly to socio-economic changes in the market, is crucial.

CONFLICT OF INTERESTS

The authors have not declared any conflict of interests.

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