

Adaptive Leadership leads to Organization Innovations through the Serial Mediation of Individuals' Readiness to Change and Affective Commitment to Change

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ABSTRACT

Purpose: Leadership is crucial in ensuring a business achieves its goals and maintains its competitive edge. In contrast, any organization's workforce fears organizational change due to many factors (i.e., personal, organizational, and contextual). The theoretical lens of social schema theory explains that social perceptions and experiences humans have in their brains can be modified through attention, motivation, cognition, and culture. Therefore, the present study draws on the social schema theory in examining the serial explanatory pathways (individuals' readiness to change and affective commitment to change) between adaptive leadership and organizational innovations.

Design/Methodology/Approach: Data for the present study was collected from the manufacturing industry (pharmaceutical and automobile) of major cities of Pakistan. Permanent employees of these two industries participate voluntarily in the data collection survey to give their opinions about different perceptions examined in this study. A sample of 323 permanent employees was tested using the SPSS and Smart-PLS v.4 with PROCESS-macro with a 10000 bias-corrected bootstrapping sample method.

Findings/Results: The present study findings reveal that adaptive leadership positively relates to organizational innovations. Individuals' readiness to change exerted an indirect effect on affective commitment to change via adaptive leadership, whereas affective commitment to change exerted an indirect influence on organizational innovations via individuals' readiness to change. Moreover, the indirect effect of adaptive leadership on organizational innovations was serially mediated by an individual's readiness to change and affective commitment to change.

Practical implications: This research also highlights the fact that when employees sense the benefits from the change process, they demonstrate their affective commitment toward the change, resulting in more organizational innovations. Moreover, this study also explained that motivation and culture of learning and encouragement by the adaptive leaders modify the cognitive level and schemata of employees into higher readiness and affective commitment to change which leads to higher organizational innovations.

Originality/Value: The present study adds knowledge to leadership and change management literature. This study suggests that organizational innovations can be enhanced with the support of adaptive leadership, which indirectly enhances the readiness level and commitment of individuals for the acceptance of change policies which are necessary for success of implementation of change policies.

Keywords: *Adaptive Leadership, Individuals' Readiness to Change, Affective Commitment to Change, Organizational Innovations, Social Schema Theory*