operate on the basis of team and project structures, not all knowledge-intensive organizations can adopt these kinds of solutions. Consequently, the lack of cross-functional integration and the heavy administrative structure are challenges common to many knowledge intensive organizations. In this article it is thus suggested that when facilitating organizational creativity, there are several aspects that organizations can and should take into account.

## ANNA GROMOV

**TIINA BRANDT** 

## Executive summary

This study concentrates on transformational leadership during organizational change. The focus is in finding out if transformational leadership could be adapted during the change process.

According to Kotter (1996), successful change would demand 70–80 % leadership and only 10–30 % management. One of the major reasons behind the failed change processes is the resistance of change (Maurer, 1996). A successful change leader will get members involved in the change process, and with this involvement the change is possible (Brown & Harvey, 2006). Transformational leadership aims at deep change. During the past 20 years several studies indicate many positive effects that transformational leadership has for organizations. These are for example: effectiveness, motivation, wellbeing and job satisfaction. Some earlier studies have indicated that transformational leadership is an important mechanism which impacts on the organizational change. However, only a few studies have connected the transformational leadership and the theories of change and therefore this research focuses more on this subject.

This study uses the Kouzes and Posner's (1987) model of transformational leadership, which includes five dimensions: Visioning, Challenging, Enabling, Modeling and Rewarding. Visioning means setting and communicating future dreams and goals. Challenging means innovative thinking and encouraging others to think in new, innovative ways. Enabling means taking everybody into consideration, and getting the employees to feel that they belong in the organization. Modeling means being a role model for the employees and setting small intermediate stopping points. Finally, rewarding means celebrating in one way or another when the goals are met.

The method of this study is qualitative case study, and nine members of the target organization were interviewed. The informants were working in the sales in the three different dimensions. They were studied in the time when organization was living in a huge organizational change.

The results revealed that better knowledge can be gained about change and its leadership when the theory of transformational leadership is combined with the literature on organizational change. Both the theoretical literature review and the empirical part of the study revealed that transformational leadership can be used during organizational change. The theoretical part stressed three dimensions of transformational leadership, visioning, enabling and modeling, as important elements of change

## EXECUTIVE SUMMARIES

leadership. These same dimensions were stressed also by the empirical part of the study. Challenging and rewarding (dimensions) were not emphasized, but members wished more rewarding behavior during the process of organizational change. The interviewed employees had trust on the leaders of the organization and they were positive towards the change. Partially this positive attitude can be due to transformational leadership style of the change leader. Thus, transformational leadership culture may be preventative to the resistance of change.