# Transformational Leadership in Africa:

# Case Study of Organizational Change in Satram Marine Holding

MR

A paper submitted in partial fulfillment of the requirements for the

EDBA degree at Ponts Business School

Paris, France

November 2020

## Introduction

New leaders have emerged in Africa to answer to the continent's challenges of developing a prosperous and sustainable economy by dealing with competition and globalization and improving overall business performance. However, Moroccan companies, as an emerging example in North Africa, do not rely on traditional ways of leading to respond to the emerging challenges, and are now in need of a new approach (Bensalem & El Mostafa, 2014). Ultimately, companies in Africa and particularly in Morocco should open their leadership to the western experience of transformational leadership to reach their future goals and the overall growth objectives of the government.

Much has been written about the role of transformational leadership and its positive impact on strengthening a corporation's identity, inspiring individuals to better develop themselves, and promoting organizational change (Bass & Avolio, 1994; Li, Lin & Tien, 2015; Sarros & Santora, 2001). While a range of case studies has been completed in developed countries and western corporations, there seem to have been few, if any, research studies conducted on transformational leadership practices and their positive impact on organizational change in African companies.

This case study provided a part of the research void by studying Satram Marine Holding (SMH) S.A, a Moroccan holding that has been through organizational change and its CEO identified as a leader capable of driving the transformation (*Innovant Magazine*, 2019). The method of the research chosen included unstructured interview, observations, consultancy documents about the change strategy, and annual reports provided by SMH.

## Purpose

The purpose of this study is to explore how transformational leadership can be applied in African businesses to promote organizational change. A qualitative approach to gather data from a literature review and through interviews of C-level leaders in a Moroccan holding was used in the study. The recommendations of this study can be used in the future for African companies in similar contexts.

## Case Study Participants

The selection criteria for the case study were based on several elements such as the political stability and emerging economy of Morocco according to a US Department of State (2019) report entitled "2019 Investment Climate Statements". Satram Marine Holding (SMH) is

recognized for its leadership in the region in dredging, producing industrial sand, and engineering services. The holding operates in Morocco, Africa, Latino-America, and Europe. Moreover, since 2014, the company has been through a deep transformation process across all organizational and business levels to position the group as a leader in the region. Furthermore, the African magazine Innovant Magazine (2019) identifies the CEO Dr.Mustapha Aziz as a leader who drives organizational change in the holding, even through tough times.

Satram Marine Holding employs 500 employees with $US80 million turnover (2018), through three subsidiaries:

- Drapor (www.drapor.com) operating in harbor dredging with 400 employees and turnover of $US40 million.
- Rimal (www.rimal.ma) which produces, processes and markets dredged sand with 80 employees and turnover of $US35 million.
- Med Ocean (www.medocean.ma) offering engineering services related to harbors and dredging.

The sample comprised the CEO, four general managers of the three subsidiaries (Drapor, Rimal, and Med Ocean) and the corporate Satram Marine holding entity, and two executive directors (corporate performance and quality management executive director, and the corporate financial executive director). The method used in this study to select participants was purposive because the research learned about a workplace of a transformational leader (CEO) who has the ability to influence subordinates to exert themselves beyond expectations. GMs and executive directors were selected because they were influenced by the CEO, and also, they had acknowledged that their ability inspires others. (See Table 1).

Table 1 Participants Interviewed

| **Full Name** | **Position** | **Areas of specialization** | **Years of experience** | **Highest academic degree** |
|---|---|---|---|---|
| Dr. Aziz Mustapha | CEO | Geopolitics, economics | 50+ | PhD (economics and politics) |
| Mr. Miloud Abudib | GM of corporate group | Marine transportation | 30+ | Bachelor (marine transportation and Executive training in management) |
| Mr. Taoufiq Cheikh | GM, Drapor | Mechanics engineering, maintenance | 25+ | MSc (mechanical engineering) |

| | | | | |
|---|---|---|---|---|
| Mr. Hamid El Gamali | GM, Medocean | geothechnical engineering | 25+ | MSc (geotechnical engineering) |
| Mr. Hassan Ayad | GM, Rimal | corporate management, marine transportation | 25+ | DBA (candidate) |
| Mme Naima Brinette | QHSE,executive director | Quality, Health, Safety, Ensurance | 20+ | MSc (HSE) |
| Mme Fatiha Mounib | Financial executive director | Finance | 20+ | MSc (Finance) |

**Research Questions**

This study sought to answer the following five questions: (1) what are the indicators of organizational change in the case study company (SMH)?; (2) which indicators of change are more effective in promoting change, (3) how is this effectiveness measured?; (4) how is transformational leadership related to organizational change in SMH?; and (5) what model of transformational leadership and organizational change can be developed for use in African companies?

The first embedded unit of analysis is the theoretical framework that will be employed in this study, namely transformational leadership (TL) using Bass and Avolio's (1990) model. The second embedded unit of analysis is the phenomenon of organizational change, following Kotter's (1997) model applied to SMH as an African company.

In answering these questions, this study aims to reveal the main challenges faced by African leaders in managing organizational change, and how they deal with these challenges. Recommendations for leaders of African organizations in the process of change are also provided in this study.

**Research Method**

To address the contribution of qualitative research to embedded case studies, we can distinguish five key components based on a literature review: epistemological and paradigmatic perspectives, embedded case study protocols and architecture, qualitative data collection techniques, data analysis, and synthesis or knowledge integration based on the Brunswikian model (Scholz & Tietje, 2002; Yin, 2004).

According to the Brunswikian Lens Model (see Figure 1), two processes affect operations within the lens framework: one on the left side of the lens which is due to the informational assemblage, and one on the right side, namely, effects caused by the imprecision of information

transmitted. Within the case study framework, Brunswik affirmed that efforts towards data gathering should be increased and he warned to be cautious about the effects of the environment on interpretations in case analysis (Scholz & Tietje, 2002).

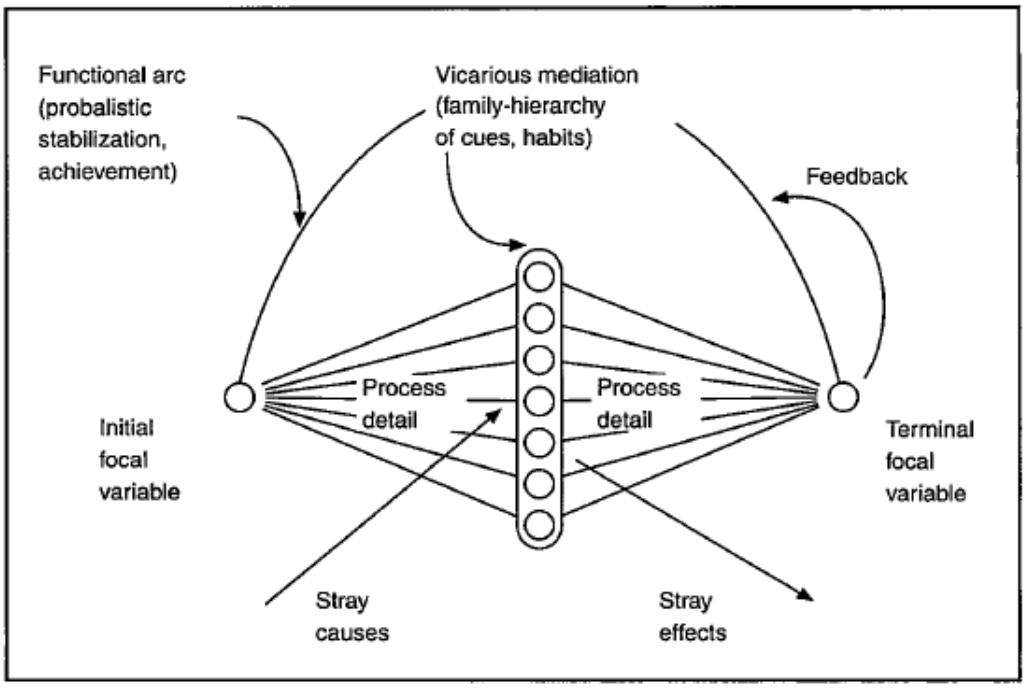



**Figure 1 The Brunswikian Lens Model (Brunswik, 1950)**

Brunswik's (1950) model assumes that the decision-maker, before making his/her choice, has to collect sets of information that will serve as cues, which can support his/her judgments, decisions or predictions. These cues drawn from the environment will be perceived as representing the reality. The question is whether a decision-making process based on a structured model will lead to better decisions than an unstructured approach, where all of the decision-maker's preferences can influence his or her judgment. Moreover, the model shows that the decision maker, being separated from the event under study by time and space, is at odds with a range of overlapping cues that imperfectly reflect the environment.

According to Scholz and Tietje (2002), Brunswik's model (1950) is a prototype of synthesis as used in case studies. Brunswik requested that in-depth analysis of the environment should be undertaken, which is considered the initial focal variable. This analysis should be performed in at least the same depth as the analysis of the organism:

> Both organism and environment will have to be seen as systems. Each with properties of its own . . . Each has surface and depth, or overt and covert regions . . . It follows that, as much as psychology must be concerned with the texture of the organism or of

> its nervous properties and investigate them in depth, it must also be concerned with the texture of the environment (Brunswik, 1950, p. 5).

According to this model, the data-gathering process should be more multifaceted, which will result in more robust understanding and results (Scholz & Tietje, 2002). In this sense, Yin (2004) suggested that the case study should follow a protocol, which includes an overview of the case study project, field procedures, case study questions, and a guide or outline for the case study report.

The model used for this case study is the Transformation Leadership Model. Bass and Avolio (1990) defined the main characteristics of transformational leaders as consisting of "Four Is:"

- **Individualized consideration**: where a leader should develop each follower to get the best value for the organization
- **Intellectual stimulation**: a process used to arouse high awareness in individuals by encouraging problem solving and innovation to address company challenges
- **Inspirational motivation**: where a leader sets a vision and assists followers to believe in it
- **Idealized influence (charisma):** setting the example and developing self-led followers.

For this study, unstructured interviews will be conducted with the CEO and general managers of the three subsidiaries to explore transformational leadership and its relationship to organizational change, then produce recommendations specific to the African context. The research questions will be addressed based on the data collected and its analysis. The use and relevance of the Multifactor Leadership Questionnaire (MLQ) as a foundation tool for the interviews will be discussed.

**Research Background**

In 2015, SMH lost its founder Mr Jakhoukh that let the holding in a difficult situation. Fortunately, the succession was already prepared and Dr Aziz took after him after being approved by the executive board. Since 2015, the new vision came up with a new strategy that aims for the creation of three subsidiaries. Drapor thus becomes a subsidiary that operate in its areas of dredging activity, Rimal is responsible for the production, processing and marketing of sea sand, and Médocéan specializes in marine studies and engineering.

SMH has started its transformation process since 2015 with an investment program of 80$ million to renew its fleets and plants, which created 2,500 jobs, including 500 direct jobs. This has led to a redefinition of its strategic objectives and to a new organization focused on business and expertise. “The new organization aims to give responsibility and autonomy to each subsidiary. By focusing on the commercial operations, there is a better understanding of the market and a better care of the expectations of the customers ", indicated Dr. Aziz.

As a result, the top management of each subsidiary is called upon to make its projects profitable, generate savings and rationalize its expenses and, in doing so, reduce its production costs to reach a competitive level. A management board will however be responsible for monitoring the performance of each subsidiary and reporting information to the Group level. The CEO mentioned, “This transformation process required a colossal work of more than 6 months, carried out by a whole team accompanied by a consultancy firm”.

Data show that the company contracted a consultancy firm in 2015 to elaborate a transformation plan to position the holding as a leader in Morocco and Africa. During the interview with the CEO, he mentioned, “If we want to reach the new vision from being the Moroccan leader to be a major a player in the African market, there will still be a lot of changes in the organization”. He added:” . . . People were waiting for a long time for a change . . . . People wanted to change, we should communicate well, and we should give them a plan, a vision, a project. They were waiting for one thing only, to have the spark”

**Organizational Change**

According to Sheppard et al. (2013) and Wang et al. (2011), due to globalization, organizations nowadays are dealing with unpredictable shifting external and internal issues such as huge customer demands, constantly changing markets, talent management problems, and organizational structural adaptations. Thus, adapting and coping with organizational changes in turbulent and uncertain international environments should be top priorities for today’s leaders (Afegbua & Adejuwon, 2012; Bledow et al., 2011; Kabasakal et al., 2012; Lloyd-Walker & Walker, 2011; Masango, 2002; Sheppard et al., 2013).

Organizational change explains the movement of an organization from the current (known) state to the desired (unknown) future state. Additionally, Burnes (2004) identified organizational change as a feature of organizational life for strategic and operational outcomes. Subsequently, according to Hussain et al. (2016), necessary actions are needed to motivate employees to implement and succeed in organizational change.

Hussain et al. (2016) asserted that Lewin's model (1947) had been initiated through three steps, namely unfreezing, changing and refreezing, so employees are being involved and instructed by leaders regarding the issues related to the change process. Burke (2008) and Whelan-Berry et al. (2003) emphasized the importance of leadership before launching each phase of change. Moreover, Durand and Calori (2006) stated the high importance of the ethics of leadership in the change process, particularly for employees.

Kotter (1997) synthesized his research to help transform businesses or help them carry out targeted changes on an ad hoc basis. The idea is based on a holistic approach to organization rather than working in a fragmented approach.

His process is based on eight steps:

1) Create the emergency this first step acts as a trigger where you have to create a sense of urgency, even to dramatize the situation.
2) Form a powerful 'coalition': This step is about building a strong and influential team around the project and establishing real leadership to train your employees towards new practices.
3) Create a vision of the future state: Explain the future based on values and tangible actions to give meaning to the transformation.
4) Communicate the vision: The communication of the vision is not limited to a formal presentation to all collaborators concerned, but must be part of day-to-day business, at every opportunity, with also a reminder of the need to change.
5) Encourage action and lower obstacles: Involve collaborators in the whole process of change and help them set the goals correctly. Furthermore, managing well all stakeholders is a very important point for achieving sustainable transformation.
6) Generate quick wins: Elaborate and achieve intermediate goals to avoid discouragement of collaborators
7) Capitalize success for more change: generalizing a solution in the organization can reveal new obstacles to change by relying on continuous improvement.
8) Anchoring change in the corporate culture: Since change is a transitory state to arrive at new practices, the ultimate step is to integrate the projected final state that has become reality in culture.

Research on organizational change has found that when managers are competent and adopt a participative and informative approach, a positive reaction towards change is created (Oreg et al., 2011). Thus, managers act as change agents and facilitate organizational change

success, influencing followers to embrace change. In order to create a positive appraisal of change by individuals, researchers have investigated the role of change engagement and leadership style. To deal with organizational change, an appropriate leadership style is transformational leadership (Bass and Riggio, 2006; Eisenbach et al., 1999). According to Skakon et al. (2010), the behavior of management affects the wellbeing of followers. This impact is of immense value, which often leads to bringing change in the organization, and here the leaders act as the drivers of change in their organization (Kieselbach et al., 2009).

## Indicators of Success for Organizational Change

### *Organizational learning*

Within a competitive and constantly changing business environment, knowledge plays a significant role for many organizations. In the era of modern management, organizational learning has been recommended to be used as a strategic tool to stabilize performance and to provide companies with a competitive edge over business rivals. In trying to acquire constant production and development levels, the managers of today have found that organizations cannot only rely on financial and technological resources, and need to search for developments in human thought. Organizational science is seen as the strategic property that should be managed in such a manner that it helps in enhancing the performance of the organization (Saadat & Saadat, 2016).

Organizational learning is a concept that includes modified behavior and new insights. However, this concept is different in many aspects to individual learning. The process of organizational learning takes place through shared knowledge, insights and mental modes. Thus, the learning process of the whole organization depends on the learning speed of the slowest links. Until all managers and decision makers come to learn together, share common beliefs and goals, and are committed to acting as per the requirement and need for change, change will be blocked. In addition to this, learning is built on experience, and knowledge is based on memory. Organizational memory relies upon the mechanisms of the organization, which include the strategies and policies used to retain learning. Along with this, organizations also rely on the knowledge and memory of individuals (Stata, 1989). However, organizations that only rely on individuals create a risk of losing hard-won lessons as people might switch jobs. The challenge for the organization then is to find new tools for management and new ways in which organizational learning can be enhanced, in order to retain employees and facilitate change.

## Resistance to change

Nowadays organizational change is necessary for an evolving environment of incessant competitiveness in international markets, globalization, and rapid changes. Organizations need to react to such changes by participating in the change management process. Resistance to change is one of the many obstacles faced by the organization when moving towards achieving company goals and outcomes. According to Chou (2014), this situation creates fear, uncertainty, and doubt for employees who may become skeptical about change and concerned about its outcomes during organizational change. From an organization's perspective, resistance is understood as a refusal to participate or comply with something, which is an initiative of change (Appelbaum et al., 2015).

Resistance to change prevents the mobilization needed for successful organizational change. The extent of the resistance varies from high to low, and on the effect of the change on working conditions, and on behavior and culture. Identifying resistance is a major challenge for the leader of organizational change. Change and resistance are directly proportional to one another, i.e., the higher the resistance, the more difficult will it be to implement change. Resistance can more likely be considered as an opportunity to improve and as a feedback tool for monitoring and correcting any discrepancies between the actual and perceived results of change management (Steven et al., 2015). The initial step to overcome behaviors is to identify the relevant causes of resistance. For example, anxiety is a key factor in resisting change, which may vary depending on the degree of change and its impact on the culture. According to Appelbaum et al. (2015), participative activities can be promoted by the reduction of anxiety.

### *Self-efficacy*

According to Chou (2014, p.53), self-efficacy is defined as "the extent to which an individual believes him/herself to be capable of successfully performing a specific behavior or task and enables him/her to integrate cognitive, social, emotional and behavioral sub-skills, in order to accomplish a particular objective". He stated that the belief of individuals in their own efficacy "influences the level of effort they will sustain on a given task and how positively or negatively they think when coping with change."

Moreover, it is commonly known that transformational leaders can persuade employees to produce more than is expected. Accordingly, a transformational leader helps employees to feel confident to cope with different challenges in organizations, which in turn improves their self-efficacy. Consequently, the research of Chou (2014) assumes that there is a direct positive relationship between transformational leadership and self- efficacy.

### *Employee Involvement*

In the continuously competitive business environment, change is an essential element. Various theories of change emphasize the efficiency of modification processes in organizations. Lewin's (1947) model for change discusses the leadership initiatives and implementation process for change in businesses (Hussain et al. 2016).

The involvement of employees in an organization has been explained as a concept, which seeks to increase individual inputs into decisions affecting employee wellbeing and performance. Four elements can promote employee or worker involvement in an organization. These include Information, Power, Skill, and Knowledge. Employee involvement is the most effective and oldest technique in overcoming resistance in any organization and in implementing the change process. The participating employees will contribute to a quality change process and prevail over the resistance. When employee involvement increases, there are new ideas and information generated which contribute to innovation and increase the chances of employees accepting change in the organization. The managers in an organization are responsible for encouraging employee involvement to bring about change in the business. Hussain et al. (2016) state that in order to stimulate the process of change, it is the responsibility of the leaders to educate, communicate, support and give employees incentives to participate in the change process and increase their involvement. The transparency of the leaders during a change process enhances and reaffirms the trust of employee participation in the organizational change process. A better sense of control is achieved when employees are allowed to give suggestions and share their views (Hussain et al. 2016). As a final point, employee involvement is the indicator of success in this case study, and will be explored through interviews with the participants, and through an analysis of company documents.

### Transformational Leadership and Organizational Change

The concept of transformational leadership involves developing individuals to their fullest potential and encouraging them to work for the greater good in a value-based system, and care less about their self-interest (Mary, 2005; Smith, 2011). This style of transformational leadership focuses on areas that require change, and inspires and guides followers as they deal with change (Smith, 2011).

During the last few decades, studies have demonstrated the commonly held idea that leadership is one of the catalysts of organizational success. Transformational leadership has had an impact at the organizational level by creating a vision and aligning the entire organization to accomplish it, and also at the individual level by making followers achieve better and beyond

the expectations of leadership (Avolio, Waldman, & Yamarino, 1991; Bass, 1999; Chou, 2014; Smith, 2011). Borkowski (2013) has stated that transformational leadership helps in successfully changing the culture of an organization, to achieve their goals and meet demands by creating a system-wide alignment of company strategies. Moreover, Bass and Avolio (1994) stated that leaders of organizations should be ready to deal with change, and they suggest that the focus will be on the development of transformational leaders who respond to change positively, as well as leaders who actively create change.

According to Boehm et al. (2015), in western companies the CEO plays a major role in strengthening the performance of employees. CEOs act as inspiring leaders of the firm, they have a significant impact on the company, and they decide on which leadership styles and behaviors are needed in the organization. The values, vision, and missions are all communicated by the CEOs both internally and externally. They have the authority and ability to alter the perception of the organization and its members (Boehm, Dwertmann, Bruch, & Shamir, 2015). Furthermore, transformational leaders inspire individuals, encourage intellectual stimulation and have charisma, which generates faith, pride, and respect in leaders. By communicating high expectations, transformational leaders motivate their employees and encourage them to perform better (Boehm et al., 2015; Ramsay et al., 2017; Sarros et al., 2008).

As has been stated before, transformational leadership is the main leadership theory that emphasizes organizational change (Bass and Riggio, 2006; Eisenbach et al., 1999; Hussain et al., 2016; Lo et al., 2010; Liu, 2010). Hartog et al. (1997:20) and Hussain et al. (2016:4) underlined how transformational leadership can ultimately transform the organization by creating new visions, generally seen as a crucial first step in the implementation of planned change (Galperin, Kanter, Stein, & Jick, 1993; Kotter, 1997), and mobilizing commitment from employees and different stakeholders to gain support across the organization for successful organizational change implementation (Abrell-Vogel & Rowold, 2014; Battilana et al., 2010). During change, transformational leadership enhance followers' commitment, and their self-efficacy, and empowers them to embrace change. Moreover, transformational leadership has a positive impact on long term change outcomes and promotes the implementation of change, by providing intellectual stimulation through the formulation of challenging objectives and the stimulation of new ways of thinking (Eisenbach et al., 1999; Hussain et al., 2016; Lo et al., 2010,). Moreover, Higgs and Rowland (2011:329) have noted parallels between idealized influence and inspirational motivation provided by transformational leaders, and the behaviors

of leaders in the implementation of planned change, such as envisioning a future state, role modeling, and giving individual attention to employees (Gill, 2002; Higgs & Rowland, 2011).

Also, transformational leadership develops a feeling of care about employees, the organization's welfare, and its objectives to promote change (Lo et al., 2010). Furthermore, Chou (2014) asserted that employees via transformational leadership have positive perceptions and the motivation to support organizational change. Morgan and Zeffane (2003) conducted a study in which they stated that leaders use certain practices regarding change, such as asking employees for their opinions, which positively affects the organization. According to Sheppard et al. (2013), leaders who adopt the transformational leadership style have an encouraging behavior (e.g., supporting and appreciating them with the tasks), and use motivating language with their employees to promote effectiveness in work and increase productivity. Positive feelings are generated in employees when they have an active role in organizational change, which enhances the chances of employees getting used to and accepting change in the organization.

Particular qualities are needed for a leader to initiate change. Studies support the concept that transformational leadership is better for situations that are non-routine. It has also been stated in recent research that the idea of adapting the transformational leadership style rather than focusing on the efficiency of it will prove to be more beneficial for a company, and in achieving the goals of the company. The status quo in the organization can be altered by charismatic, visionary and transformational leaders showing and adopting particular behaviors in certain situations where needed to contribute in the change process. An exciting vision is needed for the organization when leaders realize it is time for the company to bring in and accept organizational change (Eisenbach et al., 1999; İşcan et al., 2014). Apart from employee contribution, leaders can also contribute in the process and implementation of change by providing intellectual stimulation.

**Transformational Leadership and Organizational Change in Africa**

Olalere (2018) stated that contemporary literature began to examine leadership from the contextual approach and how the environment influences leadership, rather than the traditional individual-focused approach. Other scholars have adopted this "contextualization" of leadership under investigation recently, especially concerning research on other countries like Africa (Ford & Lituchy, 2013).

Wanasika et al. (2011) provide data on leadership in Africa from the massive GLOBE project. The report on leadership in Sub Saharan Africa (SSA) represents Namibia, Zambia,

Nigeria, Zimbabwe, and South Africa. They concluded that there are two streams of findings: the first one is the leader who uses his power and legacy to accomplish his objectives, and the other type of leader is the communal, or the servant leader, who leads for the good of others. The findings of the study showed that the dimensions of charismatic/value-based leadership were strongly endorsed by the SSA countries, which are often exhibited by African leaders. Also, team-oriented leadership was also recognized by the SSA countries, and the authors stated that is part of African tribal leadership (Wanasika et al., 2011).

Kabasakal et al. (2012) conducted a quantitative study in the Middle East and North Africa focusing on leadership and culture, and found that leadership attributes differ in each country. In North Africa, participative leadership is the most important attribute, whereas humane leadership is considered a negative characteristic of leaders, which differs from the western perspective of leadership (Galperin et al., 1993). Moreover, these studies suggest that effective leadership in African organizations may be different from that found in a Western context. The studies also suggest that some behavior considered ineffective in Western countries could, in fact, be effective and desired in the African context.

## Findings

### Indicators of organizational change in the case study

Discussions to date have centered on different models for organizational change, but there is no indicators of success or practical change measurement that fits all organizations. The IBM Institute of Business Value study (2014) which examines success factors for the enterprises of the future singled out the management of change as being critical along with measurements for understanding change management effectiveness. In this context, the use of perceptual data to measure behavioral practices (Raineri, 2011), organizational change processes (Holt et al., 2007) and organizational results (Raineri, 2011), has become a frequent measurement method in literature.

In line with Lewin's model of change and according to Hiatt (2006), it is necessary to check if the changes are well implemented in the organization and are aligned with the global vision and strategy. To do this, it was necessary for SMH to define and design measurements for the change implemented in an effort to manage, lead, and improve. Moreover, SMH was gathering feedbacks on the implementation of a change from employees by surveys to see how effective it has been by measuring the change efforts and actions which gives an indication of what works well and what does not.

This resulted in the creation of scorecard of change developed by SMH's transformation team; which a diagnostic and tracking tool used to assess SMH's performance regarding change implementation. The SMH scorecard addresses the crucial areas defined by the bottom-up approach such as decision-making processes, organizational structure, communication, client satisfaction, human capabilities, operations processes, and culture. Through each of the strategic areas of the scorecard, top management can lead their teams towards the new state of change. By identifying where there are weaknesses, SMH's executives can address these positively and improve to attain success.

The organizational change indicators of SMH are in the area of employee involvement, and client satisfaction, and some key performance indicators not covered in this case study. First indicator is the employee involvement, which is the most important in any organizational change, as it affects directly the employees and its success depends upon. It shows how SMH's employees understand the change and how they are involved in the journey.

The second indicator is client satisfaction indicator, which is necessary for sustaining the business, and help to improve continuously the customer-service provider relationship. Any change on the organization will have an indirect impact on the service provided to clients, so SMH is aware of the importance of this indicator to lead better the change, avoid any client claims, and run well the business.

SMH used the insights from that survey to ensure readiness for the change plan and to track the progress of change's execution to improve continually the process. From the exhaustive data and within short time, the indicators provided gave SMH a much more targeted analysis for their plan, and enabled them to act quickly and make any necessary improvements. By anticipating the most significant bottlenecks and issues in change, once the plan of change was ongoing, the business accelerated through it with a great ease.

Additionally, SMH's introduction of organizational change involves changing work methods, which requires the company to acquire new skills. To this end, interviews with different participants confirmed that the company also relies on professional training as a reinforcement catalyst to SMH's change strategy. According to the executive director of QHSE:" training is one of the best tools of satisfying the needs for qualified personnel, as well as enhancing and developing the human resources to reinforce changes across the organization". In the same direction the executive financial director added: "Training is a factor of adjustment, adaptation and also a factor of social regulation, everything that allows employees to understand the choice of such or such strategy by SMH that facilitates change".

**Effectiveness of indicators of organizational change and its measurement**

According to Hussain et al. (2016), employees have a critical role to play in the success of the change since any organizational change is operationalized and institutionalized through them. Their commitment to change makes them invest the required effort to make it effective.

Based on data from the interviewees, employee involvement is the most effective indicator for organizational change in SMH**;** it is by listening to their requirements and needs that the best information can be gathered on what needs to be changed in the process.

SMH is using surveys periodically to measure employee involvement with the change, and specifically the degree to which employee is satisfied with areas defined by SMH's change team. The indicator enables identify where actions and decisions applied have had a positive or negative impact and identify areas for further improvement. This indicator comprises many areas such as:

- Employee involvement with corporate communication (vision, strategy, change plan…)
- Employee involvement with ad-hoc communication within department
- Employee's attitudes towards change

In SMH, employee involvement is a priority for change success, as confirmed by the CEO, "the best example is the creation of the Participation Committee in May 2015, whose mission is the representation of all employees to find solutions for the issues encountered, and involve more all employees in the decision-making process of our change strategy". In addition, the committee also manages the various social and cultural activities to ensure a better social climate and a sense of belonging to the holding. Furthermore, the GM of Rimal asserted, "All members of the change team should have the same level of information, everyone should know the skills and abilities of others and the management has to share with employees all the information available about any situation especially at time of change. This is the best way to establish a relationship of trust."

Moreover, SMH was informing its employees at all levels and giving them more explanation on any changes. "The essential conditions for successful change: we must prepare, involve everyone from the lowest to highest level. Accompanying resources to avoid resistance, and explain the reasons to involve employees, to develop visions and gain commitment towards a common goal." As said GM of Drapor. Otherwise, workers express their resistance in various forms individually or in teams, this is explained by the work habits, the fear of losing their benefits and the unknown. The resistance is a healthy step that aims to defend an external

intrusion perceived as a possible threat to stability. They may feel threatened in several ways: dismissal, accident, illness, a disability, loss of a loved one.

However, the resistance of individuals, likely to cause barriers and obstruct the implementation of a successful organizational change. Consequently, The SMH holding has put in place practices to prevent this resistance in order to achieve its change objectives and ensure the well -being of individuals. One of the GMs interviewed can see that "resistance arises due to factors inherent in the process of change and individual perceptions of the consequences of change. Such factors include: the inability to know the future, the difficulty existing in the transition between the current and proposed state, the difficulty in dealing with new and complex conditions . . . ".

With the aim of preparing employees for change, so that their learning time is as short as possible and so that the effects of change will be felt as soon as possible, SMH used different tools and means such as communication, training, workshops, and team buildings. In this context, the GM of Medocean stated: "Communication is an important mean that makes the transformation project understood by all SMH employees and this through the use of various communication tools. This communication lever has enabled the company to get staff to embrace the change project and to allow a good flow of information, and the establishment of a reliable communication system".

**Transformational leadership related to organizational change in the case study**

The top management of SMH is using transformational leadership model to make followers feel valued and comfortable with change to fulfill their job at ease, and be more involved in the whole process to own the change in the long term. Furthermore, the CEO and the executives applied the 4I's model of transformational leadership to succeed organizational change and to attain strategic objectives of the holding.

According to Bass (1990), idealized influence or charisma is when the leader sets the example or the model role, influence employee's beliefs to achieve a mission, and develops self-led followers. This comes by establishing a vision, anchoring loyalty, and developing the sense of belonging and ownership. All the participants confirmed that most of their followers are proud to collaborate because there is a relationship of trust and high ethics. In facts, SMH's employees believe in them and are convinced of the organizational change and the completely new strategy of the holding. In this sense, GM of Rimal stated about the new CEO:" He is a very charismatic and visionary leader and we all believed that he is the one who can lead the holding to success

and help us grow". Moreover, he added:" A factor that has been favorable to change is the will to change that came from the top, the CEO, a strong transformational leader for whom nothing is impossible. Before him, the change had been made with thirty-six thousand constraints and he swept everything and said, it is possible, we do it, and we did it!"

Bass (1990) confirmed that inspirational motivation is to involve all employees in a vision set by the leader by motivating them, showing optimism, and enhancing the organization capability to achieve it. The interviewed executives emphasized on the role of transformational leadership to involve and motivate employees during the time of change. They confirmed that at first some employees showed some resistance, so for them, motivation has become a central concern during the time of change, being motivated at SMH is to have a mission, make an effort to reach and endure until the objective is attained". For SMH motivation is to find ways to motivate employees at individual level or in teams. However, employee motivation is not a sufficient condition to ensure the competitiveness and sustainability of the company; it is a catalyst of performance among others.

Intellectual stimulation refers to the capability of employees to solve issues encountered during "business as usual" and especially during the time of change. It defines the leader posture to influence followers to be innovative about the problems of the organization. (Bass & Avolio, 1994). In this context, the CEO and executives always ask employees during the participation committee meetings to share their new ideas for problems regarding the holding operations and SMH's change plan. Even though it was very difficult at the beginning to share openly their thoughts, executives were trying by time to involve them more, and show a lot of respect to their opinions in order to encourage them share and talk.

According to Bass (1990), individual consideration where a leader should show particular interest to followers, develop them, and meet their needs to get the best value for the organization. This dimension includes listening to followers, delegating some decisions, and developing their potential. For this, based on our findings, this component of the transformational leadership model did not appear enough in the interviews, different exchanges with the executives, and the company data.

**Transformational leadership and organizational change developed for African companies**

In the African context, the GMs of SMH asserted that Africa is unique. Its problems are unique. Administrative and management systems remain poorly applied, poorly organized and not autonomous enough to function in the service of the private sector. Added to this, the bad

governance and a lack of transparency. Furthermore, They added that in Africa, leadership is characterized not only by the astonishing absence of a vision for the future but also by the uncertainty as a whole system. They shed light the development recently seen in Asian countries as a good illustration of the importance of visionary and transformational leadership, which overcomes challenges and transform the economies for the best.

For the CEO:" unfortunately, leadership cannot be provided from the outside. It is a capacity that must be developed within the continent by involving Africans in the diaspora. It conditions the appropriation of the development process and determines the role and rules of institutions and organizations. The leadership of the countries of the North is not always applicable in Africa. Certainly, the transformational leadership is the most suitable style for African companies willing to change for a better growth. Even though Africa still need to develop its leadership to influence not only the development of our continent but also to have a voice at the world level." At the same, the CEO mentioned the example of Rwanda as an emerging economy that is successful for many Africans: "I want to cite as an example, the President of Rwanda, Paul Kagame, who was successfully able to combine African leadership with the principles and best practices of the Western world."

Finally, according to CEO:" the leader must have a vision and the courage to implement it in an inclusive manner. Today everything is transparent and everything is going fast. This is why the leader must be determined in achieving his or her ambitions, carrying values and loving people. He or she cannot ignore the future of the people he or she works with, and must today develop the emotional intelligence in the same way as the technical competencies."

**Theoretical implications**

The proposed conceptual model of this study contributes to the organizational change management and transformational leadership literature in Africa in several ways.

First, this paper addresses the gap in the literature and recommends the inclusion of transformational leadership as an enabler for success in organizational change in African companies. Whereas prior studies focus on general leadership, this study proposes that importance should be given to the transformational leadership as a main style and model to be used to motivate employees as well as foster change success in the context of organizational change. Additionally, this research makes a novel contribution by proposing a transformational leadership model to be used in African companies based on Kotter's model of change. Based on our finding and the literature review, this study proposes employee involvement indicator

and client satisfaction indicator as main success indicators for organizational change in African companies.

Finally, this research proposes a research contribution for African countries such as Morocco, where literature is very rare in the field organizational change and transformational leadership. The present study may help organizations in Morocco and Africa to succeed their change strategies with transformational leadership as well as contribute in the area of African leadership and change management academic research.

**Practical implications**

Our study has several outcomes for leaders, managers, and practitioners who are involved in a direct or indirect way in designing and leading organizational change in Morocco and Africa.

Even though western scholars develop the notion of transformational leadership, this study proposes that transformational leadership helps Moroccan and African organizations succeed their organizational change. The model and style of transformational leadership are suitable for the context of business organizations in Morocco and Africa.

In future, African organizations may offer training programs, organize change workshops, and team buildings to develop transformational leadership behaviors among the managers of the organizations.

Finally, the findings of this study suggest that transformational leadership plays a crucial role for succeeding change in Moroccan organizations. Therefore, change practitioners should elaborate realistic change strategy properly aligned with the organizations' capabilities, competencies, and resources in the context of organizational change to succeed organizational change effectively.

**Limitations and future research**

This study has some limitations regarding the research design, the sample, and the findings. A qualitative approach might not provide sufficient objective data to answer the research questions. Interviewing a sample size of CEOs and executives limits the possible insights gained, and only partially addresses the research questions. The findings and results cannot be generalized for African companies due to the focus on only one business, and that one researcher may constitute data collection bias.

Finally, we suggest that a future quantitative research based on the Multifactor Leadership Questionnaire (MLQ) should be conducted to elaborate more on our findings and build the practical framework for Moroccan and African companies.

## Conclusion

Our research study confirmed partially the effect of the transformational leadership in succeeding organizational change in the Satram Marine Holding. It has enabled us to understand the phenomenon of change and explore transformational leadership style in a Moroccan, and an African context. This study allowed us to observe that organizational change has various objectives and challenges for the company. Additionally, it has many triggering factors, which are multiple; we distinguish external factors such as the market and the competition, and internal factors such as the growth of the company and the vision of the leader. In the lens of Brunswick model, the top management of the holding was doing its best to lead the change pro-actively by taking into consideration all events and constraints of the market and the Moroccan ecosystem. However, its penetration to the African market was faced by the complexities of doing business in Africa, and the limitation of the financial capabilities. Furthermore, the present study acknowledged that Moroccan top managers and leaders in their change plans are challenged by many obstacles related to the cultural context of doing business in Africa (e.g., corruption, bureaucracy), and the limited knowledge in change practices.

## References


Abrell-Vogel, C., & Rowold, J. (2014). Leaders' commitment to change and their effectiveness in change: A multilevel investigation. *Journal of Organizational Change Management, 27*(6), 900-921. doi: 10.1108/jocm-07-2012-0111

Afegbua, S., & Adejuwon, K. (2012). *The challenges of leadership and governance in Africa*. Retrieved from http://hrmars.com/admin/pics/1105.pdf

Appelbaum, S., Degbe, M., MacDonald, O., & Nguyen Quang, T. (2015). Organizational outcomes of leadership style and resistance to change (Part One). *Industrial and Commercial Training, 47*(2), 73-80. doi: 10.1108/ict-07-2013-0044

Avolio, B. J., Waldman, D. A., & Yammarino, F. J. (1991). Leading in the 1990s: The Four I′s of transformational leadership. *Journal of European Industrial Training, 15*(4). doi:10.1108/03090599110143366

Bass, B. (1999). Two Decades of Research and Development in Transformational Leadership. *European Journal of Work And Organizational Psychology, 8*(1), 9-32. doi: 10.1080/135943299398410

Bass, B.M. & Avolio, B.J. (1990). Developing transformational leadership: 1992 and beyond. *Journal of European Industrial Training*, 14:5:

Bass, B.M. & Avolio, B.J. (1994). Improving organizational effectiveness through transformational leadership. Thousand Oaks, CA: Sage. Bensalem, A. & El Mostafa, B. (2014). Le leadership dans les organisations Marocaines [Leadership in Moroccan organizations], le livre blanc de HEM. Retrieved from http://hem.ac.ma/Livre_Blanc/Le_livre_blanc_du%20leadership.pdf

Bass, B. M., & Riggio, R. E. (2006). Transformational leadership (2nd ed.). NJ: Lawrence Erlbaum.

Battilana, J., Gilmartin, M., Sengul, M., Pache, A., & Alexander, J. (2010). Leadership competencies for implementing planned organizational change. *The Leadership Quarterly*, *21*(3), 422-438. doi: 10.1016/j.leaqua.2010.03.007

Bensalem, A., & El Mostafa, B., (2014). Le leadership dans les organisations Marocaines [Leadership in Moroccan organizations], le livre blanc de HEM. Retrieved from http://hem.ac.ma/Livre_Blanc/Le_livre_blanc_du%20leadership.pdf

Bledow, R., Frese, M., Mueller, M. (2011), Ambidextrous leadership for innovation: the influence of culture, in William H. Mobley, Ming Li, Ying Wang (ed.*) Advances in global leadership* (Advances in Global Leadership, Volume 6). UK: Emerald Group Publishing, 41 – 69.

Boehm, S. A., Dwertmann, D. J., Bruch, & H., Shamir, B. (2015). The missing link? Investigating organizational identity strength and transformational leadership climate as mechanisms that connect CEO charisma with firm performance. *The Leadership Quarterly*, (26)2, 156-171.

Borkowski, N. (2013). *Transformational ladership for organizational change*. CPA. Retrieved from:https://www.google.com.pk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=5&cad=rja&uact=8&ved=0ahUKEwjuu7nzg9nXAhWELcAKHd2TAagQFghEMAQ&url=https%3A%2F%2Fbusiness.fiu.edu%2Fpdf%2Fprintfebruary2013%2Ftransformational-leadership.pdf&usg=AOvVaw1y-j73fnJMvhJTySpa0zkJ

Brunswik, E. (1950). *The conceptual framework of psychology*. Chicago: University of Chicago Press.

Brunswik E. (1952). *The conceptual framework of psychology*. Chicago: University of Chicago Press:

Burke, W. (2008). *Organization change: Theory and practice* (2nd ed.). London: Sage.

Burnes, B. (2004). *Managing change: A strategic approach to organizational dynamics* (4th ed.). Harlow: Prentice Hall

Chou, P. (2014). Does transformational leadership matter during organizational change? *European Journal of Sustainable Development*, *3*(3), 49-62. doi: 10.14207/ejsd.2014.v3n3p49

Durand, R., & Calori, R. (2006). Sameness, otherness? Enriching organizational change theories with philosophical considerations on the same and the other. *Academy of Management Review*, *31*(1), 93-114. doi: 10.5465/amr.2006.19379626

Eisenbach, R., Watson, K., Pillai, R., (1999), Transformational leadership in the context of organizational change. *Journal of Organizational Change Management*, 12, 2, 80 – 89

Ford, D., & Lituchy, T. (2013). Leadership Effectiveness and Motivation in Africa and the African Diaspora (LEAD). *Academy of Management Proceedings*, *2013*(1), 14357. doi: 10.5465/ambpp.2013.14357symposium

Galperin W., R., Kanter, R., Stein, B., & Jick, T. (1993). The challenge of organizational change: How companies experience it and leaders guide it. *Contemporary Sociology*, *22*(5), 718. doi: 10.2307/2074647

Gill, R. (2002). Towards an integrative theory of leadership. Paper presented at the Workshop on Leadership Research, European Institute for Advanced Studies in Management, Oxford, 16th–17th December.

Hartog, D. N., Van Muijen, J. J., & Koopman, P. L. (1997). Transactional versus transformational leadership: An analysis of the MLQ. *Journal of Occupational and Organizational Psychology*, 70(1), 19–34.

Higgs, M. J., & Rowland, D. (2011). What does it take to implement change successfully? A study of the behaviors of successful change leaders. *Journal of Applied Behavioral Science*, 47(3), 309–335.

Hussain, S., Lei, S., Akram, T., Haider, M., Hussain, S., & Ali, M. (2018). Kurt Lewin's change model: A critical review of the role of leadership and employee involvement in organizational change. *Journal of Innovation & Knowledge*, *3*(3), 123-127. doi: 10.1016/j.jik.2016.07.002

IBM Institute of Business Value. (2014). *Making change work …while the work keeps changing*. IBM Corporation. Retrieved from: https://www.ibm.com/downloads/cas/WA3NR3NM

Interview: Docteur Mustapha Aziz, CEO of Satrammarine Group. (2019). *Innovant Magazine*. Retrieved from https://www.innovantmagazine.ma/interview-docteur-mustapha-aziz-pdg-du-groupe-satrammarine/

İşcan, Ö., Ersarı, G., & Naktiyok, A. (2014). Effect of leadership style on perceived organizational performance and innovation: The role of transformational leadership beyond the impact of transactional leadership – An application among Turkish SME's. *Procedia - Social and Behavioral Sciences*, *150*, 881-889. doi: 10.1016/j.sbspro.2014.09.097

Kabasakal, H., Dastmalchian, A., Karacay, G., & Bayraktar, S. (2012). Leadership and culture in the MENA region: An analysis of the GLOBE project. *Journal of World Business*, *47*(4), 519-529. doi: 10.1016/j.jwb.2012.01.005

Kotter, J. (1997). Leading change: A conversation with John P. Kotter. *Strategy & Leadership*, 25(1), 18-23. doi: 10.1108/eb054576

Kieselbach, T., Bagnara, S., Elo, A.-L., Jefferys, S., Joling, C., Kuhn, K., Nielsen, K., Popma, J .,Rogovsky, N., Sahler, B., Triomphe, C.E. and Widerszal-Bazyl, M. (2009). Health in restructuring. Innovative approaches and policy recommendations (HIRES), Rainer Hampp Verlag, Muenchen

Lewin, K. (1947). *Understanding the three stages of change*. Retrieved from: http://www.mindtools.com/pages/article/newPPM 94.htm. [Accessed on 14 April, 2019]

Liu, H. (2010). When leaders fail: A typology of failures and framing strategies. *Management Communication Quarterly, 24*(2), 232-259. doi: 10.1177/0893318909359085

Li, C., Lin, C. & Tien, Y. (2015). CEO transformational leadership and top manager ambidexterity: An empirical study in Taiwan SMEs. *Leadership & Organization Development Journal*, 36(8), 927–954.

Lloyd-Walker, B., & Walker, D. (2011). Authentic leadership for 21st century project delivery. *International Journal of Project Management, 29*(4), 383-395. doi: 10.1016/j.ijproman.2011.02.004

Lo, M., Ramayah, T., & Run, E. (2010). Does transformational leadership style foster commitment to change? The case of higher education in Malaysia. *Procedia - Social and Behavioral Sciences, 2*(2), 5384-5388. doi: 10.1016/j.sbspro.2010.03.877

Mary, N. (2005). Transformational leadership in human service organizations. *Administration in Social Work*, 29(2), 105-118. doi: 10.1300/j147v29n02_07

Masango, M. (2002). Leadership in the African context. *Verbum Et Ecclesia, 23*(3), 707-718. doi: 10.4102/ve.v23i3.1234

Morgan, D. E., & Zeffane, R. (2003) Individualism in organisations: Does employment contract innovation make a difference? *Employee Relations*, 25(6), 536-556, https://doi.org/10.1108/01425450310501298

Olalere, A. (2018). Complexity and leadership crisis in Africa. *International Journal of Public Leadership*, 11 (3/4), 180-191. Retrieved 20 April 2018, from http://dx.doi.org/10.1108/IJPL-08-2015-0021

Oreg, S., Vakola, M., & Armenakis, A. (2011). Change recipients' reactions to organizational change. A 60-year review of quantitative studies. *The Journal of Applied Behavioral Science*, 47(4), 461-524. 2011.

Raineri, A. (2011). Change management practices: Impact on perceived change results. *Journal of Business Research*, *64*(3), 266-272. doi: 10.1016/j.jbusres.2009.11.011

Ramsey, J., Rutti, R., Lorenz, M., Barakat, L., & Santanna, A. (2016). Developing global transformational leaders. *Journal of World Business*, *52*(4), 461-473. doi: 10.1016/j.jwb.2016.06.002

Saadat, V., & Saadat, Z. (2016). Organizational learning as a key role of organizational success. *Procedia - Social and Behavioral Sciences*, *230*, 219-225. doi: 10.1016/j.sbspro.2016.09.028

Sarros, J., Cooper, B., & Santora, J. (2008). Building a climate for innovation through transformational leadership and organizational culture. *Journal of Leadership & Organizational Studies*, *15*(2), 145-158. doi: 10.1177/1548051808324100

Sarros, J.C. & Santora, J.C. (2001). The transformational-transactional leadership model in practice. *Leadership & Organization Development Journal*, 22(8), 383 – 394.

Scholz, R. & Tietje, O. (2002). *Embedded case study methods: Integrating quantitative and qualitative knowledge*. Sage: California.

Seijts, G. H., & Gandz, J. (2018). Transformational change and leader character. *Business Horizons*, 61(2), 239-249. doi: 10.1016/j.bushor.2017.11.005

Sheppard, J., Sarros, J., & Santora, J. (2013). Twenty-first century leadership: International imperatives. *Management Decision*, *51*(2), 267-280. doi: 10.1108/00251741311301812

Skakon, J., Nielsen, K., Borg, V., Guzman, J. (2010). Are leaders' well-being, behaviours and style associated with the affective well-being of their employees? A systematic review of three decades of research. *Work & Stress*, 24, 107-139. doi: 10.1080/02678373.2010.49526210.1080/02678373.2010.495262

Smith, M. (2011). Are you a transformational leader? *Nursing Management* (Springhouse), 42(9), 44-50. doi: 10.1097/01.numa.0000403279.04379.6a

Stata, R. (1989). Organizational learning — The key to management innovation. [online] *MIT Sloan Management Review*. Available at:

https://sloanreview.mit.edu/article/organizational-learning-the-key-to-management-innovation/ [Accessed 29 Nov. 2017].

United States Department of State. (2019). *Morocco - United States Department of State*. [online] retrieved from: https://www.state.gov/reports/2019-investment-climate-statements/morocco/ [Accessed 2 Aug. 2019].

Wanasika, I., Howell, J., Littrell, R., & Dorfman, P. (2011). Managerial Leadership and Culture in Sub-Saharan Africa. *Journal of World Business*, *46*(2), 234-241. doi: 10.1016/j.jwb.2010.11.004

Wang, Y., Li, M. and Mobley, W.H. (2011), Conclusion: A continuous quest for responsive and responsible global leaders. *Advances in Global Leadership*, 6, 333-45.

Whelan-Berry, K., Gordon, J., & Hinings, C. (2003). Strengthening organizational change processes. *The Journal of Applied Behavioral Science*, *39*(2), 186-207. doi: 10.1177/0021886303256270

Wright, R., Kanter, R., Stein, B., & Jick, T. (1993). The challenge of organizational change: How companies experience it and leaders guide it. *Contemporary Sociology*, *22*(5), 718. doi: 10.2307/2074647

Yin, R. (2004). *Case study research: Design and methods*. 5th ed, Kindle version, Sage.

Wright, R., Kanter, R., Stein, B., & Jick, T. (1993). The challenge of organizational change: How companies experience it and leaders guide it. *Contemporary Sociology*, *22*(5), 718. doi: 10.2307/2074647