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Reconstructing organizational culture in the era of digital transformation: A study of change readiness among employees

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Abstract

As digital transformation redefines organizational dynamics, understanding how culture influences employees' readiness for change becomes increasingly critical. This mixed-method study investigates the relationship between organizational culture and change readiness among employees in private universities in Indonesia, a sector under mounting pressure to modernize through digital innovation. Drawing on a quantitative survey (n = 312) and in-depth qualitative interviews (n = 20), the research explores how specific cultural dimensions, psychological dispositions, and leadership perceptions shape change receptivity. The findings reveal that an adhocracy culture significantly enhances readiness for change, with employees responding positively to environments that promote innovation and autonomy. However, a psychological gap emerged wherein motivational commitment to change surpassed beliefs in collective efficacy, indicating a disparity between willingness and perceived capability. Moreover, cultural narratives—embedded in shared experiences and symbols—strongly influence how employees interpret and emotionally respond to organizational change. Leadership behavior was also found to be a decisive factor, as trust in transformational leaders increased acceptance of change. This study contributes theoretically by integrating Schein's cultural model, Weiner's theory of organizational readiness, and insights from transformational leadership theory to explain change dynamics in digitally evolving academic institutions. Practically, it offers guidance for human resource and change management strategies in higher education and other knowledge-intensive sectors facing digital disruption.

Keywords: organizational culture; change readiness; digital transformation; leadership perception

1. Introduction

Organizational culture and employee readiness for change are now recognized as pivotal in the digital age. Digital transformation – the pervasive adoption of new technologies and processes – is reshaping institutions worldwide, including higher education. In this context, organizational culture (the shared values, beliefs, and assumptions of members) functions as the “social glue” that influences how people behave and adapt [1]. In Indonesia – a country with 3,171 private universities as of 2018, the largest number in Asia – competition for students is intense [2]. National education initiatives (e.g. the Merdeka Belajar policy) have likewise pushed digital learning platforms to millions of teachers and students, yielding significant gains in learning outcomes [3]. Together, these factors make it essential to understand how university cultures can be aligned with digital goals and how ready faculty and staff are to embrace change.

Prior research confirms that culture deeply affects digital change efforts. For example, studies have found that a supportive, flexible culture enhances an organization's ability to implement technology-driven strategies [2]. In a recent study of Thai SMEs, a robust “digital organizational culture” coupled with active knowledge sharing was shown to be a key driver of successful digital transformation; notably, organizational readiness for change fully mediated the success of those initiatives [4]. Similarly, Butt observe that pioneering firms take a proactive, strategic approach to culture, deliberately refreshing cultural artifacts and values to enable technology adoption [5]. These findings echo broader observations that digitalization tends to increase connectivity and efficiency – for instance, enabling seamless communication across formerly siloed units and “demolishing traditional hierarchies” – and thus demand more collaborative, open cultures [6]. In sum, the literature suggests that in the digital era an organization's underlying culture – its shared norms and attitudes – can either facilitate or hinder change.

Parallel research on change readiness defines it as a collective psychological state that determines how well an organization can implement change. Weiner articulates organizational readiness as the degree to which members share a commitment to change and confidence in their collective ability to do so [7]. Earlier work likewise describes readiness in terms of members' beliefs, attitudes and intentions toward a change effort [8]. These constructs make clear that when employees feel both motivated and capable, change initiatives stand a much better chance of succeeding; conversely, low readiness often predicts resistance or failure. Thus, readiness for change is conceptually intertwined with culture, as both reflect the psychological and social conditions for change.

Despite these insights, a significant gap remains. Few studies have examined how organizational culture and change readiness interact in higher-education settings, especially in private universities. Much of the existing work on digital transformation focuses on business or technical factors (e.g. leadership, strategy, infrastructure), and on large-scale corporate or SME environments [4], [5]. Even where culture is considered, it is often treated as a static background variable, rather than something that can be reshaped through collective action. In Indonesia specifically, although scholars have noted that universities with more adaptable cultures tend to survive rapid change [2], the employee perspective is underexplored. In particular, we lack rich, mixed-methods evidence on how faculty and staff themselves perceive the evolving culture and their own readiness when digital initiatives roll out. By combining quantitative surveys with qualitative interviews, the present study addresses this gap: it not only measures levels of readiness and cultural characteristics, but also probes employees' subjective experiences and meanings around the ongoing transformation. This holistic approach will reveal both the measurable and the nuanced, interpretive dimensions of change.

This topic is urgent both practically and theoretically. On the practical side, the COVID-19 pandemic and consequent shift to online teaching have made digital readiness a matter of survival for many universities. National agendas (such as Indonesia's push for "learning independence" and massive digital education platforms) underscore that academic institutions must adapt or risk falling behind [3]. From a theoretical standpoint, integrating culture and readiness in empirical research responds to longstanding calls for multi-level change models that link organizational-level factors with individual attitudes. Understanding how these concepts play out in an educational context – where hierarchies, professional identities, and public missions differ from the corporate world – can advance organizational theory.

Accordingly, our study poses the following research questions: (1) How do employees in Indonesian private universities perceive their current organizational culture in the context of digital transformation? (2) What is the level of employees' readiness for change, in terms of commitment and efficacy, with respect to digital initiatives? (3) How do employees describe and make sense of the cultural and technological changes occurring in their institutions?.

By answering these questions, we aim to make both theoretical and practical contributions. Theoretically, we extend models of organizational readiness and culture-change into the higher-education domain, illustrating how shared meaning and psychological readiness combine in a digitalized workplace. Practically, our findings will offer university leaders concrete insights: identifying cultural barriers or assets and indicating whether additional support (training, communication, leadership initiatives) is needed. In doing so, we provide guidance for constructing a more adaptive, digitally-aligned culture that enhances employee engagement and change success.

2. Research Methods

This study adopted a mixed-methods research design to explore the relationship between organizational culture and employee readiness for change in the context of digital transformation within Indonesian private universities. Mixed-methods approaches are increasingly recognized for their ability to provide a comprehensive understanding of complex organizational phenomena by integrating numerical trends with rich, contextual insights [9]. The quantitative component aimed to measure the levels and patterns of change readiness and perceived organizational culture among university employees, while the qualitative component sought to capture the lived experiences and interpretations of those undergoing organizational change.

The quantitative phase employed a cross-sectional survey design, targeting faculty and administrative staff at selected private universities in Indonesia. Participants were recruited through purposive sampling, focusing on institutions known to be undergoing digital transformation initiatives. A structured questionnaire was distributed both in-person and via institutional email systems. Readiness for change was measured using items adapted from Holt's multidimensional readiness for change scale, which assesses beliefs about change valence, appropriateness, efficacy, and support [10]. Organizational culture was assessed using a modified version of the Organizational

Culture Assessment Instrument (OCAI), originally developed by Cameron and Quinn, which identifies dominant cultural archetypes such as clan, adhocracy, market, and hierarchy [11]. Both instruments have been validated in prior cross-cultural studies and shown to possess acceptable reliability and construct validity. Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM), which is particularly suited for exploratory research with complex, latent constructs and small to medium-sized samples [12].

Complementing the quantitative data, the qualitative phase employed in-depth semi-structured interviews with a subsample of respondents from the survey. This phase aimed to explore employees' subjective meanings and emotional responses to the cultural and technological shifts taking place in their institutions. Interview questions were informed by Schein's model of organizational culture, emphasizing the examination of underlying assumptions, values, and artifacts [13]. Interviews were conducted either face-to-face or via secure video conferencing platforms and were audio-recorded with participants' consent. Each session lasted between 45 and 90 minutes. Thematic analysis was used to identify recurring patterns and narratives, following Braun and Clarke's six-phase approach. This method is widely used in organizational research for its flexibility and rigor in analyzing meaning across diverse data sources [14].

Ethical clearance for this study was obtained from the host university's Research Ethics Committee. Participation was voluntary, and all respondents were informed of their rights, including the right to withdraw at any time. Confidentiality and anonymity were maintained throughout the research process by assigning pseudonyms and storing data in encrypted files. Triangulation between survey findings and interview data enhanced the credibility of the study [15], while member-checking was used to validate key themes emerging from the qualitative data.

The use of a mixed-methods design allowed for a robust investigation of the interplay between organizational culture and readiness for change, capturing both measurable constructs and the deeper, subjective experiences of employees. This methodological strategy aligns with current best practices in organizational research, particularly in studies addressing multi-dimensional change processes in complex institutional environments [16], [17].

3. Results and Discussions

This study reveals that employees' readiness for change in the context of digital transformation within Indonesian private universities is intricately linked to their perceptions of organizational culture and the meanings they assign to ongoing change processes. While most employees demonstrate a strong motivational commitment to change, their sense of efficacy—confidence in their institution's and colleagues' capacity to implement change effectively—is more uneven. This divergence is shaped by how organizational culture is evolving, with adhocracy-oriented cultures supporting higher readiness and hierarchical legacies constraining it. Furthermore, employees interpret and respond to cultural and technological shifts through a blend of rational, emotional, and symbolic lenses. Leadership communication, generational dynamics, and institutional narratives all play a crucial role in framing change as either an opportunity for growth or a source of disruption. The findings underscore that digital transformation is not solely a technical or strategic undertaking, but a deeply cultural and human one.

Adhocracy culture promotes change readiness

The first major finding of this study reveals that employees' perceptions of an adhocracy-oriented organizational culture are positively associated with higher levels of change readiness in the context of digital transformation. This relationship is substantiated through quantitative data derived from the survey responses of faculty and staff at Indonesian private universities. Specifically, structural equation modeling using PLS-SEM indicated that perceived adhocracy culture significantly predicts both change commitment ($\beta = .34, p < .01$) and change efficacy ($\beta = .28, p < .05$), suggesting that when organizations foster a culture characterized by innovation, autonomy, and calculated risk-taking, employees are more likely to support change and feel confident in their ability to navigate it. These statistical findings are echoed in the qualitative data, where participants from units with higher levels of digital engagement described their organizational climate as "flexible," "creative," and "supportive of experimentation," with such cultural cues enhancing their motivation and psychological preparedness for change. To further illustrate this relationship, the Table 1 presents a summary of the comparative scores of perceived organizational culture types and their corresponding mean values of change commitment and change efficacy.

Table 1. Comparative scores of perceived organizational culture

Culture Type	Mean Culture Score	Change Commitment (Mean)	Change Efficacy (Mean)
Adhocracy	03.07	04.03	04.00
Clan	04.02	04.01	03.06
Hierarchy	02.05	03.03	03.01
Market	03.01	03.07	03.04

As shown, while the clan culture remains the dominant orientation, it is the adhocracy profile that most consistently aligns with higher readiness indicators. Theoretically, this finding aligns with the foundational work of Cameron and Quinn who conceptualized adhocracy culture within the Competing Values Framework as emphasizing entrepreneurship, innovation, and agility—features that are crucial for organizational survival in turbulent environments [18]. From the perspective of change management theory, adhocracy culture may serve as a conducive contextual antecedent for building both motivational and capability readiness, particularly in the sense articulated by Weiner, who defines organizational readiness for change as a shared psychological state in which members feel committed to and confident in implementing change [7]. In environments where creative risk-taking is encouraged and where hierarchical control is minimized, such as those described by the respondents in this study, employees appear more likely to engage constructively with digital change initiatives.

This finding is supported by and contrasts with previous empirical studies in meaningful ways. For example, Zheng, in a study of Chinese firms, found that innovative cultures significantly contribute to organizational learning and change adaptation [19]. Similarly, Jaskyte, in her research on nonprofit organizations, reported that adhocracy culture was positively associated with innovation adoption [20]. In a more recent context, Al-Haddad and Kotnour emphasized that cultures that support creativity and autonomy tend to foster higher levels of change acceptance [21]. However, unlike the present study, which investigates a Southeast Asian academic setting, many of these prior studies are based in corporate or Western institutional contexts. Moreover, in contrast to Kotter's assertion that organizational culture change must precede structural change [22], this study suggests a more dynamic interaction where evolving cultural perceptions and readiness co-emerge during the transformation process.

What distinguishes this study from existing literature is its focus on the intersection of culture and change readiness in a non-Western higher education context, during an era of rapid digital transformation. The empirical evidence offers fresh insight into how adhocracy culture—often underemphasized in traditionally bureaucratic university systems—can play a vital role in catalyzing digital adaptation. This expands current understandings of organizational culture beyond corporate or governmental sectors, highlighting the unique challenges and potentials within educational institutions navigating digital disruption.

Nevertheless, some limitations must be acknowledged. While the positive relationship between adhocracy culture and readiness is evident, the study cannot establish causality due to its cross-sectional design. Furthermore, cultural perceptions may be influenced by individual roles, departmental leadership, or recent institutional initiatives, which were not fully controlled for in the analysis. There is also a risk of social desirability bias in self-reported survey responses, which may inflate the perception of cultural support for innovation. Alternative interpretations could suggest that rather than culture enabling readiness, it is employees who are already receptive to change who are more likely to perceive their environment as adhocracy-oriented.

From a theoretical standpoint, this finding reinforces the importance of integrating cultural variables into change management models. It also suggests potential refinements to frameworks like Weiner's theory, by emphasizing the role of innovation-oriented cultural dimensions as contextual enablers of psychological readiness. Practically, the findings hold important implications for human resource management and strategic leadership in the higher education sector. In particular, they suggest that universities undergoing digital transformation should intentionally cultivate cultural elements of adhocracy—such as decentralized decision-making, support for experimentation, and recognition of innovative efforts—as mechanisms to build change readiness. Leadership development, team structures, and HR practices should be aligned to promote these cultural signals, especially in academic settings that are traditionally resistant to top-down change.

In sum, the finding that adhocracy culture promotes change readiness highlights the central role of organizational culture in shaping employee responses to transformation. It contributes to both the theory and practice of organizational change in higher education, particularly within under-researched contexts such as Indonesian

private universities. Future studies may benefit from longitudinal approaches to examine how culture-readiness dynamics evolve over time and interact with specific digital change initiatives.

Motivational commitment exceeds change efficacy

The second major finding of this study reveals a significant disparity between employees' motivational commitment to digital transformation and their perceived efficacy to implement such changes within their institutional environments. This asymmetry suggests that while employees across Indonesian private universities express a strong psychological and emotional investment in change—characterized by their belief that the change is beneficial and necessary—they concurrently harbor doubts about their organization's ability, including their own and their colleagues', to enact change successfully. Quantitatively, survey results showed a mean score of 4.2 (on a 5-point Likert scale) for motivational commitment, indicating high agreement with statements related to enthusiasm and value alignment with digital transformation goals. In contrast, the mean score for change efficacy was significantly lower, at 3.4, suggesting moderate levels of confidence in enacting change procedures. These patterns were supported by structural equation modeling results, where motivational commitment showed stronger path coefficients with outcome expectations ($\beta = .42$, $p < .001$) than change efficacy ($\beta = .19$, $p < .05$). Qualitatively, this finding was corroborated by interviewees who expressed sentiments such as "We believe in the importance of digital transformation," yet also revealed concerns like "We lack the systems and people to do it properly." Participants often cited resource constraints, limited digital literacy among senior faculty, and inconsistent institutional follow-through as reasons for their lower sense of efficacy despite high motivational readiness. To better illustrate this divergence, the Table 2 summarizes the disaggregated mean scores for each dimension of readiness for change.

Table 2. Disaggregated mean scores for each dimension

Change Readiness Dimension	Mean Score	Standard Deviation
Motivational Commitment	04.02	00.51
Change Efficacy	03.04	0,05

This discrepancy highlights a readiness gap wherein employees emotionally endorse change but lack full confidence in the institutional capacity to support and execute transformation efforts effectively. Theoretically, this pattern resonates with the organizational readiness for change framework proposed by Weiner, which distinguishes between the two components of readiness: change commitment and change efficacy [7]. Weiner argues that both are essential for collective readiness, but they may not always develop simultaneously. When commitment is high but efficacy is low, organizations risk experiencing enthusiasm that is not translated into coordinated action. This phenomenon may be particularly relevant in resource-constrained environments such as private universities in emerging economies, where commitment is often driven by external pressures (e.g., accreditation standards, technological trends) but efficacy is undermined by internal limitations (e.g., infrastructure, training, leadership support). The finding also echoes Bandura's theory of self-efficacy, where belief in personal or collective competence plays a critical role in behavior enactment [23]. Without sufficient efficacy, motivational forces may lead to frustration or resistance when employees perceive that their efforts will be unsupported or ineffective.

Empirical comparisons further contextualize this finding. Armenakis, Harris, and Mossholder (1993) emphasized the importance of aligning motivation with perceived capability in their model of change readiness; they suggested that overreliance on motivational appeals without structural support may lead to superficial buy-in. More recently, Holt validated a multidimensional scale of organizational readiness, finding that efficacy often lags behind commitment in early stages of change initiatives—especially in decentralized institutions [10]. Similarly, Choi and Ruona, in their study of public-sector reforms, observed that although employees embraced change values, they remained skeptical about implementation due to bureaucratic inertia and unclear roles [24]. In contrast, a study by Oreg, Vakola, and Armenakis on organizational change resistance found that when efficacy is low but motivation is high, individuals may experience psychological strain or burnout, particularly in knowledge-intensive sectors such as education [25]. In comparison to these prior studies, the present research contributes unique insights by focusing on private universities in Indonesia—contexts that blend entrepreneurial goals with bureaucratic heritage—illustrating how the motivational-efficacy gap can manifest even in ostensibly agile institutions.

The novelty of this finding lies in its empirical exposition of what might be termed a “motivational-efficacy paradox” within digital transformation efforts in higher education. Whereas much of the literature tends to treat readiness as a composite or unidimensional variable, this study disaggregates its psychological dimensions and surfaces the nuanced dynamics between affective endorsement and cognitive-behavioral confidence. It extends existing scholarship by revealing that organizational change efforts, particularly in the digital domain, cannot assume that willingness equates to preparedness. The contribution is especially significant given the limited research on readiness for change in non-Western academic institutions undergoing rapid digital restructuring.

Nevertheless, this finding should be interpreted with caution. One strength of the study is its mixed-methods design, which provides both statistical evidence and contextual depth. However, the reliance on self-reported data may introduce biases such as inflated commitment scores due to normative expectations around innovation. Additionally, while the finding identifies a readiness gap, it does not fully explain the causal mechanisms behind the efficacy shortfall—future research could benefit from deeper organizational diagnostics or longitudinal designs to trace the evolution of efficacy perceptions. An alternative interpretation could suggest that employees’ reported motivational commitment reflects aspirational alignment rather than actual readiness, meaning they conceptually endorse change but have not internalized its operational implications.

From a theoretical perspective, this finding invites refinement of existing change management models to better account for the sequential and sometimes asynchronous development of readiness components. It also underscores the need to view motivation and efficacy not as static traits but as dynamic states influenced by contextual variables such as leadership, resources, and prior change experiences. Practically, human resource and change management strategies should not only seek to generate commitment through vision statements and strategic alignment, but also invest systematically in efficacy-building measures. These include capability assessments, skills training, pilot programs, and clear communication of support systems. For private universities navigating digital transformation, this may require reconfiguring governance structures to decentralize decision-making and empower mid-level leaders, who often serve as key interpreters and implementers of change.

The finding that motivational commitment exceeds change efficacy underscores a critical asymmetry in organizational readiness for change, particularly within knowledge institutions facing technological disruption. By identifying this gap, the study contributes to both theory and practice, offering a more differentiated lens for understanding and fostering sustainable digital transformation in higher education.

Cultural narratives shape change meaning

The third significant finding of this study emphasizes the interpretive role of cultural narratives in shaping employees’ understanding and response to organizational change. Specifically, the research revealed that employees’ readiness for digital transformation is not merely a function of structural or procedural readiness, but is profoundly mediated by the collective stories, metaphors, and meanings embedded in the organization’s culture. Quantitative data from the organizational culture assessment indicated strong correlations between clan and adhocracy cultural indicators and perceived change legitimacy ($r = .61$, $p < .001$), suggesting that flexible, inclusive, and innovation-oriented environments tend to foster more positive framing of transformation efforts. Qualitative interviews further enriched this perspective: participants repeatedly referenced “traditions of collegiality,” “academic freedom,” and “innovation as part of our identity” when describing why they perceived the digital change initiatives as coherent with their institution’s values. Conversely, where change was framed in terms of compliance or bureaucratic necessity, interviewees expressed skepticism, citing concerns about “top-down mandates” and “loss of autonomy.” These findings underscore the importance of symbolic and narrative dimensions in how organizational members assign meaning to change processes. To visualize this relationship, the Figure 1 illustrates how dominant cultural narratives, categorized by Cameron and Quinn’s Competing Values Framework, intersect with perceived change meaning.

Cultural Type	Core Values and Orientation	Dominant Narrative	Typical Change Meaning Framed by Employees
Clan	Collaboration, cohesion, morale	“We’re in this together”	Inclusive, participatory, aligned with shared values
Adhocracy	Innovation, creativity, agility	“We must innovate”	Visionary, opportunity-driven, enabling experimentation
Market	Competition, results, achievement	“Be the best”	Performance-oriented, success-focused, sometimes pressured
Hierarchy	Structure, control, efficiency	“Follow the rules”	Procedural, formalized, top-down and stability-seeking

Gambar 1. Cultural domination narrative

This alignment between culture and meaning resonates with foundational work by Schein (2010), who posited that the core of organizational culture lies in shared assumptions and values that give rise to recurring narratives and behaviors. Within this conceptual frame, cultural narratives function as interpretive schemas [26], enabling members to make sense of uncertainty and guide action. In the context of digital transformation, where ambiguity and disruption are common, these narratives become even more critical for coherence and collective engagement. This study's findings illustrate how narratives embedded in clan and adhocracy cultures—focused on collaboration, learning, and experimentation—serve as scaffolds that legitimate change, reduce resistance, and enhance readiness.

Comparing these results with prior literature reveals both consistency and divergence. For instance, Sonenshein argued that change is often constructed through sensemaking narratives that either enable or inhibit adaptation, depending on whether they align with employees' values. His findings echo the present study, particularly in showing that positive meaning-making can catalyze engagement even in high-uncertainty conditions [27]. Similarly, Maitlis and Christianson emphasized the dynamic interplay of storytelling, sensegiving, and identity reconstruction during organizational change, noting that leaders play a critical role in shaping the interpretive space [28]. However, the current study extends these insights by locating narrative formation not solely within leadership discourse but also within the broader cultural fabric shared by faculty and staff. By contrast, a study by Buchanan and Dawson critiqued the linear models of change communication, arguing instead for a processual approach that appreciates the multiplicity and contestation of narratives [29]. The present research supports this view, demonstrating that even within the same institution, different subgroups interpret change differently depending on their identification with specific cultural narratives.

The novelty of this finding lies in empirically demonstrating how organizational culture does not merely set the stage for change but actively constitutes the lens through which change is interpreted. While much of the literature on change readiness focuses on structural, strategic, or psychological dimensions, this study foregrounds the symbolic and discursive dimension, a perspective that remains underexplored in the context of higher education in emerging economies. By examining how cultural narratives construct meaning around change, the study contributes a sociocultural layer to the conceptualization of readiness, advancing a more holistic understanding of organizational transformation.

Nevertheless, certain limitations must be acknowledged. The integration of cultural narratives was based on self-reported qualitative data, which, although rich, are inherently subjective and shaped by the interview context. Moreover, the study focused on private universities in Indonesia, whose institutional cultures are shaped by specific socio-political and historical trajectories; thus, generalizability may be limited. An alternative interpretation of the findings could suggest that what is labeled as “narrative coherence” may in fact reflect adaptive rationalizations by employees seeking to align with perceived organizational expectations. Further research could explore longitudinal patterns of narrative evolution or examine how cultural narratives interact with leadership framing strategies.

From a theoretical standpoint, this finding highlights the value of integrating cultural and interpretive paradigms into mainstream models of change management. While conventional approaches such as Lewin's change model [30] and Kotter's eight-step process emphasize planning and execution, they often underplay the narrative construction of meaning that underlies employee sensemaking. This study suggests that without congruent cultural narratives, even well-structured change initiatives may be resisted or misunderstood. Practically, for institutions undergoing digital transformation, it is essential not only to develop technological infrastructures and training programs but also to surface and align the cultural stories that employees tell about their work, identity, and institutional mission. Change communication strategies should therefore move beyond instrumental messaging to engage with the symbolic repertoire of the organization—through storytelling, participatory dialogue, and culturally resonant framing.

The finding that cultural narratives shape change meaning reveals the interpretive depth of organizational readiness and offers a compelling addition to the literature on change and culture. In the context of digital transformation, where meanings are often contested, understanding and leveraging cultural narratives may be as crucial as technical readiness in ensuring successful and sustainable change.

Leadership drives perception of change

The fourth key finding of this study—“Leadership Drives Perception of Change”—highlights the pivotal role of leadership communication and behavior in shaping how employees interpret and respond to organizational change initiatives. Quantitative analysis revealed a statistically significant correlation ($r = .48$, $p < .01$) between perceived

transformational leadership behaviors and positive perceptions of change readiness, suggesting that when leaders effectively communicate vision, offer support, and model adaptability, employees are more likely to view change as manageable and beneficial. Complementary qualitative insights from interviews underscored this dynamic; employees frequently referenced leaders who “guided the change with clarity,” “offered direction amid uncertainty,” or “acted as role models for embracing digital innovation,” reinforcing the interpretation that leadership meaningfully conditions organizational members’ cognitive and emotional responses to transformation. This relationship is further illustrated in Table 3, which summarizes the thematic coding of qualitative narratives aligned with leadership behaviors and corresponding perceptions of change.

Table 3. Sample of quoted statement

Observed Leadership Behavior	Illustrative Quote	Resulting Change Perception
Vision articulation	“Our rector made the goals clear from the start.”	Clear direction, goal alignment
Empowerment and trust	“He let us try new ways without punishment.”	Increased confidence and ownership
Responsiveness to feedback	“She actually listened when we voiced our concerns.”	Psychological safety, participatory change
Modeling adaptability	“He learned the new system before asking us to do it.”	Leading by example, inspiration

Theoretically, this finding is strongly supported by Weiner’s theory of organizational readiness for change, which emphasizes that collective change efficacy and commitment are shaped by contextual and structural factors—including leadership. Leaders act as both symbolic and instrumental agents in change processes; their actions convey legitimacy, urgency, and support for the transformation [31]. Additionally, transformational leadership theory by Bass & Riggio offers a compelling framework for understanding how vision, inspiration, individualized consideration, and intellectual stimulation can mobilize employees’ motivation and trust during periods of organizational disruption [32].

This finding aligns with and extends the conclusions of several previous studies. For example, Oreg and Bersoff found that senior leaders who consistently engaged employees through transparent communication were more successful in facilitating change acceptance [33]. Similarly, Herold demonstrated that leadership behavior had a stronger impact on commitment to change than the content of the change itself [34]. However, contrasting findings emerge in studies by Rafferty and Restubog, who argue that middle managers’ change behaviors often mediate or moderate top leadership effects, suggesting that the transmission of leadership influence may be contingent on organizational hierarchy and trust networks [35]. This comparison reveals that while leadership plays a critical role, its effects are not monolithic and may be mediated by internal structural and relational dynamics within the organization.

The novelty of this study lies in its context-specific insight: by examining leadership in Indonesian private universities amid ongoing digital transformation, it reveals how culturally contextual leadership styles interact with perceived readiness for change. Unlike most studies conducted in corporate or Western contexts, this research uncovers the nuanced expectations of academic staff, who value participatory decision-making and relational harmony—elements consistent with Indonesia’s high collectivist and high power distance culture [36]. Consequently, leaders who balance authority with inclusivity become particularly effective in generating favorable perceptions of change.

Despite its strengths, this finding must be interpreted with caution. While the mixed-methods design enables robust triangulation, the cross-sectional nature of the quantitative survey limits the ability to draw causal conclusions. Additionally, perceptions of leadership may be influenced by retrospective bias or halo effects, wherein employees conflate general respect for leaders with support for specific change initiatives. Future studies employing longitudinal designs and multi-source assessments could provide a more objective basis for understanding leadership influence over time.

Theoretical implications of this finding are significant. It contributes to the evolving understanding of how leadership enacts organizational culture reconstruction during digital transformation, bridging leadership theory with change readiness frameworks in under-researched contexts. Practically, this insight underscores the need for higher education institutions undergoing digital innovation to invest not only in technical infrastructure but also in leadership development programs that cultivate vision-driven, adaptive, and empathetic change agents. Leaders who are seen not merely as authority figures but as enablers of purpose and participation can significantly elevate employee readiness and engagement during transformative efforts.

This finding affirms that leadership is not merely a background condition but a constitutive force in shaping how employees understand and respond to organizational change. By situating this insight within both empirical evidence and theoretical discourse, the study offers a grounded yet forward-looking perspective on the human dimensions of digital transformation in organizational settings.

4. Conclusion

This study set out to explore how organizational culture, particularly within the context of digital transformation, shapes employees' readiness for change in private universities in Indonesia. Guided by three research questions, the findings provide a comprehensive understanding of the cultural, psychological, and leadership-related factors that influence change receptivity. First, it was found that adhocracy culture—characterized by innovation, flexibility, and risk-taking—positively correlates with change readiness, suggesting that when organizational environments encourage experimentation and autonomy, employees are more inclined to engage constructively with transformation. Second, the analysis revealed that while motivational commitment to change was relatively high among employees, their sense of change efficacy—the belief in their collective capability to execute the change—lagged behind. This indicates a crucial psychological imbalance that warrants managerial attention, as commitment without efficacy may hinder the successful enactment of change initiatives. Third, the study illuminated how cultural narratives—shared stories, symbols, and collective memories—act as meaning-making mechanisms through which employees interpret organizational change. These narratives were found to shape emotional and cognitive orientations toward change, either reinforcing or undermining readiness. Lastly, the data confirmed that leadership behavior, especially when perceived as transformational and participatory, plays a critical role in framing employees' understanding of change, reinforcing that trust in leadership enhances openness and adaptability in times of transition. The implications of these findings for the field of Human Resource Management are substantial. They underscore the need to integrate cultural diagnostics, psychological readiness assessments, and leadership development into HRM strategies, especially in organizations undergoing digital transformation. From a theoretical perspective, this study enriches the existing literature by linking Schein's model of organizational culture, Weiner's theory of organizational readiness, and elements of transformational leadership theory to the emergent realities of digital change in higher education institutions within a non-Western context. These findings suggest that HRM must not only focus on structural or technological readiness but also invest in cultivating cultures and leadership approaches that foster both belief in and motivation for change at the employee level. However, this research is not without limitations. Its cross-sectional design limits causal inference, and while the mixed-methods approach offers rich contextual insights, the generalizability of the findings is constrained by its focus on private universities in Indonesia. Moreover, the reliance on self-reported data introduces potential biases, such as social desirability or retrospective rationalization. These methodological constraints invite caution in interpreting the findings beyond their context. Future researchers are encouraged to build upon this work by employing longitudinal or experimental designs to examine how change readiness evolves over time and in response to targeted interventions. Expanding the scope to include public universities or corporate organizations across diverse national cultures could also reveal broader patterns and variances. Additionally, integrating multi-informant perspectives—such as those from top leadership, middle management, and students—could deepen understanding of how organizational culture and leadership behaviors are perceived across hierarchies and stakeholder groups. By continuing this line of inquiry, future research can further advance both theoretical development and practical innovation in leading organizational change through cultural reconstruction.

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