



Transformational Leadership in Empowering Organizational Capacity

Hikmah Muhaimin^{a*}, Dhiyan Septa Wihara^b, Ahmad Hasan Afandi^a

^a Department of Government Science, Faculty of Social and Political Sciences, Islamic University Majapahit, Mojokerto, Indonesia East Java Indonesia

^b Department of Management Study, Faculty of Economics and Business, Universitas Nisantara PGRI Kediri, Indonesia East Java Indonesia

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ABSTRACT

Change is an unavoidable phenomenon and organizations must develop their change capacity in order to survive in competition. The purpose of this study was to examine the determinants and impacts of organizational capacity for change (OCC). In addition, the moderating influence of empowerment on transformational leadership change is also examined in influencing the organization's capacity to change and remain empowered. The hypothesis is tested using the data obtained from the survey. A total of 200 questionnaires were filled in by management as respondents and used for data analysis in this research using the survey method. The results of the study show that the orientation of transformational leadership has a positive effect on OCC. Likewise, the influence of OCC on empowerment. To increase the capacity for change, administrators at Islamic boarding schools can increase the orientation of transformational leadership so that Islamic boarding schools can increase empowerment by not changing the existing culture at Islamic boarding schools and remain empowered according to applicable regulations. This research empirically examines OCC in the context of Islamic boarding schools which are shaped by leader orientation. Furthermore, OCC has a mediating role in the influence of leadership on the empowerment of Islamic boarding schools. In addition, OCC in this study was tested with 3 dimensions (learning, process, and context) which were previously proposed only conceptually. Transformational leadership has the organizational capacity to change. In the end, this research proposes and shows that the organizational context (culture) plays an important role in the organizational capacity for change (OCC) in developing empowerment.

Key word: Transformational leadership, Empowerment, Organization capacity

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* Corresponding author.

E-mail address: hikmahip@unim.ac.id

1. INTRODUCTION

In the last decade, organizational change has been widely studied in the field of management (Beer & Nohria, 2000; Carnall, 2003), because various forms of change are considered as broad phenomena that affect all organizations. Change in an organization is also considered risky, because it always involves comfort that has existed for a long time (Biggart, 1977). This causes change programs in organizations to have poor success rates (Beer & Nohria, 2000), which is only partially explained by many organizational change theories. Therefore, the paradox is that change is harmful, but organizations must change to remain competitive. In organizational change, the role of the leader is indispensable for organizational success.

Leadership in this case is understood as an activity in organizational activities that uses power, influence and authority to influence other people in the educational activities they lead in order to achieve mutually agreed goals (Avolio, 2017) Leadership is an important factor in dealing with changes in Islamic boarding schools, responding to crises and using all the potential of the organization in order to grow and achieve organizational goals, a strong belief in common goals and the synergy of all components in it (Shan et al., 2016) In facing this reality, leaders are needed who are able to respond to these challenges and opportunities. Not a leader who feels comfortable with the current situation or comfort zone and does not want to move from that situation. Not leaders who just wait and see or carry out conventional transformations, but leaders who are able to see gaps and opportunities and are able to adapt to changes radically, revealing comfort zones inside and outside (Govender, 2017) Leaders must also change their thinking paradigm in facing very rapid changes in the organizational environment, from a bureaucratic culture to a corporate culture, improve transparent organizational governance, and utilize and align all organizational organs as a whole with the main strategy in order to achieve goals. achieve the expected goals. Organizations have a competitive edge and adopt a culture. learning (Govender, 2017).

Furthermore, it is important to note that today's globalized world is characterized by the free flow of movement across geographic boundaries of goods, services, people, skills and ideas. This free movement is relatively unhindered by artificial boundaries such as tariffs. This globalized world has developed significantly and made the competitive environment more complex. Conditions like this actually require pesantren to want and have the courage to reposition themselves. Considering its existence as an agent of change in Muslim society, Islamic boarding school administrators/caretakers in the current of globalization must reconsider the opportunities, challenges, strengths and weaknesses of these Islamic boarding schools. Because according to strategic management experts such as Hitt, Ireland & Hoskisson (2001:12) that in today's global world it will certainly create its own opportunities and challenges. Furthermore, they also say that globalization is the spread of innovation throughout the world and the political and cultural adjustments that accompany this spread. Globalization drives international integration. Thus, globalization will open various opportunities for Islamic boarding schools to continue to exist and

compete in the competitive environment of the 21st century in the era of the fourth millennium. According to Hamilton (1999) as quoted by Hitt, et al (2001: 16) that in the 21st century competitive environment, strategic competitiveness will only be obtained by those who are able to meet global standards, namely internationally acceptable quality. These standards are not static, require effort, and require continuous improvement. For this reason, it is the joint task of the pesantren managers/caregivers to try and create and perfect strategies so that pesantren as Islamic educational institutions have their own characteristics and ultimately become a reference for Muslims in the world. They were then transferred to Islamic boarding schools and made Islamic boarding schools the main alternative for public education. In order to realize the expectation as above, for pesantren to become an alternative place for basic education for the world community, current pesantren managers/caretakers must be willing to measure the existence of their pesantren.

Therefore, in organizational change the role of leaders is very necessary for organizational success. Leadership in this case is understood as an activity in organizational activities that uses power, influence and authority to influence other people in the educational activities they lead in order to achieve mutually agreed goals (Avolio, 2017) Leadership is an important factor in facing change in Islamic boarding schools, responding to crises and using all organizational potential in order to grow and achieve organizational goals, strong belief in shared ideals and the synergy of all components in it (Shan et al., 2016).

Based on the definition above, it can be seen that leadership is very urgent in overseeing organizational progress in conditions that often face unexpected changes. According to Lawler (2007), these unintended changes require leaders who are able to anticipate changes with advanced knowledge in transforming organizational change. Until now, leadership is still an interesting topic to study and research, but only a few understand it (Lawler, 2007). Therefore, this study will empirically examine the role of transformative leadership in organizational change on the performance of organizational members through increased innovation within the organization. The issue of leadership is interesting to always study in every organizational moment, because it involves the importance of knowledge about the concept of leadership in the concept of developing empowerment, especially leadership in social, religious, and educational organizations, namely Islamic organizations. boarding school. Leadership in the world of educational organizations aims to determine the direction of a group in order to achieve shared goals that are determined and agreed upon. Leadership is one of the factors that determine the development and progress of an organization. The ability of innovative and creative dreamers will have an impact on organizational progress. Because leaders are needed to determine the vision and goals of the organization, allocate and motivate resources to be more competent, coordinate change, and build intense empowerment with their followers to shape the right or best direction (Lunenburg, 2011). In this context, leadership plays an important role in advancing the organization. One type of leadership that is appropriate in this case is transformational leadership (Volery, 2017). Improving

the quality of Islamic boarding schools must be accompanied by a determination to change in a better direction. Leaders do not only stop at routine arrangements but also innovate behavior towards institutional quality (Volery, 2017).

In this case, transformational leadership is a leader who inspires his followers to forget personal interests for the sake of the public interest and the good and progress of the organization. They have strong abilities and influence from their followers. According to Jung and Avolio (Avolio, 2017) also stated that transformative leadership is not just an agreement but is based more on trust and commitment, but also includes the development of a closer relationship between the leader and his followers. The principle of transformational leadership is to motivate subordinates to do better than usual with the aim of increasing trust and self-confidence which has an effect on improving work. Transformative leadership can indeed achieve successful change, but in organizations that are still strong with a culture that has been passed down from generation to generation, being a leader in leadership. This type of transformative leadership has not been studied much before. For example, Islamic boarding schools as one that still adheres to this culture have not been widely researched regarding the role of leadership in the success of Islamic boarding school change. In fact, kyai as leaders of Islamic boarding schools are a key factor in operational activities at Islamic boarding schools.

To answer these problems, this research seeks to examine how changes have occurred in Islamic boarding schools to become Islamic boarding schools with professional management. This research seeks to examine how the success of pesantren change is influenced by transformative leadership through changes in organizational capacity. By using quantitative methods, this study chose *mudir*, quality assurance, dormitory administrators at the Tebuireng Islamic Boarding School as the unit of analysis. These three structural components have the ability to assess the extent to which Islamic boarding schools implement strategic changes. How can this empowerment affect the capacity for change and will increase self-confidence so that it will improve the performance of Islamic boarding schools.

While the results of research conducted by Devanna and Tichy (N. Al & et, 2004) suggest several characteristics of an effective transformational leader are: Identifying himself as an agent of change, a) Encouraging courage and taking risks, b) Trust in others, c) Based on values values, d) Lifelong learning, e) Having the ability to handle complexity and wholeness, f) Visionary leader. The characteristics of a transformative leadership style are as follows: According to Haris (Indra Kharis, 2015) defines four characteristics possessed by a leader in order to have transformational qualities, including: 1) Ideal influence, namely behavior that evokes strong emotions and followers' recognition of transformative leadership 2) Individual Consideration (Individual Consideration) includes providing support, encouragement and training for followers. 3) Inspirational Motivation includes conveying an attractive vision, using symbols to focus subordinates' efforts. 4) Intellectual Stimulation, namely behavior that increases followers' awareness of the problem and influences followers to view problems from a new perspective.

There are several indicators of transformational leadership style according to (Indra Kharis, 2015), including the following. 1) Charisma : Charisma is considered to be a combination of charm and personal charm that contributes to an extraordinary ability to get others to support a vision as well as promote it enthusiastically. 2) Inspirational Motivation: Inspirational motivation describes a leader who is passionate about communicating the idealistic future of the organization. Leaders use verbal communication or the use of symbols that aim to encourage subordinates' enthusiasm. Leaders motivate their subordinates about the importance of the organization's vision and mission so that all subordinates are motivated to have the same vision. This vision encourages subordinates to work together to achieve long-term goals with optimism. So that the leader not only raises individual enthusiasm but also team spirit. 3) Intellectual Stimulation: Intellectual stimulation describes leaders who are able to encourage their employees to solve old problems in new ways. Leaders try to attract the attention and awareness of subordinates to the problems they face. The leader then tries to develop his subordinates' abilities in solving problems with a new approach or perspective. 4) Individual attention: Individual attention describes that leaders always pay attention to their employees, treat employees individually, train and provide advice. Leaders invite employees to see the capabilities of others. Leaders focus their employees on developing personal strengths. To balance transformative leadership, can it have an impact on organizational change in Islamic boarding schools?

Changes in organizational capacity in life occur when faced with a dynamic environment. (M & S., 2021). Change is happening faster and demands from customers are getting more demanding. Facing this challenge, many studies on organizational change have been carried out by researchers, practitioners, and consultants (K. et Al, 2008; Elenkov, 2005) This is done to answer current challenges so that organizations can also make adjustments (H. et Al, 2016) (Goodman, 2018). In order for an organization to implement change, basically it must have a leadership type that implements and oversees change initiatives (Elenkov, 2005). It is very important for organizations to know what the natural constraints are and the changes that occur internally and externally, and how the organization can minimize their impact so that the benefits of these changes are realized (Cohen & Levinthal, 1990; Qadach, 2020).

According to Peter Vaill, Organizational Capacity for Change (OCC) or organizational capacity for change can be conceptualized as the overall ability of an organization to effectively prepare for or respond to an increasingly unpredictable and unstable environmental context. This overall capability is multidimensional and consists of three scopes, namely: (a) Expertise and human resources, (b) Formal systems and procedures, and (c) Organizational culture, values, and norms.

Empowerment is a term that is quite popular in the field of social work, especially Human Resource Management, (Brown, 1995) There are many interpretations of empowerment, and one of the interpretations that most of us know is empowerment as the delegation of power from superiors to subordinates (Greene, 2009). Empowerment is an effort to actualize one's potential) that are owned by individuals. The community

empowerment approach is certainly expected to be able to give roles to individuals not as objects, but as actors or actors who determine their own expertise (Dkk, 1998). Empowerment is a process of delegating permission and responsibility to subordinates which develops a sense of control over the work performed by employees. Thus, empowerment is a source of motivation to give control and power to employees over the work they do (Beltrán, 2014). Individuals' intrinsic belief in having a sense of control motivates when they are given permission to work assigned in Tazeem Ali Shah, Muhammad Nisar, Kashif-urRehman and Ijaz-ur-Rehman. According to (N. Al & et, 2004), empowerment is the giving of responsibility and work permission to make decisions that cover all product development and decision making. Meanwhile, according to Cook and Macaulay quoted by Wibowo (Wibowo, 2008), empowerment is a change that occurs in management philosophy that can help create an environment in which each individual can use his abilities and energy to achieve organizational goals (Wibowo, 2008).

Empowerment according to Robert and Greene in Damanik and Pattiasina (2009), is a process of how people become strong enough to participate in sharing control and influencing events and institutions that affect their lives (Greene, 2009). Empowerment includes creating a culture that encourages employees at every level to do something different and helps employees gain the confidence and ability to make changes. Meanwhile (Khan, 2007) explains that empowerment is an ongoing interpersonal relationship to build trust between employees and management (Priansa, 2011). Apart from the understanding that has been conveyed by several experts, there are still several other definitions or meanings regarding empowerment. However, all existing definitions in principle have one thing in common, namely empowerment contains the following elements: (a) Delegation of authority and responsibility for decision-making supported by adequate resources. (b) There is control over the delegation of authority from management. (c) Creating an environment so that employees can utilize their abilities or competencies optimally to achieve organizational goals.

2. METHOD

This study distributed questionnaires to the administrators of the Tebuireng Islamic Boarding School, Jombang, East Java, totaling approximately 200 people and in this study only used 100 people who were considered representative because there was an element of homogeneity in the entire population. A cross-sectional approach was used in this study where data collection occurred once under uncontrolled conditions. Questionnaires were distributed online and followed by an offline survey. Online and offline questionnaire procedures by Tan (2016), this study used an online questionnaire for the Tebuireng Islamic Boarding School which was not accessible and an offline questionnaire for the Tebuireng Islamic Boarding School which could be accessed. The researcher then distributed offline questionnaires directly to each administrator at the Tebuireng Islamic Boarding School and a link for the offline questionnaire. The reason for using responses from the Tebuireng Islamic Boarding School administrators is that each of them experienced changes related to performance with the pattern of organizational change at

the Tebuireng Islamic Boarding School, Jombang. Sampling was carried out by distributing questionnaires to 200 Islamic boarding school administrators offline. The survey package consists of a researcher's application letter, research survey instruments and the address of the Islamic boarding school. Data collection was carried out from August to October 2022. Questionnaires were returned and the number of respondents who met the processing requirements was 100.

a. Measuring Instruments

Before distributing the questionnaire both online and offline, all items and instructions on the questionnaire were translated into Indonesian and back translated into English to ensure that the Indonesian version of the questionnaire captured the same constructs as the English version. A five-point Likert scale (ranging from 1 (strongly disagree) to 5 (strongly agree)) was used to measure transformative leadership, organizational capacity for change, and organizational performance. This questionnaire was adapted from previous research and modified to fit the research context.

b. Estimation Method

This research uses PLS modeling for several reasons. First, PLS does not require data to be normally distributed and requires a smaller sample than other SEM techniques. Second, the relatively small sample size ($n = 91$) is consistent with PLS estimation.

Control Variables

In the analysis and interpretation of research data, descriptive analysis and inferential analysis were used. Descriptive analysis is used to describe respondents' answers to the research variables, while inferential analysis is used to test hypotheses. Namely using statistical tests that have been determined with SPSS Version 23 and Smart PLS Version 3.0. Descriptive analysis is carried out by compiling a frequency distribution table to find out whether the level of score for a variable is in the very high/very good, high/good, quite high/fairly good, low/not good, and very low/very bad categories. To display these categories, classification is carried out using class intervals obtained through the following formula:

$$\text{Class intervals} = \frac{\text{high score} - \text{low score}}{\text{number of classes}} = \frac{5-1}{5} = 0,80$$

The number of classes is 5 based on the scale value. The class interval value obtained was 0.80. Therefore, the average category of respondents' answers can be classified in table 5.4 below:

Table 1. Determination of Categories Based on Average Value

Intervals	Category	Information
1,00 – 1,80	SR/STB	Very low/ very poor
1,81 – 2,60	R/TB	Low/Not Good
2,61 – 3,40	CT/CB	High Enough/Good Enough
3,41 – 4,20	T/B	High / Good
4,21 – 5,00	ST/SB	Very High / Very Good

Measurement Model Analysis (Outer Model)

1) Construct Reliability dan Validity

a. Construct Reliability

The statistic used for composite reliability or construct reliability is a composite reliability value above 0.6 indicating that the construct has high reliability or reliability as a measuring tool. A cutoff value of 0.6 and above means acceptable and above 0.8 and 0.9 means very satisfactory.

Table 2. Composite Reliability Results

	Composite Reliability
Transformational Leadership	0.885
Organization Capacity for Change	0.939
Empowerment	0.887
Transformational Leadership Empowerment	1.000

Source: Data SEM-PLS, 2022

The conclusions from the Average Variance Extracted test are as follows:

- a) The transformational leadership variable is reliable, because the AVE value of transformational leadership is $0.885 > 0.5$.
- b) The variable organizational capacity to change is reliable, because the AVE OCC value is $0.939 > 0.5$.
- c) The empowerment variable is reliable because the empowerment AVE value is $0.887 > 0.5$.
- d) The variable of transformational leadership empowerment is reliable, because the AVE value of work environment organizational culture is $1.000 > 0.5$.

b. Average Variance Extracted (AVE)

Average Variance Extracted (AVE) describes the amount of variance that can be explained by an item compared to the variance caused by measurement errors. The standard is if the AVE value is above 0.5 then it can be said that the construct has good convergent validity. This means that the latent variable on average is able to explain more than half of the variance of the indicators.

Table 3. Average Results of Variances Extracted

	AVE
Transformational Leadership	0.720
Organization Capacity for Change	0.837
Empowerment	0.727
Transformational Leadership Empowerment	1.000

Source: Data SEM-PLS, 2022

The conclusions from the Average Variance Extracted test are as follows:

- a) The transformational leadership variable is reliable, because the AVE value of transformational leadership is $0.720 > 0.5$.
- b) The organizational capacity variable for change is reliable, because the AVE OCC value is $0.837 > 0.5$.
- c) The empowerment variable is reliable because the AVE value of empowerment is $0.727 > 0.5$.
- d) The work environment organizational culture variable is not reliable, because the AVE TL Empowerment value is $1.00 < 0.5$.

c. Discriminant Validity

Discriminant validity is the extent to which a construct is truly different from other constructs (the construct is unique). The best current measurement criterion is to look at the Heretroit-Monotrait Ratio (HTMT) value. If the HTMT value is < 0.90 then a construct has good discriminant validity (Juliandi, 2018).

Table 4. Discriminant validity

	Discriminant Validity			
	TL	OCC	Empowerment	Empowerment TL
Transformational Leadership (TL)				
OCC	0.872			
Empowerment	0.907	0.878		
Empowerment TL	1.000	-0.916	-0.913	

Source: Data SEM PLS, 2022

The conclusions from the Heretroit-Monotroit Ratio (HTMT) test are as follows:

- a. The Variable Transformational Leadership Organizational Capacity for Change has an HTMT value of 0.872 < 0.90 meaning that the discriminant validity is good, or completely different from other constructs (the construct is unique).
- b. The transformational leadership variable on empowerment towards transformational leadership has an HTMT value of 0.907 > 0.90 meaning that the discriminant validity is not good, or not too different from other constructs (the construct is not unique).
- c. The transformational leadership variable in empowerment TL has an HTMT value of 1.000 > 0.90 meaning that the discriminant validity is not good, or not much different from other constructs (the construct is not unique).
- d. The OCC variable in empowerment has an HTMT value of 0.878 < 0.90 meaning that the discriminant validity is good, or completely different from other constructs (the construct is unique).
- e. The OCC empowerment TL variable has an HTMT value of -0.916 < 0.90 meaning that the discriminant validity is good, or it is indeed different from other constructs (the construct is unique).

The empowerment variable in empowerment TL has an HTMT value of -0.913 < 0.90, meaning that the discriminant validity is good, or completely different from other constructs (the construct is unique)

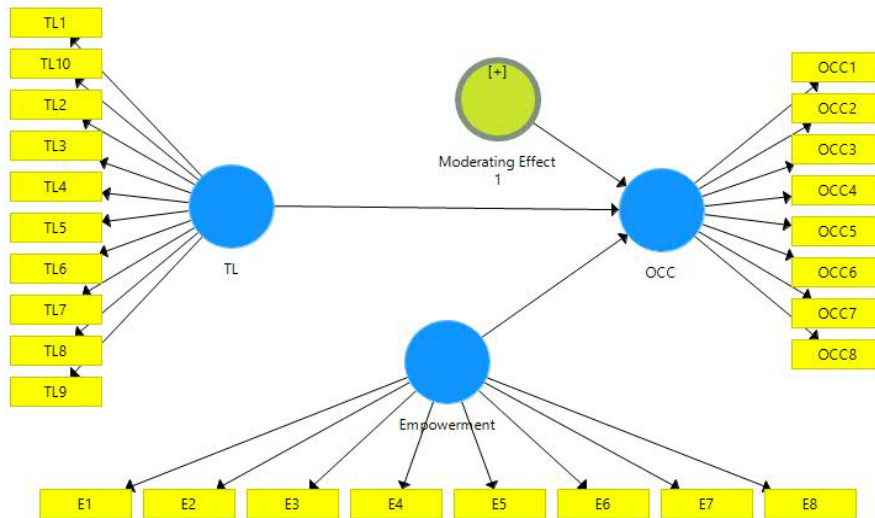


Figure 1. Structural Model Analysis (Inner Model).

2) Path Coefficient

Seeing the significance of the influence between constructs can be seen from the path coefficient. The sign on the path coefficient must be in accordance with the hypothesized theory, to assess the significance of the path coefficient can be seen from the t test (critical ratio) obtained from the bootstrapping process (resampling method)

a. R Square

R-Square is a measure of the proportion of variation in the value of a variable that affects it (endogenous) and can be explained by the variable that influences it (exogenously). This is useful for predicting whether the model is good or bad (Juliandi, 2018). The R-Square criteria according to Juliandi (2018) are as follows:

- 1) If the R2 value (adjusted) = 0.75 substantial (strong) model.
- 2) If the R2 value (adjusted) = 0.50 moderate (medium) model.
- 3) If the R2 value (adjusted) = 0.25 he model is weak (bad).

Table 5. Score R-Square

	R-Square	Adj R-Square
Organization Capacity for Change (OCC)	0.852	0.847

Source: Data SEM-PLS, 2022

The conclusion from testing the r-square value on employee performance is the R-Square Adjusted path model that uses a moderator variable of 0.847. This means that the variable ability of transformational leadership, empowerment and transformational leadership empowerment (transformational leadership

interaction with empowerment) in explaining employee performance is 84.7%. Thus, the model is classified as substantial (strong)

b. F-Square

F-Square is a measure used to assess the relative impact of an influential variable (exogenous) on the affected variable (endogenous). Changes in the value of R2 when certain exogenous variables are removed from the model can be used to play whether the omitted variable is substantive in the endogenous construct (Juliandi, 2018). The F-Square criteria according to Juliandi (2018) are as follows:

1. If the value of F2 = 0.02 small effect of exogenous variables on endogenous variables.
2. If the value of F2 = 0.15 moderate/severe influence of exogenous variables on endogenous variables.
3. If the value of F2 = 0.35 he influence of exogenous variables on endogenous variables is large.

Table 6. Score F-Square

Discriminant Validity			
	TL	OCC	Empowerment TL
Transformational Leadership (TL)		0.016	
OCC			
Empowerment		0.034	
Empowerment TL		0.330	

Source: Data SEM-PLS, 2022

The conclusions from the F-Square test in the table above are as follows:

- 1) The transformational leadership variable on the organization's capacity to change has a value of F2 = 0.016. So, there is little influence of exogenous variables on endogenous variables
- 2) The empowerment variable on organizational capacity to change has a value of F2 = 0.034. So, there is a moderate/severe influence from exogenous to endogenous variables.
- 3) The empowerment transformational leadership variable has a value of F2 = 0.330. So, there is a large influence between exogenous variables on endogenous variables.

c. Direct Effect

The purpose of direct effect analysis is useful for testing the hypothesis that there is a direct influence of an influencing variable (exogenous) on the affected variable (endogenous) (Juliandi, 2018). Probability/significance value (P-Value):

- If P-Values < 0.05 then it is significant.
- If the P-Values > 0.05 then it is not significant.

Tabel 7. Direct effect

	Original sample	Sample mean	ST DEV	T Statistics	P-Value
Transformational leadership → Organization capacity for change	0.131	0.129	0.095	1.376	0.169
Empowerment → Organization capacity for change	0.193	0.201	0.115	1.687	0.092
Transformational leadership empowerment → Organization capacity for change	-0.406	-0.397	0.073	5.591	0.000

Sumber : Data SEM-PLS, 2022

The conclusion of the direct influence value in the table above is as follows:

- 1) Transformational leadership on organizational capacity for change has a p-value of 0.169 > 0.05, meaning that transformational leadership has no significant effect on organizational capacity for change.
- 2) Empowerment of organizational capacity to change has a p-value of 0.092 > 0.05, meaning that empowerment has no significant effect on organizational capacity to change.
- 3) Transformational leadership empowerment on organizational capacity to change has a p-value of 0.000 < 0.05, meaning that empowerment is able to act as a moderating variable in the relationship between transformational leadership and organizational capacity to change.

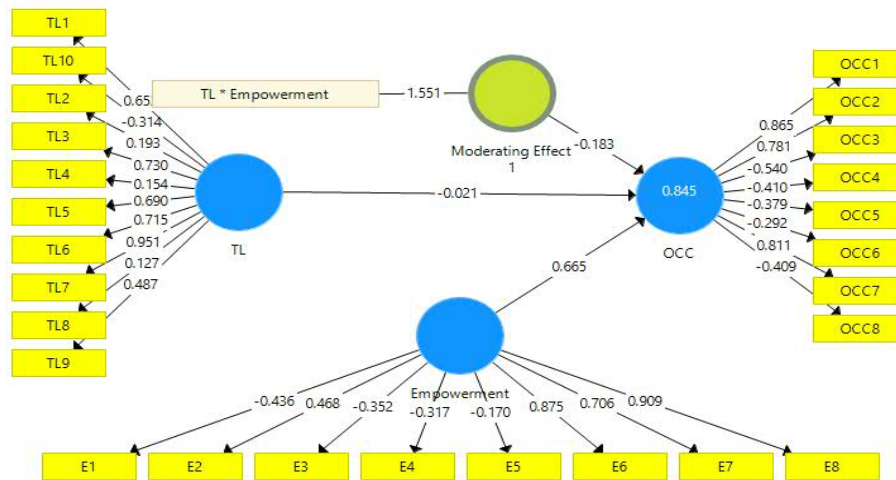


Figure 2. Value Inner and Outer Model

The t test carried out is the result of the t test from bootstrap calculations. The t test results in the image above are then compared with the t table values.

3. FINDINGS AND DISCUSSION

Article Content

The analysis of the results of this study is the suitability of the theories, opinions and previous research put forward with the results of previous research and the pattern of behavior that must be done to overcome this. The following are two (2) main sections that will be discussed in the analysis of the findings of this study, namely as follows:

1. Transformational leadership on organizational capacity to change

From the results of statistical tests, transformational leadership (X1) has no significant effect on organizational capacity to change (Y). This is evidenced by the p-value of $0.169 > 0.05$, so H_0 is accepted and H_a is rejected, meaning that transformational leadership has no significant effect on organizational capacity to change at the Tebeireng Jombang Islamic Boarding School.

In the context of this research, transformational leadership does not have a significant effect on organizational capacity for change (OCC). This is because the organizational capacity to change requires the solidarity of all elements in the organization. Implementing transformational leadership requires intense communication between the leader and his followers or subordinates (Septyan, 2017). And according to O'Leary (2001) a transformational leader must have the ability to bring change to the organization or institution he leads, the abilities and qualities that a transformational leader must have include charisma, self-confidence, respect and loyalty, openness to praise and inspiration. Meanwhile, the existence of transformational leadership in organizational capacity for change in the institution really helps leadership in making decisions and in dealing with more innovative and creative programs which of course will have an impact on human resources in the

institution and can contribute to the institution with the existence of organizational capacity for change. change for the better.

2. The effect of empowerment on the relationship between transformational leadership and organizational capacity for change

Tests carried out simultaneously show that variable X2 (empowerment) has a moderating influence or can moderate the relationship between variables X1 (transformational leadership) and Y (organizational capacity to change). This is evidenced by the results of statistical tests which show a p-value of $0.000 < 0.05$, which means H_0 is rejected and H_a is accepted so it can be concluded that empowerment can moderate the effect of transformational leadership on organizational capacity to change.

In the context of this research, resistance to change comes from the manager level. Managers can act as change agents and sponsor agents can also be ambiguous about change as lower-level employees, because the change process and organizational organization can raise concerns about monitoring, supervision, and reduced autonomy (Ogbonno and Wilkinson, 2003). Washington and Hacker (2006) state that managers who understand change will be more interested in the change, thereby reducing thoughts that the change will fail, and reducing expectations that the change will not occur. In contrast, Drent and Goldberg (1999) suggest that managers may experience resistance to loss of status, job security, or adjustment. This relates to the stages of how resistance can be formed according to Pardo Del Val and Fuentes (2003).

Empowerment as a moderation of the relationship between transformational leadership and the relationship between organizational capacity for change greatly influences this organizational change. However, with the existence of a very strong culture in the Islamic boarding school environment, human resources who initially rejected the existence of organizational capacity for change in the institution were given empowerment or trust or a position to be able to collaborate within a framework of harmonization and kinship for the success of the institution.

4. CONCLUSION

From the results of the previous research and discussion, it can be concluded that:

- 1) Transformational leadership on the organization's capacity to change has a p-value of $0.169 > 0.05$, meaning that transformational leadership has no significant effect on the organization's capacity to change.
- 2) Empowerment of organizational capacity to change has a p-value of $0.092 > 0.05$, meaning that empowerment has no significant effect on organizational capacity to change.
- 3) Transformational leadership empowerment on organizational capacity to change has a p-value of $0.000 < 0.05$, meaning that empowerment is able to act as a moderating

variable in the relationship between transformational leadership and organizational capacity to change.

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