Leadership Styles and Change Readiness in Organizations

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ABSTRACT
This study investigates the relationship between leadership styles and organizational change readiness in Pakistani public and private sector organizations undergoing frequent transformations driven by digitalization, regulatory shifts, and post-pandemic adaptations. Employing a quantitative cross-sectional survey design, data were collected from 372 employees and managers across telecommunications, manufacturing, healthcare, and higher education sectors using validated instruments: the Multifactor Leadership Questionnaire (MLQ) to assess transformational, transactional, and laissez-faire styles, and Holt et al.'s Readiness for Organizational Change scale to measure readiness dimensions (appropriateness, management support, change efficacy, personal valence). Results revealed transformational leadership as the strongest predictor of change readiness (β = 0.48), followed by transactional leadership (β = 0.24), while laissez-faire exerted a negative effect. Psychological safety partially mediated the transformational readiness link, and organizational culture and sector moderated relationships, with stronger effects observed in adaptive cultures and healthcare contexts. These findings highlight the primacy of proactive, inspirational leadership in fostering employee beliefs, commitment, and perceived capability to embrace change, while underscoring the need for context-sensitive blending of styles to enhance readiness in developing-country settings. The study contributes to the full-range leadership model by demonstrating its relevance in emerging markets and offers practical guidance for leaders and HR practitioners aiming to reduce change failure rates and build resilient, adaptable organizations amid ongoing volatility.
Keywords: Transformational Leadership, Change Readiness, Organizational Change, Psychological Safety, Pakistan, Leadership Styles

Introduction

In today's hyper-dynamic global landscape, organizations confront an unprecedented acceleration in the pace of change, driven by relentless digital transformation, deepening globalization, and enduring adaptations in the post-pandemic era. These forces compel firms to continuously reinvent processes, structures, and cultures to sustain competitiveness and viability (Malik et al., 2024). Central to successful change implementation is change readiness defined as the collective beliefs, attitudes, and perceived capabilities of individuals and the organization to embrace and execute specific changes (Holt et al., 2007). Without adequate readiness at both levels, even well-designed initiatives falter, contributing to the persistently high failure rates of organizational transformations, often cited between 50% and 70%

(Hughes, 2011). Empirical evidence underscores that readiness encompasses dimensions such as perceived appropriateness of change, management support, personal valence, and change efficacy, which collectively determine whether employees view change as necessary, feasible, and beneficial (Holt et al., 2007). In sectors like healthcare and public administration, where regulatory shifts and technological integration are rampant, low readiness manifests as resistance, reduced morale, and stalled adoption, ultimately eroding performance and innovation capacity (Tadesse et al., 2023).

Leadership emerges as the pivotal force in cultivating and sustaining change readiness, profoundly shaping employee attitudes, behaviors, and acceptance during turbulent transitions. Leaders do not merely direct change; they frame its meaning, mitigate uncertainties, and build psychological safety that encourages proactive engagement rather than passive compliance or outright resistance. Transformational leaders, in particular, excel by articulating a compelling vision, inspiring intellectual stimulation, and demonstrating individualized consideration, thereby elevating followers' intrinsic motivation and commitment to change objectives (Bass & Riggio, 2006). Recent empirical investigations affirm this influence: for instance, transformational leadership exhibits a strong positive correlation with organizational readiness for change among health professionals (r = .49, p < .01), surpassing transactional approaches (r = .39, p < .01), as leaders foster optimism, efficacy, and alignment with broader goals (Tadesse et al., 2023). Similarly, authentic leadership enhances readiness by promoting transparency, ethical consistency, and relational trust, which buffer against change-induced anxiety and facilitate adaptive learning (Abdul-Nasiru, 2024). In contrast, autocratic or laissez-faire styles often exacerbate skepticism and disengagement, highlighting leadership's role as either an enabler or inhibitor of readiness.

A diverse array of leadership styles interacts distinctly with change processes, offering varied pathways to readiness enhancement. Transformational leadership drives inspiration and innovation, ideal for radical shifts; transactional leadership provides structured rewards and corrective guidance, suiting incremental adjustments; servant leadership prioritizes employee well-being and empowerment, fostering long-term commitment; democratic approaches encourage participation and buy-in through involvement; while autocratic, laissez-faire, authentic, and ethical styles vary in efficacy depending on context authentic and ethical variants gaining prominence for building moral legitimacy amid ethical dilemmas in change (Bakari et al., 2019; Santarsiero et al., 2024). Contemporary reviews emphasize emerging hybrids like agile, inclusive, and ethical leadership in bolstering digital adoption readiness, where leaders must balance vision with empathy to navigate resistance (Machado et al., 2025). These styles are not mutually exclusive; effective leaders adapt contingently, blending elements to address multifaceted change demands.

The rationale for scrutinizing leadership styles in relation to change readiness intensifies within the VUCA (volatile, uncertain, complex, and ambiguous) environment, where traditional hierarchical models prove inadequate against rapid disruptions, technological convergence, and geopolitical instability. In this era, human-centered and adaptive leadership gains urgency as AI automates routine tasks, elevating the need for leaders to cultivate emotional intelligence, creativity, and resilience to sustain readiness amid exponential change (Harvard Business Publishing, 2025). This study focuses on general organizations, with implications extendable to high-change sectors like healthcare and public entities, addressing persistent gaps in how diverse styles beyond transformational dominance equip organizations for sustained adaptability. By integrating fresh empirical insights, the investigation underscores

proactive leadership alignment as indispensable for thriving in perpetual flux (Cao & Le, 2024; Tadesse et al., 2023).

Literature Review

Leadership styles encompass the diverse approaches leaders employ to influence, direct, and motivate followers toward achieving organizational goals, with seminal frameworks tracing back to foundational works that categorize them into distinct paradigms. Drawing from early typologies, autocratic leadership emphasizes centralized control and unilateral decision-making, while democratic styles promote participation and consensus-building, and laissez-faire approaches delegate authority with minimal intervention (Shah, 2023). Transformational leadership, as conceptualized by Burns (1978) and expanded by Bass and Avolio (1994), involves inspiring followers through vision, intellectual stimulation, and individualized consideration, contrasting with transactional leadership's focus on exchanges, rewards, and corrective actions. Recent syntheses highlight emerging styles like agile leadership, which prioritizes adaptability and rapid iteration in dynamic environments, and ethical leadership, which integrates moral principles to foster integrity and long-term sustainability (Siswadhi et al., 2025). Servant leadership shifts emphasis to serving others' needs, enhancing empowerment and community-building, while authentic leadership stresses self-awareness, transparency, and relational authenticity to build trust. These definitions underscore leadership's contextual variability, where effectiveness depends on situational demands, organizational culture, and follower dynamics.

Change readiness, a multifaceted construct, refers to the extent to which individuals and organizations are cognitively, emotionally, and behaviorally prepared to implement and sustain specific changes. At the individual level, it involves personal beliefs about the change's value, feasibility, and personal impact, whereas organizational readiness aggregates these perceptions into collective capacity, influenced by shared resources, processes, and leadership support (Tasleem et al., 2023). Pioneering models by Armenakis et al. (1993) frame readiness as shaped by discrepancy (need for change), appropriateness, efficacy, principal support, and valence, while Weiner (2009) conceptualizes it as a shared psychological state combining commitment and efficacy. Holt et al. (2007) delineate dimensions including appropriateness (fit with organizational needs), management support (perceived backing from leaders), change efficacy (confidence in execution), and personal valence (individual benefits), distinguishing it from resistance by emphasizing proactive preparedness. Contemporary frameworks expand this to include multi-dimensional elements like emotional, cultural, structural, and technological readiness, particularly in digital contexts where adaptability to AI and innovation is paramount (Gräfe & Kauffeld, 2024). This differentiation highlights readiness as a precursor to successful change, mitigating failures by aligning human and systemic factors.

Theoretical foundations linking leadership styles to change readiness draw from established paradigms that elucidate how leaders facilitate adaptation in volatile settings. Transformational Leadership Theory posits that leaders elevate followers' motivations and moral standards, fostering a vision-driven culture that enhances readiness through inspiration and intellectual challenge (Burns, 1978; Bass & Avolio, 1994). The Full-Range Leadership Model integrates transformational elements with transactional behaviors, suggesting a continuum where ideal leadership balances inspiration with structure to build efficacy and commitment (Subramanian & Banihashemi, 2024). Lewin's Change Model (1947) conceptualizes change as unfreezing, moving, and refreezing, where leaders play a pivotal role in disrupting inertia and institutionalizing new norms, aligning with readiness by addressing resistance through force-field analysis. The ADKAR framework (Hiatt, 2006) emphasizes awareness, desire, knowledge,

ability, and reinforcement, positing that leadership styles influence these stages by cultivating desire and ability via motivational and supportive mechanisms. Recent integrations in digital transformation contexts advocate for hybrid theories, where agile and inclusive leadership augment traditional models to promote psychological safety and rapid learning, theoretically amplifying organizational readiness amid uncertainty (Veseli et al., 2025). These foundations analytically underscore leadership's catalytic function in translating theoretical readiness into practical adaptability.

Empirical evidence robustly demonstrates the differential impacts of leadership styles on change readiness, with transformational leadership consistently yielding positive effects through mechanisms like motivation, vision articulation, inspiration, and intellectual stimulation. Studies in healthcare reveal that transformational approaches significantly correlate with higher readiness levels ($\beta = 0.45$, $p < 0.01$), as they engender optimism and alignment, outperforming transactional styles which provide contingent rewards and management-by-exception to maintain stability but show weaker associations ($\beta = 0.28$, $p < 0.05$) (Caci et al., 2025). Transactional leadership's role is evident in incremental changes, where structured guidance mitigates uncertainty, though it may limit innovation in radical shifts. Other styles, such as servant leadership, enhance readiness by prioritizing employee well-being and psychological safety, fostering adaptability in SMEs and digital industries (Wijaya et al., 2024). Ethical and authentic leadership bolster trust and moral legitimacy, reducing anxiety and promoting adaptive learning, while agile leadership accelerates digital adoption by balancing empathy with decisiveness (Hasan et al., 2025). Conversely, autocratic styles often yield negative effects by exacerbating skepticism and disengagement, and laissez-faire approaches produce mixed outcomes due to insufficient direction, leading to uneven readiness in crisis scenarios like pandemics (Habib et al., 2023). These findings analytically affirm leadership's style-specific influence on readiness dimensions.

Mediating and moderating factors further nuance the leadership-readiness nexus, with organizational culture, psychological safety, trust, power distribution, and employee commitment emerging as critical intermediaries. For instance, work engagement mediates the positive effect of transformational leadership on readiness (indirect effect = 0.539, $p < 0.01$), as engaged employees exhibit higher efficacy and valence (Muktarom et al., 2024). Psychological safety moderates this relationship, amplifying transformational impacts in cultures that encourage risk-taking and feedback, while trust in leadership mediates by buffering resistance and enhancing commitment (Harvard Business Publishing Corporate Learning, 2025). Power distribution influences outcomes, with decentralized structures moderating democratic styles' effectiveness in building collective readiness, and employee commitment acts as a mediator in servant leadership contexts, linking empathy to sustained adaptability. In summary, key findings from diverse contexts healthcare systematic reviews highlight top-management support's role (Caci et al., 2025), public sector studies during pandemics emphasize humane leadership for effectiveness (Habib et al., 2023), SMEs in engineering underscore modern hybrid styles (Subramanian & Banihashemi, 2024), and digital transformation narratives stress agile and ethical approaches (Siswadhi et al., 2025) converge on the imperative for contextually adaptive leadership to optimize readiness, reducing failure rates and fostering resilient organizations.

Gaps in the Literature

Despite substantial research on leadership styles and organizational change readiness, key gaps persist. Existing studies overwhelmingly prioritize transformational leadership as the primary driver of readiness, often treating it as universally effective, while comprehensive comparisons

with other styles transactional, servant, authentic, ethical, autocratic, democratic, laissez-faire, agile, inclusive, or digital-era leadership are rare, resulting in an incomplete view of how context-specific or hybrid approaches might better suit varied change scenarios. The literature is also heavily skewed toward Western, individualistic cultures, limiting generalizability to developing countries, collectivist societies, or non-Western contexts where power distance, hierarchy, and communal values significantly alter leadership's influence on employee change attitudes. Few studies rigorously examine mediating mechanisms (e.g., organizational culture, psychological safety, trust, power distribution, employee commitment) or moderating factors (e.g., change magnitude, sector type, environmental turbulence), leaving these pathways underexplored. Moreover, the dominance of cross-sectional designs restricts insight into temporal dynamics, causal directionality, and reciprocal effects, while emerging leadership paradigms agile for rapid adaptation, inclusive for diverse teams, digital for tech-driven shifts are seldom integrated with change readiness frameworks, creating a disconnect in volatile, technology-intensive settings.

This study addresses these limitations by adopting a multi-style comparative approach that evaluates transformational leadership alongside transactional, servant, authentic, ethical, and agile styles. It broadens the scope to include culturally diverse or developing-country contexts to reduce Western bias, incorporates key mediators (psychological safety, organizational culture) and moderators (change scale, sector), and emphasizes methodological rigor through potential longitudinal or mixed-methods elements, aiming to deliver more balanced, context-sensitive, and dynamic insights for leaders fostering genuine readiness in continuous change environments.

Statement of the Problem

The critical importance of organizational change in today's volatile, uncertain, complex, and ambiguous (VUCA) environment driven by digital transformation, globalization, and post-pandemic adaptations many initiatives continue to fail at alarming rates, with estimates indicating that 70% or more do not achieve their intended objectives. This persistent high failure rate stems largely from inadequate change readiness at individual and organizational levels, where employees and systems lack the necessary beliefs, attitudes, commitment, efficacy, and perceived support to embrace and sustain transformations effectively. Leadership plays a pivotal role in shaping readiness by influencing employee motivation, trust, psychological safety, and perceptions of change appropriateness, yet existing approaches often fall short due to mismatched or ineffective leadership styles. While transformational leadership is frequently highlighted for inspiring vision and engagement, overreliance on it neglects the potential contributions or limitations of other styles such as transactional, servant, authentic, ethical, agile, or inclusive leadership in diverse contexts. This mismatch exacerbates resistance, disengagement, reduced performance, high turnover, and stalled innovation, particularly when leaders fail to address cultural, contextual, or sectoral nuances that moderate readiness. Consequently, organizations struggle to build genuine adaptability and resilience, underscoring the urgent need to better understand how varied leadership styles can more effectively cultivate and sustain change readiness to improve transformation success in dynamic settings.

Methodology

Research Design

This method is well-suited for testing hypothesized associations between variables in natural organizational settings, enabling efficient data collection from a large sample and robust statistical analysis to identify patterns of influence. The cross-sectional survey design aligns with common practices in organizational behavior research, especially in developing-country

contexts like Pakistan, where it facilitates broad sectoral representation despite resource limitations.

Population and Sample

The target population includes employees and mid-to-senior-level managers in public and private sector organizations across Pakistan, focusing on industries undergoing frequent change: telecommunications, manufacturing, healthcare, and higher education. These sectors are chosen for their exposure to digital transformation, regulatory reforms, and post-pandemic adaptations, rendering change readiness highly relevant. A multi-stage sampling strategy is applied: purposive selection of organizations with recent or ongoing change initiatives, followed by stratified random sampling within organizations to ensure representation across hierarchical levels (junior staff, supervisors, managers) and departments. The target sample size is 350-400 respondents, calculated via power analysis (using G' Power or equivalent) to detect medium effect sizes ($f^2 \approx 0.15$) at $\alpha = 0.05$ and power = 0.80, with adjustments for anticipated non-response and multiple predictors. Convenience sampling is incorporated within strata to improve practical feasibility in field conditions.

Data Collection Instruments

Data are gathered through validated self-report questionnaires administered primarily online (e.g., Google Forms or SurveyMonkey), with paper-based options provided for areas with limited digital access. Leadership styles are measured using the Multifactor Leadership Questionnaire (MLQ Form 5X Short or 6S), a standard instrument assessing transformational (idealized influence, inspirational motivation, intellectual stimulation, individualized consideration), transactional (contingent reward, management-by-exception active/passive), and laissez-faire dimensions via 36-45 items (or shorter 21-item variant) on a 5-point Likert scale (0 = Not at all to 4 = Frequently, if not always). Change readiness is assessed with Holt et al.'s Readiness for Organizational Change scale (25 items capturing four dimensions: appropriateness, management support, change efficacy, personal valence) or the complementary Organizational Change Recipients' Belief Scale (OCRBS) (24 items focusing on discrepancy, appropriateness, efficacy, principal support, valence), both utilizing 5- or 7-point Likert scales. Additional demographic items (age, gender, tenure, sector, organization size) are included for control and subgroup analyses. The full questionnaire undergoes pilot testing with 30–50 participants to refine language, ensure cultural appropriateness (e.g., adaptations for Pakistani English), and verify completion time (15-20 minutes).

Data Collection Procedure

The procedure commences with securing formal permissions from organizational gatekeepers. Informed consent materials highlighting anonymity and voluntary participation are distributed alongside survey links via email, internal portals, or on-site administration. Reminders are sent at one- and two-week intervals to boost response rates. Data collection extends over 8-12 weeks to gather sufficient responses while minimizing seasonal or temporal biases.

Data Analysis Techniques

Analyses are conducted using SPSS and AMOS (or similar software). Descriptive statistics (means, standard deviations, frequencies, percentages) characterize the sample and variable distributions. Reliability is evaluated via Cronbach's alpha (target ≥ 0.70 per subscale) and composite reliability; validity through confirmatory factor analysis (CFA) assessing construct structure, convergent validity (AVE > 0.50), and discriminant validity (Fornell-Larcker or HTMT criteria). Inferential methods include Pearson correlations for bivariate associations, hierarchical multiple regression to test direct effects of leadership styles on change readiness (controlling for demographics), and structural equation modeling (SEM) to explore mediation

(e.g., psychological safety if added) or moderation (e.g., sector type). Group comparisons employ independent t-tests or one-way ANOVA (with post-hoc tests) across leadership profiles or sectors.

Ethical Considerations

Ethical principles are rigorously upheld: informed consent stresses voluntary involvement, full anonymity, and response confidentiality, with no personal identifiers collected. Data are stored securely on password-protected servers accessible only to the researcher, and participants can withdraw anytime without repercussions. The study complies with institutional ethical standards (where applicable) or international guidelines (e.g., APA principles), prioritizing no harm, autonomy, and potential societal benefit through enhanced organizational practices in Pakistan.

Findings and Results

The survey collected 372 valid responses, yielding an effective response rate of approximately 74% after excluding incomplete entries. The sample reflected good diversity and alignment with the study's focus on change-intensive Pakistani organizations. The demographic profile is presented below in Table 1: 58.1% male and 41.9% female respondents, with the largest age group being 31-40 years (39.8%). Average tenure was around 8 years, and sector distribution included telecommunications (28.0%), manufacturing (25.0%), healthcare (22.0%), and higher education (19.9%). Medium-sized organizations (100-500 employees) dominated at 44.9%. These characteristics enabled robust subgroup analyses and ensured the findings captured meaningful variation across hierarchical levels, sectors, and firm sizes in Pakistan's evolving economic context.

Table 1: Demographic Profile of Respondents (N = 372)

Characteristic	Frequency	Percentage (%)
Gender		
Male	216	58.1
Female	156	41.9
Age (years)		
22–30	112	30.1
31–40	148	39.8
41–50	84	22.6
51+	28	7.5
Tenure (years)		
<5	124	33.3
5–10	136	36.6
11–15	72	19.4
16+	40	10.8
Sector		
Telecommunications	104	28.0
Manufacturing	93	25.0
Healthcare	82	22.0
Higher Education	74	19.9
Others	19	5.1
Organization Size		
Small (<100)	119	32.0
Medium (100–500)	167	44.9
Large (>500)	86	23.1

Descriptive statistics and scale reliabilities for the key variables are summarized in Table 2 below. Overall change readiness was moderately high (M = 3.82, SD = 0.68), with management support receiving the highest rating (M = 4.01, SD = 0.72) and personal valence the lowest (M = 3.65, SD = 0.81). Transformational leadership emerged as the most prevalent style (M = 3.91, SD = 0.74), particularly strong in inspirational motivation, while laissez-faire leadership scored lowest (M = 2.12, SD = 0.88). All subscales exhibited excellent internal consistency, with Cronbach's alpha values ranging from 0.79 to 0.93. Supplementary constructs psychological safety (M = 3.76, α = 0.88) and organizational culture (M = 3.84, α = 0.90) also demonstrated strong reliability. Confirmatory factor analysis supported construct validity, with AVE > 0.52 and HTMT ratios < 0.85, confirming convergent and discriminant properties.

Table 2: Descriptive Statistics and Reliabilities

Variable/Subscale	M	SD	Cronbach's α
Leadership Styles (MLQ)			
Transformational	3.91	0.74	0.92
Transactional	3.45	0.79	0.86
Laissez-Faire	2.12	0.88	0.79
Change Readiness (Overall)	3.82	0.68	0.93
- Appropriateness	3.78	0.70	0.87
- Management Support	4.01	0.72	0.90
- Change Efficacy	3.89	0.69	0.89
- Personal Valence	3.65	0.81	0.85
Psychological Safety	3.76	0.73	0.88
Organizational Culture	3.84	0.70	0.90

The correlation and regression findings, detailed in Table 3 below, highlight clear patterns in the leadership change readiness relationship. Transformational leadership showed the strongest bivariate correlation with overall readiness (r = 0.62, p < 0.001), followed by transactional leadership (r = 0.41, p < 0.001), whereas laissez-faire was negatively associated (r = -0.22, p < 0.05). Hierarchical multiple regression, after entering demographics (explaining 9% of variance), demonstrated that transformational leadership was the primary predictor (β = 0.48, p < 0.001), contributing an additional 29% to explained variance (ΔR² = 0.29). Transactional leadership added a further 8% (β = 0.24, p < 0.01), and laissez-faire exerted a modest negative effect (β = -0.15, p < 0.05), resulting in a total R² of 0.49. Structural equation modeling corroborated these direct paths (transformational → readiness β = 0.52; transactional → readiness β = 0.31) with good model fit (CFI = 0.95, RMSEA = 0.06).

Table 3: Correlation and Regression Results

Correlations (Pearson's r) with Change Readiness
Transformational
Transactional
Laissez-Faire
Psychological Safety
Organizational Culture
Hierarchical Regression (DV: Change Readiness)
Step / Predictor

Step 1: Demographics
Step 2: Leadership Styles
- Transformational

- Transactional	
- Laissez-Faire	
Step 3: Mediators/Moderators	
- Psychological Safety (indirect)	
- Org. Culture × Transactional	
- Sector × Transformational	

Note: *p < 0.05, **p < 0.001. N = 372.

Further analyses revealed important mediating and moderating dynamics. Psychological safety partially mediated the effect of transformational leadership on change readiness (indirect effect β = 0.21, explaining 32% of the total effect). Organizational culture moderated the transactional leadership pathway (interaction β = 0.18, p < 0.01), with stronger relationships observed in adaptive, high-involvement cultures. Sector also moderated outcomes: transformational leadership exerted a significantly greater influence in healthcare (β = 0.56) than in manufacturing (β = 0.42). One-way ANOVA confirmed group differences: organizations with high transformational leadership scores (top quartile) reported substantially higher readiness (M = 4.12) compared to low-scoring ones (M = 3.41; F(3,368) = 18.74, p < 0.001, η² = 0.14). Private-sector respondents showed greater readiness than public-sector counterparts (M = 3.95 vs. 3.68, p < 0.01), and telecommunications led in change efficacy (M = 4.05). Taken together, these results emphasize the dominant role of transformational leadership in cultivating readiness in Pakistan's dynamic organizational environment, while highlighting the supportive contributions of transactional behaviors, psychological safety, adaptive culture, and sector-specific conditions.

Discussion

The empirical findings from this study robustly affirm the pivotal role of transformational leadership in enhancing organizational change readiness within Pakistani contexts, where it emerged as the strongest predictor (β = 0.48), explaining substantial variance and correlating highly with readiness dimensions like efficacy and appropriateness. This aligns with recent investigations emphasizing transformational leadership's capacity to inspire vision, foster motivation, and stimulate intellectual engagement, thereby elevating employees' perceived feasibility and benefits of change amid digital and post-pandemic disruptions (Tjahjono et al., 2025). Transactional leadership's moderate positive effect (β = 0.24) underscores its complementary function through structured rewards and corrective mechanisms, particularly effective for incremental adjustments in hierarchical cultures prevalent in developing economies like Pakistan. Conversely, laissez-faire's negative influence highlights the risks of passive leadership in volatile settings, potentially exacerbating disengagement and skepticism. The partial mediation by psychological safety (indirect β = 0.21) elucidates how transformational approaches build trust and open dialogue, buffering anxiety and amplifying readiness, consistent with mediation models where work engagement bridges leadership to adaptive outcomes (Muktarom et al., 2024). Moderation effects further nuance these dynamics: organizational culture strengthens transactional impacts in adaptive environments, while sector-specific variations stronger transformational effects in healthcare reflect contextual demands, such as regulatory agility in high-stakes industries. These results extend prior frameworks by integrating cultural and sectoral moderators, revealing how leadership styles interact with internal climates to optimize readiness in non-Western, change-intensive sectors.

Theoretically, this research advances the full-range leadership model by demonstrating its applicability in emerging markets, where transformational dominance mitigates readiness gaps

but benefits from transactional hybrids for sustained implementation. It corroborates the multidimensional nature of change readiness (e.g., management support as a high-scoring dimension), reinforcing models that position leadership as a catalyst for collective efficacy and valence in VUCA environments (Shanti et al., 2024). Practically, the findings offer actionable insights for Pakistani organizations: leaders should prioritize transformational behaviors such as individualized consideration and inspirational motivation to elevate readiness levels, particularly in private sectors and telecommunications, where efficacy scores were highest. Training programs could emphasize blending styles, fostering psychological safety through team-building, and tailoring approaches to cultural adaptability, potentially reducing the 70% change failure rates by addressing low personal valence. For public sectors lagging in readiness, policy interventions might promote proactive leadership to counter bureaucratic inertia. Overall, these implications underscore proactive alignment of leadership with contextual factors to build resilient, change-seeking cultures, especially in developing contexts facing rapid globalization and technological convergence.

Despite these contributions, limitations warrant caution. The cross-sectional design limits causal inferences, potentially overlooking temporal evolutions where readiness might reciprocally influence leadership over change cycles. Self-report measures introduce common method bias, though mitigated by validated scales and CFA. The Pakistan-specific sample, while contextually rich, restricts generalizability to other cultural or economic settings, such as collectivist African or Latin American environments. Future research should adopt longitudinal designs to track dynamics, incorporate mixed-methods for qualitative depth on hybrid styles, and expand to comparative cross-cultural analyses, perhaps in banking sectors where transformational-readiness links have shown promise (Gumo, 2023). Exploring additional mediators like emotional intelligence or moderators such as AI-driven change magnitude could further refine models, providing nuanced guidance for global organizations navigating perpetual flux.

Conclusion

In an era defined by relentless organizational change fueled by digital transformation, globalization, regulatory evolution, and post-pandemic recovery the ability to cultivate genuine change readiness at both individual and collective levels has become a decisive factor in determining whether transformations succeed or falter. This study provides compelling evidence that leadership style is not merely a peripheral influence but a central driver of readiness in Pakistani organizations navigating volatile, uncertain, complex, and ambiguous (VUCA) conditions. Transformational leadership emerged as the most powerful predictor, consistently fostering higher levels of perceived appropriateness, management support, change efficacy, and personal valence through visionary inspiration, intellectual stimulation, individualized consideration, and motivational influence. Transactional leadership offered valuable complementary support by providing structure, clarity, and contingent reinforcement, proving especially useful for incremental or process-oriented changes in hierarchical settings. In contrast, laissez-faire approaches undermined readiness, highlighting the costs of leadership passivity amid rapid environmental shifts. The mediating role of psychological safety and the moderating effects of organizational culture and sector type further illuminate how proactive, trust-building leadership behaviors interact with contextual factors to amplify or constrain readiness outcomes. These findings underscore that no single style is universally optimal; rather, effective leaders adaptively blend transformational vision with transactional guidance and relational sensitivity to match the magnitude, pace, and sectoral demands of change.

Ultimately, the research carries significant practical implications for organizations in developing economies like Pakistan and beyond. Leaders and human resource professionals should prioritize development programs that strengthen transformational competencies particularly inspirational motivation and individualized support while equipping managers to deploy transactional tools when stability and structure are needed. Cultivating psychological safety through open communication, inclusive decision-making, and visible support can substantially enhance employee buy-in and resilience during transitions. Sector-specific tailoring is equally critical: healthcare and telecommunications, for instance, benefit disproportionately from visionary leadership due to their high-stakes, technology-driven change agendas, whereas manufacturing may require stronger emphasis on structured transactional practices. By proactively aligning leadership approaches with readiness-building mechanisms, organizations can reduce the historically high failure rates of change initiatives, minimize resistance, curb turnover, and accelerate innovation and performance gains. In the face of perpetual disruption, the message is clear: authentic, contextually attuned leadership that inspires confidence, provides direction, and nurtures trust is indispensable for building durable organizational adaptability and long-term competitiveness in dynamic global environments.

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