



The Change Building Blocks Toward Sustainable Organizations: Learning From Three Sectors

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Abstract

Purpose - This research aims to identify processes and stages in managing sustainable change so that organizations are able to survive in different dynamic conditions, as all organizations (public, private and non-profit) are continuously forced to change to stay competitive in the society. The ability of the leaders of organization to strategically determine the direction of changes and manage change are the fundamental skills.

Methodology - This research is qualitative research using multiple-case study that carried out in six organizational settings within three different sectors. Data were collected in 2021, from archival reviews and semi-structured interviews with eighteen change leaders, from six organizations. The data coded and analyzed using NVIVO to find out the common pattern on how the leaders managing changes in three sectors.

Findings - The research identify five common building blocks of change: identifying rooms for improvement, organizing change agents, mobilizing support, executing change, and sustaining the change results.

Originality - Leadership development is identified as the most effective strategies for sustaining change and transformation initiatives in all three sectors. As this research is conducted in Indonesian institutional setting, the further studies are needed to investigate whether the five building blocks of change are universally applicable.

1. Introduction

Organizations need to embrace the change associated with the ever-changing environment. Change is any effort to improve a situation to make a difference (Robbins & Judge, 2018). Generally, it involves advancing from old to new habits and behavior (Vlados, 2019). Organizations and institutions need change because the surrounding environment is also changing (Oldfield, 2017). The driving forces for change include advancement in the environment, the shift in policy agenda, politically driven reform, and adaptation of new practices (Blackman et al., 2022). In this context, the change initiative is an effort to adjust to the advancing environment by

adding values, improving the benefits of a function, and staying relevant within the environment to sustain its existence (Kovalenko & Kovalenko, 2019).

There are three complementary pillars in the society, including 1) state institutions that run states-public sectors, 2) economic and business actors (private sectors), and 3) civil society movements incorporated in non-profit organizations (civil society-social sectors). Organizations cannot properly operate without engaging the interconnectedness among the three sectors (Thakhathi et al., 2019; van der Voet, 2016; van der Voet et al., 2014). Currently, there is an increase in the need for organizational change in accordance with the trend in advancement in organizations (van der Voet et al., 2014). (Rosenbaum, 2006) stated that the government worldwide, specifically at the local level, explores innovative way of delivering public services by working together with private and not-for-profit organizations. Therefore, by analyzing the spirit of exploring the dynamics in organizations, this multiple-case study aims to explore the pattern of managing change in the public, private, and social sectors. Two organizations were selected each from public sectors (The Rehabilitation and Reconstruction Aceh-Nias/BRR Aceh-Nias and the Ministry of Energy and Natural Resources/KESDM), corporations (PT Pertamina (Persero) and PT Indika Energi Tbk.), and civil society (The Indonesian Institute of Accountant/IAI and the Indonesian Society for Transparency/MTI).

Change is a response to the failure problem, which requires management and leadership in any scope and complexity (Hughes, 2016). Furthermore, change in the socio-economic system can be adequately managed in various ways, including developing strategic management, improving organizational culture, changing organizational design and structure, and implementing new technology (Sirotkina et al., 2020). In terms of leadership, the agents must possess leadership characteristics and behavior (Smilevski, 2017). This research focuses on the first aspect of change, namely examining the building blocks for fundamental advancement. The different journeys and success levels of many organizations in engaging change provide different perspectives in determining a number of possible options as the practical reference of change initiatives and the driver for future academic studies.

Most changes are caused by environmental pressure that drives a reaction or anticipation to the surrounding situations. The several developments that often trigger change, which include the advancing nature of the workforce, economic shocks, competition, technology, and social and globalization trends (Robbins & Judge, 2018). The PEST Analysis approach (Brown & Osborne, 2005) recommends that leaders in the public sector always be aware of political, economic, social, and technological factors. Meanwhile, (Wells & Walker, 2016)) explained two types of organizational changes, namely planned and unplanned, associated with responses to environmental change that can be developmental, transitional, or transformational. The most frequent changes that occur are transitional, generally minor, involving people, structures, procedures, and technology (Gilley et al., 2009)

(Schermerhohn et al., 2013) stated that the scope of change is associated with the vision, purpose, objectives, strategies, technology, people, structure, business processes, and task structure from the organizational component perspective. Meanwhile, from an evolutionary perspective, it comprises three types of change, namely 1) transitional, 2) transformational, and 3) developmental (Gilley et al., 2009). Planned organizational change is adopted and carried out to improve the quality of institutional performance. For the purpose (Niculescu & Voicu, 2018)introduced the following processes of organizational change, including 1) Identifying its needs, 2) Analysis of the internal environment and external factors, 3) Formulation of strategies, 4) Initiating a process that ensures organizational reputation, quality, and high performance, 5)

Implementing the strategy, 6) Implementation control, 7) Substantiating the directions to be followed, and 8) Analyzing the techniques needed to solve the identified problems.

Change is becoming a continuous process rather than something that happens once or in a fixed manner (Langley et al., 2013). Change is made up of reciprocal processes that are bottom-up and top-down in nature (Badawy & Magdy, 2016). Since organizations are filled with people, it is advisable to first focus on them while managing change. Leadership is a crucial success factor, and its discourse with managerial approaches in managing change are well documented in the literature "Change their form is primarily about leadership" (Gill, 2010; Gilley et al., 2009). (Belias & Koustelios, 2014) emphasized the importance of distinguishing leadership and management, which is connected to the criticality of leadership style to build members' commitment to improvements (Alamanda et al., 2022). Kotter (1977) stated that "successful transformation is 70 to 90% leadership and only 10 to 30% management", indicating the lack of leadership roles in managing organizational advancement.

Change and transformation can occur in any type of organizations whether it is a governmental institution, corporation, or non-profit. Due to the differences in organizational context and setting among the three sectors, managing change is unique with numerous challenges. According to Jurisch et al. (2013) leaders, managers, and change agents in public sectors and governmental organizations face three challenges, including 1) investing considerable effort in managing stakeholders' interests and building support for change, 2) planning and preparing the resources accurately, and 3) managing the risk of frequent government official appointments which could lead to changing priorities and political agenda. However, the perceived capacity to change private organizations and employees are much higher than in a public institution (Jurisch et al., 2013). Badawy & Magdy (2016) stated that managing change in public and private sectors broadly have more similarities than differences from the selected sample. For example, in a social context, volunteerism, actions, examples, and cost-minimal are critical in managing change within non-profit organizations with more laughter, camaraderie, and genuine caring for one another. The importance of relationship-building cannot be emphasized enough (Callahan, 2009), hence, it is important to solicit and be responsive to feedback as much as possible.

One goal of making organizational change is to ensure it remains effective, productive, and sustainable. The term sustainability is more commonly used in the corporate world (Soyka, 2012) to describe a value set, philosophy, and approach that believes organizations can and must contribute materially to the environment development. This concept connected with a triple-bottom-line concept, which measures the success of organizations from the financial aspect (economics), risk and requirement (environmental) as well as human (social) factors (Leon, 2014). In line with the above categorization, Soyka (2012) formulated the characteristics of sustainable organizations with a mission-driven awareness and responsiveness to societal and stakeholders' interests, ethical responsibility, dedication to excellence, and the need to exceed customers' expectations. The fundamental elements of sustainable organizations, are purpose-driven and have an overarching objective beyond self-gratification and profit maximization. The concept of the organizations' societal goal suits well in daily practices because only organizations produce goods and services that are of value to people and society at large (Schermerhohn et al., 2013). According to Soyka (2012) sustainability is not becoming green, but beyond corporate social responsibility and strategic philanthropy.

Literature on organizational change and development provides several perspectives on the background, scope, staging, and comparison in managing advances within the public, private and non-profit sectors. Based on the literature review, the main elements in managing change are generally applied in various organizations as the proposed conceptual framework for empirical

studies. The five common change in building blocks consist of 1) identifying rooms for improvement, 2) organizing change agents, 3) mobilizing support, 4) executing change, and 5) sustaining the results. In addition, the critical role of talent management and leadership development in managing advancement and transformation are analyzed to support the building blocks related to preparing the change agents as enabling factors. Therefore, organizational change and transformation are expected to produce improvement in performance, health, and reputation, which are key elements of organizational sustainability. The literature review further provided a bridge between the existing theory and the study's context (Ridley, 2012). Fig. 1 describes the research conceptual model.



Figure 1. Change Building Blocks: A Conceptual Framework

There are three components of the model. The first is sustainable organizations known as the change result, which are symbolized as the roof of the building and the most visible part of the model. The second component is the stages and processes of change, visualized as the five pillars or building blocks. The third is the enablers of change, which is put at the bottom as the foundation of the building, symbolizing the fundamental aspect to support the change and transformation. The structure of different ideas and themes found in the literature and put together to build the proposition or argument lead to this conceptual model (Saunders et al., 2012).

The five pillars of the change building block are as follows. First, identifying room for improvement is carried out as a process of conditioning readiness to change and determining the discrepancy between the ideal and current state. The discrepancy can be linked to performance, efficiency, health, and best practices. The second pillar is to organize change agents as an initiative to weave elements of organizations with a shared vision and empower them to start the transformation process. These elements comprise formal leaders or individuals with an understanding and influence to drive significant change. Furthermore, organizations can be continuously developed at intervals depending on the needs and breadth of advancement. Third, organizations need to mobilize external and internal stakeholder support. The change agents must then convert the identified room for improvement and stakeholder support into systematic plans of action commonly known as change agenda. The last pillar is the effort to preserve and institutionalize the result of change by identifying and celebrating advancement, appreciating those who contributed, maintaining momentum, and ensuring the availability of resources. The conceptual model will be validated through empirical research.

2. Research Methods

This qualitative research was carried out with a deductive approach used as part of the ongoing theory building. It was a multiple-case study (Yin, 2014) involving six organizations consisting of two public institutions, two corporations, and two civil or non-profit organizations. An important component involved was the strategies used to represent organizations from the private, public and non-profit sectors. These organizations were selected because of the massive change and transformations driven both internally and externally. Another reason was due to significant and sustainable change, both in terms of fulfilling public needs and in carrying out the roles during critical periods in Indonesia. Pertamina, ESDM, and Indika Energi are state institutions and business actors that support each other in the energy and mining sectors to meet public needs. Therefore, there are many points where organizations need to make change to adjust to social, economic, and political conditions. The other three, IAI, BRR, and MTI, are state institutions and non-profit organizations selected to become pioneers and make change in terms of setting new standards in their respective issues.

One of the purposes of this research is to document tacit knowledge based on empirical experience to achieve explicit knowledge. The findings can be generalized, studied, and applied to different contexts (Saunders et al., 2012). The qualitative approach was used to generalize and test the findings quantitatively. Data collected from documents, empirical observation, and opinions of credible stakeholders were used to explain the phenomenon that occurred across the six organizations.

After reviewing the literature and historical documents, semi-structured interviews were conducted with leaders in the six institutions involved in the change process. The questionnaire contained three main questions, including what change has occurred in the respective organizations, how can this change sustainably take place, and what intrinsic values the leaders have at that time to drive the change. Furthermore, several questions were asked spontaneously, which aimed to dig deeper into the specific conditions experienced by the informants and organizations.

This research curated eighteen credible resources comprising top leaders, CEO, CFO, Board Members, Director Generals, and relevant change drivers. The criteria to establish credibility is a combination of deep involvement in the change process, which requires a comprehensive understanding of the problems, and objective judgment in describing the events in the change process. Yin (2014) stated that such persons are expected to provide many insights and be open to further discussion.

The N-Vivo software was used to provide codes to the interview result to identify common themes and the most dominant keywords expressed by the change leaders within the six different organizations and institutions. The common themes and keywords were analyzed in relation to the five identified change building blocks. The analysis focused on ways to change the building block applied in the six different settings to achieve common goals, such as the sustainability of institutions. The words sustainability refer to the change and transformation processes of institutions, with the main factors analyzed to sustain the change as well as the factors responsible.

Triangulation, which is used in quantitative research to test the reliability and validity can also illuminate ways to maximize the validity and reliability of qualitative study. It is typically a strategy test for improving the preliminary research findings. Triangulation is also an approach to control bias and establishing valid propositions (Mathison, n.d.).

This research conducted two stages of triangulation, namely internal discussion between the research team and FGD with informants. The transcript interviews were analyzed using NVIVO

an open coding software with certain pre-determined concepts used to extract information from informants. The results of the open coding are then discussed using three external parties and the research team. The internal objective of the research team is to eliminate irrelevant concepts, which does not explain the condition main variable and its frequency at the initial stage. This is in addition to clustering and grouping concepts with the same nuance, supporting the main variables and reducing bias by involving external parties in the discussion and qualitative analysis process.

The second triangulation phase was conducted through interview with informants who were asked whether the points of preliminary findings were in accordance with the idea mentioned. In addition, new perspectives were also explored as feedback from informants on preliminary findings as improvement in continuing the research.

3. Results and Discussions

The following sections explain the cases of managing change in six organizations as a multiple-case study. The description of each case will generally cover the driving forces, the scopes, dynamics of change processes, and stages in each respective organization.

3.1 Managing Change in Aceh and Nias Post Tsunami (2004-2009)

The impact of a giant earthquake and tsunami in 2004, combined with the years of separatism issues, are the most logical driving force to change in Aceh and Nias. The advancement due to post-tsunami is powered by humanitarian and anti-corruption activists, who are aligned with prominent senior government officers and professional communities from the public, corporate, and social sectors. Mobilizing support for change was carried out by engaging with the media, government agencies, local community leaders, and other most influential stakeholders, including international bilateral and multilateral agencies (Nicol, 2013). The main agenda of change include building back all sectors impacted by the disaster, strengthening governance, and conducting clean government practices. Furthermore, to maintain sustainability, the Agency put significant efforts into systematically documenting the reconstruction process, conducting international campaigns, and strategically developing leadership talents (Sabandar, personal interview, 2021).

The people of Aceh generally acknowledged that the community was better after reconstruction (Warsidi, 2008). This shows that the spirit of reforms and good governance are dominant as partly triggered by the vision and values of the top leader, Dr. Kuntoro Mangkusubroto, a professional bureaucrat and academic who always puts integrity first. Kuntoro succeeded in building a solid, high-performing team atmosphere, and continues to maintain clean government practices.

"Look around you! Who could destroy all of this, no one except God. Now, think, how is it possible that something which has been destroyed by God can be rebuilt by man? The only answer is that God can use man's hands to create things, hence, never taint these hands!"

These words will later become guidelines for building the values of the BRR organization, which must be free from corruption. It is proven that a leader's vision, values, and courage is a very impactful differentiators that can be used in the future (Nicol, 2013). BRR delivered targets, including building back 130 thousand houses, 2.618 kilometers of road, hundreds of government and public facilities within a relatively short time (Nazara & Resosudarmo, 2007). It was termed "the

best reconstruction agency" in the UN Post Tsunami Conference in 2009 and also obtained the Unqualified Opinion audit report from the Supreme Audit Body (Warsidi, 2008).

3.2 Managing Change in the Ministry of Energy and Mineral Resources (2014-2016)

Some factors responsible for transformation in the energy and mineral sector are reputation-related issues, the inefficiency of the oil and gas supply chain, and the need for the energy transition. The appointment of MEMR under the new administration, supported by the national leadership, led to the transformation momentum that gained support from professionals and academia in the field. The MEMR engaged the media, national political leadership, and the internal core leadership team as a way to mobilize support. According to KESDM (2016), the focus of change and reforms covers management governance, sharpens sub-sectors' direction, and promotes renewable energy. Syahrial, in an interview, stated that the MEMR works very hard to develop a new breed of leadership, groom talents, and establish practices and culture within the ministry.

The stakeholders visualized major improvements and change as described by Prof. Dr. IGN Wiratmaja Puja during an interview, as stated in the following excerpt:

"A number of fundamental changes have occurred in the Ministry of Energy and Mineral Resources, which led to the positive branding and confidence. Employees work calmly, without fear of being called by law enforcement officers, or political pressure from various parties, because they are confident and do the right thing. The immediate performance improvement is also important as its permits are granted faster, with increase in state budget investment."

The formation of the Performance Control Unit (UPK) and the Oil and Gas Governance Reforms Team (TRTMG) are the prime movers of change in the MEMR that provide strategic contributions (Djumena, 2014).

3.3 Managing Change in PT Pertamina (Persero), 2006-2009

PT Pertamina (Persero) has to respond to the new oil and gas regulation, which forces it as one of its many players. Furthermore, it must run as a true corporation instead of a quasi-regulatory and enjoy a monopolistic role similar to previous years (Soemarno, interview, 2021). The need to engage in fundamental reform through support from the CEO, who was also part of the old guard and the national leadership, has driven change in the company (Kasali, 2008). The scope of transformation from upstream to downstream (Harinowo, 2008.) includes production and processing cost efficiency and fundamental service improvement in gas stations (Tempo, 2006). The CEO and the core team maintained a strong relationship with strategic stakeholders such as political leaders, media, global players, and academia to mobilize support (Prawiraatmadja, interview, 2022). Furthermore, to maintain the momentum of change, Pertamina conducted aggressive campaigns by maximizing the use of technology and developing a strategic leadership talent pool.

What drives those massive transformation processes? Kasali (2008) stated that the drivers for change include Law No.22/2001, alternation in fuel subsidy and distribution fee, the demands to prove good performance, and the need for transparent and clean business. Soemarno (2021), the CEO/President Director of PT Pertamina (Persero), classified transformation initiatives into two

parts, namely 1) corporate governance related to the physical arrangement and 2) the mindset of Pertamina's people.

“The first is basically professionalizing the management of all corporate functions and business fields from upstream to downstream, to become a leading company in Indonesia. Second, it is more fundamental in nature, as it relates to changing the mindset and behavior of all Pertamina personnel, to stay away from corrupt practices and focus on serving customers. It is also necessary to regenerate leadership with a new mindset, which will make Pertamina no longer the “sole ruler” of the oil and gas business, but one of many players.” (Soemarno, Interview, 2021)

Since the Indonesian Political Reform in 1998, the CEO has experienced frequent change in top leadership, which have caused major and fundamental advancements to be sustainable (Kasali, 2008). The following is an excerpt from an interview with Dr. Widhyawan Prawiraatmadja, Head of Corporate Planning and PMO of Pertamina's transformation (2022):

“The role of the Top Leader is fundamental. For instance, when “the number one” is firm and the direction is clear, everyone will follow. However, when those at the top level do not show commitment to change, it will be difficult to move internal and external stakeholders. In the case of Pertamina, external stakeholders are broader because they involve politicians with varying interests.” (Prawiraatmadja, interview, 2022)

3.4 Managing Change in PT Indika Energy Group (2009-2014)

Shifting the culture from family-owned businesses to a professional public corporation and improving portfolios has triggered change and transformation within PT Indika Energy Tbk (Rasjid, interview, 2021). The initiatives of change come from the CEO, supported by the top leadership team and the controlling shareholders (the principal). The regular Leadership Summit is the cornerstone of change as the leadership team perceives it as the opportunity to review the progress, challenges, and the next plan of transformation (Indika Energi, n.d.). Therefore, to serve the purpose, the change is initiated by envisioning, professionalizing organizations practices and embracing good corporate governance practices. Transformation is managed by communicating closely with the principal to get support, leadership development, diversification, and new talent from the industry (Rasjid, interview, 2021).

Has the spirit and initiative of transformation continued at IEG since it started more than a decade ago? Azis Armand, former Chief Financial Officer who is currently the CEO, explained that IEG transformed with a larger scope seven years later after carrying out the transformation in the first stage in 2010. IEG was used to manage the business portfolio in the energy sector in 2017 and explored other business lines that are considered more sustainable (Armand, interview, 2022). In a 2021 interview, Ispurnawan stated that it feels right to maintain the direction of the company's growth by selecting a business line sustainable in the long term.

3.5 Managing Change in the Indonesian Institute of Accountants (IAI), 1996-1999

The globalization of accounting practices, including standard-setting and enforcement, is essential to professionalize accounting in Indonesia. As a volunteer organization, the IAI must establish professional techniques for managing membership services, publications, certification, and ethical enforcement. Furthermore, the young members work with prominent board members

to initiate change and mobilize support for change (Setyanto, interview, 2021). Benchmarking with international best practices is also part of the change, therefore, to sustain the result, the management team prepares a succession plan for leaders and establishes a sustainable revenue stream and talent development programs. M. Kurniawan, the 3rd Executive Director and formerly the Technical Director at the Institute, stated that:

“The change processes at the IAI covers all aspect of management and governance including, infrastructure, regulatory framework, standard setting procedures, publication, the mandatory CPE (continuing professional education), and empowering the branches to activate members.” (Kurniawan, interview, 2021)

The strategic potential of the accounting profession is starting to become clearer with change, in the view of the younger generation. Several fundamental aspects of accounting profession best practices were addressed, including Standard Setting Due Processes, Certification, Continuing Professional Education (CPE), Publications, and Membership Services (Nisaputra, 2020). The profession is strategic hence it enables members to contribute significantly to improving good governance and transparency. The presence of prominent members indicates that the IAI plays a strategic role in developing the country. "The public has seen that IAI is one of the models used to manage the profession properly" (M. Kurniawan, Interview, 2021).

3.6 Managing Change in the Indonesian Society for Transparency (MTI), 1998-2004

The Indonesian Society of Transparency (*Masyarakat Transparansi Indonesia/MTI*) was founded in 1998 to respond to the country's political reform movement, such as wide spreading corruption practices and multi-dimension crisis (Surowidjodjo, Interview, 2021). This was formed through the collaboration of young activists with a prominent figure who has concerns about corruption and organized the anti-corruption movement through the establishment of MTI (Hendarto, Interview, 2021). The change agents mobilize support through public education, engaging with political stakeholders and media, and partnering with universities in the country (Swandari et al., 2019). The establishment of KPK is one of the most strategic agendas of corruption eradication, along with its publication and public education.

Hardjapamekas (Interview, 2021), one of the founders of MTI and a KPK leader, explained that the initiative to establish this organization was driven by a group of people who longed for transparency. When MTI voiced the establishment of the Independent Anti-Corruption Agency, the public's response was very enthusiastic.

“This is a kind of the tipping point theory because people have longed for a clean government and there is need to overcome corruption as the basic problem of this nation. Therefore, when a number of upright figures brought the initiative, many people were easily mobilized to jointly fight for transparency and eradicate corruption.” (Hardjapamekas, Interview, 2021)

The public has enthusiastically welcomed the KPK since its establishment in 2001. Several initiatives ranging from prevention, public education, regulation of state officials' wealth reports to prosecution are among the significant achievements of the KPK. Approximately 480 public officials, including many high-ranking officials, were brought to court and convicted of corruption-related cases. Indonesia's Corruption Perception Index continues to improve, with several publications citing academics and explaining the systematic effort to weaken the KPK.

Hardjapamengkas (Interview, 2021) stated that there were always disturbances, criminalization, weakening of authority, physical threats, and political pressures on the KPK from 2012 onwards. It is important to note that beyond establishing KPK, the MTI also promoted some other fundamental governance reforms, including strengthening the role of the Supreme Audit Body (BPK), establishing the Constitutional Court (MK), setting up the PPATK, and independent Judicial Commission.

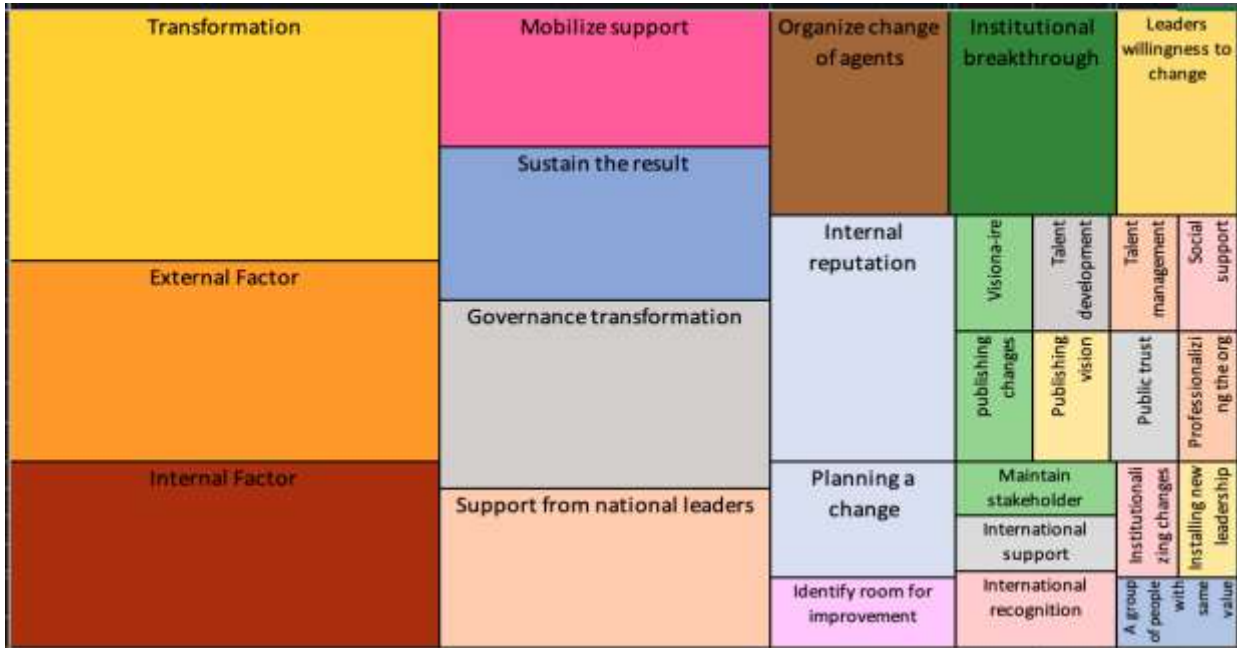


Figure 2. Hierarchical Chart of Managing Change in Three Sector Organizations

The hierarchical chart is produced through four steps, namely interview, transcript, coding, and software exercise. The interview was conducted with eighteen resource persons to determine the coding process and identify relevant keywords with the results run through the N-Vivo software. The four steps are conducted across three sectors merged into one chart. Figure 2 identifies general patterns from eighteen resource persons across six organizations and three sectors.

The six organizations that are the subject of this study have diversity in terms of size, complexity, context, challenges, and ways of managing change. Fortunately, this research aims to determine patterns and commonality of the elements of change in six institutions and three different sectors. A greater percentage of all the leaders interviewed stated that the keyword transformation is dominant. Badawy & Magdy, 2016 reported more similarities than differences in managing transformation in three sectors. This view is supported by those who touched on the general themes related to the stages of advancement, such as identifying the needs, analyzing the environment, formulating strategies, and implementing this change (Niculescu & Voicu, 2018).

Several sources conveyed the criticality of leaders' reputations who pushed the change (Gill, 2010). In addition, several other themes, such as leadership development, maintaining a good relationship with stakeholders, and obtaining support from power holders, became a concern for the change leaders interviewed. This is in accordance with Jurisch et. al (2013), which stated that leaders in government and state-owned enterprises play significant roles to the national leadership and in maintaining the continuity of large-scale transformations, such as those carried out at BRR Aceh Nias, the Ministry of Energy and Mineral Resources, and Pertamina.

Several aspects create significant differences in each sector. For instance, in the public sector, such as the BRR Aceh-Nias case and the Ministry of Energy and Mineral Resources, the correlation with political stakeholders is very strong. The capability of top leaders to mobilize the stakeholders' support by stating that public trust is an important element in encouraging change in government because the credibility of key leaders is critical (Callahan, 2009).

In the private sector, the main concerns about sustainability are the bottom line, company survival in business, and competitiveness (Jurisch et al., 2013). All efforts are directed at achieving market expansion, strengthening competitiveness, and long-term survival of the business (Soyka, 2012). Stakeholder complexity in this sector is less challenging than in public organizations because the dominant parties who determine the long-term direction are more shareholders. Once the controlling shareholders have the same mindset with top management, any complex initiative can be executed (Higgs & Rowland, 2009). This is specifically true for Indika Energy as a public company owned by private shareholders. In the case of Pertamina, there is a specificity because it is a state-owned enterprise with its shareholders (government) not only the dominant party but the voices of political stakeholders who determine the continuity of transformation and change (Jurisch et al., 2013).

In the third sector, the social sector or non-profit organizations are more manageable as long as the social services are properly maintained (Tang, 2020). NGOs and non-profit organizations such as the Indonesian Accountants Association operate due to volunteers. Furthermore, the role of the top leaders (Gill, 2010) and their contribution, which acts as a locomotive force, determines the continuity of change and transformation initiatives in this social sector.

In an effort to determine a synthesis of the common thread of the process of change in the six organizations, the common themes that emerged in interviews with the eighteen sources were reviewed. The literature on managing change in the three sectors with empirical studies identified five common staging of change used as building blocks within the six organizations.

Change and Transformation are initiated by identifying the room for improvement. The notion of governance reforms is a relatively dominant driver for change in all six organizations. The rooms for improvement, such as the corruption practices (MTI), efficiency and reputation (MEMR and Pertamina), professionalizing the organizations' functions (Indika, Pertamina, IAI), and a vision to build back better (BRR Aceh-Nias) are all related to the governance reforms, which drive change and transformation within the six organizations.

There are concerned individuals within and surrounding the institutions who take the initiative to organize the change agents. The leadership action is responsible for initiating change and reforms, whether from formal leaders or influential individuals within or outside the organizations. In the public sectors (BRR Aceh-Nias and MEMR), formal leaders are more dominant as the change agents at corporations (Indika and Pertamina), with the controlling shareholders as the driving force. Meanwhile, in non-profit organizations, such as IAI and MTI, the volunteers play a stronger role in steering the change. In conclusion, collaboration is needed among formal leadership, activism, and professional group.

The support the change and transformation agenda, the agents put efforts to mobilize stakeholders' support. The ability to influence the most influential stakeholders is the key to mobilizing support successfully. The combination of those influential individual informal leaders, supported by communication at all levels, including using the mass media, is generally conducted by all six organizations.

The agent systematically sets the agenda, scope, and advancement stages to execute the change and transformation. Initially, the agent targeted something that could be carried out

quickly and more easily. This was conducted by involving the broader supporter and more systematically and comprehensively identifying change targets.

The change agents put effort into sustaining the advancement and transformation through institutionalizing the change result. An intensive campaign, communication, and celebration process are needed to change the results in almost all organizations. In reality, sustaining the change process and result in government organizations such as KPK, MEMR, and Pertamina is much more challenging than in the private sector (Indika) and non-profit organizations (IAI). Interestingly, organizations are engaged in preparing future talents and developing leaders.

4. Conclusions

In conclusion, this research described elements of institutional change and transformation, which include the associated driving forces, agents, stakeholders' support, an effective execution, and efforts to sustain the initiatives and results. The literature review and empirical research provide the basis to synthesize the common pattern and main elements of managing change, as shown in Figure 1. Therefore, based on the analysis and discussion, public sector/government, private sector/corporate, and social/non-profit organizations can manage change using the following steps: Identifying rooms for improvement: conducting the environmental scanning to identify discrepancies in functions, competition, and sustainability of institutions. Organizing change agents: promoting collaboration between activism, respected/credible figures, formal leaders, and professional groups. Mobilizing support: employing different approaches in various settings to engage the most influential stakeholders and mobilizing public support. Executing change: identifying the most pressing issue that needs to be overcome, developing a more comprehensive scope of change, and implementing effective management approaches. Sustaining the Results: developing talent for future leaders, installing new leadership in numerous layers and functions.

All the interviewed leaders emphasized the need for talent and leadership development as a strategy to ensure continuous change and organizational survival. From the agents' perspective, there is a common phenomenon within the study subject. The momentum of change and transformation is when the need meets the extraordinary leader's status quo. The kind of leadership team typically emerges as a result of combined effort, including installing new figures (outsiders) and identifying potential extraordinary insiders. When the leaders involved in the changing processes in an organization, move to another they become involved in its advancement. From analysis, this phenomenon influences the change and transformation within the six organizations studied. This research indicates that leadership mobility from one organization to another within three different sectors enables them to enrich the perspective of change by extracting the experiences from different organizations and sectors. This research is important especially in implementing changes to dominant organizations, such as in the Indonesian context. This research was conducted in Indonesia's context, hence, further investigation needs to be conducted to explore whether the findings are universally applicable.

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