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Change Credit: The Compensatory Effects of Leader Group Prototypicality and Organizational Identity Strength in Organizational Change

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ABSTRACT

This research empirically examined a central claim of the social identity approach to leadership in the context of organizational change, namely that group prototypical leaders possess a 'special credit' in leadership performance and consequent follower support. We investigated leader prototypicality in comparison to and combined with change leadership and explored its boundaries focusing on organizational identity strength. Furthermore, we situated our analysis in two countries, Austria and Germany, that differ along cultural dimensions known to influence the effectiveness of leader group prototypicality. In our study of 207 Austrian and 206 German employees, we found that leader prototypicality, change leadership, and organizational identity strength each uniquely predicted perceived leader support, both in the combined sample and within each country. Furthermore, we observed the hypothesized two-way interaction between leader prototypicality and change leadership across these samples, as well as a three-way interaction with organizational identity strength in the combined and Austrian samples. Change leadership was less predictive with increasing leader group prototypicality, particularly in organizations with strong organizational identity. We interpret this as evidence of a 'change credit' for prototypical leaders, allowing them to compensate for a deficit in change-specific leadership behaviours, especially in contexts where organizational and leader identities are salient.

MAD statement

Our study investigates how leaders who embody their group's identity can more effectively drive organizational change, requiring fewer change management efforts to secure follower support. By exploring the idea of 'change credit' among Austrian and German employees, we highlight the critical role of social identity leadership, alongside a strong team and organizational

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identity, in achieving successful organizational transformations. This research contributes to Sustainable Development Goals 8 (Decent Work and Economic Growth) and 9 (Industry, Innovation, and Infrastructure) by offering scientifically-backed insights into more effective leadership strategies during challenging transitions in companies and economies.

Introduction

Leadership in organizational change is vital for organizational success, yet it remains a significant challenge. As companies and the broader economy undergo major transformations, a recent Gallup report (2024a) reveals that only 60% of German employees have confidence in their leaders to manage future challenges, with just 58% expressing trust in them. This lack of confidence is reflected in low employee engagement: only 14% feel engaged at work, while 67% are not engaged, and 19% are actively disengaged. In Austria, employee engagement is even lower, though active disengagement is also less prevalent (Gallup, 2024b). While some research has focused on refining change leadership strategies (e.g. Ford et al., 2021; Herold et al., 2008; Higgs & Rowland, 2000), our study investigates leader group prototypicality – the degree to which a leader is perceived as embodying the identity of the group (van Knippenberg, 2011). This concept is a key element of the social identity approach to leadership (Haslam et al., 2020; Hogg et al., 2012; Price & van Dick, 2012). We introduce 'change credit', an identity-based form of goodwill that leaders can build in advance and leverage during organizational change. We empirically test a key theoretical claim within the social identity approach to leadership in the context of organizational change, and offer practical insights into a less commonly explored strategy for leaders and organizations to better prepare for and address change challenges.

Change Leadership and a Social Identity Approach

In change management practice, it is often asserted that 70% of change initiatives fail. Although scientific debates question this failure rate (Hughes, 2011), the challenge of organizational change is evident, with leadership consistently recognized as a crucial success factor (Burnes, 2011; Da Ros et al., 2023; Oreg et al., 2011; Rafferty et al., 2013). One research stream has focused on specific change leadership behaviours. For example, Yukl et al. (2002) categorized leadership behaviours into three macro categories: task-, relations-, and change-related behaviours. Expanding on this, Ford et al. (2021) added leadership functions relevant to change contexts, such as visioning, structuring, monitoring change and ensuring social integration. Given that these behaviours can be learned, they have been conceptualized and promoted as change capabilities (Higgs & Rowland, 2000). While there is an attempt to differentiate task-oriented change management from people-oriented change leadership (e.g. Gill, 2003), we argue that effective change leadership also involves task-related behaviours. In this study, we adopt the definition by Herold et al. (2008), who define change leadership as 'focusing on the specific change at hand and how the leader is handling it from a tactical point of view'

(p. 348), including behaviours such as communicating goals, empowering people, providing feedback, and overcoming barriers related to organizational change. While leadership can be performed by individuals in both formal and informal roles, this study specifically focuses on formal leadership positions within organizations, particularly supervisors, who are expected to exhibit these change leadership behaviours.

In contrast to change leadership, the social identity approach to leadership (Haslam et al., 2020; Hogg et al., 2012) was not initially developed for change contexts and offers a distinct perspective compared to typical change leadership strategies. Based on social identity theory (Tajfel & Turner, 1979), this approach posits that effective leadership revolves around a shared social identity between group and leader, enabling both leadership and followership (Haslam & Platow, 2001; Hogg, 2001). A key element in this approach is leader group prototypicality, which reflects how well a leader embodies the group's identity (van Knippenberg, 2011) and is seen as 'one of us' (Haslam et al., 2020). Prototypicality is context-dependent (Hogg, 2001); for example, leaders may be seen as more prototypical if they uphold the work ethos of a task-focused team or share the background of a socio-cultural homogeneous group. This paper primarily focuses on the embodiment of a group's identity (identity prototypicality, 'being one of us'). Other key components of social identity leadership include actions that benefit the group (identity advancement, 'doing it for us'), the active shaping of the group's identity (identity entrepreneurship, 'crafting a sense of us'), and making the group tangible through meaningful group activities (identity impresarioship, 'making us matter'; Haslam et al., 2020). While these components are distinct, they tend to co-occur and reinforce one another (Haslam et al., 2020; van Dick et al., 2018). Consequently, a leader's perceived group prototypicality is likely to also reflect their overall social identity leadership. The robustness of the identity leadership approach has been supported by meta-analyses (Steffens et al., 2021) and large-scale, cross-cultural studies (Bracht et al., 2023; van Dick et al., 2018).

A Change Credit of Prototypical Leaders

A central claim of a social identity approach to leadership (Haslam et al., 2020; Hogg et al., 2012) is that group prototypical leaders possess a 'special credit' in the perception and outcome of their leadership performance. The idea was originally introduced by Hollander (1958) as 'idiosyncrasy credit' who described the 'greater latitude' that leaders have in their behaviour without losing followers' support, based on the strength of the leader-follower relationship. In the context of social identity leadership, this credit is closely tied to leader prototypicality (van Knippenberg, 2011). Comparing prototypical with non-prototypical leaders, Platow et al. (2006) found that prototypical leaders needed to emphasize group affiliation less to be perceived as charismatic. Furthermore, Platow and van Knippenberg (2001) found that prototypical leaders did not need to demonstrate as much favouritism toward their group or maintain fairness between their group and others to secure support from their followers. They could even afford to show more favouritism toward other groups. Lastly, Giessner and van Knippenberg (2009) saw a 'license to fail' for prototypical leaders when they found that prototypical leaders retained more follower support after failing to achieve their organizational goals.

The social identity approach to leadership also claims that group prototypical leaders can be particularly successful change agents because their special credit allows them to

advocate for change and maintain follower support during organizational change (Haslam et al., 2020; Hogg et al., 2012). Previous research has shown that social identity can play a dual role in organizational change, either facilitating or hindering it (Price & van Dick, 2012). For example, social identity can facilitate organizational change when the change is integrated into the organizational identity itself (Liang et al., 2022). Conversely, social identity can hinder change when employees and leaders perceive change-related identity threats, which arise when they feel that their positive self-concept or status within the organization is being challenged (van Dijk & van Dick, 2009). In contrast, studies have emphasized the predominantly positive influence of leader prototypicality on follower's change readiness (Pierro et al., 2007; van Knippenberg et al., 2008; van Knippenberg & van Knippenberg, 2005). This effect is moderated by how strongly followers identify with their group and their need for certainty (Pierro et al., 2007), as well as the threat to their identity posed by change (van Knippenberg et al., 2008). Consistent with studies in non-change contexts (Giessner & van Knippenberg, 2009; Platow et al., 2006; Platow & van Knippenberg, 2001), van Knippenberg and van Knippenberg (2005) also showed that leader prototypicality not only increases follower's willingness to change but also reduces the need for other leadership behaviours, specifically personal sacrifices during these changes. We interpret this finding as preliminary evidence for a 'change credit' of prototypical leaders.

Our study further investigates the idea of a 'change credit'. Similar to previous studies (Giessner & van Knippenberg, 2009; Platow et al., 2006; Platow & van Knippenberg, 2001; van Knippenberg & van Knippenberg, 2005), we examine a compensatory effect of leader group prototypicality. Specifically, we investigate this effect in the context of organizational change, and in comparison and combined with change leadership behaviour (Herold et al., 2008). Among the various criteria for assessing leader effectiveness (Steffens et al., 2021; van Knippenberg, 2011) and employee readiness for change (Oreg et al., 2011; Rafferty et al., 2013), we focused on followers' perceived leader support. First, to assess the compensatory effects of change leadership and leader prototypicality, we require a variable that provides a comprehensive evaluation of the leader. Second, since our primary interest is in the employee-leader relationship, we chose a variable that highlights the positive impact of the leader on employees. Third, several reviews emphasize the crucial role of perceived leader support in successful organizational change (Oreg et al., 2011; Rafferty et al., 2013). Additionally, in the supplementary material, we report on turnover intention as a more distal criterion for leader effectiveness in organizational change, also highlighted as critical in the reviews (Oreg et al., 2011; Rafferty et al., 2013). We test the following hypothesis:

> Hypothesis 1: The more group prototypical leaders are, the less their change leadership predicts followers' perceived leader support.

Change Credit and Organizational Identity Strength

A recent meta-analysis on leader group prototypicality (Steffens et al., 2021) called for more research to clear up conceptual ambiguities. Across different behavioural outcomes, they found, for example, stronger effects of prototypicality for formal compared to informal leader roles, for enduring compared to short-lived groups, as well as for ideal compared to average prototypes. Interestingly, they did not find a difference between

contexts in which only the identity of one's own group was salient and those where both one's own group identity and that of other groups were salient. Our study contributes to research investigating the relevance of the identity context for the effectiveness of leader group prototypicality by examining organizational identity.

While social identity research predominantly focuses on individual-level organizational identification to investigate attitudes and behaviour in organizations (Lee et al., 2015), social identity researchers also argue for the theoretical and practical relevance of entity-level organizational identity (Haslam et al., 2003). Several researchers pointed out that for organizational identity, the strength rather than the content is an antecedent of favourable organizational outcomes (Boehm et al., 2015; Cole & Bruch, 2006; Kreiner & Ashforth, 2004). Kreiner and Ashforth (2004) showed that organizational identity strength is associated with more positive identification with organizations and less neutral identification, which is neither identification nor disidentification. Cole and Bruch (2006) showed that organizational identity strength is, in contrast to organizational identification and commitment, central across all organizational hierarchies from workers to top management.

While leader prototypicality studies typically validate their findings by showing that they are moderated by follower group identification (e.g. Steffens et al., 2021), our study adopts this logic to validate the 'change credit' related to leader group prototypicality by showing that it exists specifically in the contexts of strong organizational identity. Accordingly, we test the following hypothesis:

> Hypothesis 2: The stronger the organizational identity is, the more leader group prototypicality reduces the predictiveness of change leadership for followers' perceived leader support.

Change Credit and Country Differences

The recent meta-analysis on leader group prototypicality (Steffens et al., 2021) illustrated its impact across different, mostly Western and Asian, countries. Unfortunately, it did not report if the impact differed systematically between countries or world regions. Likewise, a recent international validation study of the *Identity Leadership Inventory* (van Dick et al., 2018) showed that the subdimension leader prototypicality predicted trust in the leader, job satisfaction, and organizational citizenship behaviour across countries, but – focusing on measurement invariance – they did not report differences in the predictive value of leader prototypicality between countries. Bracht et al. (2023), in contrast, hypothesized that identity leadership including leader prototypicality should be more effective in countries with high collectivism and power distance (Hofstede, 2001), because group identities and their representation by leaders might be more salient or more important in these countries. They found partial support for this hypothesis in the way that collectivism but not power distance moderated the indirect effect of identity leadership on innovative behaviour via social identification and personal identification with the leader, respectively.

By conducting our study in Austria and Germany, we offer several contributions: First, we add to the diversity of samples in applied psychology by including non-English-speaking contexts (Shen et al., 2011). Second, we investigate the applicability of the change credit concept in these two countries and explore potential differences between them (Bracht et al., 2023; Steffens et al., 2021; van Dick et al., 2018). Third, comparing Austria

and Germany may provide insights into social identity leadership, collectivism, and power distance, given Austria's higher collectivism and Germany's greater power distance (Hofstede, 2001; see also Carl et al., 2004; Gelfand et al., 2004). Due to the divergent directions suggested by these cultural differences, we conduct an exploratory investigation of country differences without putting forward specific hypotheses.

Method

Participants

The study was an online survey among Austrian and German working adults. Participants were recruited from the client organizations of three self-employed consultants: a transformation manager with experience in both non-profit and for-profit sectors, and two consultants – one specializing in finance and the other in tax consultancy. This collaboration resulted in the sector distribution of our sample shown below. Organizations were selected based on their undergoing some form of organizational change and their openness to exploring their change readiness. The sample included small to large organizations across various sectors undergoing typical changes, such as implementing new structures, processes, technology, or shifts in organizational behaviour and culture. From 526 participants completing the survey, 416 had a formal leader and were eligible for our analysis. Three participants needed to be excluded due to missing values. The final sample consisted of $N_{AT} = 207$ Austrian and $N_{DE} = 206$ German participants. Of these, 123 (30%) participants were men, 281 (68%) women, 9 (2%) others. Their age ranged from 17 to 67 years ($M = 39$, $SD = 10$). Participants worked mostly in tax firms (66%) but also in other financial services (11%), for-profit (11%) or non-profit (10%) organizations (2% not specified) (see supplementary material Tables A1a–c for further variables and country splits). All participants reported experiences with past or upcoming changes in their organizations. 92% experienced internally initiated and 73% externally initiated changes in their organizations in the last three years. 82% also expected further changes in the next 3 years.

Measures

To ensure the questionnaire remained manageable for working participants, we removed certain items from the longer measurement scales. The items retained were selected based on their high item-total correlations from previous studies (referenced below) and their content validity, which was evaluated through a focus group of researchers and practitioners. The scales used showed good to excellent reliability in both the combined and country-specific samples (see results sections). *Change leadership* was measured with five of the seven items developed by Herold et al. (2008) (e.g. 'My supervisor builds a broad coalition up front to support change'). *Leader group prototypicality* was measured by three of six items from van Knippenberg and van Knippenberg (2005) (e.g. 'My supervisor represents what this team stands for'). *Organizational identity strength* was measured by all four items developed by Kreiner and Ashforth (2004) (e.g. 'There is a strong feeling of unity in this organization'). *Perceived leader support* was measured by all four items from Rhoades et al. (2001) (e.g. 'My supervisor really cares

about my well-being'). All items were measured on a five-point Likert scale ranging from *strongly disagree* to *strongly agree* (only perceived leader support had a seven-point Likert scale). All items were translated into German with a back-translation correction procedure.

Analysis

A power analysis based on previously found moderation effect sizes of leader prototypicality (Giessner & van Knippenberg, 2009; Platow & van Knippenberg, 2001) suggested that 200 participants were sufficient to detect a medium-sized interaction effect in each country sample; 400 participants to detect even small interaction effects in the combined samples. Measurement models and invariance between both countries were tested. Hypotheses were tested by multiple regressions predicting perceived leader support. Multicollinearity, normal distribution of residuals, and homoscedasticity were checked. For comparison, psychological variables in the regressions were standardized. As robustness checks, we calculated regression models with the control variables tenure, leader role, and sector as well as in different multilevel regressions accounting for participants being nested in organizations, sectors, and countries.[1] We calculated all models for each of the country and combined samples.

Results

Preliminary Analysis

The preliminary analysis confirmed the measurement model that differentiated change leadership, leader group prototypicality, organizational identity strength, and perceived leader support (see supplementary material Table A1a) as well as metric measurement invariance between both countries (see supplementary material Table A1b). All reliabilities were good or even excellent in the combined as well as country samples (see Table 1, also supplementary material Tables A2a–c). Change leadership, leader group prototypicality, and organizational identity strength were all strongly correlated with each other and with perceived leader support in both the combined as well as country samples (see Table 1, also supplementary material Tables A2a–c).

Table 1. Descriptive statistics and correlations.

Variable	M	SD	1	2	3	4	5
1. Country[a]	0.50	0.50	–				
2. Change leadership	3.56	0.90	−.04	(.90)			
3. Leader prototypicality	3.46	0.85	−.11	.66	(.84)		
4. Organizational identity strength	3.57	0.87	.09	.62	.50	(.88)	
5. Perceived leader support	5.36	1.26	−.03	.71	.62	.55	(.93)

Note: $N = 413$. Correlations |.10| and above are statistically significant at the $p < .05$ level; correlations |.50| and above are statistically significant at the $p < .001$ level.
[a]Dummy: 1 = *Austria*, 0 = *Germany*. See supplementary material for country samples and additional variables (Tables A2a–c).

In the regression analysis, variance inflation factors ranged from 1.08 to 2.6 (without interactions) and up to 3.3 (with interactions), suggesting that change leadership,

leader group prototypicality, and organizational identity strength, though highly corre-lated, had sufficient uniqueness. Quantile-quantile-plots with standardized residuals indi-cated that residuals were normally distributed. Unsystematic distribution in residual plots with standardized residuals indicated homoscedasticity. Figure 1 shows the standardized beta coefficients predicting perceived leader support in the Austrian, German, and com-bined samples. Change leadership ($\beta = .44$, CI [.35; .54], $p < .001$, $\eta_p^2 = .55$; AT: $\beta = .52$, CI [.39; .65], $p < .001$, $\eta_p^2 = .62$; DE: $\beta = .32$, CI [.17; .46], $p < .001$, $\eta_p^2 = .45$), leader group proto-typicality ($\beta = .27$, CI [.18; .36], $p < .001$, $\eta_p^2 = .09$; AT: $\beta = .26$, CI [.13; .38], $p < .001$, $\eta_p^2 = .06$; DE: $\beta = .29$, CI [.15; .43], $p < .001$, $\eta_p^2 = .14$) and organizational identity strength ($\beta = .18$, CI [.09; .27], $p < .001$, $\eta_p^2 = .03$; AT: $\beta = .24$, CI [.10; .37], $p < .01$, $\eta_p^2 = .03$; DE: $\beta = .16$, CI [.03; .30], $p = .02$, $\eta_p^2 = .02$) were all unique significant predictors for followers' perceived leader support in the Austrian, the German and the combined sample.
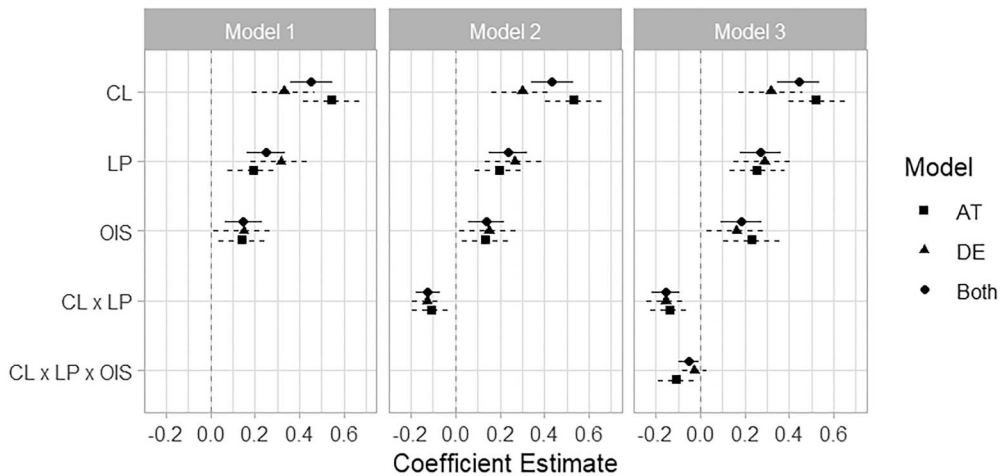

Figure 1. Regression on perceived leader support: Standardized beta coefficient plots.

Note: Standardized beta coefficients and 95%-confidence intervals of the regression models predicting perceived leader support in the Austrian (AT), German (DE), and combined sample. CL: change leadership; LP: leader prototypicality; OIS: organizational identity strength. The combined sample includes country as a control variable. See supplementary material for regression models (Tables A3a–c), also with additional control variables (Tables A4a–c).

Findings on Hypotheses

Hypothesis 1 was confirmed. The more group prototypical leaders were, the less their change leadership predicted followers' perceived leader support. There was a significant two-way interaction between leader prototypicality and change leadership in the country and the combined samples ($\beta = -.16$, CI [−.22; −.09], $p < .001$, $\eta_p^2 = .04$; AT: $\beta = -.13$, CI [−.22; −.05], $p < .01$, $\eta_p^2 = .03$; DE: $\beta = -.15$, CI [−.24; −.06], $p < .001$, $\eta_p^2 = .06$). Hypothesis 2 was confirmed. The stronger the organizational identity was, the more leader group pro-totypicality reduced the predictiveness of change leadership for followers' perceived leader support. The three-way interaction with organizational identity strength was sig-nificant in the Austrian and the combined sample, but not in the German sample ($\beta = -.05$, CI [−.10; −.01], $p = .02$, $\eta_p^2 = .01$; AT: $\beta = -.11$, CI [−.19; −.02], $p = .01$, $\eta_p^2 = .03$; DE:

$\beta = -.03$, CI $[-.08; .03]$, $p = .36$, $\eta_p^2 = .00$). The interaction plots illustrate the direction of the three-way interaction (see Figure 2). The psychological predictors (change leadership, leader group prototypicality, and organizational identity strength) and their interaction explained 58%, 64%, and 51% of variance in followers' perceived leader support in the combined, the Austrian, and the German sample, respectively ($R_{adj}^2 = .58$; AT: $R_{adj}^2 = .64$; DE: $R_{adj}^2 = .51$).
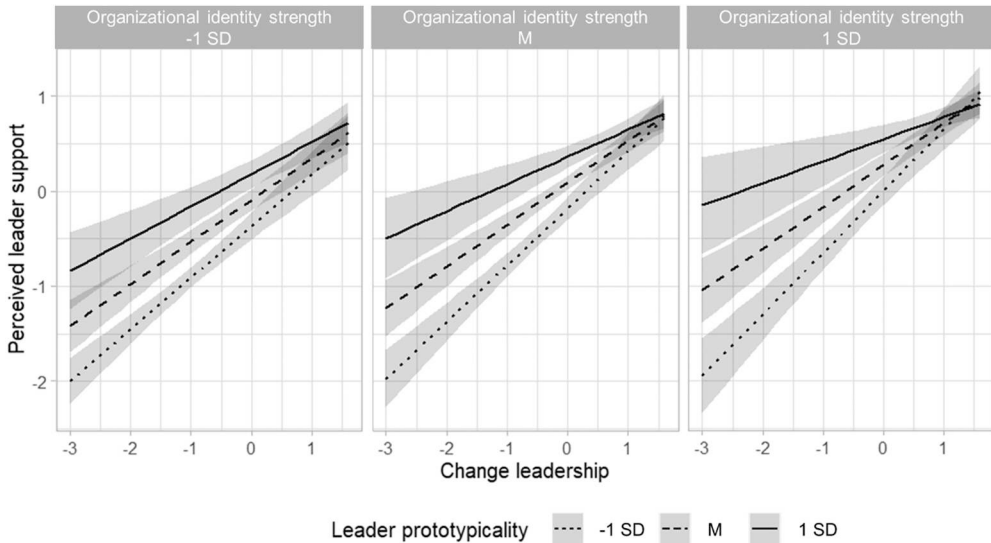

Figure 2. Three-way interaction plots.

Note: Three-way interaction between change leadership, leader prototypicality, and organizational identity strength predicting perceived leader support in the combined sample. The model includes country as a control variable. See supplementary material for regression models (Tables A3a–c), also with additional control variables (Tables A4a–c).

Findings also revealed country differences. As described above the two-way interaction between leader prototypicality and change leadership in predicting followers' perceived leader support was found in both countries. The three-way interaction with organizational identity strength was found in the Austrian, but not in the German sample. Additional regression models indicated that the associations of change leadership, but neither those of leader prototypicality nor those of organizational identity strength, nor the interaction between leader prototypicality and change leadership were moderated by country (see supplementary material Tables A3d and A4d).

All findings remained consistent across various robustness checks. The main and interaction effects were robust including the control variables gender, tenure, leader role, and sector (see supplementary material Tables A4a–c) as well as in different multilevel regressions accounting for participants being nested in organizations, sectors, and countries (see supplementary material Tables A5a–b). The two-way interactions of organizational identity strength with leader prototypicality and with change leadership were neither significant in any sample nor did they change the main and interaction effects found (see supplementary material Tables A3a–c).

The supplementary material reports all models also predicting turnover intention instead of the perceived leader support. For this more distal criterion of leader effectiveness in organizational change, we observed similar effects of leader group prototypicality in the combined samples. It negatively predicted turnover intention beyond change leadership, and exhibited the same two-way interaction with change leadership, as well as a three-way interaction with change leadership and organizational identity strength. However, the effects on turnover intention were not consistently found in the country samples, which may be attributed to smaller effects on a more distal outcome like turnover intention. Additionally, regression diagnostics revealed that the interactions were primarily driven by a few extreme observations with a strong influence on the results. This suggests that these interactions may be less reliable than the findings related to perceived leader support.

Discussion

This study empirically tested a central claim of a social identity approach to leadership in the context of organizational change, namely that group prototypical leaders hold a 'change credit' regarding their performance and consequent follower support (Haslam et al., 2020; Hogg et al., 2012). We investigated the core of this claim, assessing not only its positive effects in the context of organizational change but also its specific compensation for change leadership (Herold et al., 2008). To further validate the change credit, we examined the role of organizational identity strength in intensifying this compensation effect (Kreiner & Ashforth, 2004). Additionally, we explored cross-cultural applicability by investigating the change credit in two countries with distinct collectivism and power distance cultures (Bracht et al., 2023). Followers' perceived leader support, a recognized success factor in organizational change, served as our criterion of leadership effectiveness (Oreg et al., 2011; Rafferty et al., 2013; Rhoades & Eisenberger, 2002).

Our findings confirmed our first hypothesis: The more group prototypical a leader was, the less predictive change leadership was for followers' perceived leader support. This effect was observed both in the combined sample and in the separate German and Austrian samples. Our findings also partially supported the second hypothesis: The stronger the organizational identity was, the more leader prototypicality reduced the predictiveness of change leadership for followers' perceived leader support. This effect was found in the combined sample and the Austrian sample, but not in the German sample, suggesting differences between the countries.

Theoretical Implications

Primarily, our research substantiates the concept of a 'change credit' of group prototypical leaders as advocated by the social identity approach to leadership (Haslam et al., 2020; Hogg et al., 2012). Expanding upon existing literature on the role of social identity and leadership in organizational change (Price & van Dick, 2012; van Dijk & van Dick, 2009), the positive impact of leader group prototypicality in this context (Pierro et al., 2007; van Knippenberg et al., 2008) and its compensatory effects for other leadership behaviours (van Knippenberg & van Knippenberg, 2005), our study makes a pivotal contribution by demonstrating for the first time that leader group prototypicality is not only

a unique predictor above change leadership (Herold et al., 2008), but also specifically compensates for it. Consistent with previous research showing that prototypical leaders require less emphasis on group affiliation to be seen as charismatic (Platow et al., 2006), need to display less favouritism toward their own group to secure follower support (Platow & van Knippenberg, 2001), and can make more mistakes without losing support (Giessner & van Knippenberg, 2009), our study reinforces the broader theoretical claim of a 'special credit' associated with group prototypical leaders (Haslam et al., 2020; Hogg et al., 2012).

Moreover, our study provides additional evidence that the change credit can be attributed to social identity processes. For instance, Herold et al. (2008) found that leaders needed to demonstrate less change leadership the more they exhibited transformational leadership, a leadership style that emphasizes individual consideration, intellectual stimulation and inspirational motivation of followers (Burns, 1978). While transformational leadership shares some similarities with social identity leadership (Haslam et al., 2020), our study shows that the compensatory effect of leader prototypicality is particularly pronounced when organizational identity is strong, reinforcing its attribution to social identity processes. Our findings contribute to existing literature emphasizing the significance of organizational identity strength (e.g. Boehm et al., 2015; Cole & Bruch, 2006; Kreiner & Ashforth, 2004) but also research that investigates the operational elements and contexts of leader group prototypicality (Steffens et al., 2021).

Finally, our findings contribute to the international validation of the effect of leader group prototypicality in two countries (Steffens et al., 2021; van Dick et al., 2018). They also reveal country-specific differences that may inform discussions on how cultural dimensions impact the effectiveness of leader group prototypicality (Bracht et al., 2023). Although Austria and Germany may seem culturally similar on a global scale, research has identified notable differences, such as Austria's higher collectivism and Germany's greater power distance (Hofstede, 2001; see also Carl et al., 2004; Gelfand et al., 2004). Our finding that the change credit effect was amplified through organizational identity strength in Austria but not in Germany might indicate that organizational identity strength resonates more with collectivism than power distance. Alternatively, this finding might support a more general observation that collectivism supports the effectiveness of leader group prototypicality more than power distance (Bracht et al., 2023). Further research is needed to substantiate the influence of cultural factors on the effects of leader group prototypicality and change credit.

Limitations and Future Directions

First, a major limitation of this study is its reliance on cross-sectional, self-reported data. However, our study builds on previous causal evidence of the compensatory effect of leader prototypicality in other contexts (Giessner & van Knippenberg, 2009; Platow et al., 2006; Platow & van Knippenberg, 2001). Moreover, we address data limitations through an analytical strategy focusing on specific interaction effects. Preventing the issue of leaders being rated positively on both predictor and outcome variables, we concentrate on the compensatory effect of predictor variables. Additionally, common method bias tends to underestimate rather than overestimate interaction effects (Siemsen et al., 2010). Importantly, our interpretation of the two-way interaction

between leader group prototypicality and change leadership is further validated by the three-way interaction including organizational identity strength. Second, we found the change credit effect predicting perceived leader support, a proximal outcome variable. Preliminary findings on turnover intention, presented in the supplementary material, also suggest potential effects on distal outcomes, though these were less robust. Lastly, although our sample size was adequate for detecting the hypothesized effect, it has limited representativeness. For example, over half of the participants worked in smaller tax firms where leader prototypicality might be more impactful. Nevertheless, the diversity of our sample across further industries, its focus on selected employees rather than students or online crowd workers, and its recruitment through change management consultants enhance the robustness of our results. We also accounted for various control variables, such as gender and employment characteristics, and utilized multilevel models to adjust for differences between organizations and sectors.

Future research should strengthen the case for the change credit claim by incorporating behavioral data, employing experimental designs, and exploring various change contexts. Furthermore, qualitative methods such as interviews, focus groups, or participant observations could offer additional insights. For example, interviews might reveal whether employees explicitly indicate that they attribute more credit to leaders during organizational change because they perceived them as more prototypical for their team, particularly in contrast to leaders they see as less prototypical. Qualitative approaches can also shed light on how organizational culture – such as organizational identity strength – or cultural differences – such as collectivism or power distance – might influence perceptions of leader prototypicality and its effectiveness. Finally, a less obvious limitation of our research is the implied temporal aspect of a change credit. Group identity and a leader's embodiment of it are developed over time (Haslam et al., 2020), while change leadership is often focused on current change situations (Herold et al., 2008). We assumed that leader prototypicality is established in advance and leveraged during times of change, suggesting that it compensates for change leadership rather than the other way around. Future research could further explore these dynamics and related research questions.

Practical Implications

Our study offers valuable insights for leaders and organizations on successfully navigating organizational change, highlighting factors beyond traditional change leadership practices. Many leaders and organizations are familiar with and frequently utilize internal and external consulting services and training programs to enhance specific change management and change leadership capabilities – such as communicating goals, involving and empowering employees, providing feedback, and removing obstacles (Ford et al., 2021; Herold et al., 2008; Higgs & Rowland, 2000). However, there is often less awareness of the role of group and leader identity in organizational change (Price & van Dick, 2012).

Based on our findings, we recommend that leaders and organizations invest time and resources in cultivating leaders' representativeness of the group and strengthening organizational identity, especially when navigating change and its associated challenges. When leaders effectively embody their team's identity, they not only enhance perceived support but can also mitigate the effects of limited change leadership. Moreover, our

results suggest that leaders within organizations with a strong identity should prioritize social identity leadership, as this approach is likely to resonate more deeply with followers and deliver even greater benefits. This approach is not meant as a 'license to fail' (Giessner & van Knippenberg, 2009) or an excuse for neglecting change management tasks by relying solely on strong team connections. Instead, we recognize that organizational change can be challenging for leaders, making it difficult to meet all change leadership expectations. In such scenarios, 'change credit' can be particularly valuable.

In light of broader findings on the benefits of social identity leadership (Haslam et al., 2020), we can recommend that leaders focus on representing and advancing organizational groups, shaping their shared social identity, and reinforcing its significance within the organization. While shared group identities often involve team identities, they also extend to organizational identity, particularly at higher leadership levels (Haslam et al., 2003; Kreiner & Ashforth, 2004). This leadership strategy has strong scientific evidence for its effectiveness (Steffens et al., 2021; see also Bachmann & Gleibs, 2024) and demonstrates broad international applicability (Bracht et al., 2023; van Dick et al., 2018). Importantly, social identity leadership is a learnable skill. For instance, Haslam et al. (2017) developed the *5R Identity Leadership Program* that helps leaders to understand social identity processes, identify and represent different social identities at work, as well as executing leadership through a social identity approach. The effectiveness of this training program has also been scientifically validated (Haslam et al., 2023).

Conclusion

This study provides empirical evidence for a claim of the social identity approach to leadership in the context of organizational change. Our findings confirm that leaders who are prototypical of their group's identity are perceived as more supportive and benefit from a 'change credit', allowing them to exhibit less change leadership. This credit is particularly pronounced in organizations with strong organizational identity. The results remained consistent after accounting for both individual and organizational factors. The 'change credit' was observed across both Germany and Austria, albeit with some variations. In times of overwhelming change for both leaders and followers, adopting a social identity perspective and leveraging an identity-based 'change credit' – accumulated beforehand and drawn upon during challenging periods – can be particularly advantageous. The relevance of this strategy is underscored by recent reports highlighting widespread distrust in leadership and low employee engagement in Austrian and German companies (Gallup, 2024a, 2024b). By enhancing leadership quality and strengthening employees' sense of belonging, cultivating leaders who embody the group's identity – an essential element of social identity leadership – appears crucial for successful organizational change.

Note

1. We decided against the multilevel analysis as baseline analysis because our data was only partially clustered, and even then, in relatively small clusters. 70% of participants belonged to organizational clusters with 10 or more, 22% to clusters with 5–10, 13% to clusters with 2–4, and 20% did not belong to any cluster.

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