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# TRANSFORMATIONAL LEADERSHIP AND INNOVATIVE WORK BEHAVIOR: A SYSTEMATIC REVIEW

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## **ABSTRACT**

This systematic study examines the link between transformational leadership and innovative behavior, consolidating results from research cataloged in the Scopus database. The review seeks to elucidate the impact of transformational leadership on employees' creativity, problem-solving skills, and overall innovation in firms. Following an extensive search and selection procedure, pertinent publications were analyzed, emphasizing the influence of transformational leadership on cultivating an atmosphere that promotes creativity. The results emphasize critical elements, such as leadership conduct, communication, and motivational tactics that foster creative results. This review delineates both direct and indirect paths by which transformational leadership fosters innovative behavior, so facilitating organizational development and adaptation. It also examines moderating factors such as corporate culture and individual characteristics, providing insights for practitioners seeking to foster a culture of innovation. The assessment finishes by proposing recommendations for future research avenues at the nexus of leadership and innovation.

**Keywords**: Transformational leadership; innovative work behavior; employees' creativity

#### 1. INTRODUCTION

In a competitive and dynamic global market, companies are under constant pressure to innovate in order to remain relevant and sustainable. Innovation has become an essential determinant of success, no longer viewed just as the responsibility of a specialized innovation department (Oke et al. 2009). Innovation is presently seen as a crucial competence for employees at all stages of a firm. The leadership style predominant in a corporation is a crucial element in cultivating an inventive culture (Kesting et al., 2015). Leadership profoundly influences corporate culture, dynamics, and performance, particularly in relation to innovation. The capacity to cultivate creativity in employees has emerged as a vital factor for long-term success, as companies encounter mounting pressure to adjust to evolving market dynamics and technological progress. Leadership styles denote the approaches via which leaders inspire, encourage, and guide their people (Alblooshi et al., 2021). These methodologies may profoundly impact the formulation and execution of innovative concepts inside a business. The behavior, decision-making strategies, and communication methods of a leader can either facilitate or hinder an environment conducive to innovation (Xie et al., 2018).

Research (Günzel-Jensen et al., 2018) has consistently shown that leadership favorably influences employees' creative performance and innovative output. Effective leadership articulates the vision and support essential for fostering innovation while also shaping the corporate culture and environment that promote creative behaviors (Rahim et al., 2015). Transformational leadership (TL) is a prominent leadership style that emphasizes inspiring and motivating individuals to achieve their maximum potential, hence fostering innovation and creativity. In the rapidly evolving business landscape, this leadership style has garnered significant attention for its capability to enhance people' creative potential. Wren (1995, p. 105) posits that a transformational leader is crucial for contemporary management as they cultivate advocates of entrepreneurial, organizational, and military innovation. Ayoubi et al. (2015, p. 245) assert that "transformational leadership encompasses systemic thinking and adaptable complex systems to achieve desired outcomes."

One of the most well-known types of leadership is called transformational leadership (TL), and it emphasizes the need of motivating and pushing individuals to realize their full potential, which in turn encourages innovation and creativity for the organization. Because of its power to enhance the creative capacity of employees, this type of leadership has garnered a lot of attention, particularly in the contemporary business environment, which is characterized by rapid shifting. The employees at TL are inspired by the company's establishment of a collective vision, the encouragement of intellectual stimulation, and the provision of individual attention, all of which are vital for the development of an environment that is favorable to creativity. Because it encourages creativity and encourages staff members to push beyond the limitations of traditional thinking, TL is a vital component of employee innovation. TL is characterized by its primary component, which is the emphasis placed on vision and transformation. TL places equal importance on the goal of attaining short-term objectives as it does on the development of long-term growth and transformation. As a means of accomplishing this, they encourage their adherents to question the established order, engage in imaginative thought, and consider unconventional methods. An environment such as this fosters innovation since employees are more ready to experiment with new ideas without the fear of failing because they are aware that their managers are cheering for them to succeed.

## 2. LITERATURE REVIEW AND RESULTS (FROM SCOPUS DATABASE)

TITLE-ABS-KEY ("Transformational leadership" AND "innovative behaviour") **AND** (LIMIT-"English")) TO (DOCTYPE. "ar" ) ) (LIMIT-TO (LANGUAGE. AND AND (LIMIT-TO (EXACTKEYWORD, "Transformational Leadership") LIMIT-TO (EXACTKEYWORD, OR "Innovative Behavior") OR LIMIT-TO (EXACTKEYWORD, "Innovation") OR LIMIT-TO (EXACTKEYWORD, "Innovative Behaviour") OR LIMIT-TO (EXACTKEYWORD, "Leadership")) AND (LIMIT-TO (PUBSTAGE, "final")) To guarantee the pertinence and caliber of the research included in this study, the following inclusion criteria were used to the data gathered from Scopus:

To ensure the authenticity and academic rigor of the sources while excluding non-scholarly materials such as blogs or news articles. We have solely incorporated peer-reviewed journal articles, excluding conference proceedings and book chapters. Our third inclusion criterion was to limit the literature to articles in English, as it is the dominant language in scientific and academic research. This guarantees that the sources are available and intelligible to a global academic audience.

Figure 1 below is a comparison of the document counts up to authors, and it indicates the documents according to their respective discipline. Two of the most prominent authors in this discipline, Sethibe and Steyn have produced three research publications over their careers.

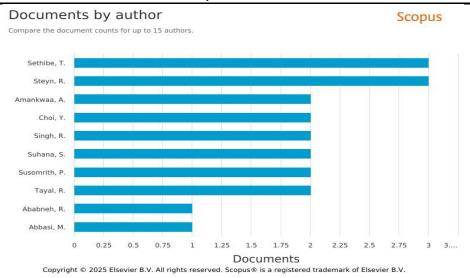


Figure 1: Documents by authors

This study identifies the primary contributing nations and provides a comparative evaluation of the research output. Indonesia occupies the foremost position in global research output with 13 publications. The majority of articles indicate the nation's strong research infrastructure, abundant funding opportunities, and a significant number of research institutions focused on transformational leadership and innovative work behavior. Research in Indonesia often examines new technological advancements, policy implications, and broad applications in leadership and innovative behavior.

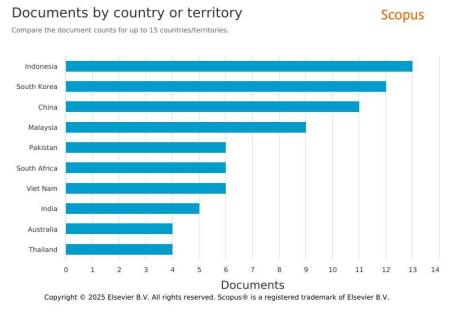


Figure 2: Documents by country

The graphic below, which illustrates publications by year, indicates that the first document on the proposed variables was published in 1998. In the ensuing years, the volume of disseminated papers consistently rose. The cited figure encompasses materials from 1998 to 2024. A total of 92 articles were discovered following the application of the inclusion and exclusion criteria. The inclusion and exclusion criteria significantly impact the emphasis, relevance, and methodological rigor of the literature review.

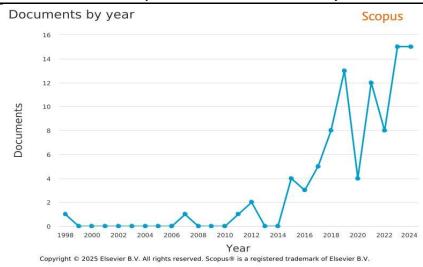


Figure 3: Documents by year

The connection between transformational leadership and innovative work behavior is based on many fundamental factors. Transformational leaders inspire and motivate workers by articulating a compelling vision and cultivating a sense of purpose, so enhancing intrinsic motivation and promoting innovation. They foster risk-taking by establishing a secure atmosphere for experimentation, wherein employees feel encouraged to explore innovative concepts. Furthermore, transformative leaders offer intellectual stimulation, prompting followers to engage in critical thinking and interrogate the status quo, so fostering innovation. By providing tailored attention and customized assistance, these leaders enhance employees' confidence and inventiveness, hence promoting creative behavior. Transformational leaders clearly explain a vision for change, enabling employees to comprehend the significance of innovation in attaining corporate objectives, thereby linking individual contributions with overarching aims. In summary, transformational leadership fosters a climate that promotes innovation by encouraging, supporting, and intellectually stimulating workers to participate in new work behaviors.

#### 3. RESEARCH DESIGN AND METHODOLOGY

This study utilized a systematic review and meta-analysis methodology to examine the current literature on the linkage between transformational leadership and innovative behavior, utilizing data sourced from the Scopus database. The research systematically finds, assess, and integrate pertinent peer-reviewed journal publications and conference papers that examine the impact of transformational leadership on creativity, problem-solving, and overall innovation inside businesses. The review concentrated on essential leadership characteristics (e.g., idealized influence, inspiring motivation, intellectual stimulation) and their effect on promoting innovation. The study also investigated moderating factors, like company culture and individual characteristics (e.g., personality, experience), that may affect this link. The research evaluated common themes, patterns, and statistical outcomes by examining both quantitative and qualitative data from the selected cases, offering insights into how transformational leadership influences innovation. A meta-analysis will be performed, if relevant, to compute effect sizes and evaluate the impact of moderating factors. The results elucidated how leadership actions influence a culture of invention and provide actionable advice for firms aiming to improve creative performance. The investigation culminated in the identification of gaps within the literature and the proposal of future research directions.

## 4. CONCLUSION AND IMPLICATION

These systematic studies have significant implications for companies and leadership strategies. Organizations should prioritize the promotion of transformational leadership behaviors, including inspiring motivation, intellectual stimulation, and customized consideration, since they have demonstrated efficacy in enhancing creativity and innovation among employees. Leadership development programs may be structured to cultivate these talents, enabling leaders to foster a work climate that promotes creative thinking and problem-solving. Furthermore, firms must emphasize transparent communication and emotional support from leadership, since these elements are essential for fostering an inventive environment. This systematic study and meta-analysis have significant implications for companies and

leadership strategies. Organizations should prioritize the promotion of transformational leadership behaviors, including inspiring motivation, intellectual stimulation, and customized consideration, since they have demonstrated efficacy in enhancing creativity and innovation among employees. Leadership development programs may be structured to cultivate these talents, enabling leaders to foster a work climate that promotes creative thinking and problem-solving. Furthermore, firms must emphasize transparent communication and emotional support from leadership, since these elements are essential for fostering an inventive environment.

## 5. LIMITATIONS AND FUTURE SCOPE

It is important to note that no one research can be all-inclusive. Additionally, this study has several limitations, which are listed below: The present study has acquired data from Scopus database only, which we think could be one of the potential limitations. The future researchers should also use some of the other databases like web of science and others. Additionally the present investigation was solely based on the systematic review, which states that the relationship was not empirically validated. Upcoming studies shall use some of the robust SEM software's like PLS-SEM and others. Moreover the study has majorly considered two constructs i.e. transformational leadership and Innovative work behavior. The future studies can further take other important variables concerning to leadership styles and innovative work behavior. In short the upcoming studies should considered relevant conceptual model to validate the important linkages concerning to transformational leadership styles.

## **CONFLICT OF INTERESTS**

None.

## **ACKNOWLEDGMENTS**

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