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# THE INFLUENCE OF DIFFERENTIATED TRANSFORMATIONAL LEADERSHIP ON INNOVATION PERFORMANCE: CASE OF CAVITE ECONOMIC ZONE IN THE PHILIPPINES

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## ABSTRACT

*It's common knowledge that various aspects of an organization's external environment affect its success. The fundamental objective of this research was to identify the Influence of differentiated transformational leadership on the innovation performance of employees in any given organization. In other words, the research sought to analyze to what extent would transformational leadership be demonstrated by managers in order to enhance the level of the creative production of their teams. The study did assess the effect of differentiated transformational leadership on innovative performance in order to know if its effect is linear or wavelike effect. The author designed and conducted an empirical research in order to investigate the impacts of differentiated transformational leadership on innovative performance using a sample study of 255 professionals as respondents. The respondents were individuals working for companies located inside the Cavite Economic Zone, which is based in Rosario City, Cavite. The study has revealed that the performance of employees who are innovative is critical to the continuous survival and expansion of an organization. This research showed that there is a strong connection between innovation performance and both consistent transformational leadership and individual transformational leadership differences. The results of the study showed that differentiated transformational leadership has a wavelike effect on innovation performance. The findings of the study showed that the innovation performance is significantly affected by the waveform of both consistent and individual transformational leadership. In other words, there will be changes in the stimulatory and inhibitive effects of consistent transformational leadership and individual differences on the innovation performance of the employees. A number of explanatory variables for differentiated transformational leadership shed light on the impact of this style of leadership on innovation outcomes. The study finally adds new ideas to the subsequent discourse on transformational leadership that is based on differentiation.*

**KEYWORDS:** *Differentiated and Transformational Leadership, Innovation, Performance, Wavelike Effect*

## 1. INTRODUCTION

Transformational leaders enable their teams to see the big picture, comprehend the significance of their work, and feel invested in the outcomes of decisions that affect them by providing intellectual stimulation, vision stimulation, and individualized care. However, early research presented transformational leadership as an all-encompassing framework, limiting the applicability of the findings to organizational scenarios and leaving practitioners without recommendations. Consequently, research has focused on the characteristics of transformational leadership. According to Kark et al. (2003), transformational leaders exhibit a variety of leadership styles when interacting with their teams and have two tiers of characteristics. In the context of the Philippines, leaders and subordinates are not arranged in a flat hierarchy, but rather in a differential order that takes into account differences in proximity to employees. Study examining differentiated transformational leadership in Philippines' business environment becomes therefore highly pertinent.

Numerous businesses currently face the dual challenges of surviving and expanding. Market penetration and product replication are examples of low-level strategies that are inadequate for dealing with the complexity of the current competitive environment. To flourish, businesses must innovate to adapt to changing market conditions and gain a competitive edge. On the basis of the Philippines' organizational environment, research has commenced into the function and influence mechanism of differentiated transformational leadership in the innovation domain. Consistent transformational leadership is beneficial to team creativity, whereas individual differences in transformational leadership are detrimental, according to the available literature. Xie & Chu (2016) discovered that, a leader's capacity to consistently change their team's environment and their approach to leading individuals can predict both team and individual creativity. Leaders who cater to the unique transformational leadership styles of their followers are more effective than those who adhere to a standard model for inspiring organizational creativity. Another research found that, transformational leadership enhances employees' commitment and performance (Ribeiro,Yücel, & Gomes, D. (2018).

Feng Cailing (2017) found that consistent transformational leadership encourages innovative employee behavior, while individual differences inhibit it. Differentiated transformational leadership spurs innovation. Domain research is controversial and contradictory because scholars are stuck in a one-way linear relationship while ignoring the fact that innovation activities are uncertain nonlinear processes. Thus, innovation may depend on differentiated transformational leadership. After the critical point, excitation becomes inhibition and vice versa, showing waveform alternation. In addition, employee innovation performance is a variable that has been extensively researched in the field of innovation. Employee innovation performance is a process in which employees actively seek out and evaluate new skills, new processes, and new methods. Employee innovation performance serves as the fundamental building block of organizational innovation (Zhang & Fan, 2017). The performance of employees in terms of their innovativeness is the focus of this study's outcome variable.

## 2. LITERATURE REVIEW AND RESEARCH HYPOTHESIS

### 2.1. Differentiated transformational leadership

Differentiated transformational leadership is a behavior based on both organizational and individual levels, including consistent transformational leadership and individual differentiated transformational leadership, as proposed by Kark et al. (2003). From this larger theory of leadership emerges the concept of a consistently transformational leader. To put it simply, leaders treat their subordinates as valuable members of the team and maintain flat, non-hierarchical relationships with them in the workplace. A scholar can be assured of consistent transformational leadership in three areas: model demonstration, high performance expectation, and long-term vision.

Consistent transformational leaders demonstrate this by teaching their teams a new language or creating a more appealing image for the company as a whole. When leaders have high expectations for their teams' performance, they are being consistent and transformational. Forward-looking leadership, in this context, means providing a compelling vision for the future of the company to all employees in an effort to inspire them to think of the greater good of the group rather than just themselves. The concept of contingency leadership style gave rise to the idea of transformational leadership that takes into account differences in approach and personality. To maximize their leadership potential, managers shouldn't view their staff as interchangeable cogs in a machine, but rather as unique individuals who require unique attention and intellectual stimulation based on the double-cross influence of their own unique characteristics and the reality of the organization as a whole (Wu, et. al, 2010). Both intellectual stimulation and individualized attention were identified as key components of transformational leadership in the literature. The term "intellectual stimulation" is generally used to refer to.

Transformational leaders encourage self-innovation by motivating individuals to carry out their work responsibilities in a distinctively creative manner. Individualized care implies that individual difference transformational leaders are aware of the work ability and characteristic requirements of each employee, and that they implement targeted leadership behaviors in accordance with this knowledge (Koo, & Lee, 2022). In addition, studies showed that individual-focused Transformational Leadership recognizes employees' uniqueness and growth and empowers them psychologically, resulting in positive work outcomes like increased personal initiative and creativity (Koo & Lee, 2022; Dong et al.,2017; Tse, & Chiu, 2014; Wang & Howell,2010). Differentiated Transformational Leadership, may motivate employees to view the organization as a tool to achieve their personal goals and maximize their potential.

### 2.2. Consistency of transformational leadership and innovation performance

Consistently, transformational leaders input resources into the dual resource field between leaders and subordinates through modeling, transform those resources into innovative ones through purification and intentional selection, and then distribute those resources fairly to all employees. Staff members' motivation to innovate is bolstered as a result. Modeling demonstrates to workers the value of putting the group's needs ahead of their own. This promotes knowledge sharing amongst members, which in turn helps them build up their innovative knowledge base and make better use of it in their inventive endeavors (Koo & Lee, 2022, Dong et al.,2017).

Transformative leaders consistently push their teams to their limits by setting ambitious performance goals. According to the stimulus-organic-response model, high performance expectations are the original stimulus, and workers rely on organizational learning to seek out and identify novel forms of expertise. Under this system's operating mechanism, members actively rub and collide to speed up the reorganization and optimization of old knowledge, improve the evaluation and deconstruction of innovative knowledge, and boost the performance of innovation. Persistent transformational leadership is shown to stimulate employees' innovation performance, leading to the phenomenon of innovation performance peak.

As the "fast lane" for innovation performance emerges, organizations must accelerate innovation knowledge transfer to staff. However, when consistent transformational leadership creates a shared organizational atmosphere for workers, it's easy to breed negative externalities of employees' "hitchhiking," and workers tend to wait for other members to share innovative knowledge, which hides their motivation to participate in innovative activities, induces the sticky phenomenon of innovative knowledge, and lowers innovative per output efficiency (Li et al.,2014). Under the behavioral paradigm of consistent and transformational leadership encouraging role models, employees over-refer to the knowledge, skills, and experience of "star employees," but a single learning source cannot form a unique perspective of innovation, which hurts innovation performance. After an innovation peak, consistent transformational leadership starts to hurt employee innovation performance. Replacing the stimulation effect creates the innovation trough. When faced with innovation trough, consistent transformational leaders will use large-scale remote means, such as looking forward to vision, to inject positive organizational emotions into employees.

When employees actively organize their emotions, the organizational emotional atmosphere converges to a stable and similar threshold, employees gain clarity on their work objectives and values, and employees gradually regain their sense of identity with their innovative roles, creating innovative communities and dense innovation networks. Consistent transformational leadership also boosts employees' creative psychological and thinking potential and encourages them to use the knowledge framework among members to innovate in an uncertain innovation environment (George et al., 2014). After a certain point, the phenomenon of innovation peak reoccurs because consistent transformational leadership stimulates employees' innovation performance and takes the lead.

### 2.3. Individual differences transformational leadership and innovation performance

A transformational leader with an individual differences lens focuses on each employee, taking into account their unique skills and work ethic. Transformational leaders inspire innovation by appealing to their followers' intelligence and motivation. Personal attention to superior-subordinate relationships increases upward emotional trust in employees. Thus, divergent thinking helps generate new ideas and approaches for novel challenges that invite exploration and experimentation (To et al, 2012). Another study found out that This suggests that leadership that is individual-focused and transformational will exacerbate the positive association between individual motivation and affective commitment to the organization (Koo & Lee, 2022) Consequently, encourage innovative thinking and improve creative output.

It's clear that the innovation peak is a result of the combination of transformational leadership and employees' unique personalities. Leaders will treat employees differently depending on the degree of relationship in order to facilitate "convenient decision-making." Workers who aren't singled out by their leader are less likely to take risks and complete mundane tasks because they lack the mental energy to think of anything truly innovative to do (Janssen & Yperen,2004). It's true that "outsiders" in the interpersonal network structure of individual difference transformational leaders are unable to feel the care and help of leaders, which in turn destroys their emotional mechanism.

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To restore emotional equilibrium, employees will avoid the organization's innovation activities and may even view leadership difference behavior as a threat to their work. The thinking stereotype effect will stifle creative thinking and prevent innovative willingness and performance. Once a company reaches its innovation peak, transformational leadership based on individual differences starts to hurt employee innovation performance. It prevents the excitation effect from stifling innovation. Under transformational leadership that considers individual differences, employees will compare and contrast leaders' attitudes toward them and the group, which will affect their performance. When innovation performance is low, individual difference transformational leaders will focus on "out-of-circle employees," psychologically support them, and encourage them to be innovative.

Leaders who promote "outside employees" to leadership positions see improving innovation performance as a political strategy (Ma et al., 2022). Leadership behavior will be noticed by "employees outside the circle" and "employees in the circle," who will sense their ascent. They realize that staying at the top of the leadership interpersonal network requires constant innovation and performance improvement. Thus, innovation peak returns as individual difference transformational leadership stimulates employees' innovation performance and takes the lead.

## 3. RESEARCH DESIGN

The respondents of the survey were individuals working for companies located inside the Cavite Economic Zone, which is based in Rosario City, Cavite. The performance of employees who are innovative is critical to the continuous survival and expansion of an organization. The fundamental objective of this research is to identify methods that can be utilized by employees to enhance their level of creative production.

### 3.1. Research samples

It was determined that 253 of the total 255 questionnaires were valid, which results in an accuracy rate of 99.2%. The demographic breakdown of the sample shows that female employees made up 52.4% of the total, while male employees made up 47.6% of the total. Those younger than thirty made up 39.0% of the labor force, while those between the ages of 31 and 40 made up 33.1% of the labor force. 27.7 percent of the workforce was comprised of individuals aged 41 years or older. 15.4 percent of workers only had a high school diploma, 38.1 percent had attended some college, 28.8 percent had attended some college and graduate school, and 17.7 percent had not attended college at all. Data in the research sample is representative and acceptable.

### 3.2. Instruments

This study used the maturity scale, which is popular in the US and elsewhere. Each question was graded on a five-point Likert scale from one to five stars based on how regularly it satisfied the criteria. Unique leadership: According to experts, the differentiated model of transformational leadership includes five questions to assess leadership consistency and six to assess style diversity. Some research employs the scale because of its reliability, validity, and stability (Zhang & Fan, 2017). Meta-analysis shows that innovators' self-perceptions and external appraisals of their success are consistent. Control variables: Gender, age, and education were examined.

## 4. DATA ANALYSIS

**Hypothesis**

**H1**: Consistent transformational leadership has a waveform relationship with employees' innovative performance.
**H2**: There is a waveform relationship between individual difference transformational leadership and employees' innovation performance,

### 4.1. Descriptive Statistics

Descriptive statistics for important variables in this analysis are presented in Table 1. Leadership that consistently transforms is connected positively with uniqueness. There is a positive correlation between transformational leadership and innovation performance (r = 0.50; P 0.01), a negative correlation between consistent transformational leadership and innovation performance (r = -0.18; P 0.01), and a negative correlation between transformational leadership with individual differences and innovation performance (r = -0.15; P ＜ 0.01).

### 4.2. Confirmatory Factor Analysis

Confirmatory factor analysis (CFA) using a structural equation was utilized to examine the statistical significance of the study's variables. In the present study, i looked at the all-too-common method deviation problem and found

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that the variables have good discriminant validity. Principal component factor analysis with Harman single factor analysis was used to analyze all of the items. Not even close to half of the variance could be accounted for by the first main component, and the data showed that no single factor accounted for the rest. Therefore, the issue of common method variation was not as severe initially assumed. Then, the common method deviation is incorporated into the three-factor model as a latent variable using the latent error variable control method, and the associated indices of the latent variable model of method deviation are not correct (xx2 /df =2.308, RMSEA =0.072, CFI = 0.937, IFI = 0.938, AIC = 298.191). This investigation will not include the possibility of homologous variation (Dulac et al., 2008). There is, consequently, no major common method divergence in the present study.

**Table 1 Variable Mean, Standard Deviation and Correlation Coefficient Matrix**

| Variable | Consistent transformational leadership | Transformational leadership with individual differences | Innovation performance |
|---|---|---|---|
| Consistent transformational leadership | 1 | | |
| Transformational leadership with individual differences | 0.5** | 1 | |
| Innovation performance | -0.18** | -0.15** | 1 |
| average value | 4.09 | 3.67 | 1.62 |
| standard deviation | 0.71 | 0.9 | 0.54 |

Note: ** stands for $p < 0.01$

**Table 2 Results of Confirmatory Factor Analysis**

| Model | χ2 /df | RMSEA | CFI | IFI | AIC |
|---|---|---|---|---|---|
| Single Factor Model A | 8.440 | 0.172 | 0.559 | 0.563 | 941.762 |
| Two Factor Model B | 5.851 | 0.139 | 0.715 | 0.718 | 668.629 |
| Three-Factor Model | 2.719 | 0.079 | 0.901 | 0.902 | 344.647 |
| Three Factor Model +CMV | 2.308 | 0.072 | 0.937 | 0.938 | 298.191 |

Take into account that option (a) averages all of the metrics being measured; (b) CMV stands for homologous variance, and it describes the integration of consistent transformational leadership with transformational leadership based on individual differences.

**Table 3 Index Matrix of Variable Reliability and Validity**

| Factor | Index items | Factor loading | Cronbach's α | C.R. | AVE | KMO |
|---|---|---|---|---|---|---|
| Consistent transformational leadership | Leaders not only verbally demand but also lead us with their own actions | 0.807*** | 0.845 | 0.891 | 0.622 | 0.850*** |
| | Leaders regularly select some high-performance employees as benchmarks for us to learn from | 0.850*** | | | | |
| | It is a good example for us that leaders can lead by example | 0.788*** | | | | |
| | Leaders will always ask members of the organization to achieve the best performance goals | 0.765*** | | | | |
| | Leaders paint a bright future for our organization | 0.727*** | | | | |
| Transformational leadership with individual differences | Leaders will motivate me to think about new methods and new ideas to solve problems in my daily work | 0.581*** | 0.876 | 0.907 | 0.623 | 0.851*** |
| | Leaders often put forward some novel ideas to discuss with us | 0.858*** | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| | The leader will put forward some suggestions to urge me to re-explore some established ideas | 0.882*** | | | | |
| | Leaders are well aware of my personal situation and will fully consider my needs | 0.862*** | | | | |
| | Leaders always understand and respect my feelings before taking action | 0.787*** | | | | |
| | Leaders will take care of my feelings when making decisions | 0.725*** | | | | |
| | I often propose new ways to achieve my goals | 0.658*** | | | | |
| Innovation performance | I often put forward new ideas to be put into practice to improve my performance | 0.769*** | 0.767 | 0.857 | 0.545 | 0.785*** |
| | I seek different technologies, processes and methods | 0.772*** | | | | |
| | I will seek opportunities to show my creativity | 0.760*** | | | | |
| | I will make appropriate plans and plans for the implementation of new ideas | 0.652*** | | | | |

Note: *** stands for $p < 0.001$

Table 3 displays the findings of the study's tests of the scale's convergent validity and structural validity. Cronbach's reliability coefficients for all variables were over the threshold of 0. 7, ranging from 0. 767 to 0. 876. Good dependability of the scale used in this investigation is demonstrated. The convergence validity of the variables measured by each index is supported by the fact that the factor load of all items is greater than the reference value of 0.5 and passes the significance level test; the C.R. ranged from 0.857 to 0.907, all of which were greater than the reference value of 0.7. The AVEs were all over the threshold of 0.5, spanning from 0.545-0.623. As a result, there was sufficient convergence validity across all variables. The KMO value is between 0. 785 and 0. 851, which is above the reference value of 0. 6 and passes the Bartlett sphericity significance test, indicating that the scale has good structural validity, per Kaiser's criterion.

### 4.3. Polymerization Test

When considering whether or not to aggregate data at the organizational level, it is important to examine whether or not consistent transformational leadership is consistent within groups and whether or not it is heterogeneous across groups. The group cohesion can be estimated with the use of the RWG index. According to the data, the median RWG for persistent transformational leaders is 0.95, which is over the minimum threshold of 0.7. In addition, 92.4% > 90% of all RWG values are more than 0.7, hence all records are kept. Estimating intergroup variation with ICC (1) and ICC (2). Consistent transformational leadership has an ICC (1) value of 0.238, and an ICC (2) value of 0.609%, both of which are large enough to aggregate (James, 1982). By averaging out the details, we can see that transformational leadership is something that has been consistently demonstrated.

### 4.4. Hypothesis Test

Transformational leadership and innovation performance waveform consistency. The M1 model was initially fitted using the control variables and consistent transformative leadership, but the fit was poor. In the second phase, after incorporating the control variables, consistent transformational leadership, and consistent transformational leadership square terms into M2 model, R2 is just 0.012/0.002, failing the significance level test. Third, the control variables, consistent transformational leadership, square term, and cubic term, are entered into M3 model. R2 is 0.045 and r2 is 0.033. The fitting effect is clearly better than M2, passing the significance level test. The regression coefficient of consistent transformational leadership is positive, indicating that it stimulates innovation performance; the square term is negative, indicating that it inhibits innovation performance; and the positive cubic term indicates that it promotes innovation. Reference Table 4.

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**Table 4 Hierarchical regression table of consistent transformational leadership and innovation performance**

| Variable | M1 | M2 | M3 |
|---|---|---|---|
| Gender | 0.020 | 0.018 | 0.022 |
| Age | -0.006 | -0.006 | -0.007 |
| academic degree | 0.011 | 0.014 | 0.012 |
| Organizational level | | | |
| Consistent transformational leadership | 0.002 | -0.190 | 4.380** |
| Square term of transformational leadership | | 0.028 | -1.383** |
| Sexual transformational leadership cube | | | 0.136** |
| F | 0.616 | 0.582 | 1.927** |
| $R^2$ | 0.010 | 0.012 | 0.045** |
| $\triangle R^2$ | | 0.002 | 0.033** |

Note: The dependent variables of M1, M2 and M3 models are all innovation performance. The coefficients in the table are non-standardized coefficients; ** stands for $p < 0.01$

When constant transformative leadership is in place, the invigorating impact kicks in, and innovative performance soars to new heights. If transformative leadership is maintained at a high level, then the innovation performance will plateau and eventually diminish. Once the transformative leadership was stable, the stimulating effect returned, and innovation performance increased. In conclusion, if H1 is confirmed, there is a periodic alternation and fluctuation between the stimulating effect and the restraining effect of consistent transformative leadership on innovation performance.

### 4.5. Innovation with Individual differences in the waveform of transformational leadership

First, the M1 model was used, but it did not produce a satisfactory fitting result when the control variables and the transformational leaders' unique characteristics were introduced. When the control variables—individual difference in transformational leadership and the square terms of individual difference in transformational leadership—were entered into the M2 model, the results showed that the R2 was only 0.0223, R2 was only 0.004, and the test failed to reach statistical significance. Third, the M3 model was fitted with the independent variables of interest (control variables), individual difference in transformational leadership (IDTL), IDTL square term, and IDTL cubed term. According to the data, R2 equals 0.042, and R2 equals 0.019. The fitting effect is noticeably better than in M2, and it passes the significance test. Individual difference transformative leadership, for example, has a positive regression coefficient, indicating that it stimulates innovative performance. As demonstrated by the negative square term, transformational leadership based on individual differences has a dampening effect on the effectiveness of innovations. The positive value of the cube for individual difference transformational leadership suggests that this style of leadership has a stimulatory influence on innovation performance.

**Table 5 Hierarchical Regression Table of Individual Difference Transformational Leadership and Innovation Performance**

| Variable | M1 | M2 | M3 |
|---|---|---|---|
| Gender | 0.026 | 0.029 | 0.033 |
| Age | -0.006 | -0.006 | -0.007 |
| academic degree | 0.013 | 0.009 | 0.005 |
| Transformational Leadership with Individual Differences at Individual Level | 0.058 | 0.322 | 3.449** |
| Square term of transformational leadership with individual differences | | -0.040 | -1.014** |
| Individual difference transformational leadership cube | | | 0.095 ** |
| F | 1.219 | 1.182 | 1.812* |
| $R^2$ | 0.019 | 0.023 | 0.042** |
| $R^2$ | | 0.004 | 0.019** |

Note: The dependent variables of M1, M2 and M3 models are all innovation performance. The coefficients in the table are non-standardized coefficients; * means $p < 0.05$; ** stands for $p < 0.01$

At the optimum level of the stimulating effect, when transformational leadership maximizes individual differences, innovation performance reaches a new high. When the level of individual variation in transformational leadership

increases, the inhibitory effect sets in, and innovation performance reaches a new low. Then it returned to its phase of stimulating effect, during which the innovation performance improved due to the transformative authority of singular individuals. If H2 bears up to scrutiny, the stimulating and inhibiting effects of individual difference transformational leadership on innovation performance alternate and fluctuate periodically.

## 5. DISCUSSION

Transformative leadership has been shown to be more flexible and applicable in the context of organizational innovation. Leaders not only act entrepreneurially themselves, but also inspire their teams to do likewise. This research challenges the findings of prior studies by showing that the impact of differentiated transformational leadership on employees' innovation performance is not a unidirectional linear relationship, but rather one in which positive promotion coexists with negative inhibition. To begin, differentiated transformational leadership is a multi-tiered approach to management. Leaders in a company inspire creative output from their staff by setting an example of high standards for performance and communicating a compelling vision to all. Both differentiated and transformational leadership play crucial roles at the individual level, since leaders drive employees' inventive performance through intellectual stimulation and individualized care. (2) Differentiated transformational leadership conduct is not a flawless leadership style, as shown by its inhibiting influence on innovation performance.

Throughout the history of leadership theory, differentiated transformational leadership has evolved from transactional leadership, although it is not inherently superior. Optimal leadership outcomes can also be achieved through transactional leadership, which, for example, establishes the norms of exchange between employees' efforts and rewards via contingent rewards and provides monetary rewards for employees' innovative performance. Differentiated transformational leadership is not a "one-size-fits-all" style of management that can be applied uniformly to any given organizational context. Therefore, leaders must be flexible in their application of this style. This research has practical implications. (1) Leaders can use two transformative actions depending on organizational settings and personnel traits. That is, when one directed transformational leadership style doesn't work, leaders can switch to another to keep employees' innovative performance at its pinnacle. (2) At the organizational level, leaders should strengthen the shaping of organizational fair climate, offer regard to each employee, and drive inventive motivation by high performance objectives and strategic vision. Innovation uncertainty makes individuals responsible for innovation failure. Leaders should encourage innovative information sharing, error management, and psychological tolerance. Leaders should treat employees equally, encourage innovation, allow mistakes, and increase innovation performance. (3) At the individual level, leaders form high-quality exchange relations with some employees, which easily leads to psychological fluctuations and emotional exhaustion of "outside" employees which will affect innovation performance.

Leaders should learn to accurately authorize and nurture an environment of trust, activate employees' sense of responsibility (Tian, 2017). and minimize employees' sense of injustice coming from a poor sequence pattern. These skills are necessary for effective leadership. In addition, leaders need to make sure that employees who have a high level of creativity are given the opportunity to innovate freely by providing intellectual stimulation and individual attention, as well as providing them with resources that will assist them in becoming more innovative.

## 6. CONCLUSION

In conclusion, this study offers implications for practical guidance. (1) Depending on the unique organizational circumstances and personnel traits, leaders can alternate between two types of transformational activities. In other words, leaders can switch to a different oriented transformational leadership behavior to guarantee that employees' inventiveness is constantly at its best when one oriented transformational leadership behavior is unable to support employees' innovative performance in an effective manner. (2) It is recommended that leaders at the organizational level prioritize the development of a fair and equitable work environment for all employees, set high performance standards, and establish a clear strategic goal in order to foster innovative motivation among staff members. The unpredictability of innovation means that people might be held accountable for its failure. Leaders should encourage their staff to actively exchange innovative concepts and foster a climate of psychological tolerance. In order to increase an employee's effectiveness in innovation, leaders should treat people equally, encourage their passion for innovation, let them make mistakes, and then handle them fairly and reasonably. (3) At the individual level, leaders develop excellent working relationships with staff members, which may quickly result in

psychological alterations and emotional tiredness of "outside" staff members. Negative psychological experiences will unavoidably have an adverse effect on staff members' capacity for creativity.

**Conflict of Interest Statement**

The author declares that there is no conflict of interest.

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