CHAPTER 2

2.0   Literature review

2.1   Introduction

In this chapter, a literature review on the dependent variable will be presented, followed by that of the independent variables. In addition, a review of past research findings on the relationships between these variables are included. Finally the theoretical framework for the study is presented at the end of the chapter.

2.2   Dependent variable

2.2.1   Organizational Innovation

The term "innovation" is derived from the Latin word *innovatus* which is the noun form of *innovare* to renew or change. It is defined as an outcome which is new idea, method or device" **(**Damanpour, 1991; Damanpour and Evan, 1984; Kimberly and Evanisko, 1981) and "the process of introducing something new" (Cooper and Zmud, 1990; Ettlie, 1980; and Rogers, 1983). Waterman (1982) suggested innovation is a means through which organizations respond to a variety of environmental changes. Researchers have conceptualized innovation in variety of ways. However, most of the research works described innovation as a new product, service, process technology, organizational structure, or a new plan or program for organizational members (Hage, 1999; Suranyi-Unger, 1994; Rogers, 2003; and Tushman and Nadler, 1986).

The innovation theorists, Zaltman (1973) and Axtell (2000) described that there are two main phases in innovation process which are initiation and implementation. The first phase is where the idea is first produced and generated, while the second phase is at which the new idea is implemented (King and Anderson, 2002). The probability of an idea being implemented is crucial to creating innovations. However the organization might face difficulties in new idea implementation stage since it requires greater efforts than new idea generation.

A number of researchers suggested a dichotomy of innovation. For example, Subramanian and Nilakanta (1996) and Damanpour (1991) classified organization innovation into technological and administrative category. The technological innovations are the introduction of new products, services and processes; whereas the administrative innovations include the introduction of new organizational structure, administrative processes and programs. In addition, Johne (1998) and Popadiuk and Choo (2006) categorized the innovation into market innovation, technological (product) innovation, and administration innovation. Lastly, Subramaniam (2005) identified four classifications of organization innovation, which are organization innovation, innovation climate, team innovation, and individual innovation.

Many authors believed that organizational innovation climate is predicted to influence the degree of actual innovation in the organization. For example Bharadwaj et al. (2002) and Shalley and Gilson (2004) described organizational

innovation climate is the degree of support and encouragement by an organization to its employees as to initiate and explore innovative approaches through available methods, tools, and resources. In addition, Carmeli and Schaubroeck (2007) and Amabile et al. (1996) suggested that it is how an organization's employees subjectively perceive the organization's regulations and environment on the extent of innovation-supportive and such perception influences employees' attitude, and behavior regarding innovation. In organizations with innovation climate, employees perceive support for innovation and are encouraged to create new products, services, technologies and procedures. The stronger the organizational innovation climate that staff perceives will result in a higher level of organizational innovation.

There are basic concepts of perceived support for creativity in models of individual creativity and innovation. For example, Mumford and Gustafson (1988) identified a number of organization environments that may support innovation and creativity, including valued rewards, autonomy, risk taking, and alternate viewpoints. In a similar, Woodman and colleagues' (1993) suggested that an environment supports creativity when leaders are more democratic and collaborative, when structures are more organic than mechanistic, when groups contain diversity members, and when management emphasize on new idea generation and encourage employees to re-examine problems with new ways and methods. Likewise, Ford's (1996) model of creativity contends that the primary factors that influence an organization's ability to support creative action

are absorptive capacity, disposition toward risk, and the extent to which an organization is willing to pursue creative and risky courses of action. Bellamy (2003) believed organizational innovation climate includes authorization/ empowerment, open thinking, innovation, and managerial efficiency. In addition, Amabile's (1988) classic model of innovation and creativity suggested that three elements which support creativity and innovation including (1) organizational motivation, defined as the encouragement of acceptable levels of risk; (2) organizational resources, which refer to people, equipments, tools, trainings and other types of supporting mechanisms; and (3) supportive management practices, including autonomy and informative competency-focused evaluations.

Schneider et al. (1994) defined four dimensions that determine the formation of organizational climate: the nature of interpersonal relations, the nature of hierarchy, the nature of work, and management support and reward. Finally, Chandler et al. (2000) identified three dimensions of organizational climate that are necessary to develop employees' perceptions of organizational innovative support. First, management support is crucial for establishing an organization climate of support for innovation. The uncertainty and complexity inherent in innovation require employees to undertake risks without fear and keep trying to be innovative even encounter setbacks as they believe this is supported by the management. Second, a system of compensation and recognition that supports the activity of innovation is needed. The employees believe reward will be given for their innovative outcomes. Finally, the perception of workload pressures

influences the creation of perceptions of support for innovation negatively (Klein and Kim, 1998). However some authors argued that specific levels of workload pressures can have a positive influence on organizational innovation (Andrews and Farris, 1972; Amabile et al., 1996).

The literature of innovative climate may be segregated into two groups. The fist group is where people consider innovative climate as individual cognitive appraisal about the work context attributes in terms of innovation meaning and values (James et al., 1990). In the other group, innovative climate is deemed as shared and collective cognition about innovative sense and meaning when individual appraisals are aggregated (Isakensen and Lauer, 2002). Other scholars have emphasized the function of innovation supporting and resource supplying (Scott and Bruce, 1994) and this view was used in our study. Besides, the innovation is viewed as an outcome of various organizational factors, namely transformational leadership and organizational culture. This approach is consistent with Damanpour and Scheneider (2006) finding that top managers influence organizational outcomes by establishing organizational culture, influencing organizational climate, and building the capacity for change and innovation.

In this study, the climate for innovation was used as an indicator of the organization's capacity for innovation. Throughout this paper, the term of

organizational innovation is interchangeable with term of climate for organizational innovation.

2.3   Independent variable

2.3.1   Transformational leadership

Murphy (1996) defined leaders as people "to whom others turn when missions need to be upheld, breakthroughs made and performance goals reached on time and within budget". The leaders "transcend the problems of the moment to reveal the possibilities of human nature through intelligence and perseverance". Leadership is a dynamic process in which one individual influences others to contribute and achieve towards group's objective (Cole, 1996). There is an influence relationship between leaders and followers who intend real changes and outcomes that reflect their shared purposes (Rost and Barker, 2000). Consequently, leadership means different things to different people. Although there is no ultimate definition of leadership, the majority of definitions of leadership reflect some basic elements, including "group", "influence" and "goal".

There are many empirical works on two types of leaderships which are transactional and transformational. Transactional leadership occurs when leaders "exchange promises of rewards and benefits to subordinates for their fulfillment of agreements" (Bass, 1990a). Transactional leaders identify followers' needs and then establish the exchange process with predefined rules which benefits both parties. The relationship is based on bureaucratic authority, focuses on task

completion based on agreed rules and incentives (Tracey and Hinkin, 1998). Contrary to transactional leadership which relies on rewards and punishments relationship, transformational leadership is a more complicated process. The realization requires more visionary and inspiring figures which are beyond transactional exchange base (Bowditch and Buono, 1990).

The transformational leadership concept was initiated by Burns (1978) and developed by Bass (1985) to include specific behaviors of a transformational leader and being role models to their followers which will result in building trust with followers and achieving value congruence between leaders and followers. Transformational leadership occurs when leaders and followers raise one another to higher levels of values and motivations (Burns, 1978, p. 4). Instead of using rules and incentives to control the transaction relationship with subordinates, transformational leaders articulate inspiring vision and shared values which encourage and motivate the subordinates to go beyond what they expected, scarify their self interest and made contribution to the achievement of group's objectives. Accordingly, transformational leadership is based on personal morals, values, beliefs and qualities of the leader rather than the exchange process between leaders and followers.

After Burns, several authors have studied on transformational leadership theory. Bass (1985) defined a transformational leader as one who motivates followers to do more than they originally expected to do. Transformational leaders broaden

and elevate the interests of their followers, generate awareness and acceptance of group's mission and objective, and stir their followers to scarify their individual self-interest for the group benefit. The subordinates of transformational leaders feel trust, admiration, loyalty and respect toward leaders and are motivated to perform extra-role behaviors (Bass, 1985; Katz and Kahn, 1978). This was further supported by Kouzes and Posner's (1988) who emphasized that the relationship between transformation leaders and followers is based on trust. The subordinates perceive leader to be reliable and feel motivated with the shared vision and move towards to achieve group objective. Similarly Rouche et al (1989) viewed transformational leadership as the ability of a leader to influence others' values, attitudes, beliefs, and behaviors in order to achieve the organization's mission and goals. Transformational leaders have ability to made changes in the organization's vision, strategy, structure and culture. Transformational leaders motivate their followers by communicating an inspiring vision, often through the use of symbols and emotional appeals (Ayman and Karabik, 2009).

Numerous scholars have characterized transformational leadership as encompassing distinct components. Bass et al. (1985) described four components of transformational leadership which are idealized influence, inspirational motivation, intellectual stimulation and individualized consideration. In addition, Podsakoff, MacKenzie, Moorman and Fetter's (1990) identified six key transformational leadership characteristics including articulation a vision,

providing an appropriate model, fostering the acceptance of group goal, setting high performance expectations, providing individualized support(eg giving personal attention), and offering intellectual stimulation (eg thinking about old problem with new ways). These dimensions were used to study behaviors of transformational leadership in both North American and Chinese cultures (Farh & Cheng, 1999).

I) Indentifying and articulating a vision

Transformational leaders aim at identifying new opportunities for organization, articulating and inspiring followers to pursue the organization vision. Vision implies change, forward-looking drive and the need for achievement. Raising the consciousness of followers about the organization's mission and goal, and encouraging followers in understanding and committing to the organization vision is a key facet of the transformational leadership style of inspirational motivation (Sarros and Santora, 2001). Transformational leaders create and build commitment for an inspiring vision of the future for the unit, department, or organization. They set high expectations, use symbolism to focus efforts, and communicate a vision to followers in a simple language, and then followers react by willing to increase their efforts to attain the vision (Coad and Berry, 1998).

II) Providing an appropriate role model

Transformational leaders behave in admirable ways that cause followers to identify and respect their leader. Leaders have a clear set of values and demonstrating them in every action, providing a role model in term of behaviors and attributions for employees to follow (Avolio and Bass, 1995). They lead by example – leading by doing, not just telling.

III) Fostering the acceptance of group goals

Transformational leaders aim at promoting collaboration among group members and getting them to work together toward a common objective. Leaders encourage followers to be team players and to scarify individual self interest for group benefit. They emphasize the importance of the group's benefit rather than their own self-interest.

IV) Creating high performance expectations

Transformation leaders demonstrate expectations for excellence, quality and high performance of followers. Leaders expect high level of achievement from followers, insisting only on followers' best performance and will not compromise with second best performance. They encourage and motivate followers to achieve the best performance in organization. The emphasis on best performance achievement is crucial to ensure the success of business in current competitive business environment.

V) Providing individualized support

Transformational leaders respect and attend to each follower individual needs, and concern about the followers' personal feelings, needs, initiatives, and viewpoints. Leaders recognize and accept the followers' individual differences in terms of needs and desires. They act as a mentor or coach and guide the followers to achieve greater performance and their career goal. By doing this, the transformational leader fosters two-way communication through effective listening (Avolio and Bass, 2002; Bass, 1998).

VI) Intellectual stimulation

Transformational leaders challenge followers to re-examine their assumptions about work and getting followers to think old problems in new ways. Leaders stimulate their followers to be innovative by questioning assumptions, reframing problems, and approaching old problem in new ways (Avolio and Bass, 2002, p. 2). Leaders encourage creativity and accept challenges as part of their job; they keep their cool, working out ways of dealing with problems in a rational manner (Sarros and Santora, 2001). The leaders develop followers by delegating tasks through empowerment; and then unobtrusively monitoring those tasks – checking to see if additional support or direction is required. Transformational leaders help their subordinates in fulfilling their potential talents and increasing their responsibilities in the organization (Jandaghi, 2009).

In this study, the effects of these six transformational leadership dimensions on organizational culture and climate for organizational innovation were studied. Consequently, these six transformational leadership factors were treated as a set of distinct but related dimensions rather than as a single construct. This approach is consistent with researches that indicate some individual leadership styles, such as inspiring others, creating and communicating a vision, take prominence when dealing with organizational culture and change imperatives (Avolio & Bass, 2002).

2.4   Relationship between variables

2.4.1   Transformational leadership and organizational innovation

Many empirical works indicated that leaders play a key role in determining innovation and creativity in organizations (Schein, 1985; Drucker, 1985; King, 1990; Anderson & King, 1993; Nam and Tatum, 1997; Osborne, 1998: Schin & McClomb, 1998; Mumford & Licuanan, 2004; Montes et al., 2005). Leaders define and shape work contexts and environment that contribute to organizational innovation. The study of Elenkov and Manev (2005) on 270 top managers' influence on innovation in 12 European countries found the sociocultural context was important in the leadership-innovation relationship, and confirmed that leaders and top managers positively influence innovation processes in organizations. The result is consistent with other research findings (Henry, 2001; Howell and Higgins, 1990; West et al., 2003).

Leaders promote innovative culture and create organizational structure that supported innovativeness (Peters & Waterman, 1982; Van de Ven, 1986; Amabile, 1998). Leaders have significant impact on how followers go about achieving goals. Redmond et al. (1993) found that leader behaviors which support constructive problem-solving enhance followers' self efficacy which in turn resulted innovativeness. In addition, leadership creates a climate which perceived by employees that organization supports the innovativeness and employees are motivated to achieve creativity and innovation (Amabile et al., 1996; Mumford and Gustafson, 1988).

There is evidence that leadership style as one of the most important influences on organizational innovation (Dess & Picken, 2000; Arago´n-Correa (2007); Bossink, 2004). In particular, transformational leadership has been intensively studied in the context of innovation and change research (Bommer et al., 2005; Detert and Burris, 2007; Jung et al., 2003; Krause, 2004; Mumford and Licuanan, 2004; Eisenbeiss & Griesser, 2007; Sarros, Cooper, & Santora, 2008). Scholars suggested that transformational leadership has been regarded to be the most effective leadership styles in inducing creativity and innovation through developing, intellectually stimulating and inspiring followers to transcend their individual self-interests for a higher collective group objective (Lowe, Kroeck, & Sivasubramaniam, 1996; Howell & Avolio, 1993). Transformational leadership provides the strongest support for change, creativity and sustainable innovation in organization.

Numerous research works studied on how transformational leadership influences the organizational innovation. Transformational leaders are less likely to accept conventional norms, but instead they always seek new ways of working and challenge the status quo (Conger and Kanungo, 1987; Howell and Higgins, 1990). Bommer et al. (2005) suggested that transformational leadership "transforms" followers to be more receptive to organizational change and innovation. According to Jung et al. (2003), transformational leadership enhances innovation by (a) encouraging employees to think creatively (Sosik et al., 1997); and (b) engaging employees' personal value systems (Bass, 1985; Gardner and Avolio, 1998) and increase levels of motivation toward higher levels of performance (Shamir et al., 1993). Similarly, Sarros's study (2008) revealed that transformational leadership is positively influencing the process of managing change as it focuses on developing organizations to be flexible, adaptive, entrepreneurial, and innovative. The success for developing an innovative organization through transformational leadership is based on the leadership's ability to (a) articulate an inspiring vision for the future, (b) foster the acceptance of group goals, (c) set high performance expectations, and (c) generate a sense of urgency (2008), while providing the necessary technical and financial resource support to achieve the common goals.

The earlier mentioned six dimensions of transformational leadership by Podsakoff, MacKenzie, Moorman and Fetter's (1990) - (1) articulating a vision, (2) providing an appropriate model, (3) fostering the acceptance of group goal, (4)

setting high performance expectations, (5) providing individualized support, and (6) offering intellectual stimulation are positively related to followers' innovation implementation behavior because all the factors can increase the followers' commitment to change. Vision is a major component of transformational leadership and provides clear direction to employees for innovative work practices and outcomes (Amabile, 1996, 1998; Mumford et al., 2002; Yukl, 2002). Transformational leaders articulate long term goal and vision which encourage innovation in organization. In addition transformational leaders who align the values of followers to their own and to the organization's are able to enhance their followers' intrinsic motivation (Gardner and Avolio, 1998). Transformational leaders help to foster the acceptable of group goal by encouraging employees to scarify self interest to achieve group's objective. The followers focus and commit to the achievement group's objective.

When leaders show idealized influence and inspirational motivation to provide a behavioral role model, followers work hard toward achieving the goals of the organization (Shamir et al., 1993). Moreover, it can serve as an important means of teaching new behaviors and modifying attitudes (Bandura, 1986). These processes are likely to enhance identification change-initiative goals and to develop followers' capabilities to deal with the change effectively. For transformational leaders' individualized influence behavior; they respect and concern followers' personal feelings and needs. Given leaders' understanding, support and encouragement, followers are more likely to accept the change

message and results in heightened innovation implementation behavior (House and Mitchell, 1974). Similarly, Schneier, MacCoy, and Burchman (1988) argued that leaders who coach, counsel, mentor and train their followers can enhance their skills and motivation to seek new opportunities and approach problem with new methods. With all the above, followers stay focused on the goals of the change-initiative and keep trying even though they suffer a setback because they believe setbacks are tolerated by leaders.

Meanwhile, Sosik, Kahai and Avolio (1999) found that intellectual stimulation is important in promoting creativity and encouraging followers to "think out-of-the-box" and "engage in generative and exploratory thinking" when examined the effects of transformational leadership on group creativity in an electronic meeting environment. The employees are encouraged to reformulate problems and to identify novel approaches (e.g. Avolio et al., 1999). Under these circumstances, followers are more likely to identify and to concentrate on the positive outcomes of change-initiatives instead of on worries and concerns. According to Herscovitch and Meyer (2002), this enhanced concentration on positive outcomes of the change-initiative should lead to high levels of commitment to change and lead to innovation implementation behavior.

2.4.2   Transformational leadership and organizational culture

Culture consists of combination of artifacts (also called practices, expressive symbols or forms), values and beliefs and underlying assumptions that

organizational members share (Gordon and DiTomaso, 1992; Schein, 1992; Schwartz and Davis, 1981). Culture involves beliefs and behavior, exists at a various levels, and manifests itself in a wide range of features of organizational life (Hofstede et al., 1990). As such, organizational culture refers to a set of shared values, belief, assumptions, and practices that guide members' attitudes and behavior in the organization (Davis, 1984; Denison, 1990; Kotter and Heskett, 1992; O'Reilly and Chatman, 1996).

Schein (2004) revealed that organizational culture consists of two layers of concepts which are visible and invisible characteristics. The visible layer refers to buildings, clothing, behavior modes, regulations, stories, myths, languages and rites. The invisible layer refers to values, norms, faith and assumptions which organization members have in common. Other scholars described organizational culture consists of three layers of concept which are material layer, system layer and spiritual layer. The material layer refers to external building and factory, products style, clothing, technology and equipment, and the characteristic and style of enterprise manager. The system layer includes regulation, norm, and moral concept and rule of conduct which is permeated in the mind of employees. Lastly, the spiritual culture layer refers to management philosophy and strategy, value orientation, common purpose and emotion of employees.

There are several typologies for analyzing organizational culture. For example, organizational culture has been categorized into four types which are clan,

adhocracy, market, and hierarchy in competing values model as per Quinn and Cameron (1983), Quinn and Rohrbaugh (1983); and Cameron and Freeman (1991). On the other hand, Goffee and Jones (1998) categorized organizational culture into four main types which are communal culture, fragmented culture, networked culture and mercenary culture. Wallach (1983) assessed three commonly accepted aspects of organizational culture, namely: bureaucratic; innovative; and supportive.

Scholars indicated two schools of thought about leaders and culture. Firstly the functionalist school claimed that leaders are the architects of culture change (Schein, 1992; Trice and Beyer, 1993) either through substantive, visible actions or through the symbolic roles they play (Meindl et al., 1985). Secondly the anthropological view questions of leaders' veracity to create culture (Meek, 1988; Smircich, 1983) which leaders are part of culture, not apart from it. Nonetheless, the body of evidence is heavily weighted in favor of the functionalist perspective, where leaders are in a strategic position better able to shape organization culture (Denison and Mishra, 1995; Schein, 1992). The top managers and leaders 'make' or shape the organization environment.

Kavanagh and Ashkanasy (2006, p. S82) claimed that organizational leaders are a key source of influence on organizational culture. Similarly, Bass (1998), Kotter (1998) and Schein (1992) supported the notion that the survival of an organization depended upon the change and responsiveness of a culture as

influenced by effective leadership. Parry (2002) also concluded that leaders who inspired and helped create adaptive cultures possessed the qualities of transformational leaders. In many instances, the type of leadership required to change culture is transformational, because culture change needs enormous energy and commitment to achieve outcomes. Bass (1999, p. 16) has stated that "for an organizational culture to become more transformational, top management must articulate the changes that are required [. . .] The behaviors of top level leaders become symbols of the organization's new culture." The behaviors of leaders shape the organization environment as to how people respond to change and innovation in organizational cultures (Fishman and Kavanaugh; 1989).

Although the relationship between leadership and organizational culture is assumed to be bi-directional (Bass and Avolio, 1997; Schein, 1992), we propose that the top echelons of leaders are in a position to significantly influence cultural identity and change (Barlow et al., 2003; Katz and Kahn, 1978). We focus on competitive and performance orientated organizational culture in this study as to mediate the relationship between transformational leadership and organizational innovation. Competitive culture is crucial to ensure business survival especially in private sector. Meanwhile performance orientation refers to organization which has high expectations for employees' work performance, enthusiasm for the job, results oriented and being organized. The focus of this study is delimited to an examination of organizational culture from an individual or functionalist perspective (e.g., Kristof, 1996; Van Vianen, 2000). The use of individual

responses to measure culture in work units is common in organizational culture research (Glisson & James, 2002, p. 771), with the focus on the behavioral expectations and normative beliefs of those who work in these units.

2.4.3 Transformational leadership, organizational culture and organizational innovation

Scott and Bruce (1994) claimed that individual innovation was thought to be influenced by leaders and co-workers; but was recently identified as a multistage process between these agents and organizational components eg culture and climate. This statement was supported by various research works which concluded that culture is a key determinant of innovation (Ahmed, 1998; Higgins and McAllaster, 2002; Jassawalla and Sashittal, 2002; Lau and Ngo, 2004; Martins and Terblanche, 2003; Mumford, 2000). The organizational culture can stimulate and enhance employees' innovative behavior because it can lead them to accept innovation as a basic value of the organization and foster commitment to the achievement of group's goal to be innovative (Hartmann, 2006).

The successful organizations have the capacity to absorb innovation into organization culture and management process (Syrett and Lammiman, 1997; Tushman and O'Reilly, 1997). Appropriate cultural norms and support systems in an organizational can encourage the employees' creativity and innovation. The basic elements of organization culture (eg shared values and beliefs) can influence organization members' creativity and innovation in two ways:

1) Through socialization process where individual learn type of behaviors which are acceptable and how activities should function in the organization. Values and beliefs are developed, accepted and shared by organization members. Subsequently individual employee will make assumption and evaluation based on shared norms whether creative and innovative behavior forms part of the way in which the organization operates (Chatman (1991) and Louis (1980) both cited in Tesluk et al., 1997)

2) The basic values, assumptions and beliefs are reflected in organization policy and procedures, management practices; and become enacted in established forms of behaviors and activity. These structures have direct impact on creativity in the workplace, for example by providing resource support to pursue the development of new ideas (Tesluk et al., 1997).

Organizational culture is an important determinant of climate. This view affirms the "climate-for" innovation approach (Ostroff et al., 2003) as a valid accompaniment to studies of organizational culture, consistent with Glisson and James' (2002, p. 789) observation that climate and culture should be studied simultaneously.

Scholars believed transformational leadership can build a strong organizational culture which contribute to a positive climate for organizational innovation and

subsequently influence the organization members' innovative behavior (Elenkov and Manev, 2005; Jung et al., 2003). According to Boonstra and Vink (1996), cultural aspects and management behavior are closely related and can be serious impediments to change (Boonstra and Vink, 1996). The successful of an organization depends on the responsiveness of its culture under influence of effective leadership (Bass, 1998; Kotter, 1998; and Schein, 1992).

In this study, organizational culture is believed to mediate the relationship between transformational leadership and climate for organizational innovation. More specifically, as outlined below, it is expected that in private organizations, transformational leadership will have a positive effect on a competitive, performance-oriented organizational culture, which will, in turn, have a positive relationship with climate for organizational innovation. The cultural dimension on the centrality of profit, competition, and performance was selected as a driver of organizational behavior in private sector organizations (e.g., Hater & Bass, 1988; Howell & Avolio, 1993; McColl-Kennedy & Anderson, 2002). Although a competitive, performance-oriented organizational culture may linked with cost cutting and an emphasis on efficiency in the short term, but culture is known as innovation driver in long term especially when it is coupled with differentiation strategy.

2.5   Theoretical framework

This research framework is adopted from previous research work by Sarros, Cooper & Santora (2008). Please refer to Figure 2.1.

In the research framework, transformational leadership is linked to climate for organizational innovation, and organizational culture as mediator.

Figure 2.1 Research framework- organizational cultures as mediator between transformational leadership and climate for organizational innovation