

The Effect of Transformation Leadership on Small and Medium Enterprises Performance: The Mediation Roles of Employee Creativity and Organization Innovation

Duha Hashim Ali Alkhazraji

Faculty of Technology Management and Business,
Universiti Tun Hussein Onn Malaysia,
Johor, Malaysia,
lily4140@gmail.com / Lily_143@hotmail.com

Prof. Dr. Wan Fauziah bt Wan Yusoff

Faculty of Technology Management and Business,
Universiti Tun Hussein Onn Malaysia,
Johor, Malaysia,
fauziah@uthm.edu.my

Abstract

Today, small and medium enterprises (SMEs) become a vital asset for almost all countries in the world and represent a dynamic sector of the global economy. In addition, effective leadership is essential to improve the organizational performance in situations where organizations face many challenges in the market. In the United Arab Emirates (UAE), SMEs are encouraged by the government to rely on innovation and creativity for achieving the economic growth. However, despite the excess of innovation and creativity reviews in SME context worldwide, there is lack of evidences in the case of UAE. Hence, the aim of this study is to examine the significance of relationships between transformational leadership, organization innovation, employee creativity, and SME business performance. Quantitative methods have been deployed to examine these relationships. The respondents are the executive managers of SMEs working in various sector like information and communication, manufacturing, education, financial and insurance, professional scientific and technical. The sample of 441 SMEs was specified for the data analysis based on SEM methods. The results revealed that all identified relationships are significant. The creativity of employees seems to be a key source of innovation particularly in SME, but the financial resources is not enough to achieve economic growth in the market and sustainable profitability. Accordingly, SMEs should focus on leaders who have certain traits, such as idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration to raise profitability and business growth in UAE market.

Keywords: *Transformational Leadership, Organizational Performance, Organization Innovation, Employee Creativity, Small and Medium Enterprises (SMEs)*

1 Introduction

Nowadays, SMEs must be capable to make a significant difference by adopting innovating methods in business model and rely on employees' creativity to foster business performance. While the dynamic business environment has brought severe competition to SMEs and, therefore, the leaders of SMEs should focus on creativity and innovation to improve business and achieve growth in productivity (Qalati et al. 2020). The UAE is putting a lot of efforts and investments to increase its innovation capacity within its various entities to be able to meet the needs of its citizens (Abdulqader and Al Marri 2020). Accordingly, SMEs should be creative in all organizational activities to fulfill the needs of customers who are increasingly become smart in selecting the right products and services (Fitriati et al. 2020; Gherghina et al. 2020). Moreover, in today's competitive market, small companies should focus on the success factors that attract customers. However, without a transformational leader who has the personal characteristics to encourage innovation among employees, as well as motivate them to be creativity, high level of performance could be a difficult aim to achieve (Lopes et al. 2017). Consequently, to bargain with the customers' demand, an SME must deal with creative issues and inventive solutions for the complex challenges that every company may face (Liao and Tsai 2019). In such situation, an SME adopt transformational leadership rely on creativity originates from employees who are intellectual assets of every company (Mishra et al. 2018).

Globally, SMEs constitute over 90% of businesses; this percentage represents a major portion of gross domestic product (GDP) of many developing countries (Ogundana et al. 2017). Whereas UAE among the fast developing countries, the government in this country must focus on the competitive advantages coming from SMEs and enables them to access larger markets and allows for their growth and sustainability (Dutot et al. 2014) and improve globalization of SMEs and support several types of mechanisms, such as knowledge sharing, collaboration, innovation (Costa et al. 2020). SME could be in a better position in the market by relying on innovation practices and effective leadership styles (Cao and Yu 2019). Hence, it is important to explore the variables that foster SME performance, such as leadership, innovation, and creativity (Halim et al. 2019). Although SMEs have minimum resources, but in this era, they have a great opportunity to exploit the innovation, tools such as social media as free platforms in improving their businesses. Numerous studies have found that innovation has a positive impact on the SMES business performance (Ahmad et al. 2019).

Moreover, SMEs have a great potential to support the attainment of the end-results of UAE prospect Vision. Hence, the research gap identified in this study is the clear-cut framework for the sustained innovation and creativity of SME business in the UAE. However, further study is needed to establish how transformational leadership behavior has the greatest influence on encouraging employee creativity and foster innovation among SMEs. While quantitative studies are needed to bridge the gap in knowledge about the relationship between the traits of transformational leadership on SMEs' performance from the perspective of innovation and creativity. As a result, the goal of this research project is to close this theoretical gap by investigation the relationship between these variables in SMEs of UAE.

2 Literature Review

2.1 Small and medium-sized enterprises

Small and medium-sized enterprises (SMEs) are considered an important engine for economic growth in terms of both employment and gross domestic product (GDP) (Edinburgh Group 2013). For instance, in 2012, the 20 million European SMEs accounted for more than 86 million employees (66.5% of the total) and 57.6% of the gross value added generated by the private and non-financial sectors (European Commission 2013). There is no commonly agreed definition of a small business (Jones et al. 2013). A number of definitions have been proposed. These definitions are frequently tied to the country's level of economic activity and development (Brunswicker and Vanhaverbeke 2015). Some researchers looked at capital assets, while others looked at labor skills and turnover rates, the firm's legal status or production method, the number of employees, ownership, or industry sector (Cheng 2014). However, because SMEs are unwilling to divulge their turnover and profit, most academics define SME based on the number of employees (AlSharji et al. 2018). SME are firms that have earnings, properties, or fewer than a certain number of employees (Zhou 2015). Each country has its own definition of what constitutes a SME. In the UAE, SMEs are classified into three types based on their industry of operation: commerce, manufacturing, and utilities. Different requirements must be completed for an organization to be categorized as a SME. Manufacturing enterprises often have higher yearly sales and staff counts than the average trade or service organization. Figure 1 depicts the classification of SMEs in the UAE based on the amount of revenue and the number of workers. Firms with a revenue of less than AED 50 million and between 6 and 50 employees. A small manufacturing firm has the same turnover rate as a large corporation, but employs more people (10-100), whereas a small service company employs fewer people (6-50) and has a lower turnover barrier of AED20 million. The medium-sized manufacturing industry employs up to 250 people and generates up to AED250 million in revenue. A medium-sized trading company fits the same requirements, as does a medium-sized service company, which employs 51-200 people and has a revenue of up to AED200 million. The lowest category, micro enterprises, includes all organizations with fewer than ten employees or where the proprietor is the sole employee.

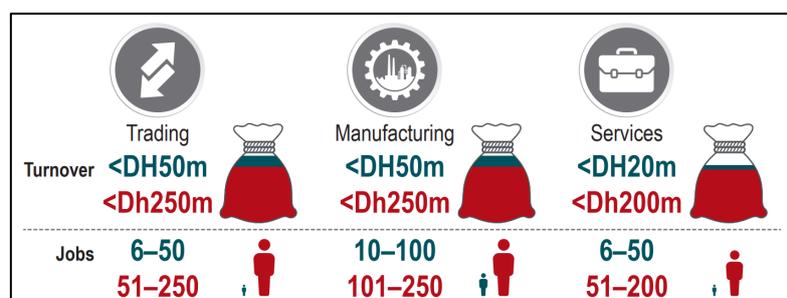


Figure 1. Definition of a SME in Abu Dhabi (Source: Abu Dhabi Chamber 2019).

2.2 Organization innovation.

Innovation is seen as an important concept and approach for every company or business of any size. It is because the role of innovation in the production of useful and unique products is unavoidable, which benefits businesses or users in the long run (Chen and Wang, 2017). Innovative approaches and techniques enable organizations to gain a competitive advantage over their competitors (Abdul Quddus 2019). The term "innovation" is derived from the Latin word "innovates," which means "to do something new and distinct" (Mesci et al. 2019). It also identified new developments in developing commodities, manufacturing processes, markets, resources, materials, and organizational structures (Pertuz and Pérez 2021). As the top emphasis areas proposed to face global competitive challenges and establish a more balanced, lively, and robust economy, SMEs are now predominantly tied to innovation technologies and their applications, such as e-commerce and social media networks (Burlea-Schiopoiu and Mihai 2019). Empirical evidence on organization innovation in the setting of SMEs has progressed along two lines, one focusing on the factors of organization innovation and the other on the effects of organization innovation. As a result, in small businesses, innovation has been considered as only a means or outcome of performance development (Minna 2019). Organizational innovation has been revealed to be a multifaceted construct, and its influence differs between SMEs and large enterprises (Garca-Muia et al. 2019). Product and process innovation have been found to be frequently cited in the literature (Zia 2017). Product innovations are the introduction of new products or services to suit the requirements and expectations of customers. While process innovations entail changes in a firm's production or service operation in the manufacture of a product or when delivering a service, product innovations involve changes in the production of a product or when delivering a service (Sarooghi et al. 2015). Product innovation assists enterprises in expanding their outward production, whereas process innovation improves an organization's internal operations and functions (Sidin and Sham 2015; González-Benito et al. 2016; Pillon and Loilier 2019).

2.3 Transformational leadership.

It is a leadership style based on innovation and teamwork in two ways, firstly, transformational leadership can boost the motivation of the employees (intrinsic) by stimulating creativity, which is the primary key to innovation (Shin and Zhou 2003), secondly, it offers intellectual stimulation, thereby encouraging employees to think "outside the box" (Elkins and Keller 2003). The world is shifting and evolving at a fast rate. Change and transformation are occurring at such a rapid pace that organizations who can keep up can continue their operations, while those who cannot keep up withdraw from commercial life and fail in the business (Awaru 2015). A transformational leader is someone who motivates everyone to achieve extraordinary outcomes (Azizah 2016). Bass and Avolio (1997) developed the generally recognized principle of transformational leadership, which consists of four behaviors exercised by the leader. The interaction of these four dimensions results in followers' professional characteristics being motivated. Thus, the structures in this study that reflect transformational leadership are these four dimensions of transformational leadership or transformational leader behavior. The researchers recommended that the superiors of the organization should give ample attention to the four components (idealize influences, intellectual stimulation, individualized consideration, inspirational motivation) of transformational leadership style (Eyamba 2020). The idealized influence is the ability of the leader to elicit pride, faith and respect (Sladjana 2017). Transformational leadership is a part of transition and idealized power comprises idealized qualities and idealized actions (Budur and Demir 2019). Transformational leadership is built on inspiring people and motivation through transformative communication skills that present the leader as an icon which motivate the followers (Prabowo et al. 2018). Inspirational motivation is the degree to which a leader articulates the vision that is appealing and inspirational to employees.

2.4 SME Performance

The extent to which an organization has carried out all the main activities to achieve its vision and mission. It is measured through sales growth, profitability, and market share (Fitriati et al. 2020). The term "performance" is used in academic literature to describe results of companies' business activities. The concept of performance has several meanings, all-encompassing nature, and its extreme popularity as an expression in regular speech (Inta and Irina 2017). Business performance is one of the key variables of interest to researchers in all areas of management, as organizations can only achieve and grow at the expense of productivity (Bhola 2015). Wheelen and Hunger (2010) stated that business performance shows how an organization uses material and immaterial resources to achieve its goals. It is the culmination of the efforts of an organization. Many scholars in business studies used financial dimensions to measure the performance (Al-Matari et al. 2014; Bianchi 2015). While profitability is one of the main indicators of business performance (Qistina and Devi 2017). Business performance is a multifaceted variable subjected to several potential explanatory dimensions or measurements (Yunoh and Ali 2015; Maduekwe and Kamala 2016; Mishra and Misra 2017; Claudiu et al. 2019). Based on the previous arguments, the study measure the business performance of SMEs based on two dimensions, namely, business

growth, business profitability. These two dimensions are often used as a general measure of organizational performance of SMEs in UAE. These two dimensions are explained below.

Profitability, in an organizational context, is the amount of profit or money a firm is able to generate within its limited resources. In majority of the cases, organizations exist to increase profitability (Azhar and Ahmad 2019). All the efforts of management and planning are directed towards improving profitability (West 2018). Growth as a measure of firm performance has had mixed results in the literature. Firms grow in many ways and that a firm's growth pattern is related to age, size and industry. SMEs business growth in various sectors is emphasized more by the governments of all developing nations to achieve the status of developed or high-income nations (Shehnaz and Sulaiman 2017). The findings of some studies show financial capital accessed by SMEs also positively impacts business growth. The ability to access financial resources is more critical for firm growth during the economic improvement (Ullah 2020; Cowling et al. 2018).

2.5 Employee Creativity.

A creative employee is one who has the ability to be alert of the new methods in the work, whereas a creative employee can solve sophisticated problems depending on his/her sharp mind (Siddiqi and Qureshi 2016). Considerable evidence indicates that employee creativity as the essential factor for high innovation performance (Zhang et al. 2021). Creativity and innovation in any organization are vital to its successful performance (Anderson et al. 2014). Creativity is sometimes used synonymously with innovation (Slåtten et al. 2020). Individual research into creativity and innovation began with examinations of intellectual variables (Batey et al. 2009). Most organizations nowadays work in a very active business environment, with rapid growth of information technology and marketing innovation, which necessitates organizations bringing creativity to their products and services (Mohsin et al. 2020). Understanding how employee creativity develops in more digital business contexts is critical for firms in a world of rapid technological change and increased business complexity (Korzynski 2019). As a result, one of the primary drivers of organizational progress in the market is employees' creativity in the workplace (Liu et al. 2017). Most individuals consider creativity to be "an contribution to innovation." The emergence of innovative, possibly beneficial ideas is referred to as creativity. Although employees may share these ideas with others, they will only be considered creative ideas if they are successfully implemented at the organizational or unit level (Shalley et al. 2004). Creativity, according to Slåtten and Mehmetoglu (2015), is a "main source" of innovative behavior, emphasizing its relevance for the business. Employee creativity, often defined as the development of innovative and meaningful ideas, is critical to improving organizational performance and is one of the most important factors for long-term sustainability and competitiveness in a volatile market (Lemmetty et al. 2020; Wenjing 2020). The are two main components of employee creativity as described below.

2.5.1 Individual creativity

Individual creativity has been studied in a variety of settings (e.g., Engineers, Nobel winners, managers, and students), and it has been discovered that creative individuals share a set of personality traits. These people are, for example, self-assured, drawn to uncertainty, tolerant of ambiguity, and intuitive (Çekmecelioğlu and Günsel 2013). The creation and advancement of potentially useful and innovative ideas is referred to as individual creativity. As a result, individual creativity refers to processes and individual cognitive thoughts (such as creative thinking) as well as possible related activities including identifying the problem to be solved, Gathering knowledge, Generating ideas, Assessing ideas (slåtten et al. 2020).

2.5.2 Team creativity

Team creativity is becoming more and more important for organizations to adapt the work and succeed in dynamically changing environment (Weiguo et al. 2018). Hence, organizations should not only focus on individual creativity but pay attention to team creativity as well. It is important to recognize, promote, and handle diversity in the workplace in order to encourage creativity within teams. Not only in terms of gender, age, or ethnicity, but also in terms of experience, competence, organizational structure, and functional area (Slåtten et al. 2020). Team creativity is also associated with a group of people working together to produce novel and useful outcomes based on new way of thinking (Aggarwal and Woolley 2019).

3 Theoretical background

3.1 Diffusion of Innovations Theory

The rapid development of technological innovation in numerous industries over the last few decades has demonstrated the significance of the notion of diffusion of innovation. In general, innovation is described as the firm's willingness to experiment with ideas or conduct creative activities and procedures in order to develop processes, products, and services (Kim and Lee 2019). A survey of the literature shows an increasing interest in the past by many researchers in explaining how the diffusion of innovation might assist organizations develop

their performance. There is numerous research on the various types of innovation and the diffusion of innovation available today (Tellis et al. 2009; Youn et al. 2019). The theory of Diffusion of Innovations (DOI) attempts to explain how, why, and at what rate new or creative ideas and technology spread. Everett Rogers proposed this hypothesis in 1995, and it is still being developed to this day. Rogers defined diffusion as the process through which an innovation spreads over time (i.e. business lifecycle). The origins of the spread of innovations theory are found in a variety of fields. Diffusion is described as the process through which innovation is linked to multiple organizational functions through firm channels over time, whereas innovation is defined as items or services that potential buyers observe as new in the market (Abdullah 2018). The DOI model was created to depict the rate of innovation adoption as well as the stages that an organization goes through before embracing innovation. This hypothesis has widely been thought to be the 'best' paradigm for explaining market adoption of innovation (Abdullah 2018).

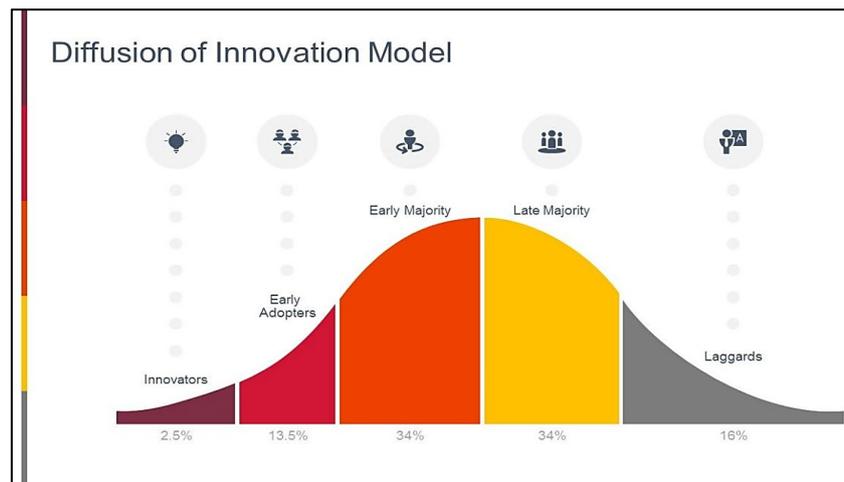


Figure 2. Diffusion of Innovation Theory (Rogers 1962, 1995, 2003)

Understanding how businesses decide to change their future and try something innovative can be explained via the lens of DOI (Pease and Rowe 2007). Adopting innovation in company is crucial to ensuring that the change will result in positive outcomes as well as successful performance in the future. It is necessary to investigate the concepts of DOI theory in order to understand why certain SMEs are unable to follow in the footsteps of other enterprises in the market that have effectively integrated innovation into their business strategy (Quadros et al. 2017). DOI outlines how small businesses can correctly render invocation (Baskerville and Pries-Heje 2001). Innovation in SMEs has its own drivers, attributes, and contribution to business performance; a successful plan to apply innovations based on a holistic view, such as the one offered by DOI is required (Bylon and Jerry 2019). Further empirical study should be carried out to identify current patterns in the diffusion of innovation in SMEs context so more evidence should be provided on the role of DOI in fostering innovation and creativity in of SEMs in UAE market.

3.2 Hypotheses Development

Transformational leadership is vital in the development of performance in SME context (Knezovi and Drki 2021). Several empirical research has shown that transformational leadership improves organizational performance (Cheng 2014; Ebrahimi et al. 2016; Ariyani and Hidayati 2018), while others have confirmed that transformational leadership results in broader change among SMEs by improving their performance (Flanigan et al. 2017; Nungky et al. 2020). A review of the research reveals that transformational leadership is associated with SME performance from a variety of perspectives, owing to its good effects on individuals (Tareq 2016). As a result, transformational leadership has received a lot of attention in the literature on performance development. Based on empirical data and previous research findings transformational leadership has a direct and significant impact on SME performance. According to this assumption, this study will examine the following hypothesis statement:

Hypothesis H1:

“Transformational leadership has a significance effect on SME performance”

Numerous investigations have been carried out in order to comprehend the aspects related with the transformational, as well as the issue of innovation. Many businesses are looking for strategies to stimulate innovation across all of their activities and responsibilities (Katarzyna 2020). One of these is leadership, which can encourage staff innovation. A transformative leader's behaviors serve as a catalyst for organizational

innovation (Sanjeet et al. 2021). The relationship between a transformative leader and organizational innovation has previously been investigated. Several empirical investigations have demonstrated a favorable and significant association between transformational leadership and organizational innovation (Tharnpas and Boonitt 2015; Uddin et al. 2017; Shafi et al. 2020). According to the findings of a study conducted by Nungky et al. (2020), transformational leadership has a favorable and considerable impact on SMEs' organizational innovation, both directly and indirectly. Furthermore, Sethibe and Steyn (2016) asserted that transformational leaders' inspirational motivation and intellectual stimulation are favorably connected with workplace innovation. Accordingly, this study will examine the following hypothesis statement:

Hypothesis H2:

“Transformational leadership has a significance effect on organization innovation”

Today, businesses are concerned about how to improve employee creativity (Kremer et al. 2019), but transformational leadership is gaining popularity among scholars and managers as a means of increasing creative behavior among followers (Katarzyna 2020). The modern leader has a tendency to instill trust in his or her followers and to assist them in achieving their goals through the use of innovative ideas. Transformational leaders' promoting and motivating behaviors appear to be crucial to the development of SMEs in developing countries (Sanjeet et al. 2021). When an employee is encouraged to be creative, encouragement and positive leadership are essential (Nowell et al. 2017). Individual leaders appear to have an important role in the formation of a creative workplace through the encouragement of creative personnel. Leaders who are capable of transformational leadership encourage creativity by presenting a vision that motivates employees to be innovative in their work (Shafi et al. 2020). When an employee exhibits the effect of the attribute, it is required to research if transformational leadership stimulates employee creativity among SMEs in the UAE using the hypothesis statement below:

Hypothesis H3:

“Transformational leadership has a significance effect on employee creativity”

Innovation is widely seen as a vital component of competitiveness, as it is integrated in a firm's organizational structures, processes, products, and services. Different forms of creative activities are linked to various aspects of organizational performance (Saunila 2014). Previous research has discovered a link between organizational innovation and SME performance (Hilman and Kaliappen 2015; Centobelli et al. 2019; Chege and Wang 2020; Mashal 2018). Any corporation would be more successful if it prioritized organizational innovation as a long-term strategy (Halim et al. 2019). Similarly, Mashal (2018) validated the financial and non-financial effects of organizational innovation on SME success. This link shows that organizational innovation has a direct and considerable impact on SME performance; this relationship will be investigated using the hypothesis statement below:

Hypothesis H4:

“Organization innovation has a significance effect on SME performance.”

Creativity is now critical to the survival of many enterprises. Furthermore, an employee's own proclivity for creativity and receptivity to new experiences plays a part in increasing the creative atmosphere in the workplace, which may have an impact on the firm's success (Sanjeet et al. 2021). Researchers and managers from all industries are eager to learn how to foster creativity in a business (Murphy 2020). Employee creativity has been identified as a crucial support for the success and growth of businesses (Cowling et al. 2015). Creativity in the workplace is defined as the generation of useful and unique ideas (Blake 2019); thus, SMEs respect creativity because it influences employee performance (Joyner 2017). The means and instruments for increasing creativity have been a significant concern for firms seeking market success through the use of creative marketing tactics (Sanjeet et al. 2021). One of the reasons for SMEs' poor innovation performance was a lack of creative and trained staff (Miah and Hafit 2020). Employee top-level performance is not always enough to acquire a competitive advantage; however, employee creativity can be counted as required components to construct a competitive advantage (Elidemir et al. 2020). However, in order to corroborate this association, additional research will be undertaken in this study using the following hypothesis statement:

Hypothesis H5:

“Employee creativity has a significance effect on SME performance”

4 Methodology

This study applied quantitative methodology to answer research questions and test the hypotheses, as well as the direct relationships between transformational leadership, SME performance, organization innovation, and employee creativity. SPSS and AMOS software has been used for data analysis. The focus on SMEs working in companies in specific sectors and industries linked to innovation and creativity, such as information and

communication, education, manufacturing, financial, insurance, professional scientific and technical institutions. The total number of active SMEs working in these fields and industries in Abu Dhabi = 11023. The population consists of executive and general managers of Abu Dhabi SMEs. Stratified random sampling technique was used to sample SMEs' respondents. The stratified random sample is considered an appropriate sampling technique and the most accurate way in the representation of the heterogeneous population (Sekaran & Bougie, 2013). The data instrument is a self-administered questionnaire. Out of the 500 questionnaires distributed to the study sample, 441 valid copies have been considered for data analysis. Structural Equation Modeling (SEM) was used for examining the relationship between these variables and test the hypothesis.

5 Results and Discussion

The analysis in this section is based on SEM quantitative methods. Essentially, in interpretation of regression (correlation) results, the value of any unstandardized coefficient means the change in SME performance with a unit increment in transformational leadership. Thereby, the standardized regression estimates (beta) is evaluated in order to determine the scale and strength of direct association between the variables. Reading the result and comparing the magnitudes of Beta coefficient in Table 1 reveals the strength of associations between transformational leadership and organization innovation (beta = 0.671). As well as the relationships between transformational leadership and employee creativity (beta = 0.674), the strength of both relationships are moderate, while the strength of association between transformational leadership and SME performance (beta = 0.560) is moderate as well, finally between SME performance and organization innovation and employee creativity (beta = 0.480 and 0.520) is also moderate.

Table 1. Standardized regression weights

| Endogenous variable | Effect direction | Exogenous Variable | Beta coefficient |
|-------------------------|------------------|-----------------------------|------------------|
| Organization Innovation | << | Transformational leadership | 0.671 |
| Employee Creativity | << | Transformational leadership | 0.674 |
| SME Performance | << | Organization Innovation | 0.519 |
| SME Performance | << | Employee Creativity | 0.476 |
| SME Performance | << | Transformational leadership | 0.563 |

To justify the hypotheses of this study, the Critical Ratio (C.R) is applied to validate each hypothesis as well as determining significance level of unstandardized regression coefficients (Hair et al. 2010). The following two principles are used to validate the hypotheses (accept or reject) (Chen et al. 2010; Byrne 2013). However, if C.R ≥ 1.96 , a hypothesis is true, otherwise the hypothesis will be rejected and accept the null-hypothesis. The estimate path coefficient for a particular relationship should be significant at 0.05 cut-off point (Gao et al. 2008). Accordingly, the degree of association between transformational leadership, organization innovation, employee creativity, and SME performance will be considered acceptable if C.R ≥ 1.96 and Sig. ≤ 0.05 . Therefore, the relationships between the constructs are not based on probability but on statistical evidence (Garson 2007). Reading the output data shown in Table 2 reveal that the direct relationships between the constructs are significant and positive. Based on this results, it is concluded that Hypothesis (H1), Hypothesis (H2), Hypothesis (H3), Hypothesis (H4), and Hypothesis (H5) have been accepted and not rejected. While, the opposites of these hypotheses are rejected (Null-Hypotheses).

Table 2. Hypothesis validation and significance

| Hypothesis | Statements | C.R | Result | Sig. ≤ 0.05 |
|---------------|--|-------|----------|------------------|
| Hypothesis H1 | Transformational leadership has a significance effect on SME performance | 2.731 | Accepted | 0.006 |
| Hypothesis H2 | Transformational leadership has a significance effect on organization innovation | 4.667 | Accepted | 0.000 |
| Hypothesis H3 | Transformational leadership has a significance effect on employee creativity | 5.064 | Accepted | 0.000 |
| Hypothesis H4 | Organization innovation has a significance effect on SME performance | 3.179 | Accepted | 0.000 |
| Hypothesis H5 | Employee creativity has a significance effect on SME performance | 2.901 | Accepted | 0.004 |

6 Conclusions

Through in-depth literature review, this study found empirical evidences supporting the significant relationships between the transformational leadership, SME performance, organization innovation and employee creativity. In short, transformational leaders have a direct impact on innovation and creativity of employees inside SMEs which in turn foster the performance of these firms in term of business growth and profitability. Moreover, the theoretical background in this research was developed according to the theory of Diffusion of Innovations (DOI). This theory is used to explained how the performance of organizations influenced by innovation and employee creativity. Several theoretical contributions to the topic of transformational leadership in particular and organizational performance has been achieved in this research. It seems that the potential for innovation lies within reach of business managers, but there is no knowledge or experience in how to inspire the creativity of employees in the workplace, also it is assumed in this research that transformation leaders always encourage the adoption of innovation in all activities in the work and marketing. While the creativity of employees seems to be a key source of innovation in the work place, especially in SME whereas the financial resources is not enough to achieve growth in the market and sustainable profitability. The result of this study will help the general managers and executive managers in SMEs located in Abu Dhabi to understand why the traits of transformational leaders are so important to foster creativity and innovation in the work, and how transformational leadership interact with creativity and innovation to increase business growth and profitability of small and medium business projects. In addition to that, the leaders and managers of these companies will have an evidence that innovation practices and individual and team creativity is a key factor of success of every small and medium size company want to survive in a competitive domestic or international market.

7 References

- Abdul Quddus, M., Barriers and enablers of innovation in United Arab Emirates (UAE) small and medium enterprises (SMEs) sector. *International Journal of Entrepreneurship*, vol. 23, no. 3, pp. 1-9, 2019.
- Abdullah, A-M., Diffusion of innovation among Malaysian manufacturing SMEs. *European Journal of Innovation Management*, vol. 21, no. 1, pp. 113-141, 2018.
- Abdulqader A. and Al Marri K., The Influence of Transformational Leadership Style on Innovation Behaviors: The Case of the Government Sector of the UAE. In: Abu-Tair A., Lahrech A., Al Marri K., Abu-Hijleh B. (eds) Proceedings of the II International Triple Helix Summit. THS 2018. *Lecture Notes in Civil Engineering. Springer, Cham*, vol. 43, 2020.
- Abu Dhabi Chamber, Building excellence in the UAE and Middle East. Available: <https://www.globalorganisationalexcellencecongress.com/wp-content/uploads/2019/01/Prof.-Hadi-El-Tigani.pdf>, 2019.
- Aggarwal, I. and Woolley, A. W., Team creativity, cognition, and cognitive style diversity. *Management Science*, vol. 65, no. 4, pp. 1586-1599, 2019.
- Ahmad, S. Z., Abu Bakar, A. R. and Ahmad, N., Social media adoption and its impact on firm performance, the case of the UAE. *International Journal of Entrepreneurial Behavior and Research*, vol. 25, no. 1, pp. 84-111, 2019.
- Al-Matari, E., Al-Swidi, A. and Hanim, F., The Measurements of Firm Performance's Dimensions. *Asian Journal of Finance and Accounting*, vol. 6, no. 24, 2014.
- AlSharji, A., Ahmad, S. Z. and Abu Bakar, A. R., Understanding social media adoption in SMEs. Empirical evidence from the United Arab Emirates. *Journal of Entrepreneurship in Emerging Economies*, vol. 10, no. 2, pp. 302-328, 2018.
- Anderson, N., Potočnik, K. and Zhou, J., Innovation and Creativity in Organizations: A State-of-the-Science Review, Prospective Commentary, and Guiding Framework. *Journal of Management*, vol. 40, no. 2, 2014.
- Ariyani, N., and Hidayati, S., Influence of Transformational Leadership and Work Engagement on Innovative Behavior. *Etikonomi*, vol. 17, no. 2, pp. 275-284, 2018.
- Awaru, O., The Influence of Leadership Style Transactional and Transformational Performance High school teacher in Sinjai District. *Administrative Journal*, vol. 2, no. 1, 2015.
- Azhar, K. and Ahmad, N., Relationship between Firm Size and Profitability: Investigation from Textile Sector of Pakistan. *International Journal of Information, Business and Management*, vol. 11, no. 2, pp. 63-73, 2019.
- Azizah, F., The Influence of Leadership Style Principal Transformational and Work Motivation Teachers against Teacher Performance at SMA Al-Islam 1 Surakarta. Sebelas Maret University. *Master's Thesis*, 2016.
- Baskerville, R., Bunker, D., Olaisen, J., Pries-Heje, J., Larsen, T. J., and Swanson, E. B., Diffusion and innovation theory: Past, present, and future contributions to academia and practice. In International working conference on transfer and diffusion of IT. Springer, Berlin, Heidelberg, pp. 295-300, 2014.
- Bass, B. M. and Riggio, R. E. (2006). *Transformational Leadership*.
- Bass, B. M., and Avolio, B. J. (1997). Concepts of leadership. *Leadership: Understanding the dynamics of power and influence in organizations*, pp. 323.

- Batey, M., Rawles, R., and Furnham, A., Divergent thinking and interview ratings, *Journal of Psycho-educational Assessment*, vol. 27, no. 1, pp. 57-67, 2009.
- Bhola, P. and Basu, R., Exploring quality management practices and its pattern analysis in Indian service SMEs. *Journal of Enterprising Culture*, vol. 23, no. 02, pp. 199-235, 2015.
- Bianchi, C., Cosenz, F., and Marinković, M., Designing dynamic performance management systems to foster SME competitiveness according to a sustainable development perspective: empirical evidences from a case study. *International Journal of Business Performance Management*, vol. 16, no. 1, pp. 84–108, 2015.
- Blake, D., The year of the disappearing customer. *Inside Retail*, 2019.
- Brem, A. and Puente-Díaz, R., Creativity, innovation, sustainability: A conceptual model for future research efforts. *Sustainability*, vol. 12, pp. 3139, 2020.
- Brunswick, S. and Vanhaverbeke, W., Open innovation in small and medium-sized enterprises (SMEs): External knowledge sourcing strategies and internal organizational facilitators. *Journal of Small Business Management*, vol. 53, no. 4, pp. 1241-1263, 2015.
- Budur, T. and Demir, A., Leadership Effects on Employee Perception about CSR in Kurdistan Region of Iraq. *International Journal of Social Sciences and Educational Studies*, vol. 6, no. 1, pp. 142-154, 2019.
- Burlea-Schiopoiu, A. and Mihai, L. S., An Integrated Framework on the Sustainability of SMEs. *Sustainability*, vol. 11, pp. 6026, 2019.
- Bylon, B. A. and Jerry, K. J., Market orientation and performance of small and medium enterprises in Ghana. The mediating role of innovation. *Cogent Business and Management*, vol. 6, no. 1, 2019.
- Byrne, B. M., Structural equation modeling with AMOS: Basic concepts, applications, and programming. *Routledge*, 2013.
- Cao, X. and Yu, L., Exploring the influence of excessive social media use at work: A three-dimension usage perspective. *International Journal of Information Management*, vol. 46, pp. 83-92, 2019.
- Çekmecelioglu, H. and Günsel, A., The Effects of Individual Creativity and Organizational Climate on Firm Innovativeness. *Procedia - Social and Behavioral Sciences*, vol. 99, pp. 257-264, 2013.
- Centobelli, P., Roberto, C. and Rajwinder, S., The impact of leanness and innovativeness on environmental and financial performance. Insights from Indian SMEs. *International Journal of Production Economics*, vol. 212, pp. 111–24, 2019.
- Chege, S. M. and Wang D., The influence of technology innovation on SME performance through environmental sustainability practices in Kenya. *Technology in Society*, vol. 60, 2020.
- Chen, T. Y., Tse, T. H., and Zhou, Z. Q., Semi-proving: An integrated method for program proving, testing, and debugging. *IEEE Transactions on Software Engineering*, vol. 37, no. 1, pp. 109-125, 2010.
- Chen, Y. J., Wang, L. C. and Liu, Y., Family business, innovation and organizational slack in Taiwan. *Asia Pacific Journal of Management*, vol. 34, no. 1, pp. 193-213, 2017.
- Cheng, Y., Links between Transformational Leadership and Organizational Performance in Colleges and Universities: Mediating Effects of Organizational Innovation. *International Conference on Logistics Engineering, Management and Computer Science (LEMCS)*, pp. 103-106, 2014.
- Claudiu, C., Ion, P., Corina, M. and Simona, C. Ş., Determinants of SMEs' performance. *Evidence from European countries, Economic Research*, vol. 32, no. 1, pp. 1602-1620, 2019.
- Costa, E., Soares, A. L., and de Sousa, J. P., Industrial business associations improving the internationalization of SMEs with digital platforms: A Design Science Research Approach. *International Journal of Information Management*, vol. 53, 2020.
- Cowling, M., Liu, W., Ledger, A. and Zhang, N., What really happens to small and medium-sized enterprises in a global economic recession? UK evidence on sales and job dynamics. *Int Small Bus J*, vol. 33, pp. 488-513, 2015.
- Cowling, M., Weixi, L., and Ning, Z., Did firm age, experience, and access to finance count? SME performance after the global financial crisis. *Journal of Evolutionary Economics*, vol. 28, pp. 77-100, 2018.
- Dutot, V., Bergeron, F., and Raymond, L., Information management for the internationalization of SMEs: An exploratory study based on a strategic alignment perspective. *International Journal of Information Management*, vol. 34, no. 5, pp. 672-681, 2014.
- Ebrahimi, P., Moosavi, S. M. and Chirani, E., Relationship Between Leadership Styles and Organizational Performance by Considering Innovation in Manufacturing Companies of Guilan Province, *Procedia-Social and Behavioral Sciences*, vol. 230, pp. 351-358, 2016.
- Edinburgh Group, Growing the Global Economy through SMEs. Available: http://www.edinburgh-group.org/media/2776/edinburgh_group_research_growing_the_global_economy_through_smes.Pdf, Accessed on 21 July 2021, 2013.
- Elidemir, S., Öztüren, A. and Bayighomog, S. W., Innovative Behaviors, Employee Creativity, and Sustainable Competitive Advantage: A Moderated Mediation. *Sustainability*, vol. 12, 2020.
- Elkins, T., and Keller, R. T., Leadership in research and development organizations: A literature review and conceptual framework. *The leadership quarterly*, vol. 14, no.4-5, pp. 587-606, 2003.

- European Commission, A Recovery on the Horizon? Annual report on European SMEs 2012/2013. Available: http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/performance-review/files/supporting-documents/2013/annual-report-smes-2013_en.pdf, Accessed on 21 July 2021, 2013.
- Eyamba, E. P., Effect of Transformational Leadership Style on Innovative Work Behaviour of Employees. *IOSR Journal of Business and Management (IOSR-JBM)*, vol. 22, no. 8, pp. 28-38, 2020.
- Farah, M. and Nina, S., Factors Affecting Profitability of Small Medium Enterprises (SMEs) Firm Listed in Indonesia Stock Exchange. *Journal of Economics, Business and Management*, vol. 4, no. 2, 2016.
- Fitriati, T. K., Purwana, D. and Buchdadi, A. D., The Role of Innovation in Improving Small Medium Enterprise (SME) Performance. *International Journal of Innovation, Creativity and Change*. www.ijicc.net, vol. 11, no. 2, 2020.
- Gao, S., Mokhtarian, P. L., and Johnston, R. A., No normality of data in structural equation models. *Transportation Research Record*, vol. 2082, no. 1, pp. 116-124, 2008.
- García-Muiña, F. E., Fuentes-Moraleda, L., Vacas-Guerrero, T. and Rienda-Gómez, J. J., Understanding open innovation in small and medium-sized museums and exhibition halls: an analysis model. *Int J Contemp Hosp Manag*, 2019.
- Garson, G., *Structural Equation Modeling*. David Garson and Statistical Associates Publishing, USA, 2007.
- Gherghina, Ș. C., Botezatu, M. A., Hosszu, A., and Simionescu, L. N., Small and medium-sized enterprises (SMEs): The engine of economic growth through investments and innovation. *Sustainability*, vol. 12, no. 1, pp. 347, 2020.
- González-Benito, Ó, Muñoz-Gallego, P. and García-Zamora, E., Role of collaboration in innovation success: differences for large and small businesses. *Journal of Business Economics and Management*, vol. 17, no. 4, pp. 645-662, 2016.
- Hair, J. F., Black, W. C., Babin, B. J. and Anderson, R. E., *Multivariate Data Analysis: A global perspective* Upper Saddle River, NJ, *Pearson Education*, 2010.
- Halim, H. A., Ahmad, N. H., and Ramayah, T., Sustaining the Innovation Culture in SMEs: The Importance of Organizational Culture, Organizational Learning and Market Orientation. *Asian Journal of Business Research*, vol. 9, no. 2, 2019
- Hilman, H. and Kaliappen, N., Innovation Strategies and Performance: Are They Truly Linked? *World Journal of Entrepreneurship, Management and Sustainable Development*, vol. 11, no. 1, pp. 48-63, 2015.
- Inta, K. and Irina, K-M., Analysis of Small and Medium Sized Enterprises' Business Performance Evaluation Practice at Transportation and Storage Services Sector in Latvia. *Procedia Engineering*, vol. 178, pp. 182-191, 2017.
- Jones, P., Packham, G., Beckinsale, M., Ramdani, B., Chevers, D., and Williams, D. A., SMEs' adoption of enterprise applications. *Journal of Small Business and Enterprise Development*, 2013.
- Joyner, T., Uber Launch Saw Start of Sydney Taxi Plate Price Tumble, NSW Data Shows, 2017.
- Katarzyna, K-N., the Role of a Leader in Stimulating Innovation in an Organization. *Adm. Sci.* vol. 2020, no. 10, pp. 59, 2020.
- Kim, M. J., Lee, C. K., and Contractor, N. S., Seniors' usage of mobile social network sites: Applying theories of innovation diffusion and uses and gratifications. *Computers in Human Behavior*, vol. 90, pp. 60-73, 2019.
- Knezović, E. and Drkić, A., Innovative work behavior in SMEs: the role of transformational leadership. *Employee Relations*, vol. 43, no. 2, pp. 398-415, 2021.
- Korzynski, P., Jordi, P. and Eduardo R-M., Employee creativity in a digital era: the mediating role of social media, 2019.
- Kremer, H., Villamor, I., and Aguinis, H., Innovation leadership: Best-practice recommendations for promoting employee creativity, voice, and knowledge sharing. *Business Horizons*, vol. 62, no. 1, pp. 65-74, 2019.
- Ianigan, R. L., Bishop, J. L., Brachle, B. J., and Winn B. A., Leadership and Small Firm Performance: The Moderating Effects of Demographics Characteristic, Creighton. *Journal of Interdisciplinary Leadership*, vol. 3, no. 1, pp. 2-9, 2017.
- Lemmetty, S., Glăveanu, V. P., Collin, K. and Forsman, P., (UN) Sustainable Creativity? Different Manager-Employee Perspectives in the Finnish Technology Sector. *Sustainability*, vol. 12, pp. 3605, 2020.
- Liao, Y. C., and Tsai, K. H., Innovation intensity, creativity enhancement and eco-innovation strategy: The roles of customer demand and environmental regulation. *Business Strategy and the Environment*, vol. 28, no. 2, pp. 316-326, 2019.
- Liu, Y., Wang, S., and Yao, X. (2017). Individual Goal Orientations, Team Empowerment, and Employee Creative Performance: A Case of Cross-Level Interactions. *Journal of Creative Behavior*, vol. 53, no. 4, pp. 443-456.
- Lopes, C. M., Scavarda, A., Hofmeister, L. F., Thomé, A. M. T., and Vaccaro, G. L. R., An analysis of the interplay between organizational sustainability, knowledge management, and open innovation. *Journal of Cleaner Production*, vol. 142, pp. 476-488, 2017.

- Maduekwe, C. C., and Kamala, P., Performance Measurement by SMEs in Cape Metropolis South Africa. *Journal Problem and Perspective in management*, vol. 14, no. 2, 2016
- Mashal, A., Do Non-Financial Factors Matter for SME's Performance? Case from Jordan. *International Journal of Business and Social Science*, vol. 9, pp. 156-67, 2018.
- Mesci, M., Mesci, Z., and TiZGILi, S., An Investigation of Tourism Students' Perceptions of Innovation Trends in Terms of Demographic Differences. *Comments Yonetim Yontem International Yonetim Journal of Economics and Philosophy*, vol. 7, no. 3, pp. 155-164, 2019.
- Miah, M. M., and Hafit, N. I. A., Enhancing Employee's Creative Performance by Providing Training among Employees of Small and Medium-sized Enterprises (SMEs) in Malaysia. *International Journal of Business and Social Science*, vol. 11, no. 6, 81-85, 2020.
- Minna, S., Innovation capability in SMEs: A systematic review of the literature. *Journal of Innovation and Knowledge*, vol. 5, no. 4, pp. 260-265, 2019.
- Mishra, P., and Misra, R. K., Entrepreneurial leadership and organizational effectiveness. A comparative study of executives and non-executives. *Procedia computer science*, vol. 122, pp. 71-78, 2017.
- Mishra, R., Mishra, G. P., Mishra, K. L., and Hatmi, B., Understanding the Paradoxical Drop in Growth of Small and Medium Entrepreneurs-Cause, Challenges and Concerns. *International Journal of Entrepreneurship*, vol. 22, 2, pp. 1-17, 2018.
- Mohsin, Shafi, Zoya Zheng, Lei; Xiaoting, Song and Md Nazirul Islam Sarker., The effects of transformational leadership on employee creativity: Moderating role of intrinsic motivation. *Asia Pacific Management Review*, vol. 25, pp. 166-176, 2020.
- Murphy, F., Stone, V., Gottardo, S., Bleeker, E. A., Braakhuis, H., Dekkers, S., Fernandes, T. and Oomen, A. G., A framework for grouping and read-across of nanomaterial's-supporting innovation and risk assessment. *Nano Today*, vol. 35, 2020.
- Nowell, L. S., Norris, J. M., White, D. E. and Moules, N. J., Thematic analysis: Striving to meet the trustworthiness criteria. *Int J qualitative methods*, vol. 16, 2017.
- Nungky, V, Feranita, A. N, and Sampir, A. S., Effect of transformational and transactional leadership on SMEs in Indonesia. *Problems and Perspectives in Management*, vol. 18, no. 3, pp. 415-425, 2020.
- Ogundana, O., Okere, W., Ayomoto, O., Adesanmi, D., Ibidunni, S., and Ogunleye, O., ICT and accounting system of SMEs in Nigeria. *Management Science Letters*, vol. 7, no. 1, pp. 1-8, 2017.
- Pease, W. and Rowe, M., Diffusion of Innovation - The Adoption of Electronic Commerce by Small and Medium Enterprises (SMES). A Comparative Analysis. *Australasian Journal of Information Systems*, vol. 13, no. 1, pp. 13, 2007.
- Pertuz, V. and Pérez, A., Innovation management practices: review and guidance for future research in SMEs. *Manag Rev Q*, vol. 71, pp. 177-213, 2021.
- Pillon, E. and Loilier, T., *Exploring SMEs' open innovation practices diversity in different countries*, 2019.
- Prabowo, T. S., Noermijati, and Wirawan, D. I., The Influence of Transformational Leadership and Work Motivation on Employee Performance Mediated By Job Satisfaction. *Journal of Applied Management (JAM)*, vol. 16, no. 1, 2018.
- Qalati, S. A., Li, W., Ahmed, N., Mirani, M. A., and Khan, A., Examining the Factors Affecting SME Performance: The Mediating Role of Social Media Adoption. *Sustainability*, vol. 13, pp. 1-24, 2020.
- Qistina, A. D. L. and Khashini, V. D. R., Transformational leadership and its functionality in arts organization. *International Journal of Business and Society*, vol. 18, no. S4, pp. 710-717, 2017.
- Quadros, R., Junior, E. I., Egler, I., Tavares, A., Quintao, R., Monaco, D. and Vieira, G., Diffusion of innovation management practices in manufacturing industry in Brazil comparing multinational subsidiaries to Brazilian national firms. In: 2017 Portland international conference on management of engineering and technology, PICMET 2017. Dept. of Science and Technology Policy, IG/UNICAMP, Institute of Electrical and Electronics Engineers Inc., Campinas, Brazil, pp. 1-9, 2017.
- Roger, E. M., Diffusion of Innovations, Fifth edition, New York: Free Press, 2003.
- Rogers, E. M., Diffusion of Innovations, the free press, New York, NY, 1962.
- Rogers, E. M., Diffusion of Innovations: modifications of a model for telecommunications. In the diffusion of innovations in telecommunications, Springer, Berlin, Heidelberg, pp. 25-38, 1995.
- Rogers, E. M. *Diffusion of innovations*. Simon and Schuster, 2010.
- Sanjeet, G., Abbott, J. H. and Hassan, Shakil, B., Transformational Leadership and Employee Creativity in an Information Technology (IT) Enterprises: Moderating Role of Openness to Experience. *Journal of Entrepreneurship and organization Management*, 2021.
- Sarooghi, H., Libaers, D., and Burkemper, A., Examining the relationship between creativity and innovation: A meta-analysis of organizational, cultural, and environmental factors. *Journal of business venturing*, vol. 30, no. 5, pp. 714-731, 2015.
- Sekaran, U. and Bougie, R. *Research Methods for Business: A Skill-Building Approach*. 6th Edition, Wiley, New York, 2013.

- Saunila, M., Pekkola, S., and Ukko, J., The relationship between innovation capability and performance. *International Journal of Productivity and Performance Management*, 2014.
- Sethibe, T., and Steyn, R., The impact of leadership styles and the components of leadership styles on innovative behavior. *International Journal of Innovation Management*, vol. 21, 2, 2016.
- Shafi, M. Z., and Lei, Z. and Xiaoting, S. and Sarker, M., The effects of transformational leadership on employee creativity: Moderating role of intrinsic motivation. *Asia Pacific Management Review*, vol. 25, no. 1, 2020.
- Shalley, C. E., Zhou, J. and Oldham, G. R., The effects of personal and contextual characteristics on creativity: where should we go from here? *J Manag.*, vol. 30, no. 6, pp. 933-58, 2004.
- Shehnaz, T., Sulaiman, S., Impact of innovative practices on business growth under the moderating effects of culture - a conceptual model. *Rev. Integr. Bus. Econ. Res.*, vol. 5, no. 2, 2017
- Shin, S. J. and Zhou, J., Transformational leadership, conservation, and creativity: Evidence from Korea. *Academy of management Journal*, vol. 46, no. 6, pp. 703-714, 2003.
- Siddiqi, H. and Qureshi, M., The impact of employees' creativity on the performance of the firm. *Research Issues in Social Sciences*, vol. 1, pp. 1-12, 2016.
- Sidin, J. P. and Sham, J. J., Innovation in realizing quality of production in Malaysia. *Asian Social Science*, vol. 11, no. 3, pp. 57, 2015.
- Sladjana, S., The impact of dimensions of TL on post-acquisition performance of acquired company. *Economic horizons*, vol. 19, no. 2, pp. 95-108, 2017.
- Slåtten T, Mehmetoglu M., The effects of transformational leadership and perceived creativity on innovation behavior in the hospitality industry. *J Hum Res Hos and Tourism*, vol. 14, no. 2, pp. 195-219, 2015.
- Slåtten, T., Mutonyi, B. R. and Lien, G., The impact of individual creativity, psychological capital, and leadership autonomy support on hospital employees' innovative behavior. *BMC Health Serv Res*, vol. 20, pp. 1096, 2020.
- Tareq, G. A. O., The Impact of Transformational Leadership Style on Organizational Performance: Evidence from Jordan. *International Journal of Human Resource Studies*, vol. 6, no. 2, pp. 89-102, 2016.
- Tellis, G. J., Yin, E. and Bell, S., Global consumer innovativeness: Cross-country differences and demographic commonalities. *J. Int. Mark.*, vol. 17, pp. 1-22, 2009.
- Tharnpas, S. and Boonitt, S., A Study of CEO Transformational Leadership, Organizational Factors and Product Innovation Performance: Scale Development and a Theoretical Framework, *International Journal of Innovation Science*, vol. 7, no. 2, pp. 107-125, 2015.
- Uddin, M. A., Fan, L., and Das, A. K., A study of the impact of transformational leadership, organizational learning, and knowledge management on organizational innovation. *Management Dynamics*, vol. 16, no. 2, 2017.
- Ullah, B., Financial constraints, corruption, and SME growth in transition economies. *The Quarterly Review of Economics and Finance*, vol. 75, pp. 120-32, 2020.
- Van-Tien, D. W., Nhat Hanh Le, A., Ming-Sung Cheng, J. and Chao, C. D., Social media advertising value: The case of transitional economies in Southeast Asia. *Int J Advert*, vol. 33, pp. 271-294, 2014.
- Weiguo, L., Yanran, F., Junqi, S. and Shenjiang, M. O., The impact of supervisor's creativity expectation on team creativity. *Acta Psychologica Sinica*, vol. 50, no. 6, pp. 667-677, 2018.
- Wenjing, C., Svetlana, K., Bart, B., Evgenia, L. and Jing, Y., *Optimizing Employee Creativity in the Digital Era: Uncovering the Interactional Effects of Abilities, Motivations, and Opportunities*, 2020.
- West, G., Scale: The Universal Laws of Growth, Innovation, Sustainability, and the Pace of Life in Organisms, Cities, Economies, and Companies (Reprint edition). S. 1.: *Penguin Book*, 2018.
- Wheelen, T. L., and Hunger, J. D., *Strategic management and business policy: achieving*, 2010.
- Youn, K. N., Sungmin, K. and Hye, Y. J., The Effect of Market Orientation on Performance of Sharing Economy Business: Focusing on Marketing Innovation and Sustainable Competitive Advantage. *Sustainability*, vol. 11, no. 729, 2019.
- Yunoh, M. N. M., and Ali, K. A. M., Total quality management approach for Malaysian SMEs: Conceptual framework. *International Journal of Business and Social Science*, vol. 6, no. 1, 2015.
- Zhang, Q., Ma, Z., Ye, L., Guo, M. and Liu, S. F., Work Self and Employee Creativity: The Mediating Role of Informal Field-Based Learning for High Innovation Performance. *Sustainability*, vol. 13, pp. 1352, 2021.
- Zhou, J., *The Oxford handbook of creativity, innovation, and entrepreneurship* Oxford University Press, Oxford. *Oxfordshire*, 2015.
- Zia, S. and Shafiq, M., *Innovation and knowledge management: a literature review and research framework*, 2017.