Impact of Ambidextrous Leadership on organizational innovation through the moderation of organizational innovative climate and mediation of organizational social capital

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ABSTRACT

The two constructs of ambidextrous leadership that are activities related to the opening of leader behavior and closing of leader behavior define the process of innovation at the organizational level. This paper aims to provide an insight into the relationship between ambidextrous leadership and Organizational innovation performance. In this study, the research design will be cross-sectional, a total sample of 510 employees were used who rated the ambidextrous leader behaviors and organizational innovation performance concerning an innovation project. Structural equation modeling (SEM) analysis results showed that ambidextrous leadership is positively related to Organizational innovation performance. The relationship between ambidextrous leadership and organizational social capital is strengthened by an Organizational innovative climate, which in return increases organizational innovation. The findings support the importance of opening and closing leader behaviors necessary for the process of innovation and therefore underline the significance of ambidexterity.

Keywords: Ambidextrous leadership (AMBL), Organizational Innovation (OI), Organizational Social Capital (OSC), Organizational Innovative Climate (OIC)

1. INTRODUCTION

Organizations achieve long-term competitive advantages through innovation, which is essential for survival. Innovation has become a crucial means for firms to adapt to changes in a complex environment. (Li et al., 2020) Due to the high environmental dynamics and competition, it is extremely difficult to make innovative decisions. In an attempt to preserve a competitive advantage, businesses must make significant investments in innovation. (Porter, 1990; Rosenbusch et al., 2011). To achieve high innovation performance, individuals must be innovative and apply new ideas within the innovation process. (Rosing & Zacher, 2017). These two needs change with time and entail different departments' tasks, which can be hard for the elements involved in the process of innovation. (Bledow et al., 2009; Rosing et al., 2018). Failure to innovate can jeopardize a company's long-term viability; as a result, organizations, businesses, and their leaders place a high priority on cultivating an environment conducive to employee innovation. (Shanker et al., 2017) arguing that new learning techniques for creativity and innovation are urgently needed at academic and research institutions (Sutanto, 2017). According to March (1991), two supporting activities are advised for an organization to foster innovation. i.e. exploration and exploitation. Exploitation deals with modification, assortment, and implementation, whereas exploration focuses on inspection, examination, and discovery (Ketkar & Puri 2017). The scholarly literature is increasingly emphasizing the link between leadership and innovation. Leadership is being proposed as a crucial predictor of innovation by academics (Manz, et al., 1989). Zhang and Bartol (2010) claimed that leadership behavior supposed to be rigid and permanent; rather, leaders should alter their actions flexibly in response to the required changed organizational situations, as well as the ability, expectations personality of the subordinates should be taken into account. According to Li et al., (2020) Leaders, must develop an attitude reflecting the qualities of opening leader behavior and closing leader behavior. This is done in a way that subordinates are encouraged to perform the duties in a way in things are not done previously, allowing the opportunity for individual first to think and then according to that thinking act, and assisting in an attempts to question the already deployed
pattern of working, and closing behaviors include the actions necessary for correcting the work patterns, guidelines are being provided, and to check whether the milestones are achieved or not. Considering the innovation in an organization, Rosing et al. (2011) has coined the term "ambidextrous leadership," it shows that the leader must possess the quality of opening leader behavior and closing behavior of the leadership, in addition to it the leader can easily move from one extreme of behavior to the other extreme.

This study looks at how organizational innovation may be expedited with the help of a supportive leadership structure and a creative organizational climate, with a focus on Pakistan's ICT sector. Due to the characteristics of the innovation process and accessible empirical data, scholars have claimed that a specialized approach to leadership is essential for innovation. (Rosing et al., 2011; Mumford, 2000). This study aims to investigate such a model for leadership in innovation processes: the ambidextrous leadership model (Rosing et al., 2011).

Two distinct sorts of leadership behaviors are offered by the ambidextrous leadership concept (Rosing et al., 2011). The term "opening leader behavior" relates to things like encouraging people to try new things or questioning the status quo, and it has to do with the need for innovation. (Zacher & Rosing, 2015; Rosing et al., 2011). Closing leader behavior, on the other hand, involves things like setting goals and sticking to deadlines, as well as dealing with implementation issues. (Rosing et al., 2011; Zacher & Rosing, 2015). According to the ambidextrous leadership paradigm, the requirement to implement the process of innovation in an organization must be met by using these two behavioral leadership styles and the leaders must be in a position to adaptably move between the two behaviors (Rosing et al., 2011).

Existing research on the association between ambidexterity behavior of leaders and the phenomena involving innovation in the organization has yielded promising results. (Zacher & Rosing, 2015; Zacher et al., 2016). There is a series of researches that has shown the interaction of ambidexterity style of leadership in the progression of the innovation (Tolulope et al., 2020; Zuraik et al., 2020); however, this specific leadership style is not amply studied in the context of innovation at the organizational level. This study focus to investigate the relationship between ambidextrous leadership and innovation at the organizational level. While simultaneously analyzing the mediating role of organizational social capital and moderating role of organizational innovative climate. This offers a valuable viewpoint to the literature on innovation leadership. Through this integration of the new ambidexterity theory of leadership (Rosing et al., 2011) into organizational innovation, organizational social capital, and organizational innovative climate, this study discuss the issue. The main purpose of this research is to find the relationship between ambidextrous leadership and Organizational Innovation (research gap 1). Secondly, the current research will find the mediating effect of Organizational Social Capital on ambidextrous leadership-organizational innovation linkage (research gap 2). Thirdly, this present study will find out how the OIC moderates the relationship between AMBL and OI (research gap 3).

2. LITERATURE REVIEW

2.1. AMBIDEXTROUS LEADERSHIP

Rosing et al. (2011) established the ambidextrous leadership paradigm, To account for both creative and implementation demands, the model distinguishes two types of leader behaviors: opening and closure. Both types of leader behavior, as well as their relationships, are critical for overall innovation performance, according to the model (Rosing et al., 2011). AMBL is a newer leadership concept that contributes significantly to the literature on leadership. (Bormann & Rowold, 2018; Rosing et al., 2011). To begin, opening and closing leader behaviors have been defined as concrete advice regarding task performance as it relates to the need for inventiveness and execution of an idea (Rosing et al., 2011; Yukl, 1999). Secondly, this style of ambidextrous leadership considers the importance of situational demands for creativity. Accordingly, the ambidextrous style of leadership, explains the circumstances in which the effectiveness can be brought in the actions of a leader (Rosing et al., 2011). Finally, ambidextrous leadership is related to two types of leadership functions (Breevaart & Zacher, 2019). The flow from opening to closing behavior and vice versa facilitates the process of innovation which is done through the execution and creativity of an idea (Rosing et al., 2011, 2018; Rosing and Zacher, 2017).

Hypothesis development: AMBL and OI has a positive relationship.

Some studies (Eisenbeiss et al. 2008; Tierney & Farmer 2002) determined that one of the most important antecedents of innovation is leadership. (Zacher & Rosing 2015). Ambidextrous leadership is a term that has
been coined expressly for the innovation process. Resultantly, all the leadership styles which are traditionally used are left behind when considering the performance of an organization at the scale of innovation (Rosing et al., 2011). AMBL, according to extant research, displays the coordination of inconsistencies and tensions across various leadership behaviors, a thinking logic should be "both-and" rather than "either-or." (Tung, 2016; Tuan, 2017.).

According to Sutanto (2017), new ideas, behaviors, goods, services, technology, and administrative practices that encourage processes and practices in an organization for the aim of innovation are referred to as organizational innovation. Innovation and creativity can be induced in organizational environments which are having more elastic structures and allow more flexibility in the operations than does the mechanical structures (Trott, 2008, p. 198).

Numerous studies have shown that combining opening and closing leadership behaviors might have a greater influence on improving organizational innovation (Tolulope et al., 2020; Zuraik et al., 2020). Ambidextrous leaders, on the other hand, engage in complicated cognitive processes. Nevertheless, leaders who are having ambidextrous quality are engaged in such cognitive process which are complex in nature (Mom et al, 2015), integrative or paradoxical thinking helps to accommodate the conflicts that are certain to arise while pursuing several opportunities, goals, and demands. (Smith & Tushman 2005; Martin 2007) might be used. As a result, we believe that ambidextrous leadership style has a positive relationship with organizational innovation because it is believed to be a prerequisite for creativity (Rosing et al., 2011; Zacher et al., 2016). Encourage employees to try new things and experiment with diverse solutions to boost divergent thinking, which facilitates the process of innovation by engaging in activities which are more creative and innovative. (Miron-Spektor & Erez, 2017). Ambidextrous leadership can be said to enhance the innovative performance of an organization by making the balance of both forms of opposing leader behaviours (opening and closing leader behaviours) and integrating organisational conflicts with the innovation process. (Jia et al., 2021). Furthermore, ambidextrous style of leadership encourages properly structuring and merging of already prevailing information in a way that will be helpful for the development of new ideas (Mumford, 2000). Ambidextrous leadership style helps the employees to come up with ideas which are new in nature and allows them in questioning the status quo. It also assists employees in adhering to rules and taking corrective action for development. (Rosing et al., 2011). This creates an environment which is psychologically safe where employees can address creative needs without fear of repercussions and with the backing of their boss. (Baer & Frese, 2003; Hunter et al., 2007).

H1. Ambidextrous leadership is positively related to organizational innovation. (Using RI Heading2 Style).

2.2. IC AS A MODERATOR

The contradictory findings on the direct effects of IT capabilities on firm performance raises the question of what types of organizational environments influence IT usage and enable organisations to achieve their business objectives. The literature on the subject emphasises the importance of an innovative environment in influencing IT usage positively (Luo et al., 2018). A climate that encourages innovation is conducive to it. It promotes innovation, risk-taking, and a willingness to try new ideas, as well as open communication among personnel from various departments (Chou et al., 2010). Employees' understanding of organisational policies, organisational processes, management practices, and other elements that directly or indirectly enhance an organization's creativity are referred to as organisational innovative climate (Sun, 2014). Employees at all levels of a company, differ in jobs and decision making (Zuraik, 2017) Open communication and engagement in decision-making are encouraged in an innovative environment. Building a sustainable mindset in the context of an innovative climate improves business efficiency, reduces consumption and waste, and improves the brand of the company (Shanker et al., 2017). The term "innovation" refers to the creation of a new idea or a new behaviour by a company, which can include products, services, equipment, technological processes, organizational structures, administrative systems, plans, policies, and programs (Li et al., 2020).

The IC is viewed as a social process in which various possibilities for input and refinement are provided via social interaction (Calantone et al., 2003; Nohari & Gulatti, 1996). For a collaborative approach to innovation, communication, exchanging ideas, and focusing on wider organizational goals are essential (Frank et al., 2004; Kelchtermans, 2005).
The IC is positively related to the creation of a leadership style that will facilitate innovation through exploration and exploitation. Since in turn, it creates such of social interactions among employees of an organization, we expect an innovative climate leads to higher levels of innovation. Accordingly, our hypotheses are as follows: Hypothesis 3 (H3). IC moderates the relationships between AMBL and OSC.

### 2.3. Organizational Social Capital as Mediator

The OSC illustrates the overall shape and type of employee interactions (Van Buren & Leana, 1999). It reflects the levels of trust and goal congruence among organizational members (Leana & Van Buren, 1999). Internal coordination, knowledge production and accumulation, creativity (Han et al., 2014), and innovation are all aided by social capital (Maureret al., 2011). As a result, employees with strong social capital participate in more proactive inventive behaviors under ambidextrous leadership. Employees and their organizations have high levels of trust and goal congruence at a company with high social capital. (De Clercq & Belausteguigoitia, 2015). Even in the absence of clear mechanisms to trigger and reinforce such actions, trusting relationships encourage collective and collaborative activities (Onyx & Bullen, 2000). Employees are more likely to see change initiatives as advantageous to the business and its stakeholders in an atmosphere where trust is high, for the benefit of their organization the employees even need to sacrifice their self-interest. Employees in such a high-trust environment embrace, rather than fight, ambidextrous leadership's transformation plans and engage proactively and innovatively in their daily operations. Furthermore, the ambidextrous leader creates opportunity for organisational members to contribute. In other words, employees that have a high level of faith in the ambidextrous leader encourage him by taking new initiatives. Furthermore, trusted connections enable knowledge sharing as well as ways to utilise existing knowledge and discover new knowledge for proactive product and service development. Employees in an organisation with high rather than low trust levels tend to reach a better level of innovation under ambidextrous leadership. The presence of "close interpersonal relationships" among individuals inside an organisation indicates the presence of OSC (Bolino et al. 2002, p. 506). Social capital is regarded as a valuable asset, just as human and physical capital. The structural, relational, and cognitive elements of OSC are all present (Nahapiet and Ghosal 1998). The degree to which organisational members are interconnected and communicate information is referred to as the structural dimension. The relational aspect refers to the degree to which trust and emotional intensity characterize the relationships and interconnections between organisational members.

Finally, the cognitive component reveals how well employees in a company share a common vision and knowledge of the company's objectives (Nahapiet & Ghosal 1998; Leana & Pil 2006). These three elements are inextricably linked and mutually reinforcing. When people have similar ideals about their work, they are more likely to have good relationships with one another and share information on a regular basis (Leana and Pil 2006; Andrews et al. 2017).

As a result, ambidextrous leadership is more likely to boost organisational innovation when the OSC is high rather than low. The devoted attitude of such leaders, as well as their efforts to understand and meet the requirements of their employees, often leads followers to believe that the group values them, enhancing their sense of belonging and inclusion, and so contributing to their inventive performance (; Li et al. 2016). As a result, the following hypothesis is put forth:

**Hypothesis**: organizational social capital mediates the relationship between ambidextrous leadership and organizational innovation.

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**Fig. 1. Conceptual Framework**

![Conceptual Framework](image)
3. METHOD

3.1. SAMPLE

ICT sector is selected for the current study as this sector typifies the knowledge-intensive industry. Data were collected from the employees working in the software houses and telecommunication companies located in capital cities of Pakistan; Islamabad, Lahore, Karachi, KPK, Quetta. A total of 200 firms from the capital cities of Pakistan were contacted in which 500 questionnaires were distributed. The total number of questionnaires received was 430 with a response rate of 86%. In 2021, according to Japan International Cooperation Agency (JICA) the ICT sector is one of the most fast growing sector in Pakistan turning it as a next ICT powerhouse. During the last decade the ICT exports have increased by 6 times, so this present study will help the policy makers to understand the importance of exploitative and explorative behavior to be fostered in employees in order to make them more productive for the firm.

The participants were asked to fill the questionnaires on voluntary basis and it was made sure to keep the information confidential. The data for the current study were collected from the following sources:
One of the researchers contacted the concerned person of the respective office, who took the responsibility of receiving the questionnaire. The data were collected in the form of questionnaires which were distributed and collected on-spot for data analysis.

Data were also collected online through Google form and e-mail. Questionnaire was designed on google form and the link was shared with the employees. An email was also forwarded to employees attaching the questionnaire and cover letter in which the purpose of the study was disclosed.

3.2. MEASUREMENT OF CONSTRUCTS

The survey instrument consisted of four sections, each with items related to the four construct under study.

3.2.1. Ambidextrous leadership

14-item scale, developed by Zacher and Rosing’s (2015) is used to extract responses to measure the ambidextrous leadership of the supervisors, based on the theory developed by ambidextrous leadership theory by Rosing et al.’s (2011). These questions elicited the responses regarding the opening and closing behavior of leaders. These items will help the researcher to understand the perception of employees that whether they think that their leader allows them to do the things differently or forcing them to stick to the rules already developed for conducting the daily affair of business.

3.2.2. Organizational innovation

The scale for organizational innovation is adapted from Camisón and Villar-López (2010) comprising of 9 items. The items are related to organization innovation :for business practice , at workplace and methods in external relations. The responses gathered with respect to this scale shows that how do the employees perceive the degree of innovation at organizational level.

3.2.3. Organizational Social Capital

To measure the organizational social capital, a scale developed by Carr et al. (2011) with 12-item scale is used. This scale helps the researcher to find out the perception of employees what how much they are socially and emotionally connected with each other in the organizational context.

3.2.4. Organization innovative climate

In the current research, the innovation climate will be evaluate using a scale developed by Scott and Bruce (1994)
4. RESULT AND DISCUSSION

During the demographic analysis, we were able to recognise information from the study such as sexuality, age, marital status, experience, and business size. The information is acquired by a questionnaire, and each individual's information is displayed in the table.

**Table 1: Demographic detail**

<table>
<thead>
<tr>
<th>Demographics</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>345</td>
<td>62.7</td>
</tr>
<tr>
<td>Female</td>
<td>205</td>
<td>37.3</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.00 25-30</td>
<td>56</td>
<td>10.2</td>
</tr>
<tr>
<td>2.00 31-35</td>
<td>93</td>
<td>16.9</td>
</tr>
<tr>
<td>3.00 36-40</td>
<td>55</td>
<td>10.0</td>
</tr>
<tr>
<td>4.00 41-45</td>
<td>166</td>
<td>30.2</td>
</tr>
<tr>
<td>5.00 46-50</td>
<td>72</td>
<td>13.1</td>
</tr>
<tr>
<td>6.00 50 above</td>
<td>108</td>
<td>19.6</td>
</tr>
<tr>
<td><strong>Organizational Employee</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.00 1-50</td>
<td>33.8</td>
<td>33.8</td>
</tr>
<tr>
<td>2.00 51-100</td>
<td>10.0</td>
<td>43.8</td>
</tr>
<tr>
<td>3.00 101-250</td>
<td>13.5</td>
<td>57.3</td>
</tr>
<tr>
<td>4.00 251-500</td>
<td>23.1</td>
<td>80.4</td>
</tr>
<tr>
<td>5.00 Above 500</td>
<td>19.6</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.00 Graduate</td>
<td>256</td>
<td>46.5</td>
</tr>
<tr>
<td>3.00 Masters</td>
<td>294</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Job Tenure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.00 1-5 year</td>
<td>187</td>
<td>34.0</td>
</tr>
<tr>
<td>2.00 6-10 year</td>
<td>165</td>
<td>64.0</td>
</tr>
<tr>
<td>3.00 11-15 year</td>
<td>126</td>
<td>86.9</td>
</tr>
<tr>
<td>4.00 16-20 year</td>
<td>72</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Size Of Organization</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.00 1-50</td>
<td>186</td>
<td>33.8</td>
</tr>
<tr>
<td>2.00 51-100</td>
<td>55</td>
<td>10.0</td>
</tr>
<tr>
<td>3.00 101-250</td>
<td>74</td>
<td>13.5</td>
</tr>
<tr>
<td>4.00 251-500</td>
<td>127</td>
<td>23.1</td>
</tr>
<tr>
<td>5.00 Above 500</td>
<td>108</td>
<td>19.6</td>
</tr>
</tbody>
</table>

SPSS was used to determine the frequencies, fraction of gender, naming, total experience, and type of company for this study, which were acquired from many ICT software houses in Pakistan.

**Table 2: Data skewness, mean and kurtosis**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>St. Deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMBL</td>
<td>3.8813</td>
<td>0.6141</td>
<td>-0.591</td>
<td>-0.382</td>
</tr>
<tr>
<td>OI</td>
<td>3.6707</td>
<td>0.6315</td>
<td>-0.281</td>
<td>-0.651</td>
</tr>
<tr>
<td>OIC</td>
<td>3.7474</td>
<td>0.6125</td>
<td>-0.671</td>
<td>0.124</td>
</tr>
<tr>
<td>OSC</td>
<td>3.8629</td>
<td>0.6925</td>
<td>-0.764</td>
<td>0.164</td>
</tr>
</tbody>
</table>
The values of Descriptive statics are used to test the normality of the data. To test the data normality test we used skewness and kurtosis for checking the normality of the test. In the above table, all the values are in the given threshold the value of the skewness is +1 and -1, and the value of the kurtosis is +3 and -3. The value of the skewness shows the dispersion of the data. The value of the kurtosis shows the peak of the data. All the values are within the described range.

<table>
<thead>
<tr>
<th>Variables</th>
<th>No. of Items</th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMBL</td>
<td>14</td>
<td>0.849</td>
<td>0.782</td>
</tr>
<tr>
<td>OI</td>
<td>09</td>
<td>0.749</td>
<td>0.801</td>
</tr>
<tr>
<td>OIC</td>
<td>16</td>
<td>0.874</td>
<td>0.732</td>
</tr>
<tr>
<td>OSC</td>
<td>12</td>
<td>0.817</td>
<td>0.794</td>
</tr>
</tbody>
</table>

Reliability analysis is critical for determining the device's specific reliability as well as the specific items employed throughout the questionnaire. Because things that create interference can be readily omitted, this is a necessary evaluation before using different tests. The conventional thumb rule for determining the instrument's dependability using Cronbach's alpha. There are different thresholds such as values should be greater than 0.7 is good and 0.8, 0.9 is considered best.

<table>
<thead>
<tr>
<th>Variable</th>
<th>AMBL</th>
<th>OI</th>
<th>OIC</th>
<th>OSC</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMBL</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OI</td>
<td>.774**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OIC</td>
<td>.687**</td>
<td>.704**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>OSC</td>
<td>.705**</td>
<td>.692**</td>
<td>.762**</td>
<td>1</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).
* Correlation is significant at the 0.05 level (2-tailed).

The above values show the correlation of the table. All the values are within the defined range of less than 0.85. the above table shows that there is no issue of multicollinearity in the above table.
The values of the overall measurement model are defined. All the values are within the defined range such as CMIN/DF is less than 3 which is 2.670. The value of GFI is 0.908 and the value of AGFI is 0.895. Both the values are within the defined range. The value of RMSEA is 0.073 which is less than 0.08 which is best.

4.1. Mediation Analysis

When we discuss the mediator then we said that mediator is the part of the model. It means the IV and DV have a direct relationship between them but in the presence of the mediator, this relationship is explained more clearly. In the present study, the OSC is a mediator between the AMBL and OI, the values of the relationship show that there is a partial relationship exist between the variable. The value of the direct is $\beta = 0.774$ and the p-value is 0.001 which is significant. Same in the case of value direct $\beta = 0.568$, p-0.001 is also significant this show that the mediation is partial in the presence of $\beta$ value. The value of the indirect path $\beta = 0.206$ and p value is 0.001 which is also than 0.05 which is significant.

Table 4.34 Mediation Results

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>$\Delta$ W/O Med.</th>
<th>$\Delta$ with Med.</th>
<th>$\Lambda$</th>
<th>Med. Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMBL$\rightarrow$OSC$\rightarrow$OI</td>
<td>$\beta = 0.774$</td>
<td>$\beta = 0.568$</td>
<td>$\beta = 0.206$</td>
<td>Partial Mediation</td>
</tr>
<tr>
<td></td>
<td>p = 0.000</td>
<td>p = 0.001</td>
<td>p = 0.001</td>
<td></td>
</tr>
</tbody>
</table>

Fig. 2. Structural equation model

Fig. 3. Path AMBL$\rightarrow$OSC$\rightarrow$OI
4.1.2 Moderation 1: OIC moderates between AMBL (IV) and OSC (DV)

**H: OIC moderates between AMBL and OSC relationship.**

The moderation shows the indirect path between the variable. The moderation shows the strength and weakness of the relationship. In the above relationship where the path between the relationship is significant. The OIC Moderates between the AMBL and OSC. The moderating effect of the variable actually shows the strength and weakness of that relationship. According to the given position, the relation of the AMBL and OSC is strengthened in the presence of the OIC.

![Moderation Model](image)

4.2. THEORETICAL CONTRIBUTION

This research made three major additions to the literature on leadership and innovation. First, our research adds to the current body of knowledge in three ways. To begin, the study emphasises the relevance of ambidexterity style of leadership as a model for the process of innovativeness. For a consistent success in the innovative performance of an organization, it is important for the leaders to show some features of opening and closing behaviors. These two attitudes are needed to idealize and implement the process of innovation (Rosing et al., 2011). Second, previously there are a number of studies regarding the ambidextrous leadership and the organizational innovation (Tolulope et al., 2020; Zuraik et al., 2020). They, on the other hand, prefer to focus on its boundaries circumstances, leaving undiscovered its influential courses. (Li et al., 2020; Kassotaki, 2019). Recent research on ambidextrous leadership has shown that employee views of the relevance of the collective's demands may be successfully influenced by organisational social capital, which can also improve shared trust and collective objectives and activities, thereby creating an environment that fosters innovation through mutual trust and understanding between employees. (Setini et. Al, 2021).

Third, Although previous research has looked at the effects of organisational social capital on creativity from a variety of angles, including individual attributes, (Bornay-Barrachina et al., 2017) and innovative network (Shi et al., 2020), the decisive importance of organizational innovative climate in the organizational social capital-organizational innovation relationship (Önhon, 2019) has been ignored in those studies. According to current research, creating a favourable innovative climate in the workplace has a considerable impact on organizational innovative performance. (Breevaart and Zacher, 2019).

4.3. PRACTICAL IMPLICATIONS

The current research has some practical consequences. These behaviors should be integrated into leadership development and training since they must be practiced by organizational leaders. The behaviors related to openness and close attitude of leaders are very important for the successful execution of the innovation process.
Therefore, these attitudes must be depicted in the routine business affairs of a leader, which will definitely lead to the path that will end in an effective process of innovation (Rosing et al., 2011). Giving employees the opportunity to develop some ideas which are not prevailing in the current work setting and therefore this action will question the status quo is one example of opening leader behavior (Rosing et al., 2011). Furthermore, the behavior of leader having openness visions the faults as chances to learn and get new knowledge about the new things and things already working in the organization (Rosing et al., 2011). The urge of personnel to be creative can be achieved through this leadership attitude (Rosing et al., 2011). Goals and timelines must also be set by leaders, which must be regularly monitored. Furthermore, innovation projects must be finished, and the outcomes are extremely important to businesses (West, 2002).

‘Closing leader behaviors’ facilitates the employees to work in an environment which will accelerates the process of innovation (Rosing et al., 2011). In addition, the attitude through which the leaders must exploit the already available resources will help in the process of innovation (Mumford et al., 2002; Antonakis & House, 2014). To protect resources, the leaders must screen the environment both the internal and external and develop such relationships which are intra organizational as well as with other companies outside the organization (Rowold, 2014). These strategic leader characteristics are important in creating an environment where employees may be creative and adopt new ideas (Mumford et al., 2002; Janssen, 2000). Leaders may help staff achieve high levels of innovation performance by considering these factors.

4.4. LIMITATIONS AND FUTURE DIRECTIONS

The ambidexterity style of leadership is said to be a smooth swing between two opposing leadership styles, namely, ‘opening and closing leader behaviors’ in order to maximize value of the firm. On the other hand, cross-sectional data limits our capacity to make conclusions about the link between ambidextrous leadership and organizational innovation. As a result, a longitudinal study is important to better understand the mechanism required for the study of the Ambidexterity style of leadership and the effective innovation process. Furthermore, apart from organizational social capital, there must be another mediating path that will help to develop a better understanding of the said variables. For example, the cultural impacts can be incorporated into future studies. It is also directed that organizational innovative climate is playing its role as a moderator, but there must be other moderators which should be considered in future studies.

5. CONCLUSION

The potential mechanism of ambidexterity style of leadership on organizational innovation was investigated in this study, and it was discovered that organizational social capital plays a mediating function in the relationship between ambidextrous leadership and organizational innovation. This research has amplified the understanding regarding AMBL and organizational creativity. Furthermore, the connection between AMBL and organizational social capital is moderated by the organization's inventive climate, which will ultimately contribute to organizational innovation.

Reference:


