



## Research Article

# A conceptual framework for the role of leadership in financial innovation adoption in the Australian banking industry

Qaisar Ali<sup>1\*</sup>, Shazia Parveen<sup>2</sup><sup>1</sup>Islam Sultan Sharif Ali University, Simpang 347, Bandar Seri Begawan, Brunei.<sup>2</sup>National College of Business Administration & Economics (NCBA&E), Main Campus Lahore, Lahore, Pakistan. & The Association of Professional Researchers and Academicians, England United Kingdom.\*Corresponding Author email: [aliqaisar21@gmail.com](mailto:aliqaisar21@gmail.com)

Submitted: 18 September 2021

Revised: 15 October 2021

Accepted: 26 October 2021

## ABSTRACT

Despite being known as one of the most innovative countries in the world, innovation in Australia has remained stagnant since the 1990s. The main objective of this study is to analyse and evaluate the role of leadership in financial innovation adoption in the Australian banking industry. Specifically, this study focuses on exploring the drivers of innovation, testing the skill and knowledge of leaders to adopt an innovation, the impact of different leadership styles on innovation, and based on the nature of innovation propose the suitable leadership framework for Australian banks using a conceptual framework. The findings of this study are expected to allow Australian banks in evaluating their leaders' role and formulate relevant strategies to ensure successful innovation adoption. It is projected that the findings will be robust for the businesses as the internal and external shareholders working with leaders to enhance organizational performance can benefit from the insight provided in this study. Moreover, this study is projected to assist in charting directions for business leaders in the context of effective leadership practices necessary for improving employees' retention, profitability, and growth which will ultimately contribute to business practices. The findings will help in providing a better understanding of leadership practices required for leaders' professional growth which may create more job opportunities. The leaders may learn the ethical and sustainable leadership practices to meet the social expectations through compact strategies which may contribute to social change.

**Keywords:** *Leadership; Financial Innovation; Adoption; DOI; Australia*

## 1. INTRODUCTION

The past studies have concluded that leadership behaviour has a key role in innovation management (Denti & Hemlin, 2012; Nadler & Tushman, 1990; Singh, 2020). Generally, effective leadership plays a decisive role in improving organizational performance and in the creation of creativity (Amabile et al., 2004; Hughes et al., 2018; Mumford et al., 2002) through launching and driving the innovation projects. (Stoker et al., 2001). Corporate leadership is the key driver in promoting and constraining innovation management in the organization (Somech, 2006). Additionally, different leadership styles are expected to render different impacts on employees' involvement, commitment, and influence during the innovation adoption process. Even corporates may fail in the innovation adoption

process due to ineffective leadership and a lack of leaders' skills (Deschamps, 2005; Wang et al., 2021).

Despite being known as one of the most creative nations in the world, the innovation process has been stagnant in Australia since 1990. The Global innovation index has ranked Australia 17th among other countries, which implies that innovation has become significantly slow in all major sectors of the economy. Recently, innovation has gained significant momentum throughout the world especially in the financial industry, which is triggered by Fintech. The financial sector is the backbone of the Australian economy contributing one-third toward overall GDP growth (ABA Economic Report, 2015). However, according to the Australian Bureau of Statistics (ABS), the financial industry including banks are placed fourth in terms of innovation, which proves that the innovation process has largely declined in the Australian financial industry. This study addresses the impact of leadership behaviours on innovation adoption by Australian banks is timely for a number of reasons. Firstly, this study conceptualizes to provide diversely synthesized information from various experts of the banking industry. Secondly, this research imports this information for the usage of a wider audience such as practitioners and corporates. Lastly, corporates may utilize this information for embedding effective leadership practices, developing an exceptional leader and ensuring smooth innovation adoption for Australian banks.

An in-depth review of past studies shows that in the Australian context, leadership studies have focused on analysing its impact on job satisfaction and organisational commitment (Lok and Crawford, 2004), improving productivity through self-organised teams and leadership (Parker et al., 2015), perceptions of leadership styles on employees' engagement (Mariappanadar, 2018). Additionally, studies opined different behaviours of Australian leaders which may not be suitable for innovation adoption. Vecchio et al., (1992), found that Australian managers are more confident, imaginative, and self-sufficient however, the leaders do not force their peers in the achievement of their tasks and may act impulsively instead of planning carefully. Henry (2005), argued that Australian managers are emotionally detached, challenging, cynical, and disrespectful as Australian leaders are more assertive and they do not have anything to prove to anybody. Studies have anticipated that Australian leaders are too charismatic and lack inspiring others and visionary traits (Ashkanasy et al., 2000; Meng et al., 2003). The lack of vision and inspiring others unable Australian leaders to have a fair go among subordinates (Barker, 2002).

Innovation implementation describes employees' commitment and capability in an innovation adoption process (Dodge et al., 2017). The innovation adoption process is initiated through a decision by the senior managers and employees are expected to follow and implement innovative work practices (Aldabbas et al., 2021; Klein & Sorra, 1996). The organization may fail to adopt and implement innovation due to a lack of employees' engagement in the innovation process or a lack of employees' knowledge about the potential benefits of innovation. Once the organization partially or completely fails to achieve the intended benefits of innovation it results in total failure of innovation implementation or innovation itself. However, organizational analysts use the first explanation to relate organizational failure, to implement innovation as a leading factor to

describe the organization's inability to adopt an innovation (Klein & Sorra, 1996; Koziol-Nadolna, 2020).

Furthermore, the lack of clear instructions, goals, and leaders' poor leadership skills create ambiguity among employees as employees become unfamiliar with organizational objectives (Bousinakis & Halkos, 2021; Sung & Choi, 2021). The understanding of leadership role and its impact that promote innovation adoption behaviour among employees and enhance employees' commitment and consistency is therefore needed (Choi & Price, 2005; Wegner et al., 2021). This study refers to innovation as 'a first-hand experience of a technology or practice by an organization that has never used it in the past (Klein et al., 2001). A review of the literature by Klein and Knight (2005) has identified several factors which contribute to innovation adoption. Some of the factors are an organizational environment for innovation (Holahan et al., 2004; Michaelis et al., 2008), management support, and managerial patience (Repenning & Sterman, 2002; Rohlfers et al., 2021). However, among these substantially influential factors leadership role was identified as the most influential factor in innovation adoption.

Based on the above-outlined research problem, our study aims to investigate the recent changes in the Australian banking industry which have forced the industry to transform its business environment, the types of knowledge and skills required for the Australian banks' leadership to initiate and ensure innovation adoption. Additionally, we analyse the leadership role and skills that are appropriate to improve Australian bank employees' commitment and participation in the innovation adoption process. Lastly, this study is expected to determine the type of leadership that is suitable to embed innovation adoption behavior coherently in Australian bank employees.

This study contributes to the literature on leadership and innovation management by analyzing and categorizing the drivers of innovation and its adoption process in the Australian banking Industry. Another significant contribution of this study is towards the literature on behavioural changes by assessing the existing personal competencies of the leaders and required behavioural changes to maximize organizational effectiveness. Finally, this study is expected to contribute to optimizing the growth of the Australian banking industry and propose a toolkit for innovation management.

The rest of the paper is organized as follows. Section 2 outlines the literature review and proposed conceptual framework. Section 3 outlines the conclusion and practical and theoretical implications.

## **2. LITERATURE REVIEW**

### **2.1. LEADERSHIP**

According to Bass (1990a), leadership is "influencing the behaviours and attitudes of people during the formal interaction to achieve organizational goals". Chemers (1997) defined leadership as a "process of social influence during which one person with strong interpersonal skills can achieve common tasks". Leadership comprises four generic dimensions known as people, means, effects and goals. These four dimensions allow

systemizing the specific leadership style. According to House and Aditya (1997), leadership style refers to the manners by which different leaders depict specific behaviour. These styles are important as this help to analyse different styles of leadership practices. The literature exhibits different leadership styles, some of these styles are briefly described below.

### **2.1.1. Directive and Participative Leadership (DPL)**

Directive leadership is described as “a leader’s position and power characterised through behaviour to give clear instruction, directions and expecting subordinates to comply with given instructions” (Lornikowa et al., 2013). Whereas, participative leadership refers to “information sharing for decision making” however, leaders hold the authority in final decision making (Somech, 2006). The main difference is the extent of leaders’ consultation with subordinates and to what extent followers are allowed to express their opinion during the decision-making process. Kanter (1982), found that directive leadership drive, control, monitor, instruct and influence the innovation process whereas, participative leaders encourage teams to involve and stay committed during the innovation process.

### **2.1.2. Interactive Leadership (IL)**

This leadership type was discovered by Rosener (1990), during a study of female leaders. The study identified four attributes of interactive leadership namely, encouragement, information, and power-sharing, enhancing employees’ self-worth, and motivating employees for customized tasks. Bossink (2004), found that interactive leaders cooperate with their employees and empower their employees to innovate. This type of leadership is typically characterised by giving support and guidance to empowered employees for innovation (Zhu & Zhang, 2020).

### **2.1.3. Charismatic Leadership (CL)**

Weber (1978), defined charismatic leadership as “remain devoted to an extraordinary sanctity, heroism or exemplary character of a person”. Similarly, another study describes charismatic leadership as ones’ feelings of creating self-identity is essential in developing this type of leadership (Shamir et al., 1993). Many studies have indicated that this type of leader leads innovation projects based on their behaviour, belief, and personal example (House et al., 1990). There is a strong indication that this type of leadership influences to improve subordinates’ commitment, spark energy and guide individuals towards new goals, values, or aspirations (James & Lahti, 2011; Nadler & Tushman, 1990). However, this type of leadership is inappropriate to commercialise the success of innovation (Nadler & Tushman, 1990).

### **2.1.4. Transformational Leadership (TL)**

This leadership type was introduced by Burns (1979), further developed by Bass (1985), and understood by Smith et al., (2004). Studies have found that charismatic and transformational leadership can be used interchanging (Becker et al., 2021; Gumusluoglu & Ilsev, 2009; Paulsen et al., 2009). This type of leadership not only positively promotes innovation activities within an organization but also ensures its market success. Jamaludin

et al., (2011), contradicted and found that transformational leadership is more appropriate for stimulating creativity and generating ideas instead of implementing innovations.

### **2.1.5. Instrumental Leadership (IL)**

The concept of transactional leadership originated decades ago however, it is often characterised together with transformational leadership (Burns, 1979). Several studies have intensively discussed the relationship between transformational and transactional leadership (Bass, 1990b; Bass & Avolio, 1994; Jamaludin et al., 2011). However, this type of leadership does not focus on change rather, it focuses more on clearly defining and communicating the work tasks (Avolio et al., 1993). During the innovation process, transactional leaders identify followers' needs and design exchange process to fulfil their need (Daft, 2001).

### **2.1.6. Strategic and CEO Leadership (SEL)**

This type of leadership is suitable for executives who are fully responsible to manage the entire corporate (Finkelstein et al., 1996). The leaders in this category are known as strategic decision-makers and their hierarchical power helps in enhancing organizational innovation (Bossink, 2004; Makri & Scandura, 2010; Michaelis et al., 2009).

### **2.1.7. Shared and Distributed Leadership (SDL)**

According to these leadership types, one person takes control and others are expected to follow (Pearce et al., 2009). This leadership is considered a dynamic, unfolding, interactive influence process among individuals whose objective is team formation for the achievement of collective goals. During innovation, this leadership provides necessary guidelines to ensure the alignment between tasks and goals (Ali et al., 2020; Muethel & Hoegl, 2010).

## **2.2. RELATIONSHIP BETWEEN LEADERSHIP AND INNOVATION**

The vastly implemented innovation concept by modern-day corporates was discovered by Drucker (1984). According to Drucker's definition "innovation provides useful information and opportunity to the employees with different skills and knowledge working in the same organization to become more productive". He further elaborated that innovation is a basic toolkit for entrepreneurship and action which provides mandatory resources for building new capacity (Drucker, 1984). The innovation concept has remained a significant element through its active participation in economic and social developments. Because of its economic and social role, Innovative activities and the overall process have attracted the attention of scientists and policymakers (Clark, 2010; Qureshi et al., 2021). Oslo Manual exhibits numerous studies on innovation, according to Manual "innovation refers to a new or freshly improved product or service, process, new marketing method, the emergence of the new organizational structure through interorganisational practices or external relationship. In a simplified notion, the minimum condition required for the innovation is that the firm has never utilised a product, process, marketing, or organizational method in the past (OECD, 2006).

Previous studies have explored the impact of leadership styles on innovation in automobile, educational and agricultural industries (Abdolmalekia et al., 2013; Derakhshandeh & Gholami, 2012; Rafiee & Mohammadi, 2012). These studies have found a strong relationship between different leadership styles and enhanced organizational performance because of commitment to innovation. Gautam and Malla (2013) studied the managers' self-perception about their leadership behaviour with subordinates' perception of managers' leadership behaviour and the impact of both behaviours on branch performance. The study found that effective leadership is important for the branch performance of private and public banks.

Tsolakis (2016) analysed the impact of leadership and management styles in UK banks during financial crises. The study analysed the impact of leadership styles to generate a beneficial outcome for the banks. The findings revealed that different leadership styles such as authoritarian, delegative, and participative have different impacts on the working environment, employees' commitment and responsibility, and towards the success of the business. However, the ultimate leadership style depends on the present needs of the business. Ajiboye (2017) explored the bank leaders' effective leadership practices for the banks' sustainability through multiple case studies. The study established four leadership themes to motivate employees, raise other leaders and develop leaders' competence. Similarly, Makitalo (2017), compared the leadership styles in the banking sectors of Finland and France from subordinates' point of view. The findings predicted that employees in both countries' banking industries exhibit a mixture of transformational and transactional leadership behaviours however, the intensity of leadership styles differ between the leaders of these countries. Finnish employees described that transformational leadership is an appropriate style whereas, French employees agreed on transactional leadership style is best to suit the current situation of the banking industry.

Skinner (2015), found that the financial industry is in dire need of influential people as banks often ignore the need for change and innovation due to focusing too strongly on status and shareholders' value. Belias and Koustelios (2014) found that banks' not only need to change but are also required to innovate by changing from a strict hierarchical structure to a more flexible and communicative one. A study on leadership styles followed in the Bangladesh banking industry by Mohammad et al. (2017), found that leaders and subordinates follow bureaucratic style to avoid risks and uncertainty.

The review of the above studies indicates that the role and impact of different leadership styles on innovation adoption are unaddressed. Especially, in the context of Australia, to the best of the researcher's knowledge, no formal study has attempted to analyse the leadership impact on innovation adoption in the banking industry. Therefore, it is timely to undertake this study to close this research gap through an informative insight.

### **2.3. FINANCIAL INNOVATION IN BANKING**

Over the past decade, the global financial industry has adopted several alternative channels to deliver financial services to customers (Domeher et al., 2014; Ali et al., 2021). The traditional financial delivery methods are replaced with technology-oriented methods such as e-

banking, internet banking, mobile banking, and Automated Teller Machines (ATMs). Innovation in the banking industry has transformed the operational methods of the entire retail sector (Sweeney & Morrison, 2004). In order to facilitate its customers, banks are continuously striving to provide convenience in accessing account balances, transferring funds, paying bills to purchase goods and services which is only made possible through the collaboration of hardware, software, and telecommunication companies. Like any other industry, innovation is important for the performance, survival, and success of the banking industry (Damanpour et al., 2009). The extent to which the banking sector has the potential to contribute to the economy depends on the quantity and quality of the products and services it offers to its customers. Hence, it is imperative for banks to meet customers' needs in order to restore their confidence (Kumar, 2011). Financial innovation offers two-fold benefits which are a reduction of operational cost and market expansion and customer enjoys a range of products and services.

The Australian banking industry has kept pace with other developing countries in the adoption and diffusion of financial innovation. The Australian banks are not only categorised as a globally safe and potential contributor to the national economy but also are rated as the world's best performing financial institution in the world (Financial Development Report, 2012). A robust financial system is achieved through technological changes and the penetration of mobile devices (The Australian Government Treasury Department, 2016). Zanello et al., (2013) found that innovation in most developing countries is affected due to weak research systems, limited financial resources, weak legal systems, and inadequate infrastructure. Whereas, in developed countries, innovation adoption is merely a process of adaptation of technology and depends on the personal characteristics of each banking institution's chief executive officer (Mansfield, 1968a, 1968b, Mansfield et al., 1977). The factors such as employment tenure, education, and ability to mobilize resources may significantly affect the adoption of innovation.

#### **2.4. DIFFUSION OF FINANCIAL INNOVATION**

Diffusion of innovation is a process of information seeking and information processing, during which individuals tend to minimize the uncertain advantages and disadvantages of an innovation (Rogers, 2003). Diffusion of innovation contains four elements namely innovation, communication, time, and social (Rogers, 2003). Often scholars term diffusion and adoption as a similar phenomenon and use it interchanging. However, there is a certain difference between the two terms. Amal et al. (2014), indicated that diffusion is a macro that is concerned with the spread of technology from its source to the consumer whereas, adoption is a micro process that is concerned with the mental process an individual undergoes before deciding to adopt an innovation. The past studies on diffusion of innovation have vigorously focused on health, natural and social sciences (Bara, 2016). Especially, in the context of the influence of leadership role on the diffusion of financial innovation are missing in the literature despite, a significant role of financial innovation in the development of the modern economy (Iman, 2011). Additionally, past studies have analysed leadership's role in diffusion of innovation using different mediators such as cultural, organizational size, and performance (Elenkov & Manev, 2005; Vaccaro et al., 2012).

Hence, this study adopts diffusion of innovation as a mediator to predict a positive or a negative impact on a leadership role which will ultimately reveal the adoption of financial innovation.

## 2.5. CONCEPTUAL FRAMEWORK

This study utilises Rogers's (2003) Diffusion of Innovation Theory (DOI) as a mediator to analyse the role of leadership in the adoption of financial innovation. The theory will analyse how different leadership behaviours are shaped based on the needs of innovation and how these leadership behaviours contribute to the adoption of financial innovation. This theory has been successfully applied in the past in many studies such as, to explore the connection between attitude and behaviours (Conner & Armitage, 1998; Jimmieson et al., 2008; Sutton, 1998). Behavioural intention exhibits the forces and the level of motivation and effort exerted to perform a specific behaviour. A positive behavioural intention means an enhanced effort to perform a behaviour. Therefore, it is assumed that leaders with different level of motivation and skill will depict different behavioural characteristics (Bilal et al., 2021). Financial Innovation adoption is the dependent (outcome) variable and leadership styles will be the independent variable (predictor) whereas, instruments of DOI are the moderator in this study. The Conceptual Framework of this research is outlined below in Fig. 1.

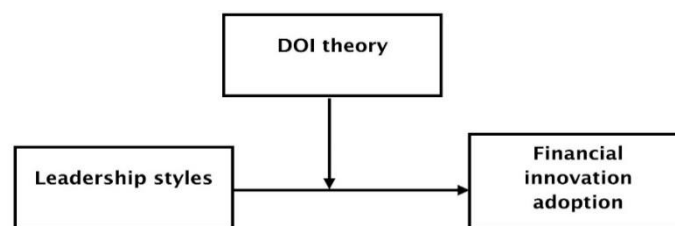


Fig. 1. Conceptual framework

## 3. CONCLUSION

A study revealed that bank leaders with irrelevant leadership behaviour and skills could stimulate serious business issues and the worse consequences would be systemic distress (Omoijiade, 2015). This theme was the motivation behind this study to assess bank leadership practices, behaviour, skills, and its relevance to the modern-day business environment. This study aims to add significant value to the overall corporate business. The leadership of high-performing banks and the banks' leadership struggling to align their business activities according to the innovative business environment might use the findings of this study. The internal and external shareholders of the banks liaised with leadership might use the insights provided in this study to sustain organizational growth. The findings of this study will be valuable for the business organizations in assessing the present stance of leadership development and practices and in shaping leadership development plans. Similarly, this study is projected to contribute to business practices as the leadership insight provided in this study will assist business professionals in the effective expansion of their leadership skills and practices. The findings would be valuable in mapping the directions for business leaders through effective leadership practices required for employee retention, business profitability, and overall growth. This research is

expected to provide significant implications for social change as this study will assist in charting ethical work practices and shape responsible leadership behaviour required by the banks. This study is expected to render valuable data for a better understanding of leadership behaviour required for continuous professional growth of leaders, and the creation of more job opportunities as organizations may benefit from the findings to improve their performance and effective corporate social responsibility.

This study has several theoretical and practical implications for the regulators, policymakers, and other organizational stakeholders. Based on the perspective established in this study regarding the role of leadership in innovation management, it is essential for the managers to use cognitive skills and develop essential knowledge through training and development to monitor the innovation activities. Additionally, this study has advanced that besides leadership, organizational climate (culture) is a key to a conducive innovation process (Parveen et al., 2015). Therefore, organizational leadership needs to develop capacities through flexibility and adaptability so that the required organizational culture supports innovation activities.

## Reference:

- ABA, Australian Bankers' Association Inc. (2015). *Taxes and other levies paid to governments in Australia by the banking industry- Economic Report*. Retrieved from [https://www.ausbanking.org.au/wpcontent/uploads/2016/08/Economic\\_Report\\_\\_Taxes\\_paid\\_by\\_banks\\_to\\_governments\\_Aug-16.pdf](https://www.ausbanking.org.au/wpcontent/uploads/2016/08/Economic_Report__Taxes_paid_by_banks_to_governments_Aug-16.pdf) (accessed on October 22, 2021).
- Abdolmalekia, J., Ashloulaghb, M., Shahrabic, M., Ashlaghic, A., & Safdarid, S. (2013). A study on effects of leadership style on innovation: A case study from automaker industry. *Management Science Letters*, 3(7), 1977-1982. <https://doi.org/10.5267/j.msl.2013.06.028>
- Ajiboye, O. (2017). *Effective Leadership Practices of Bank Leaders in Nigeria*. Thesis published by Walden University Dissertations and Doctoral studies Collections.
- Aldabbas, H., Pinnington, A., & Lahrech, A. (2021). The influence of perceived organizational support on employee creativity: The mediating role of work engagement. *Current Psychology*. 1-15. <https://doi.org/10.1007/s12144-021-01992-1>
- Ali, A., Wang, H., & Boekhorst, J. A. (2021) A moderated mediation examination of shared leadership and team creativity: A social information processing perspective. *Asia Pacific Journal of Management*, 1-33. <https://doi.org/10.1007/s10490-021-09786-6>
- Ali, Q., Salman, A., Parveen, S., & Zaini, Z. (2020). Green Behavior and Financial Performance: Impact on the Malaysian Fashion Industry, *SAGE Open*, 10(3), 1-14. <https://doi.org/10.1177/2158244020953179>.
- Amabile, T. M., Schatzel, E. A., Moneta, G. B., & Kramer, S. J. (2004). Leader behaviors and the work environment for creativity: Perceived leader support. *Leadership Quarterly*, 15(1), 5–32. <https://doi.org/10.1016/j.leaqua.2003.12.003>
- Amal, A., Bhosale, T., & Mujumdar, S. (2014). *Diffusion of Innovation*. Slide presentation. Available online: <http://www.slideshare.net/animeshgupta583/diffusion-and-adoption-of-innovation> (accessed on October 22, 2021).
- Ashkanasy, N. M., Trevor-Roberts, E., & Kennedy, J. A. (2000). Leadership attributes and cultural values in Australia and New Zealand compared: An initial report based on" globe" data. *International Journal of Organisational Behaviour*, 2(3), 37-44.
- Avolio, B. J., Waldman, D. A., & Yammarino, F. J. (1993) Leading in the 1990s: The four i's of transformational leadership, *Journal of European Industrial Training*, 15(2), 9–16.

- Bara, A. (2016). Diffusion and adoption of bank financial innovation in Zimbabwe: An external factor analysis. *African Journal of Science, Technology, Innovation and Development*, 8(4), 357–368. <https://doi.org/10.1080/20421338.2016.1156839>
- Barker, C. (2002). *The Heart and Soul of Leadership*. AIM Books, McGraw Hill, Sydney.
- Bass, B. M. (1985). *Leadership and performance beyond expectations*. New York: Free Press.
- Bass, B. M. (1990a) Bass & Stoddill's Handbook of Leadership: Theory, Research, and Managerial Applications, 3<sup>rd</sup> Ed, New York: Free Press.
- Bass, B. M. (1990b). From transactional to transformational leadership: Learning to share the vision. *Organizational dynamics*, 18(1), 19–31.
- Bass, B. M., & Avolio, B. J. (1994). Transformational leadership and organizational culture. *International Journal of Public Administration*, 17(3-4), 541–554. <https://doi.org/10.1080/01900699408524907>
- Becker, L., Coussement, K., Büttgen, M., & Weber, E. (2021). Leadership in Innovation Communities: The Impact of Transformational Leadership Language on Member Participation. *Journal of Product Innovation Management*, 1–23. <https://doi.org/10.1111/jpim.12588>
- Belias, D. & Koustelios, A. (2014). Transformational leadership and job satisfaction in the banking sector: A review. *International Review of Management and Marketing*, 4(3), 187–200.
- Bilal, M., Chaudhry, S., Amber, H., Shahid, M., Aslam, S. & Shahzad, K. (2021). Entrepreneurial Leadership and Employees' Proactive Behaviour: Fortifying Self Determination Theory, *Journal of Open Innovation: Technology, Market, and Complexity*, 7(3), 176. <https://doi.org/10.3390/joitmc7030176>
- Bousinakis, D. & Halkos, G. (2021). Creativity as the hidden development factor for organizations and employees. *Economic Analysis and Policy*, 71(5), 645–659. <https://doi.org/10.1016/j.eap.2021.07.003>
- Bossink, B. A. G. (2004). Effectiveness of innovation leadership styles: a manager's influence on ecological innovation in construction projects. *Construction Innovation*, 4(1), 211–228. <https://doi.org/10.1108/14714170410815105>
- Burns, J. M. (1979). *Leadership*. New York: Harper & Row.
- Chemers, M. (1997). *An integrative theory of leadership*. Mahwah, NJ: Lawrence Erlbaum Associates.
- Choi, J. N., & Price, R. H. (2005). The effects of person-innovation fit on individual responses to innovation. *Journal of Occupational & Organizational Psychology*, 78(1), 83–96. <https://doi.org/10.1348/096317904X22953>
- Clark, D. (2010). Innovation Management in SME'S: Active Innovators in New Zealand. *Journal of Small Business and Entrepreneurship*, 23(4), 601–619. <https://doi.org/10.1080/08276331.2010.10593504>
- Conner, M., & Armitage, C. J. (1998). Extending the theory of planned behavior: a review and avenues for future research. *Journal of Applied Social Psychology*, 28(15), 1429–1464. <https://doi.org/10.1111/j.1559-1816.1998.tb01685.x>
- Daft, R. L. (2001). *The leadership experience*. 2<sup>nd</sup> Ed, Fort Worth, TX: Harcourt Publishers Ltd College Publishers.
- Damanpour, F., Walker, R. M., & Avellaneda, C. N. (2009). Combinative effects of innovation types and organizational performance: A longitudinal study of service organizations. *Journal of Management Studies*, 46(4), 650–675. <https://doi.org/10.1111/j.1467-6486.2008.00814.x>
- Denti, L., & Hemlin, S. (2012). Leadership and innovation in organizations: A systematic review of factors that mediate or moderate the relationship. *International Journal of Innovation Management*, 16(3), 1–20. <https://doi.org/10.1142/S1363919612400075>

- Derakhshandeh, A., & Gholami, R. (2012). A relationship between leadership style and perceived organizational effectiveness by directors and managers in organizations. *Management Science Letters*, 2(3), 845-850. <https://doi.org/10.5267/j.msl.2011.12.099>
- Deschamps, J. (2005) Different leadership skills for different innovation strategies. *Strategy & Leadership*, 33(10), 31-38. <https://doi.org/10.1108/10878570510616861>
- Drucker, P. (1984). Our Entrepreneurial Economy. *Harvard Business Review*, 62(1), 58-64.
- Dodge, R., Dwyer, J., Witzeman, S., Neylon, S., & Taylor, S. (2017). The Role of Leadership in Innovation. *Research-Technology Management*, 60(3), 22-29. <https://doi.org/10.1080/08956308.2017.1301000>
- Domeher, D., Frimpong, M. J., & Appiah, T. (2014). Adoption of financial innovation in the Ghanaian banking industry. *African Review of Economics and Finance*, 6(2), 88-114.
- Elenkov, D. S., & Manev, I. M. (2005). Top Management Leadership and Influence on Innovation: The Role of Sociocultural Context. *Journal of Management*, 31(3), 381-402. <https://doi.org/10.1177/0149206304272151>
- Financial Development Report. (2012). Retrieved from [http://www3.weforum.org/docs/WEF\\_FinancialDevelopmentReport\\_2012.pdf](http://www3.weforum.org/docs/WEF_FinancialDevelopmentReport_2012.pdf) (accessed on October 22, 2021).
- Finkelstein, S., Hambrick, D., & Cannella, A. A. (1996). Strategic leadership. *St. Paul: West Educational Publishing*.
- Gautam, A., & Malla, R. (2013). A Study on the Leadership Styles of Bank Branch Managers and Its Relationship to Subordinates' Job Satisfaction and Branch Performance with Special Reference to National Capital Region, India. *European Journal of Business and Management*, 5(31), 7-15.
- Gumusluoglu, L., & Ilsev, A. (2009). Transformational leadership and organizational innovation: The roles of internal and external support for innovation. *Journal of Product Innovation Management*, 26(3), 264-277. <https://doi.org/10.1111/j.1540-5885.2009.00657.x>
- Henry, A. (2005). *Leadership Revelations an Australian Perspective*. CCH Australia Limited, Sydney.
- Holahan, P. J., Aronson, Z. H., Jurkat, M. P., & Schoorman, F. D. (2004). Implementing computer technology: a multiorganizational test of Klein and Sorra's model. *Journal of Engineering and Technology Management*, 21(1-2), 31-50. <https://doi.org/10.1016/j.jengtecman.2003.12.003>
- House, R. J., Spangler, W. D., & Woycke, J. (1990, August). Personality and charisma in the US presidency: A psychological theory of leadership effectiveness. In *Academy of Management Proceedings*, (Vol. 1990, No. 1, pp. 216-220). Briarcliff Manor, NY 10510: Academy of Management. <https://doi.org/10.5465/ambpp.1990.4978722>
- House, R. J., & Aditya, R. N. (1997). The social scientific study of leadership: Quo vadis? *Journal of Management*, 23(3), 409-473. [https://doi.org/10.1016/S0149-2063\(97\)90037-4](https://doi.org/10.1016/S0149-2063(97)90037-4)
- Hughes, D. J., Lee, A., Tian, A., Newman, A., & Legood, A. (2018). Leadership, creativity, and innovation: A critical review and practical recommendations. *The Leadership Quarterly*, 29(5), 549-569. <https://doi.org/10.1016/j.leaqua.2018.03.001>
- Iman, N. (2011). The Innofusion of Electronic Banking in Indonesia. *Manchester Business School Research Paper No. 613*. <http://dx.doi.org/10.2139/ssrn.1747746> Retrieved from [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1747746](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1747746) (accessed October 22, 2021).
- Jamaludin, Z., Rahman, N.M. N. A., Makhbul, Z. K. M., & Idris, F. (2011). Do transactional, transformational and spiritual leadership styles distinct? A conceptual insight. *Journal of Global Business and Economics*, 2(1), 73-85.

- James, K., & Lahti, K. (2011). Organizational vision and system influence on employee inspiration and organizational performance. *Creativity and Innovation Management*, 20(2), 108–120. <https://doi.org/10.1111/j.1467-8691.2011.00595.x>
- Jimmieson, N. L., Peach, M., & White, K. M. (2008). Utilizing the theory of planned behavior to inform change management: an investigation of employee intentions to support organizational change. *The Journal of Applied Behavioral Science*, 44(2), 237–262. <https://doi.org/10.1177/0021886307312773>
- Kanter, R. M. (1982). The middle manager as innovator. *Harvard business review*, 60(4), 95–105.
- Klein, K. J., & Sorra, J. S. (1996). The challenge of innovation implementation. *Academy of Management Review*, 21(4), 1055–1080. <https://doi.org/10.5465/amr.1996.9704071863>
- Klein, K. J., Conn, A. B. & Sorra, J. S. (2001). Implementing computerized technology: an organizational analysis. *Journal of Applied Psychology*, 86(5), 811–824. <https://doi.org/10.1037/0021-9010.86.5.811>
- Klein, K. J., & Knight, A. P. (2005). Innovation implementation: overcoming the challenge. *Current Directions in Psychological Science*, 14(5), 243–246. <https://doi.org/10.1111/j.0963-7214.2005.00373.x>
- Kozioł-Nadolna, K. (2020). The Role of a Leader in Stimulating Innovation in an Organization. *Administrative Sciences*, 10(3), 59. <https://doi.org/10.3390/admsci10030059>
- Lok, P., & Crawford, J. (2004). The effect of organisational culture and leadership style on job satisfaction and organisational commitment: A cross-national comparison. *Journal of Management Development*, 23(4), 321–338. <https://doi.org/10.1108/02621710410529785>
- Kumar, K. S. V. (2011). Innovations in modern banking and innovative financial inclusion – issues and challenges. *CLEAR IJRCM*, 1(2), 147–196.
- Lornikowa, N. M., Pearsall, M. J., & Sims Jr., H. P. (2013). Examining the differential longitudinal performance of directive versus empowering leadership in teams. *Academy of Management Journal*, 56(2), 573–596. <https://doi.org/10.5465/amj.2011.0132>
- Makitalo, A. (2017). *Leadership styles in the banking sector in Finland and in France*. Thesis Published by Saimaa University of Applied Sciences.
- Makri, M. & Scandura, T. A. (2010). Exploring the effects of creative CEO leadership on innovation in high-technology firms. *The Leadership Quarterly*, 21(1), 75–88. <https://doi.org/10.1016/j.leaqua.2009.10.006>
- Mansfield, E. (1968a). *The Economics of Technological Change*. New York: Norton.
- Mansfield, E. (1968b). *Industrial Research and Technological Innovation: Econometric Analysis*. New York: Norton.
- Mansfield, E, Rapoport, J., Romeo, A., Villani, E., Wagner, S., & Husic, F. (1977). *The Production and Application of New Industrial Technology*. New York: Norton.
- Mariappanadar, S. (2018). The impact of dissonance in schema based leadership perceptions on employee engagement: Evidence from Australia. *Personnel Review*, 47(7), 1309–1329. <https://doi.org/10.1108/PR-03-2017-0081>
- Meng, Y. K., Ashkanasy, N., & Hartel, C. (2003). The effects of Australian Tall Poppy Attitudes on American Value Based Leadership Theory. *International Journal of Value Based Management*, 16(1), 53–65. <https://doi.org/10.1023/A:1021984005070>
- Michaelis, B., Buch, V., Stegmaier, R., & Sonntag, K. (2008). A recipe for effective and non-stressful change: the role of organizational support and fairness. *The Seventh International Conference on Occupational Stress and Health, 2004, Washington, DC*.
- Michaelis, B., Stegmaier, R., & Sonntag, K. (2009). Affective commitment to change and innovation implementation behavior: The role of charismatic leadership and employees' trust in top

- management. *Journal of Change Management*, 9(4), 399–417. <https://doi.org/10.1080/14697010903360608>
- Mohammad, I., Chowdhury, S. H., Sanju, N. L. (2017). Leadership Styles Followed in Banking Industry of Bangladesh: A Case Study on Some Selected Banks and Financial Institutions. *American Journal of Theoretical and Applied Business*, 3(3), 36-42. <https://doi.org/10.11648/j.ajtab.20170303.11>
- Muethel, M., & Hoegl, M. (2010). Cultural and societal influences on shared leadership in globally dispersed teams. *Journal of International Management*, 16(3), 234–246. <https://doi.org/10.1016/j.intman.2010.06.003>
- Mumford, M. D., Scott, G. M., Gaddis, B., & Strange, J. M. (2002). Leading creative people: Orchestrating expertise and relationships. *Leadership Quarterly*, 13(6), 705–750. [https://doi.org/10.1016/S1048-9843\(02\)00158-3](https://doi.org/10.1016/S1048-9843(02)00158-3)
- Nadler, D. A., & Tushman, M. L. (1990). Beyond the charismatic leader: Leadership and organizational change. *California Management Review*, 32(2), 77–97. <https://doi.org/10.2307/41166606>
- OECD, A. B. (2006). Oslo Kılavuzu: Yenilik Verilerinin Toplanmasive Yorumlanmasiçinilkeler. *TUBİTAK (Çev)*, Ankara.
- Omoijiade, P. O. (2015). Corporate governance organizational politics and leadership effectiveness and ineffectiveness in the Nigerian banking sector. *International Journal of Business and Management*, 10(5), 193-213. <https://doi.org/10.5539/ijbm.v10n5p193>
- Parker, D. W., Holesgrove, M., & Pathak, R. (2015). Improving productivity with self-organised teams and agile leadership. *International Journal of Productivity and Performance Management*, 64(1), 112-128. <https://doi.org/10.1108/IJPPM-10-2013-0178>
- Parveen, S., Senin, A. A., & Umar, A. (2015). Organization culture and open innovation: A quadruple helix open innovation model approach. *International Journal of Economics and Financial Issues*, 5, 335-342. <https://www.econjournals.com/index.php/ijefi/article/view/1399>
- Paulsen, N., Maldonado, D., Callan, V. J., & Ayoko, O. (2009). Charismatic leadership, change and innovation in an R&D organization. *Journal of Organizational Change Management*, 22(5), 511–523. <https://doi.org/10.1108/09534810910983479>
- Pearce, C. L., Manz, C. C., & Sims, J. R. (2009). Where do I go from here?: Is shared leadership the key to team success? *Organizational Dynamics*, 38(3), 234–238. <https://doi.org/10.1016/j.orgdyn.2009.04.008>
- Qureshi, M. I., Parveen, S., Abdullah, I. & Dana, L. P. (2021). Reconceptualizing the interventions of open innovation systems between the nexus of quadruple organization cultural dynamics and performance. *Quality & Quantity*, 55(5), 1661-1681. <https://doi.org/10.1007/s11135-020-01078-3>
- Rafiee, M. S., & Mohammadi, M. (2012). Leadership styles and its relationship with subordinates & quot; self-esteem. *Management Science Letters*, 2(7), 2457-2462. <https://doi.org/10.5267/j.msl.2012.07.021>
- Repenning, N. P., & Sterman, J. D. (2002). Capability traps and self-confirming attribution errors in the dynamics of process improvement. *Administrative Science Quarterly*, 47(2), 265–295. <https://doi.org/10.2307/3094806>
- Rogers, E. M. (2003). *Diffusion of Innovations*. 4th Ed., New York: The Free Press.
- Rohlfer, S., Hassi, A., & Jebesen, S. (2021). Management Innovation and Middle Managers: The Role of Empowering Leadership, Voice, and Collectivist Orientation. *Management and Organization Review*, 1-23. <https://doi.org/10.1017/mor.2021.48>
- Rosener, J. B. (1990). Ways women lead, *Harvard Business Review*, 68(6), 119–125.
- Shamir, B., House, R. J., & Arthur, M. B. (1993). The motivational effects of charismatic leadership: A self concept based theory. *Organization Science*, 4(4), 577–594. <https://doi.org/10.1287/orsc.4.4.577>

- Singh, A. (2020). Association between organizational norms and employee productivity in higher education. *Journal of Applied Research in Higher Education*, 12(2), 271-295. <https://doi.org/10.1108/JARHE-01-2019-0014>
- Skinner, C. (2015). *The biggest banking challenge is leadership*. Retrieved from <http://the-finanser.com/2015/01/the-biggest-banking-is-leadership.html/>. (accessed on October, 2021).
- Smith, B. N., Montagno, R. V., & Kuzmenko, T. N. (2004). Transformational and servant leadership: Content and contextual comparisons. *Journal of Leadership and Organizational Studies*, 10(5), 80–91. <https://doi.org/10.1177/107179190401000406>
- Somech, A. (2006). The effects of leadership style and team process on performance and innovation in functionally heterogeneous teams. *Journal of Management*, 32(1), 132–157. <https://doi.org/10.1177/0149206305277799>
- Sung, S. Y., & Choi, J. N. (2021). Leader status behaviors and team creativity: The role of collective interactions and status conflict among members. *Journal of Organizational Behavior*, 42(8), 1120-1133. <https://doi.org/10.1002/job.2551>
- Stoker, J. I., Looise, J. C., Fisscher, O. A. M., & de Jong, R. D. (2001). Leadership and innovation: relations between leadership, individual characteristics and the functioning of R&D teams. *International Journal of Human Resource Management*, 12(7), 1141–1151. <https://doi.org/10.1080/09585190110068359>
- Sutton, S. (1998). Predicting and explaining intentions and behavior: how well are we doing? *Journal of Applied Social Psychology*, 28(15), 1317–1338. <https://doi.org/10.1111/j.1559-1816.1998.tb01679.x>
- Sweeney, A. & Morrison, M. (2004). 'Clicks vs. bricks: Internet-facilitated relationships in financial services. *International Journal of Internet Marketing and Advertising*, 1(4), 350–370.
- The Australian Government Treasury Department. (2016). *Backing Australian Fintech*. Retrieved from <https://treasury.gov.au/sites/default/files/2019-03/Fintech-March-2016-v3.pdf> (accessed on October 22, 2021).
- Tsolakis, V. (2016). *Leadership in Banking*. Modul Vienna University.
- Vaccaro, I. G., Jansen, J. J. P., Van Den Bosch, F. A. J., & Volberda, H. W. (2012). Management Innovation and Leadership: The Moderating Role of Organizational Size. *Journal of Management Studies*, 49(1), 28–51. <https://doi.org/10.1111/j.1467-6486.2010.00976.x>
- Vecchio, R., Hearn, G., & Southey, G. (1992). *Organisational Behaviour: Life at Work in Australia*. Harcourt Brace Jovanovich Group, Marrickville.
- Wang, J., Kim, H. R., & Kim, B. J. (2021). From Ethical Leadership to Team Creativity: The Mediating Role of Shared Leadership and the Moderating Effect of Leader–Member Exchange Differentiation. *Sustainability*, 13(20), 11280. <https://doi.org/10.3390/su132011280>
- Weber, M. (1978). *Economics and society*. Berkley and Los Angeles (CA): University of California Press.
- Wegner, R.S., Tontini, J., Costa, V. M. F., Junior, A. M., & da Silva, D. J. C. (2021). An analysis of the influence of organizational leadership on innovation management using the Fuzzy-AHP method. *Revista de Administração da UFSM*, 14(3), 521-544.
- Zanello, G., Fu, X., Mohnen, P., & Ventresca, M. (2013). The diffusion of innovation in the private sectors in low-income countries (LICs): A systematic literature review. *University of Oxford Working Paper: TMD-WP-62*. <http://www.tmd-oxford.org/content/diffusion-innovation-private-sectorslow-income-countries-lics-systematic-literature-review>
- Zhu, C., & Zhang, F. (2020). How does servant leadership fuel employee innovative behavior? A moderated mediation framework. *Asia Pacific Journal of Human Resources*, 58(3), 356-377. <https://doi.org/10.1111/1744-7941.12227>.