

# Why Personal Characteristics of Innovative Leadership Can Drive Organizational Competitive Advantage? A Literature Review with Integrative Approach

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Abstract: This research is qualitative research that investigates the multi-characteristics of innovative leadership that drives the organization's competitive advantage by applying an integrative review of literature approach. Data and information are adopted from research outputs published in indexed and reputable journals in 2012-2021. Based on several articles reviewed the author found that there are three core competencies of innovative leaders: managerial, conceptual and team-building skills. These embedded competencies can shape innovative attitude and behaviour of subordinates which consistently and sustainably will enhance individual and collective productivity. In the long term it can boost organizational competencies in all level of management hierarchy. Personal characteristics of innovative leader consist of (1) clear and strong vision; (2) consistent integrity; (3) partnership working; (4) two-way communication; (5) managing uncertain changing environments; (6) thinking creatively and innovatively; (7) understand the issues comprehensively; (8) problems solving; (9) positive and energetic thinking; (10) mental health stability; and (11) adequate physical health. In principle, personal characteristics of characteristic of innovative leader consist of hard and soft personal unique competencies. The results of this research study reveal that the personal characteristics of innovative leadership as a role model are able to build subordinates' innovative behaviour which is consistently and continuously able to increase the organization's competitive advantage.

Keywords: Competitive Advantages; Innovative Leadership, Personal Characteristic

#### Introduction

Competition requires actors to manage effectively organization's resources especially human resource (Setiadi et al., 2022). This research is qualitative research that investigates various research literatures regarding the personal characteristics of innovative leadership styles correlated to organizational competitive advantage by applying integrative review approach. Problem statement in this research is whether the personal characteristics of innovative leadership encourage the organization's competitive advantage? This is an academic circular on the personal characteristics of innovative leadership that affect employee attitudes and behavior to organizational encourage competitive advantage. The purpose of this study is to reveal the relationship between the personal characteristics of innovative leadership and the competitive advantage of the organization.

Utilizing consistently organizational competencies to serve the changing market will determine sustainability of the organization. To respond the changes effectively requires utility of human resources organizational environment (Asrarudin, Purwana, and Madhakomala, 2020). Human resources is the main elements and significantly can improve organizational competitiveness (Pasban and Nojedeh, 2016), qualified asset not only indicates mastery of science and technology but also interpersonal skills, leadership, commitment, engagement and trust which are called intangible or soft competencies. Creativity and innovation are the keywords that underlie the progress and competitiveness of organizations in a highly competitive market (Lin, 2014). The ability of innovative leadership in managing human resource competencies can spur organizational performance and competitiveness (Setiadi et al., 2022).

Trust, ethics and morals strengthen the quality of leader interactions with their employees to enhance organizational commitment and competitive advantage. Every leader has different way of managing organizational resources, especially human resource as the most valuable asset. This is why organizational sustainability is highly

dependent on the creativity and innovation of human resources (Pasban and Nojedeh 2016). Creative and innovative behaviour does not occur suddenly but through the creation of a conducive atmosphere (Seco and Teixeira 2019). Leadership quality has a very significant role to build sustainable organization and significantly influences employee behaviour (Benazir and Iqbal, 2015). The ability to plan, organize and create a harmonious working environment within the organization encourages productivity and organizational competitive advantage. This kind of ability is not only at the leadership level of top management but at all levels of management (Mirsultan and Marimuthu, 2021).

Conceptual-theoretical studies by applying integrative review approach regarding the relationship between innovative leadership characteristics and organizational competitive advantage have not been found in various accredited national or international scientific journal publications. To overcome this gap, this study investigates the relationship between innovative leadership characteristics and organizational competitive advantage.

## Literature Review

## Leadership

The concept of leadership is the same age as the birth of humans and evolved from time to time following the progress of human civilization (Arenas, Tucker, and Connelly, 2017). Every human being is a leader and every leader has characteristics as a representation of the organization's culture (Belias, Koustelios, and Gkolia, 2015). Attitudes and behaviours significantly influence the style of leadership. Leadership values create the desired work environment to achieve organizational excellence. The leader is not always a manager, the leader has a positive psychological capacity to create an ethical work climate to produce positive values for the organization (Seco and Teixeira, 2019). According to Drucker (1996) quoted by (Mango, 2018) that whatever the leadership style and whatever he does, the effective leadership is what to produce. Productivity is the essence of leadership (Rodrigues and Ferreira, 2015). This indicates

that an effective leader can influence the attitude and behaviour of employees. A person's style of leading, influencing, motivating, inspiring subordinates is strongly influenced by their attitudes and behaviour (Mohamed and Otman, 2021) and the leaders have important role at every level of the organization (Nicolaides and Tornam Duho, 2019).

Leaders recognize the changes and develop strategies to respond to the changing environment appropriately. The rapid of the changing world demands organizations making significant transformations (Elshanti, 2017). Leaders with the right characteristics are very imperative factors for sustainability of the organization (Long, Yong, and Chuen, 2016). Leaders have a strategic role strengthening organizational performance through motivation, job satisfaction and team work (Musinguzi et al. 2018) and creating comfortable work environment to achieve the shared goals (Mwakajila & Nyello, 2021).

Some researchers, such as Lewin, Lippit and White researched on 107 primary schools in Uganda revealed that there are three leadership styles: authoritarian, democratic, and laissez-faire (Mugizi et al. 2019). He stated that authoritarian leadership emphasize power and control over his subordinates. The most prominent characteristic of this leadership style is the absolute obedience to the leader. Democratic leadership involves employees in the decision-making process, while laissez-faire provides leadership opportunities to employees to do their obligations to achieve organizational goals.

lames McGregor Burns in 1978 introduced transformational and transactional leadership and then developed by Bass in 1985 (Mirsultan and Marimuthu 2021). It is explained that transformational and transactional leadership are not only effective in educational organizations but also in profitoriented companies because organizational success depends on effective relationship leaders between and subordinates. Transformational leadership theory is interpreted as a mutually positive synergistic relationship between leaders and subordinates,

leaders as agents of change and occupying a strategic position to make fundamental changes for the progress of the organization (Asrarudin et al. 2020). Transformational leadership established innovative culture and is a very significant factor in achieving organizational excellence (Agha, Ragheb, and Shawky 2019). This transformative leaders enhance motivation and morality of subordinates to solve problems creatively (Elshanti 2017).

Transactional leadership emphasizes the process of interaction between leaders and subordinates based on mutual agreements (Kateb and Ramanathan 2019). Leaders give recognition if subordinates are able to achieve the targets (Mwakajila and Nyello 2021). (Kleefstra 2019) opines that transactional leadership can influence subordinates based on mutual beneficial agreements which consists of two components: contingent reward and management-by-extinction. Transactional leadership as a reciprocal relationship between leaders and subordinates based on contingent rewards (Iscan, Ersarı, and Naktiyok 2014). Transactional leaders work based on an agreement between two parties (leader and subordinate) for the short term. Transactional leaders principally use various incentives to enhance motivation, commitment, loyalty and discipline of subordinates. as performance instruments.

Based on the study of several leadership concepts indicates that leadership style has a significant effect on organizational competitive advantage (Dargahi 2017). The leader does not stand behind the group and gives direction but puts himself in front, moves and inspires the group to achieve the shared goals (Koontz and Weihrich 2012). The orchestra leader is an example of a good leader whose function is to harmonize various types of voices and the right tempo so as to produce a beautiful, melodious and pleasant sound for the audience. The example of this orchestra leader illustrates that prudent leaders have a very significant role in managing the diversity of roles of each employee to drive organizational competitiveness.

Organizational Competitive Advantage

The concept of competitive advantage was first introduced by M. Porter (1985) in his book Competitive Advantage argued that the goal of all corporate is to achieve competitive advantage (Daniela 2014). Porter explained that there are two ways to achieve excellence: firstly, selling products at lower prices than and secondly competitors by product differentiation. For this reason, the organization must capitalize its resources such as leadership and human resource (Deschamps et al. 2016).

Today's competitive world of economic growth indicates progressive advances in science and communication technology which requires competitive strategy (Andrivanty and Lestari 2022) and competence of proactive human resources (Schmitt, Den Hartog, and Belschak 2016). Proactive thinking of workforce is result-oriented for the excellence of the organization. This perspective can occur because the leadership strategic role (Zhao and Sheng 2019). Zhao and Sheng explained that digitalization creates intense changes that resulted in the world without boundaries. It is not surprising that the interaction of the world community runs rapidly and productively. This change requires the expertise and agility of organizational leaders (corporate) to manage organizational resource to provide positive impact on organizational excellence.

Employment, sciences, and rapid capital move across national borders makes the world become flat (Thomas Friedman quoted by Wheelen et al., 2018). Modern world is changing very rapidly and the world society is becoming more competitive (Alharbi 2021). Being more intense competitive market and unpredictable flow of capital, corporates require utilizing their resources including networking (Lin et al. 2017). Everv Organization has desire to excel in their work by utilizing their competencies (Asrarudin and Dewi 2021). They explained that loyalty, discipline, work motivation, communication skills, team building, and commitment play very significant role for excellence and organizational competitiveness. Other researcher (Nankervis et al. 2020) explains that communication skills, commitment and loyalty play very strong role in achieving organizational performance and excellence. Human resource competency is the basic element for the competitiveness of any organization (Town, Gachuru, and Kwasira 2016).

Based on postulations clearly indicate that organizational competitive advantage is the managerial skill. Soft human resources (leadership) has a major effect on the productivity and competitive advantage of the organization (Kazmi and Naaranoja 2013). Leadership with sufficient competencies is determinant element in utilizing the potential of its human resources (Chen and Peng 2017). Effective utilization of human resource competencies strengthens organizational competitiveness. Effectiveness of organizational resources is the keywords of organizational competitive advantage.

Competitive organization means managing organization more efficiently and producing different products from other organizations (Butuner 2019). To achieve competitiveness, organizations must develop appropriate corporate strategies and identify various factors (resources) that have competitive value. Competitive resources require careful management and sustainable evaluation. Competitiveness analysis must evaluate the strengths and weaknesses compared to the opportunities and threats in current conditions to predict in the future (Butuner 2019). Evaluation of this premise requires managerial skills including conceptual skill, team building and technical (Koontz and Weihrich 2012).

There are three paradigms of superior performance make organizations to competitive (Strandskov 2006): firstly, the paradigm based on unique knowledge and skills resources; secondly, the strength and the effectiveness of the corporate network; and the last is the government regulation. Simply put, it can be synthesized that an organization's competitive advantage is determined by the unique competence of human resources, cooperation networks with other organizations and the compliance to government regulations. These three elements are single integrated and cannot be separated from each other. Superior human resource competencies are not significant without involving other parties outside the organization. Competences of reliable human resources and productive collaboration with other parties must comply with the government regulations to guarantee operationalization, productivity and delivery of the organization run smoothly.

Wheelen et al. (2018) elaborate that there are five sources of competitive advantage: (1) resources consist of tangible resources and intangible resources; (2) capability consists of corporate capabilities to manage connected internal resource; (3) coordination and integration; (4) the collective competence; and (5) distinctive competence, different competence from competitors and difficult to imitate. Competence of human resources and leadership in managing corporate resources is the most important resource. Managing crossfunctional resources, technology, finance and collaborative networks requires strong leadership characteristics.

#### Innovative Leadership

There is a consensus that leadership role is the most important feature to implement organizational policies, planning and control (Richter et al. 2016). Each leadership style should have impact on organizational competitiveness (Benazir and Iqbal 2015). explained that leadership style Thev significantly influences worker behaviour. Sustainable leadership style contributes to positive attitudes and behaviours of the workforce such as motivation, job satisfaction, and creativity, innovation, workforce productivity. This concept is in line with the theory introduced by (Khan and Bukhari 2016) that leadership is a representation of character, skills and personal abilities that influence workers attitude and behaviour. Positive employee attitude and behaviour, higher motivation, commitment, creativity and innovation are determinant of organizational competitiveness.

The success of a leader affects the work environment, attitudes and behaviour of employees is largely determined by the consistent quality of leadership. Clawson

(2006) identified four attributes of leadership qualities: value, assumption, belief, and expectations (VABEs) (Nsoedo 2016). Value attribute shows that the leader has integrity, accountability and initiative in managing organizational resources, transforming resources intangible into outputs and outcomes. The assumption attribute is defined as the leader's ability to anticipate, plan and determine policies even in difficult situations. The attribute of trust is defined as the leader's belief that the policies decided can be executed effectively to achieve organizational goals. And the attribute of hope shows that every action and decision taken has clear and measurable goals that are oriented to the vision and mission of the organization. In addition, Clawson also revealed that there are three levels of leadership abilities. First level ability is the ability of leader influences subordinates to carry out instruction without committing a violation. The principle of this first-level leadership ability is "the boss knows the best." Such leader does not understand the VABEs attributes as trigger of motivation and actions of employees. Second level ability illustrates that each individual has a conscious thought represented in the behaviour of responding to the leader's instructions, while the third level ability indicates that the leader has the capability to build harmonious emotional relationships with subordinates in the organization.

Other aspect that is currently to be studied is voice behaviour. This is interesting to observe because it has close relationship with leadership traits that have strong impact on vitality and innovation in organizations. LePine (2006) defines voice behaviour as initiative behaviour through constructive and change-oriented communication (Hu, Zhang, and Wang 2015). The way leaders communicate with their subordinates is truly building sincere interactions based on mutual trust to achieve the shared goals. This value is very significant for the formation of conducive work environment, commitment, creativity and innovative behaviour to improve individual performance and organizational competitiveness (Liu, Jing, and Gao 2015). Bill George argued that leaders actually build

harmonious reciprocal relationship with their subordinates because of mutual trust ( Arenas et al., 2017). Mutual trust between leaders and subordinates is prerequisite of effectiveness of leadership. Leaders should transform values of fairness, justice and recognition to strengthen emotional bond. In this case, leaders should treat their employees fairly, transparently and accountably. The management approach to transforming integrity values responsibly can create employees' creative and innovative thinking (Uslu, Bülbül, and Cubuk 2015). This perspective is in line with (Nurdin, Rambey, and Andriyanty 2020) that competence, values of integrity, determination, hard work, creative and innovative thinking of the workforce are able to improve the performance and competitiveness of the organization.

Various issues arising in organizations turnover, demotivation, such as low commitment and absence result in decreased productivity and lower organizational performance. Such issues can only be solved through innovative leadership roles. Such leadership style has discretion and is applied in a very difficult situation. He/she can manage effectively unpredictable changing environment because he/she the ability to find new ideas, methods, processes, products or services to meet the needs of the organization (Sen and Eren 2012). They explained that innovative leaders have strong characteristics, such as leadership knowledge, skills, values, and understanding current problems and anticipating their impacts in the future. Salleh (2007) identified four characteristics of innovative leaders: (1) self-confidence; (2) initiative; (3) desire to achieve objectives; and (4) risk taker (Supriyono and Trisnawati 2015).

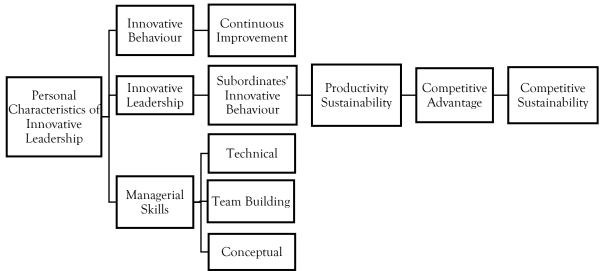
Changing market triggered by everevolving competition are driving organizations to implement efficiency-based production policies, find new ways to create value-added products. Organizations that are not efficiencyoriented face the potential for failure. In this case, leaders should have strategic functions ensuring the organization can run effectively and efficiently. For that reason, innovative leadership approach that can improve

organizational performance and innovative management processes is a necessity (Yıldız, Baştürk, and Boz 2014). This paradigm reveals that the role of innovative leaders is managing organizational resources both tangible and intangible ones through the implementation of their characteristics. Innovative leadership approach is fundamental to sustaining an organization's competitive advantage (**İş**can et al. 2014) and openness to the flow of scientific developments arising from within and outside the organization are the key characteristics of the innovation paradigm (Scientific and Economics 2015). Based on the theoretical and conceptual studies Personal characteristics of innovative leadership in this research are: (1) clear vision; (2) Consistent with integrity; (3) partnership-oriented role; (4) two-way communication; (5) Ability to manage uncertain situations/environment; (6) creative and innovative; (7) understand the issues; (8) problems solving proficiency; (9) positive and energetic thinking; (10) mental health stability; and (11) adequate physical health. The framework in this research following by Figure 1.

The framework indicates that can personal characteristics of innovative uniqueness leadership are the and distinctiveness build that attitudes and behaviour of innovative leaders of subordinates. Innovative leaders must have three managerial abilities, conceptual skills, building team and human relationship and technical skills. Theoretically, the three managerial abilities can form innovative attitudes and behaviour of subordinates and then can enhance individual and organizational productivity. This productive behaviour then consistently and sustainably can encourage organizational competitive advantage and competitive sustainability.

## **Research Method**

This research is a qualitative study using integrative review method. Baurmeister and Leary (1997) and rewritten by (Snyder 2019) elaborates that literature review is a research method using several approaches, including an integrative literature review approach. He explicitly explained that integrative literature review approach is a method used in human resource research to assess, criticize, and synthesize research literature in order to create new theoretical frameworks and perspectives. The aim of the integrative review approach is to reconceptualize or reconstruct various literature reviews of relevant research results (Snyder, 2019). This study analyses, evaluates, criticizes and synthesizes various research outputs (articles and textbooks) on innovative leadership and competitive advantage. Sources of data and information for this research are publications in accredited national scientific



**Figure 1. Research Framework** Source: Theoretical Framework Adopted from theories

journals and indexed international journals, including relevant textbooks to the subject matter of the study. The articles adopted are the results of research on the characteristics of innovative leadership and organizational competitive advantage published in 2012-2021.

# Discussion

Revealing personal characteristics of innovative leadership in relation to organizational advantage is the main objective of this research. For this reason, description of relationship 11 (eleven) the personal characteristics of innovative leadership with driving force to organizational competitive advantage is the core investigation in this research. Following is the description of the relationship of each personal characteristic of innovative leadership with organizational competitive advantage.

## Personal Characteristic of Innovative Leadership

Organizations try to use several methods to recruit, motivate, retain, and improve the competence of the workforce to achieve organizational productivity and performance. It is indeed an axiom that workers are the most priority element in an organization and innovative workers and committed are the key to organizational competitiveness (Rana, Malik, and Hussain 2016). Innovative behaviour and workforce commitment are not born suddenly but made through leadership roles. Madjar and et al. (2002) stated that workforce creativity is influenced by leader support and open communication(Yıldız et al. 2014). According to Bass (1985) leadership style is representation of the leader's selfconcept that can influence behaviour of subordinates (Hejazi, 2017; Yaozhong Liu, et al., 2015). Self-concept is self-perception of one's ability to manage interactions with others (Rivantie and Arviana 2022) that form workforces' innovative behaviour and commitment. This reciprocal relationship requires a supportive work environment, especially a non-physical work environment such as harmonious labour relations and productive leader-subordinate relationships. Vertical and horizontal relationships like this

can increase the productivity and performance of individuals and organizations (Liu et al. 2015). To remain competitive organizations must have a strong foundational structure in regard to decision making and management of employee behaviour (Munikanond et al. 2023). Chen and Huang cited by (Tian 2003) contend that decentralized and informal structure will boost competitiveness of an organization. In this case, innovative leadership is required to make employees' innovative attitude and behaviour can run smoothly.

Lumpkin and Dess (1996) state that innovative organizations are the capacity of organizations to carry out processes, experiment and use new approaches and methods (Pučėtaitė 2014). He further explained that innovative organizations require several dimensions, such as innovative behaviour and strategies. Innovative behaviour is individual activities in the organization including the implementation of new ideas (Kaymakcı, Görener, and Toker 2022). Scott and Bruce (1994) elaborate that there are four dimensions of innovative behaviour: (1) exploring novel ideas refers that every opportunity has issues; (2) using new ideas or methods to solve the issues; (3) championing ideas indicates support for new ideas/approaches; and (4) implementation of new ideas/methods.

Innovation can occur at all levels in the organization and kinds of work. This is why, innovation can be categorized into product innovation n, market innovation, process innovation and organizational innovation (Yıldız et al. 2014). Whatever the category of innovation, its objective is to increase efficiency, performance and competitiveness of the organization. In this case leadership characteristics can establish the innovative behaviour of the workforce at all organizational level. Denti and Hemlin (2012); Kim and Yoon (2015); Overstreet et al., (2013) reveal that leaders have essential role in motivating, directing, and shaping employees' innovative behaviour of the organizations (Sudibjo and Prameswari 2021). Based on the concepts indicate that long-term organizational competitiveness is largely determined by

innovative leadership behaviour. Leadership has strategic role in establishing workforces' innovative attitude and behaviours. For this reason, leaders as role model for any workforce in the organization, good leader makes good employee, excellent leader produces excellent employee, and innovative leader create innovative employee.

Rapid change, very intense information flow, and very tough business competition are new threats for organizational leaders. For this reason, leaders are required to have innovative abilities (Bouhali et al. 2015) to manage effectively and efficiently all organizational resources, both internal and external. According to them, organizational leaders must have strategic thinking and planning to be able to compete in the business era driven by organizational innovation. To develop innovative behaviour of subordinates, leaders have to do three things: (1) place the right people at the right time for the right job; (2) motivating subordinates to find new ideas/approaches and zero risk; and (3) involve subordinates with different expertise backgrounds. This perspective is in line with (Ngang, Mohamed, and Kanokorn 2015) that the ability to think strategically, motivate, cooperate, form the courage of subordinates is very important soft skills for effective leaders. According to him, there are eight soft skills of effective leaders: (1) cooperation/teamwork; (2) communication skills; (3) initiative; (4) leadership ability; (5) the ability to develop the potential of subordinates; (6) personal effectiveness; (7) the ability to build planning and organization; and (8)presentation/argumentation skills.

In principle, innovation is a continuous process without end and has a chain effect, innovation in one field will lead to innovation in other fields. According to (Şen and Eren 2012) at least innovative leaders have three competencies: knowledge, talent, and skills. They explained that science is the understanding issues in organizations and finding ways to solve the issues, while talent (intelligence and visionary) is the ability to choose and determine the right actions, and skills are the ability to analyse the current environment to anticipate environmental developments in the future. These three competencies are integrated in single unit inseparable from one another in the decisionmaking process (Mihaela 2015) and become essential basic capital to enhance organizational competitiveness.

Similar argument was also expressed by (Dincer et al. 2011) that knowledge and skills of individuals (leaders) in organizations are crucial for innovation and sustainable performance. Innovative leader is an individual's ability to influence and build innovative behaviour of subordinates to achieve long-term growth and maintain organizational existence (Semuel, Siagian, and Octavia 2017). This is why, to build employee innovative behaviour companies must create internal environment in such a way to facilitate innovative culture in responding the changing external environment. Efforts to change the internal environment is the duty and responsibility of leaders at all managerial levels.

Other characteristic of innovative leaders is the ability to build teamwork/cooperation and communication. Building teamwork and collaboration is the leader's ability to equate difference perceptions of all human elements in the organization in an effort to achieve organizational goals. Communication skills are defined as the ability of innovative leaders to create effective two-way communication, listening and understanding the aspirations of subordinates and providing adequate feedback (Ngang et al. 2015). The ability of innovative leaders to build teamwork, cooperation and skills will communication provide harmonious, open work climate, work motivation and loyalty which essentially increases organizational productivity and competitiveness as a long-term outcome.

Based on these concepts, it is revealed that there are eleven (11) personal characteristics of innovative leaders: (1) clear and strong vision; (2) consistent integrity; (3) partnership working; (4) two-way communication; (5) managing uncertain changing environments; (6) thinking creatively and innovatively; (7) understand the issues comprehensively; (8) problems solving; (9) positive and energetic thinking; (10) mental health stability; and (11) adequate physical health. The following is a description and analysis of each of the personal characteristics of innovative leaders in relation to organizational competitive advantage.

## Clear and Firm Vision

The success of an organization to achieve its goals is the representation of leadership effectivity. The effective leader can increase individual and organizational productivity. This improvement can be achieved through effective management of human capital talent. For that reason, innovative leaders must have a clear and strong vision as a philosophy of carrying out their roles and functions as a leader. In this context, a clear and strong vision is interpreted as leader's ability to manage the changing environment of the organization. Leader consistently socialize and invest the vision of the organization to form attitude and behaviour all human capital in the organization to promote innovation, creativity and competitiveness (İscan et al. 2014). Organizational values and norms are representation of organizational culture that affect organizational productivity and competitiveness (Wahab, Tunas, and Ludin 2018).

## Consistent Integrity

Innovative leaders have integrity such as honesty and solving problems professionally, maintaining classified information and being trustworthy (Zaman and Andriyanty 2021). Motivation, loyalty, discipline, and workforce commitment are empirical evidence of innovative leader's integrity that can drive organizational performance and competitiveness as revealed in the results of the study (Iwan setyawan 2020). The leader is a role model for anyone in the organization which can establish mutual trust among leader and employees. Similar research results were also disclosed by (Kumar and Pansari 2016) that integrity of workforce has a significant effect on organizational competitiveness.

## Partnership Working

The principle role of leader is to build an effective work team and decision making (Rambe, Hasibuan, and Chairunnisa 2020).

The team work is the interdependence of workforce competencies to achieve organizational goals based on team competencies. Every single competency of employee should contribute to achieve organizational goals. Innovative leader places employee as partners and work collectivelycollegially to achieve organizational goals.

## Two-Way Communication Skills

It is a consensus for management and leadership experts that the effectiveness of leadership in managing organizational resources is largely determined by the leader's communication skills. Leaders should build productive reciprocal communication (two-way communication) between leaders and employees based on mutual trust. Mutual trust in communication is more productive through the advancement of information technology (Samad 2022). Consistency attitude of the leader managing task-oriented communication and builds cooperation (Alamsyah and Misnan 2021) have direct impact on organizational competitiveness.

## Managing Uncertain Changing Environment

Innovative leaders must have adaptive capabilities in managing dynamics of change effectively (Lee and Trimi 2018) to achieve organizational goals. The characteristics of adaptive leaders make organizational management flexible, open-minded, understanding the weaknesses and the strengths of the organization keep on focusing on the organization's core values.

## Creative and Innovative Thinking

Organizational competitiveness is determined by creative and innovative leaders and human resources (Asurakkody and Kim 2020). Creativity and innovation are valueadded of organization (Slimane, 2015) and creative and innovative employees have significant impact on organizational competitiveness (Sołoducho-Pelc, 2014).

## Understanding the Issues Comprehensively

The problem arises is a challenge that must be resolved properly. The leader must have comprehensive understanding over the issues to find the solution properly. Innovative leaders have various perspectives and understanding the root of problems is the best way to find solutions for productivity and competitiveness of the organization (Andriyanty, Komalasari, and Rambe, 2021).

#### Initiator Solving the Issues

Great works always start from simple ideas. Innovative leaders have the ability to find new ideas and methods to solve problems. Innovative leaders have ability finding out long-term solution to the organizational problems to boost organizational efficiency, productivity and organizational competitiveness (Asurakkody and Kim, 2020).

## Positive Thinking and Energetic

Positive thinking is providing positive behaviour and as very strategic capital to instill organizational vision and values. Instilling organizational values consistently and continuously will create mutual trust and emotional bonds between leaders and subordinates. Innovative leaders have the ability to show positive synergy to their subordinates to build commitment and productivity. This goal can be achieved through an innovative communication strategy (Dhamayanti and Misnan 2021) and it should be implemented consistently to enhance competitiveness of the organization.

## Stable Mental Health

The icon of a leader is change. Innovative leader must have the ability to create changes and strategies to respond the changes in the organization. In this context, innovative leaders must have spiritual intelligence to control their mental health in managing psychological pressure (Hamjah et al. 2015) in a way to boost organizational such competitiveness. This is why leader's mental health (red spiritual intelligence) is valuable asset in managing organization effectively and has effect on the organizational competitiveness.

## Adequate Physical Health

Physical health is the very basic capital to carry out leadership role in managing organization effectively. Innovative leaders have excellent physical abilities in managing effectively organizational resources. According to Hogan (1991) there are three parameters of indicators of physical ability: (1) muscle strength as indicated by muscle endurance in carrying out activities; (2) cardiovascular endurance as shown by good physical stamina; and (3) the quality of mobility that can be seen in the flexibility of mobility (Landy and Conte 2008).

## Conclusion

Description of the theories indicate clearly that the personal characteristics of innovative leadership can boost efficiency, productivity and consistently drive organizational competitive advantage. Personal characteristics of innovative leadership are attitude and behaviour in managing organizational resources, both tangible resources and intangible ones. Innovative leadership has three main managerial skills consist of conceptual abilities, building effective teamwork and technical abilities. The leader's innovative behaviour as a role model can then establish innovative behaviour of employees. Consistency of innovative behaviour of leaders and employees can enhance individual and organizational productivity and performance sustainably which in the long term boost the organization's competitive advantage. Further research is required to find other unique characteristics of innovative leadership that best fit to organizational structure and as academic circular.

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