



Faculty of Economics and Business

The Impact of Leadership on Innovative Work Behaviour and Adaptive Performance in Jordanian Higher Education Institutions

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**Doctor of Philosophy
2024**

**The Impact of Leadership on Innovative Work Behaviour and Adaptive
Performance in Jordanian Higher Education Institutions**

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A thesis submitted

In fulfillment of the requirements for the degree of Doctor of Philosophy

(Management)

Faculty of Economics and Business
UNIVERSITI MALAYSIA SARAWAK

2024

DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Malaysia Sarawak. Except where due acknowledgements have been made, the work is that of the author alone. The thesis has not been accepted for any degree and is not concurrently submitted in candidature of any other degree.

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ACKNOWLEDGEMENT

First of all, I would like to thank Allah for this great achievement and for giving me the strength to face the challenges during my study.

Sincere thanks to my supervisor Assoc Prof Dr. Kartinah Ayupp for her unwavering support and insightful feedback through my study. Your patience, dedication, and commitment to my academic growth have been a constant source of inspiration.

I would like also to thank my former supervisor, from the deep of my heart, Professor Rusli Bin Ahmad, for his support and efforts with me. I am also grateful to the Dean of my faculty Professor Dr Rossazana Ab Rahim, thank you for being such a great leader.

To my dear parents, sisters and brothers, your love and encouragement made me able to complete this stage in my life. My best friend Maram I am eternally grateful for everything you did for me.

Finally, I would like to thank the management of the Universiti Malaysia Sarawak for making it possible for me to complete my study here in Sarawak. Thank you all.

ABSTRACT

This study investigates the impact of inclusive and authentic leadership styles on innovative work behaviour and adaptive performance among academic staff in Jordanian Higher Education Institutions (HEIs), with the mediating role of psychological capital in shaping these relationships and the sector type as moderate. Although previous research has looked at different leadership styles in other fields, there are not many studies that particularly investigate at how the concepts are utilised in Jordanian higher education in general and among academic staff in specific. The objectives of this study are to examine the direct impact of inclusive leadership and authentic leadership on both innovative work behavior and adaptive performance addition to the role of psychological capital as a mediator. Also, the sector type as moderator. The theoretical framework developed for this study is based on the Social Exchange Theory and Self Determentation Theory. A quantitative research approach was employed, utilizing a self-administered questionnaire distributed to academic staff. Structural equation modelling (SEM) is utilised to assess proposal hypotheses using empirical data gathered from 422 participants in 26 Jordanian HEIs. The study implied the cluster method. Data are analyzed using smart PLS and SPSS. The findings indicate that both inclusive and authentic leadership styles significantly contribute to enhancing innovative work behaviour and adaptive performance among academic staff in Jordanian HEIs. Furthermore, psychological capital was found to mediate these relationships. However, certain relationships, such as those involving psychological capital and other variables, are found to be non-significant. Also, there was no role for the sector type in moderating the relation between AL and IWB and while it has a moderating role between IL and IWB and AP. These results highlight the critical role of leadership styles in shaping organizational outcomes and underscore the nuanced nature of relationships within higher education

settings, providing practical implications for leadership development and organizational management in Jordanian HEIs.

Keywords: Authentic Leadership, Inclusive Leadership, Adaptive Performance, Innovative Work Behaviour, Psychological Capital, Academic Staff, Higher Education.

***Kesan Kepimpinan Terhadap Gelagat Kerja Inovatif dan Prestasi Penyesuaian di
Institusi Pengajian Tinggi Jordan***

ABSTRAK

Kajian ini menyiasat kesan gaya kepimpinan yang inklusif dan autentik terhadap tingkah laku kerja yang inovatif dan prestasi penyesuaian di kalangan kakitangan akademik di Institusi Pengajian Tinggi (IPT) Jordan. Objektif kajian ini adalah untuk mengkaji kesan langsung kepimpinan inklusif dan kepimpinan autentik ke atas kedua-dua tingkah laku kerja inovatif dan tambahan prestasi penyesuaian kepada peranan modal psikologi sebagai pengantara. Juga, jenis sektor sebagai penyederhana. Pendekatan penyelidikan kuantitatif telah digunakan, menggunakan soal selidik yang ditadbir sendiri yang diedarkan kepada kakitangan akademik. Pemodelan persamaan struktur (SEM) digunakan untuk menilai hipotesis cadangan menggunakan data empirikal yang dikumpul daripada 422 peserta di 26 IPT Jordan. Kajian itu membayangkan kaedah kluster. Data dianalisis menggunakan smart PLS dan SPSS. Penemuan menunjukkan bahawa kedua-dua gaya kepimpinan inklusif dan autentik menyumbang dengan ketara kepada peningkatan tingkah laku kerja yang inovatif dan prestasi penyesuaian dalam kalangan kakitangan akademik di IPT Jordan. Tambahan pula, modal psikologi didapati menjadi pengantara hubungan ini. Walau bagaimanapun, hubungan tertentu, seperti yang melibatkan modal psikologi dan pembolehubah lain, didapati tidak signifikan. Selain itu, tidak ada peranan untuk jenis sektor dalam menyederhanakan hubungan antara AL dan IWB dan sementara ia mempunyai peranan penyederhana antara IL dan IWB dan AP. Keputusan ini menyerlahkan peranan kritikal gaya kepimpinan dalam membentuk hasil organisasi dan menggariskan sifat perhubungan yang bernuansa dalam tetapan pendidikan tinggi, memberikan implikasi praktikal untuk pembangunan kepimpinan dan pengurusan organisasi di IPT Jordan.

Kata kunci: *Kepimpinan autentik, kepemimpinan inklusif, prestasi penyesuaian, tingkah laku kerja yang inovatif, modal psikologi, kakitangan akademik, pendidikan tinggi.*

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LIST OF ABBREVIATIONS

| | |
|---------|---|
| CGS | Centre for Graduate Studies |
| UNIMAS | Universiti Malaysia Sarawak |
| IL | Inclusive leadership |
| AL | Authentic leadership |
| IWB | Innovative work behaviour |
| AP | Adaptive Performance |
| PSY-CAP | Psychological Capital |
| HEIs | Higher Education Institutions |
| SET | Social Exchange Theory |
| SDT | Self Determination Theory |
| SPSS | Statistical Package for Social Sciences |
| PLS | Partial Least Squares |

CHAPTER 1

INTRODUCTION

1.1 Introduction

The study explores two leadership styles, authentic and inclusive leadership styles, with a focus on their relationship with innovative work behaviour (IWB) in addition to adaptive performance (AP) and the factor that indirectly impacts them, which is psychological capital (PsyCap) among academic staff in Jordan. It also discusses the study's background, the problem statement, research objectives and questions, and the significance of the study. The last chapter discusses the study's principal objective and defines key terms connected to this research.

1.2 Background of the Study

The 21st century, in contrast to previous centuries, is very dynamic; as a result, it has become crucial for all leaders, regardless of their position, to demonstrate their abilities to influence other employees within their institutions in order to accomplish institutional goals and survive rapidly changing, and fierce environment (Yangailo, 2023). Leadership is crucial for every organisation to function well. As a result, the great majority of studies have focused on identifying the many leadership styles that might help any organisation flourish. Moreover, the appropriate leadership styles utilized by managers can improve staff relationships, performance efficiency, work setting, and psychological well-being at the workplace. In contrast, ineffective leadership costs more causes staff turnover and absences and decreases the performance and productivity of the staff (Cummings et al., 2018).

Even though various research studies in the area of management have focused on different styles of leadership, in this study, the most important point is the acknowledgement of authentic leadership (AL) in a new organizational leadership theory based on the principles of positive psychology (Luthans & Avolio, 2003). As this style is related to employee engagement in organizational activities to foster trust in management because when people realize that their managers have faith in them, they will exert every effort to accomplish their assigned tasks (Hsieh & Wang, 2015). Furthermore, organisations must prioritise real leadership and work to strengthen their employees' social and professional ties. Organisations should think about including elements of true leadership in their performance reviews, employee assessments, and other personnel policies if they want to reap the full advantages of authentic leadership (Iqbal et al., 2020).

Additionally, inclusive leaders prioritise their relationships with subordinates, combining the best features of transformational and transactional leadership while also utilising the power of a shared leadership style (Fang et al., 2019a). Inclusive leadership (IL) is predicated on supporting individuals who insist on treating all subordinates the same way, recognize the significance of cohesiveness throughout the community and use their behaviour as a model (Qi & Liu, 2017). Institutions require innovation to grow and survive. Institutions that cannot consistently bring innovative products and services to market may be at risk of failing. However, the core of innovation is the innovative behaviour of the employees (Jahangir et al., 2023). Therefore, the way forward is evidently to emphasise employees' innovative work behaviour (IWB) (Afridi et al., 2020).

Examining the root reasons and processes of an employee's IWB is thus much more important. This is especially visible in the contemporary workplace, where the Millennial

generation (individuals aged 26 to 40 years old) and Generation Z (individuals aged 18 to 25 years old) are expected to dominate by 2025. Innovative work behaviour is widely anticipated from these two generations as they are both fully skilled, analytical, creative, adaptable and ambitious, which has established the groundwork for being innovative in their character (Microsoft, 2021; Prakash & Tiwari, 2021). Leaders must modify their leadership styles to encourage everyone to participate in IWB because leadership influences innovation's social and psychological processes (Atitumpong & Badir, 2018). As the industry and work environment expand, employees' competency and adaptation to new conditions and work environments become increasingly important. As a result, adaptive performance requires more attention in order to understand the dynamic nature of employee performance (Tan & Antonio, 2022). Adaptive performance (AP) is crucial for organizations and staff to comprehend how to encourage employees' ability to modify their behaviour to fulfil the requirements of a new environment; this is what we call in the current research adaptive performance (Kaltainen & Hakanen, 2022a). Research on the adaptive performance of employees contributes to a better understanding of the rapid evolution of individual performance under unpredictable conditions.

As demonstrated, innovative work behaviour and adaptable performance are viewed as critical components of the organization's growth and ability to compete in uncertain settings. Such a condition necessitates that management inside organisations adopt suitable work regulation regulations and encourage innovative work behaviours to sustain organisational performance. Psychological capital (PsyCap) is a type of strategic resource which has gained significant interest in studies due to its effect on human performance and behaviour (Burhanuddin et al., 2019). It is connected to the positive psychology of personnel, which displays how they behave in a good way rather than how they act in a bad manner

(Baig et al., 2021). Organisational success improves when positive psychological capital is implemented, increasing employee satisfaction and productivity (Tosten & Toprak, 2017). For higher education institutions (HEIs) to take advantage of both challenges and opportunities, they must be forward-thinking, flexible, innovative, and adaptable. It also needs to support integrative educational programs and become transformative (DePauw, 2019). Staff in the education industry are required to remain current and updated with the most recent knowledge in the expertise fields in which they specialize, they are required to exhibit innovative behaviours in their work. Educational leaders must provide a framework that allows their followers to preserve control over their professions while also keeping them up to date on current information (Jia et al., 2022). Public and private higher education institutions in Jordan typically operate under different organizational cultures and management structures. Public institutions are often influenced by government policies and bureaucratic processes, while private institutions might have more flexibility and entrepreneurial approaches. This variation can have a major impact on how leadership styles are viewed and influence PsyCap, innovative work behaviour, and adaptable performance (Alzghoul et al., 2023). According to Akanji et al. (2020), authentic and inclusive leadership styles may manifest differently in public versus private institutions due to variations in leadership training, development opportunities, and managerial autonomy. Thus, by comparing these two types of institutions, the study may show how context-specific elements influence the efficiency of both leadership styles in encouraging innovation and adaptation.

Public institutions might have more stable funding but face bureaucratic hurdles, whereas private institutions often rely on tuition fees and may have more competitive resource allocation (Bauer, Peters & Pierre, 2021). These differences can influence the development and utilization of PsyCap among faculty and staff, as well as their ability to

engage in innovative and adaptive behaviours. A comparison study might demonstrate how resource dynamics affect these factors. Government rules and policies apply to public institutions, which can help or impede the adoption of genuine and inclusive leadership practices. Private institutions, on the other hand, may have more leeway to implement innovative practices. Examining these differences can provide a comprehensive understanding of how external policy environments affect internal leadership and employee behaviour.

The Middle East's higher education system faces a number of challenges, including how to maintain and improve teaching methods, learning processes, research performance and scholarship, graduate output, methods of defining and measuring quality, the use of standardisation, and how to persuade a wide range of stakeholders and governments that universities are performing well (Bourini et al., 2017). Higher education in Jordan has substantially improved study programme diversity, teaching and learning methods that influence quantity and quality, and institution growth (Jmhesr, 2023). Jordan's education system generates 6.6 per cent of the country's GDP (Jordan News, 2022), while Jordan's overall expenditure on education was 3.2114% in 2021 (World Bank, 2023).

The education sector in Jordan consists of five types: public universities, private universities, university colleges, and regional universities. It is a non-profit regional university that includes different branches around the Arab world. The branches of this university are distributed in several Arab countries, this university relies on the open education system, and this system is characterized by flexibility in a way that suits the circumstances and capabilities of students and institutes; finally universities with private law (Universities are established following particular laws or special instructions from the

government. The institution's administrative structure, the range of activities it is permitted to carry out, and the particular fields of study it may concentrate on are all governed by these rules) (Jmhesr, 2023).

Table 1.1 clarifies number of the HEIs in Jordan and their types.

Table 1.1: Types of Higher Education Institutions in Jordan (Academic Year 2023/2024)

| Public | Private | Universities with private law | University colleges | Regional |
|--------|---------|-------------------------------|---------------------|----------|
| 10 | 17 | 2 | 9 | 1 |

Source: Jordan Ministry of Higher Education. 2024.Higher Education in Jordan <https://www.jmohe.gov.jo>.

Nevertheless, Jordan's image of higher education does not seem as great as it may appear; many believe that Jordan needs a major renovation to improve and provide quality education. For example, it is noted that publication in Jordanian public and private HEIs is still below what is required, as when comparing the number of scientific publications in the period 2010-2020 compared to Arab countries, this number is low, and Jordan ranks in the middle in terms of total published as shown in below chart according to Leviser Scopus website. For every faculty member, the pace of scientific research-creation is less than one study year (Economic & Social Council of Jordan, 2022). Below figure 1.1 shows the ranking of Jordan compared to Arab countries in research publications (2010-2020).

Figure 1.1: Number of Scientific Publications in the Period 2010-2020 Compared to Arab Countries