

Transformational Leadership in the Age of Digital Innovation: Strategies and Outcomes

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KEYWORDS

Transformational leadership, educational institutions, higher education, Digital innovation, and Organizations.

ABSTRACT

Transformational leadership is crucial for corporate development in today's fast-paced digital environment. A key idea that can have a big impact on a company's success in the ever-changing digital context is transformational leadership. To be sure, there is still a significant knowledge vacuum on the mechanics and effects of transformational leadership in the setting of the digital age, even with the topic's growing significance. This study investigates transformational leadership in educational institutions in the age of digital innovations. The results displayed that to apply the full pair of one size and other elements and every indication of transformational leadership, greater emphasis should be provided to individuals and less focus has to be paid to any errors made by employees. Educational institution leaders are anticipated to utilize this study as a resource when selecting a leadership style, and it is anticipated to have consequences for the efficacy of educational institution leadership.

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1. INTRODUCTION

Organizations are groups with an aim that are established to accomplish particular goals. The effectiveness with which these businesses accomplish these set objectives is directly linked to the efficiency of their workforce (Para-González et al 2018). Since leaders understand how crucial staff efficiency is to the success of their organizations, they naturally work to improve and maximize it constantly. Therefore, the importance of having a workforce that performs well cannot be emphasized. Workers are more inclined to make a significant contribution to the company's performance if they are inspired, invested, and have the requisite skills (Eliyana, & Ma'arif 2019). Their innovation, profitability, and effectiveness become the company's driving forces, positively affecting every department in the process Elgelal & Noermijati 2015).

Leadership is a variable and diverse procedure that involves more than just issuing commands and establishing anxiety to get people to comply. It requires a deep comprehension of human psychology as well as the skill of motivating and directing others toward the accomplishment of shared goals (Bui et al 2017). Embracing empathy and emotional intelligence, efficient leaders understand that their duty goes far deeper than their level of authority. Rather, they take on the role of growth instructors, promoting individual progress and a feeling of community inside the group (Kucharska & Rebelo 2022). Leadership is fundamentally about taking the initiative and actively assisting employees, identifying their abilities, and giving them the means to succeed. In addition to improving individual success, this human-centered method reinforces collective cohesion (Afsar et al 2019). Through the cultivation of an accessible and cooperative atmosphere, leaders cultivate a collective identity and present a unified front dedicated to attaining performance for the organization.

The way a leader performs themselves and goes about giving personnel in an organization orientation, advice, and incentive to achieve maximum performance is referred to as their leadership type (Crowley 2022). It is crucial to recognize that leaders can display a variety of types and that they might not always use the same one for every circumstance. In his fundamental



work on the path-goal concept, Lippalainen (2015) elaborates on the idea that a leader's type depends on several variables, such as the traits of the leader, the traits of the followers, and the environment in which the leader and staff members work (Aga et al 2016). Furthermore, this concept recognizes the mediating impact of ecological and subordinate factors, emphasizing the need for a leader to modify their strategy to meet the particular flaws of a given circumstance to maximize accomplishment and promote staff happiness. 4 main leadership types are recognized within the structure of the path-goal concept: directive, active, supportive, and achievement-focused (Nguyen et al 2017).

Several research investigations have repeatedly shown that leadership has a major impact on corporate success and staff efficiency. To efficiently manage and direct their staff, leaders take on a variety of types. Among these approaches, transformational leadership sticks out as being especially effective (Para-González et al 2018). When leaders or supervisors of the business skillfully apply transformational leadership, workers feel more attached to the business and have higher employment contentment.

The remainder of the document is organized as below. The existing literature is reviewed in Section 2. The data set and parameters are explained in Section 3. The research results are discussed in Section 4. The article is summed up in Section 5.

## 2. LITERATURE REVIEW

### *Transformational Leadership*

Typically, transformational leadership is conceptualized as a collection of interconnected activities, such as intellectual stimulation, Idealized impact, Inspirational Drive, and Individual emphasis. Through the provision of Inspirational Drive, leaders will take into account a psychological draw by putting forward a captivating prospective goal and encouraging followers to cultivate a shared vision and collective insight. By doing this, transformational leadership will directly attend to every follower's unique needs by paying emphasis, offering guidance, and acting quickly (Greimel et al 2023). Transformational leaders encourage their teams to work exceptionally hard to accomplish company objectives by modeling this conduct.

According to (Manu 2022), transformational leadership is an administrator who motivates and encourages people to go above and beyond their interests, and who may have a profound and significant impact on their people. According to (Deng et al 2023), transformational leadership is when a leader encourages and convinces his people to perform diligently to attain the intended objectives. The benefits of transformational leadership include the ability to motivate every division to engage effectively in accomplishing company objectives without coercion, as well as to inspire their employees, develop shifts, and start a plan of company achievement that demonstrates their (administrators') exceptional degree of performance. (Manu 2022), suggested an evaluation instrument for transformational leadership type based on drive, intellectual stimulation, and individual emphasis.

### *Digital Innovation*

It is imperative to adapt to the modern digital age; this is a necessary step in the evolutionary process. Even the Sustainable Developmental Goals (SDG), an initiative introduced by the United Nations in 2015, places a strong emphasis on innovation and communication (Felicetti et al 2024). Discussing innovation and communication problems will inevitably bring up the topic of the internet, which is widely employed and currently present. This concentration on innovation is predicated on the COVID-19 epidemic that affected nearly every country in the globe in 2020. Individuals will therefore employ innovation, particularly the internet, as a means of continuing their employment and travel. One component can be connected to another by using the internet (Shah et al 2024). The COVID-19 pandemic risk does not have to stop operations from proceeding securely and pleasantly, whether they are financial or not. Making use of the web, or what is sometimes called the shift to digital, is not a simple task. One of the numerous elements that must be changed to fit the attributes of the digital identity is to be aware of the definition of digital and associated topics beforehand (Ye et al 2024). Digital terms, or phrases mixed with other terms, are sought after by both the educational and commercial worlds, according to the internet search engine's outcomes.

Currently, using digital words alone or in combination with other phrases to search is still common or confusing. Regardless of whether it's a pattern or a source of uncertainty, it should be taken seriously. When the term "digital" or "digitization" is used in conjunction with the term "business," it takes on a distinct significance than when it is used alone in the context of industry. Company digitization may be defined as a technological advancement procedure that supports both the societal and corporate organizational domains because it has a significant enough societal influence (Ciriello et al 2018). A basic instance is the procedure of modifying delivery operations, which in the past were restricted to congregating at a single location and providing assistance to the neighborhood surrounding that location. After that, it transforms into a digital platform that the entire public can use. Given the existence of an online delivery service, there is compelling data to suggest that the potential of digital business can turn an idea into a reality. Companies who wish to stay in business in the future will need to adapt to these developments. To ensure their survival and eternal existence, they should be capable of adapting to shift and evolve their company (Hund et al 2021). Companies need to be in charge of the digital transformation procedure in light of the ongoing Covid-19 outbreak. Because of the ongoing epidemic, which continues to pose a significant hindrance to regular



operations, companies are forced to match their post-pandemic deficiencies and challenges with novel digital approaches. This balance is necessary for the digital age to undergo its transformation. New and prominent digital patterns that can be used for automation include robotics, artificial intelligence (AI), and other technologies that can occasionally substitute the special skills that people have. Humans have unique abilities that technology has not yet been able to match, including creativity, compassion, decision-making, instinct, interpersonal sensibility, and problem-solving capabilities. While nothing is frightening about the global epidemic, it is a major motivator for businesses to embrace digital innovation and provide staff members with access to it for increased productivity. Because of this, each individual within the corporation or staff member of the business must develop their technological and human qualities. Digital expertise is also crucial to boost productivity. These individuals need to support themselves by committing to continuous learning and growth, irrespective of whether they are employed by a firm or corporation or work alone.

### ***Transformational Learning and Digital Innovation***

With unprecedented breakthroughs and difficulties, the digital age has completely changed the way companies function and communicate. Transformational leadership has become a fascinating and essential notion in the age of accelerated digital innovation, able to guide enterprises toward performance and adaptation. Nevertheless, given the digital age, it is imperative to thoroughly investigate the role of transformative leadership, even in light of its increasing significance (Pratiwi & Amini 2023). A transformational leadership style is required to manage the complexities of technology breakthroughs given the significant upheaval that the digital age has caused across several companies. To successfully implement digital instruments and approaches for sustained development and competitiveness, leaders must embrace the obstacle of altering company frameworks, procedures, and cultures (Antonopoulou et al 2021).

The models of leadership are changing dramatically in the digital age. A shift from rigid, connected architectures to more adaptable, agile architectures is occurring. With its focus on personal empowerment, drive, and vision, transformative leadership is appropriate for guiding enterprises via this framework change and encouraging staff members' invention and innovation. Leadership plays an increasingly important role in helping firms realize the complete capacity of their employment as they cope with the complications of the digital ecosystem. Staff members with transformational leaders are more engaged and productive because they are inspired by a feeling of mission and passion (McCarthy et al 2022).

Particular difficulties brought on by digital transformation include data confidentiality, cybersecurity, and moral issues. Transformational executives need to be able to deal with these problems head-on and promote a culture of ongoing development and flexibility. Quantitative studies on transformational leadership in the digital age are still scarce, despite an increasing interest in its importance (Mayastinasari & Suseno 2023). Therefore, the goal of this study is to investigate the effects of transformational leadership in the digital age and acquire an understanding of how it affects the performance and efficacy of organizations. This investigation adds to the body of research by offering a thorough summary of what is currently known about the function of transformative leadership in the age of technology.

### **3. METHODOLOGY**

The method used in this study is a descriptive quantitative approach. Secondary data from Statista was used in this study. Additionally, the SPSS Statistics software was used to evaluate the data collected for this study, and the descriptive values derived from the data analysis findings were used for analysis.

To make certain that data fulfill the requirements for inclusion and exclusion, the next stage entails performing screening and selecting procedures. The purpose of this stage is to ascertain if or not the collected statistics may be used in the present investigation. Data are chosen according to predetermined standards that determine whether or not an investigation is considered suitable for inclusion.

The next stage of the study method includes the critical stage of data analysis, which is of utmost significance. In this critical phase, the gathered data is carefully examined and assessed to extract a thorough comprehension and identify significant insights regarding certain areas of inquiry. The primary goal of this quantitative attempt is to: (1) present and highlight the findings and conclusions derived from the experimental data; and (2) identify any themes or patterns that may be present in the gathered database. Investigators can contribute to the reservoir of information on the pertinent subject by shedding emphasis on potential inherent linkages, associations, or causal links through the meticulous investigation they perform.

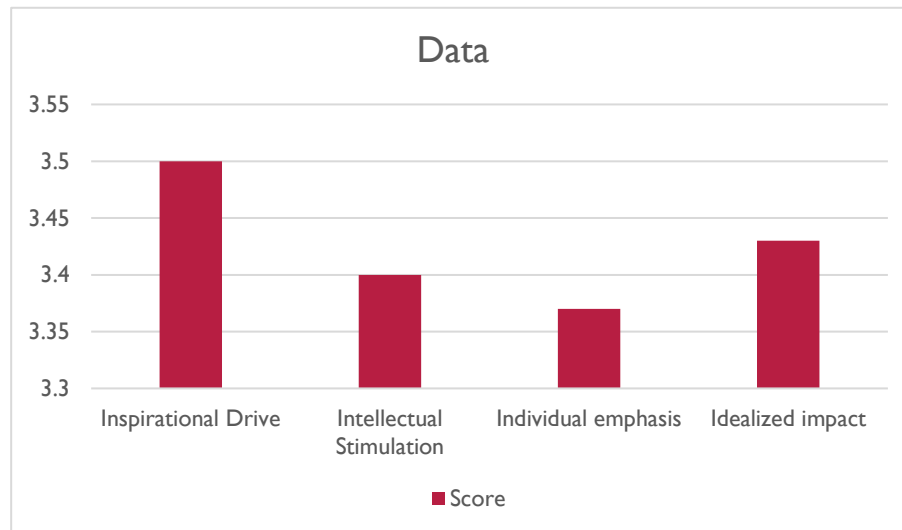
#### **Empirical Results**

In the current era of digital innovation, transformational leadership is a kind of leadership that is necessary in the governance of higher education. The prevalence of transformational leadership elements in higher education is shown in Table 1 and Figure 1.



**Table 1 Transformational Leadership Dimensions**

Elements	Data
Inspirational Drive	3.5
Intellectual Stimulation	3.4
Individual emphasis	3.37
Idealized impact	3.43



**Figure 1: Transformational leadership elements**

Figure 1 demonstrates that leaders in higher education have taken ownership of every element. Every element was occurring at an elevated rate. With a result of 3.5, the inspirational drive component was the most significant element used in transformational leadership. Among the other transformational leadership elements, the individual emphasis had the lowest outcome of 3.37, the intellectual stimulation element was in third place with an outcome of 3.4, and the charismatic element was the 2nd-largest with an outcome of 3.43.

#### 4. DISCUSSION

Digital innovation and transformational leadership are two important ideas that have been more well-known lately. The amalgamation of these two areas has gained significant relevance in light of firms' efforts to adjust to the swift progressions in innovation and the dynamic business environment. The concept of transformational leadership, which was first put forth over 40 years ago, has garnered significant attention from scholars and is currently among the most studied leadership theories. To achieve staff efficiency that surpasses demands, a leader must possess the critical competence of transformational leadership, which may be implemented in a management setting. It is very helpful for developing intrinsic motivational skills in workers and promoting psychological autonomy. In higher learning, the outcomes offer a significant function in the management system. Academies can have excellent human resources, but they will become chaotic and aimless without capable leaders. Adopting transformational leadership has a major impact on student achievement and organizational growth, highlighting its importance for establishing modern enterprises.

#### 5. CONCLUSION

Transformational leadership has emerged as a key concept that can have an important effect on a company's achievement in light of the quickly evolving digital age. This research delves into the impact of transformative leadership in the digital age and elucidates its consequences for an organization's ability to succeed and function effectively. The findings offer valuable perspectives on the principal outcomes of a transformational leadership approach, including staff member motivation and output, contentment in the workplace, and a company dedication that nurtures creativity, flexibility, and durability.

Transformational leadership is widely used in educational institutions, but its effectiveness has not been optimum. Leaders in educational institutions typically inspire and motivate their employees. Additionally, they acknowledge employees' skills and experience. Administrators should prioritize individuals and lessen consequences for errors performed by employees to promote professionalism. Depending on these data, it is possible to identify areas for improvement in deployment. Administrators in educational institutions must integrate all dimensions and indicators of transformational leadership.



To have an impact on the efficacy of leadership in educational institutions, it is anticipated that administrators in the field would utilize this study as a guide when carrying out their leadership roles.

Moreover, transformational leaders are skilled at creating a positive employment atmosphere, which increases employee engagement with the company and employment contentment. This supportive environment makes it easier for a culture of creativity and adaptation to grow, enabling staff members to think imaginatively and welcome the many adjustments in the quickly changing digital age.

Additionally, transformational leadership constantly fosters a culture of information exchange and never-ending studying, and also cooperation and collaboration. Performing this greatly aids in the development of an adaptable and robust company that is skilled at overcoming the difficulties presented by the ever-changing digital setting. These varied consequences make transformational leadership clear as a key factor in facilitating effective digital changes in businesses.

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