

Research Article

# Transformational Leadership to Enhance Innovative Work Behavior through Organizational Learning Readiness and Knowledge Sharing Behavior as Mediating Variables among Employees of Brighton Real Estate Spazio Surabaya

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**Abstract:** This study aims to examine the role of transformational leadership in enhancing innovative work behavior through organizational learning readiness and knowledge sharing behavior as mediating variables among employees of Brighton Real Estate Spazio Surabaya. Employing a quantitative explanatory research design, data were collected through questionnaires distributed to 98 employees of Brighton Real Estate Spazio Surabaya. Data were analyzed using the Smart-PLS 3.2 software for hypothesis testing. The findings indicate that transformational leadership has a positive and significant effect ( $\beta = 0.311$ ) on organizational learning readiness, and a positive and significant effect ( $\beta = 0.333$ ) on knowledge sharing behavior. Organizational learning readiness also positively and significantly affects knowledge sharing behavior ( $\beta = 0.359$ ). However, transformational leadership shows a negative and insignificant effect ( $\beta = -0.033$ ) on innovative work behavior, while organizational learning readiness exhibits a positive but insignificant effect ( $\beta = 0.167$ ) on innovative work behavior. Interestingly, knowledge sharing behavior demonstrates a negative and significant effect ( $\beta = -0.514$ ) on innovative work behavior.

**Keywords:** Employee Innovation; Innovative Work Behavior; Knowledge Sharing Behavior; Organizational Learning Readiness; Transformational Leadership.

## 1. Introduction

In the current global knowledge-based economy, competitive advantage is increasingly driven by knowledge and innovation rather than traditional resources such as land, labor, and capital. Organizations must continuously innovate to survive and remain competitive (Faulks et al., 2021; Simatupang et al., 2022). The ability to leverage human resources as the primary driver of innovation is critical for achieving sustainable organizational performance. Innovative work behavior contributes substantially to the organization's adaptability, productivity, and long-term success (Jalili, 2019; Sujibdo et al., 2021).

Leadership particularly transformational leadership plays a crucial role in inspiring employees to pursue the organization's vision and mission while fostering long-term organizational change. Transformational leaders focus on the intellectual and innovative development of subordinates beyond financial incentives (Deng et al., 2022; Brahmana et al., 2020). In contrast, transactional leadership emphasizes structure, formal rules, and extrinsic rewards such as salary or bonuses to motivate employees (Agbo, 2023; Udin et al., 2022). Several studies have confirmed that transformational leadership positively influences employee creativity, self-efficacy, and innovation, establishing it as a cornerstone of modern human resource management (Kani, 2023; Salem et al., 2023; Peter et al., 2023).

Knowledge sharing has become a fundamental determinant of organizational competitiveness and innovation capability. It involves the exchange of both tacit and explicit

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knowledge among employees (Agnieszka, 2022; Norfadzilah, 2019). However, this process often faces obstacles such as lack of trust, fear of losing personal value, or organizational silos that hinder openness (Mahmud & Alpaslan, 2022; Metallo et al., 2022). Transformational leadership has been shown to enhance employees' willingness to share knowledge, thereby fostering collective learning and creativity (Jin & Suntrayuth, 2022; Xu & Suntrayuth, 2022). Knowledge sharing further facilitates problem-solving, strengthens learning readiness, and supports innovation diffusion across teams (Nur Iman et al., 2021; Razak, 2019).

Organizational change represents a coordinated and adaptive response to an evolving environment. Readiness for change is significantly influenced by leadership style, psychological empowerment, and employee participation (Huang, 2022; Brahmana et al., 2020). A strong learning orientation within an organization enhances adaptability and ensures the continuous improvement of human capital (Aboobaker & Zakkariya, 2021). Transformational leaders stimulate such learning readiness by encouraging curiosity, experimentation, and openness to change (Jaudi, 2019; Faulks et al., 2021).

Brighton Real Estate, a certified property agency (ISO 9801:2015) with over 20 years of professional experience, is located in Spazio Graha Family, Surabaya. The company provides a wide range of property services, including sales, leasing, mortgage facilitation, and business partnerships. Brighton's strategic objective is to expand operations, reduce logistical costs, and improve employee welfare. Its corporate strategy emphasizes sustainable innovation and business expansion, which forms the basis for the current study titled *"Transformational Leadership to Enhance Innovative Work Behavior through Organizational Learning Readiness and Knowledge Sharing Behavior as Mediating Variables among Employees of Brighton Real Estate Spazio Surabaya."* (Rasyid et al., 2023; Abukhait et al., 2023).

## 2. Literature Review

### Transformational Leadership

Transformational leadership has been extensively studied as a leadership model that inspires and motivates followers to exceed expectations and align personal goals with the organization's vision (Braun et al., 2013; van Knippenberg & Sitkin, 2013). This leadership style is closely related to visionary and charismatic leadership because it aims to enhance employees' intrinsic motivation by aligning their aspirations with the leader's higher purpose. Transformational leaders are characterized by their ability to foster meaning, trust, and engagement among subordinates through a clear and inspiring organizational vision.

According to Doody & Doody (2012), transformational leadership encompasses four fundamental dimensions: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Idealized influence refers to the leader's role as a moral and behavioral role model; inspirational motivation emphasizes the articulation of an appealing and challenging vision; intellectual stimulation encourages creativity and critical thinking; and individualized consideration involves attending to each follower's needs for growth and achievement. These dimensions collectively create an environment that promotes learning and innovative thinking across the organization.

Building upon this theoretical foundation, empirical studies such as Ng (2016) have demonstrated that transformational leadership positively affects employee performance and commitment. The mechanism underlying this relationship lies in the leader's ability to inspire employees to internalize organizational goals, thereby improving discipline, motivation, and task performance. This evidence suggests that transformational leaders not only drive organizational outcomes but also facilitate employees' personal development and work satisfaction, which in turn enhances organizational productivity and innovation.

In summary, transformational leadership represents a model of leadership that motivates subordinates to transform themselves, thereby exerting extra effort to achieve collective goals. Leaders exhibiting this style cultivate trust and empowerment, encouraging employees to transcend self-interest for the sake of organizational progress (Deng et al., 2022; Kani, 2023). Thus, transformational leadership serves as a vital antecedent to organizational learning, knowledge sharing, and innovative work behavior within modern organizations.

### Organizational Learning Readiness

Organizational learning readiness reflects the extent to which an organization and its members are psychologically and structurally prepared to acquire, share, and apply new

knowledge for continuous improvement. March (1981) described organizational change as a series of coordinated responses among different organizational parts to environmental interdependencies. This view highlights that learning readiness is not merely a cognitive process but also an adaptive system shaped by environmental complexity, employee behavior, and leadership. Employees' openness to learning and participation in change processes determine the success of organizational transformation.

Resistance to change is a natural human tendency that can hinder organizational learning (Huang, 2022). Therefore, leaders play a crucial role in shaping a supportive environment that minimizes fear and enhances employees' motivation to engage in learning activities. According to Meyer (2002), organizational commitment which includes affective, normative, and continuance dimensions is a key psychological factor influencing readiness for change. Employees who identify with organizational values and feel emotionally connected are more likely to embrace learning and contribute to improvement initiatives.

Moreover, organizational learning readiness is linked to leadership style and employee engagement (Brahmana et al., 2020; Aboobaker & Zakkariya, 2021). Transformational leaders, in particular, inspire a culture of inquiry and experimentation by encouraging employees to question assumptions and test new ideas. This readiness for learning fosters a sense of collective efficacy and resilience, enabling organizations to adapt effectively to dynamic environments.

Ultimately, fostering organizational learning readiness involves aligning individual and organizational goals through continuous feedback, supportive communication, and a shared vision for improvement (Faulks et al., 2021). When employees perceive that their learning efforts are recognized and rewarded, they are more likely to contribute knowledge, engage in innovation, and support organizational change. This readiness serves as a bridge between leadership and innovative behavior, positioning it as a crucial mediating variable in organizational development research.

### **Knowledge Sharing Behavior**

Knowledge sharing behavior refers to the voluntary exchange of skills, expertise, and insights among individuals or groups within an organization. Lin (2007) defines knowledge sharing as a social interaction culture in which employees actively participate in exchanging information, experiences, and competencies across organizational units. Similarly, Lee (2001) views knowledge sharing as the dissemination of tacit and explicit knowledge from one individual, team, or organization to another. This process is essential for building intellectual capital, fostering innovation, and sustaining competitive advantage.

Ipe (2003) emphasized that knowledge sharing transforms individual knowledge into organizational knowledge that can be collectively understood, absorbed, and utilized. It involves both formal mechanisms, such as documentation and databases, and informal mechanisms, such as mentorship, dialogue, and collaboration. Organizations that cultivate an environment of trust, openness, and mutual respect enhance employees' willingness to share knowledge, thereby accelerating learning processes (Agnieszka, 2022; Mahmud & Alpaslan, 2022).

Knowledge sharing behavior also serves as a critical enabler of innovation. Employees who share insights and experiences facilitate problem-solving and stimulate creative thinking (Jin & Suntrayuth, 2022; Xu & Suntrayuth, 2022). However, barriers such as fear of knowledge loss, lack of recognition, or low psychological safety can hinder sharing practices. Transformational leaders can overcome these challenges by modeling openness and reinforcing collaborative values, which in turn enhance trust and participation (Metallo et al., 2022; Nur Iman et al., 2021).

In essence, knowledge sharing behavior is both a process and a culture. It represents an organization's collective capacity to learn from itself. When embedded in a transformational leadership environment, knowledge sharing promotes mutual learning and collective problem-solving, ultimately strengthening organizational innovation and effectiveness (Sujibdo et al., 2021; Simatupang et al., 2022).

### **Innovative Work Behavior**

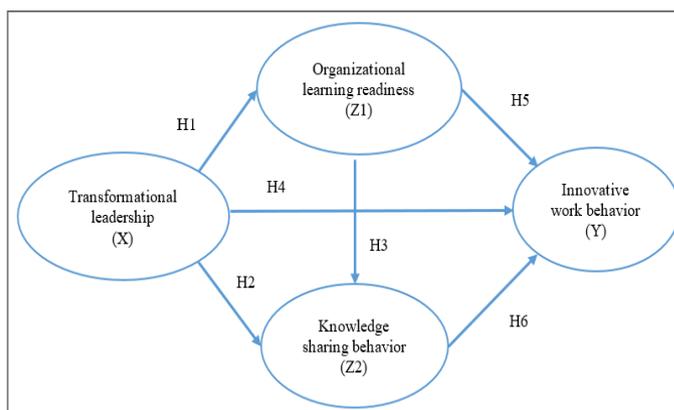
Innovative work behavior (IWB) refers to the intentional generation, promotion, and implementation of new ideas within a work role, group, or organization to benefit performance and effectiveness (Amir, 2015). While creativity focuses on idea generation,

innovation extends to applying and realizing these ideas within work practices (Jong & Hartog, 2003). IWB thus represents a multidimensional construct that includes idea exploration, idea generation, championing, and application, aligning with West and Farr's (1998) conceptualization of innovation as a behavioral process within organizations.

The role of IWB in organizational success cannot be overstated, as it drives adaptability and long-term sustainability in rapidly changing environments. Empirical studies demonstrate that leadership styles, particularly transformational leadership, have a strong influence on fostering innovative behavior among employees (Rasyid et al., 2023; Peter et al., 2023). Leaders who promote autonomy, stimulate intellectual curiosity, and provide supportive feedback can effectively encourage employees to take calculated risks and pursue creative problem-solving initiatives.

Furthermore, organizational factors such as learning readiness and knowledge sharing act as mediating variables that strengthen the link between leadership and innovation (Faulks et al., 2021; Abukhait et al., 2023). Employees who are willing to learn and share ideas are more likely to transform creative insights into tangible innovations that enhance organizational competitiveness. The integration of these constructs underscores the systemic nature of innovation in modern organizations.

In conclusion, innovative work behavior embodies the practical manifestation of creativity within the workplace. It is cultivated through leadership that empowers, organizational structures that support learning, and cultures that value shared knowledge (Udin et al., 2022). Developing IWB within employees not only improves individual performance but also ensures the organization's ability to evolve and maintain strategic advantage in an increasingly knowledge-driven economy.



**Figure 1.** Conceptual Research Framework

Based on the problem formulation, literature review, and conceptual framework, the research hypotheses are formulated as follows:

**H1: Transformational Leadership → Organizational Learning Readiness**

Transformational leadership is believed to foster organizational learning readiness by promoting employee confidence, intellectual stimulation, and openness to change. Leaders who demonstrate inspirational motivation and individualized consideration encourage employees to seek knowledge and experiment with new ideas (Doody & Doody, 2012; Braun et al., 2013). Empirical findings suggest that transformational leadership enhances employee adaptability and creates a learning-oriented culture (Faulks et al., 2021; Brahmana et al., 2020). H1: Transformational leadership positively affects organizational learning readiness among employees at Brighton Real Estate Spazio Surabaya.

**H2: Transformational Leadership → Knowledge Sharing Behavior**

Transformational leaders inspire trust and foster a collaborative culture that supports the voluntary exchange of knowledge. Through idealized influence and intellectual stimulation, leaders encourage employees to share insights that contribute to team performance (Metallo et al., 2022; Nur Iman et al., 2021). Prior studies have shown that transformational leadership significantly increases the frequency and quality of knowledge-sharing activities within organizations (Jin & Suntrayuth, 2022; Xu & Suntrayuth, 2022).

H2: Transformational leadership positively affects knowledge sharing behavior among employees at Brighton Real Estate Spazio Surabaya.

**H3: Organizational Learning Readiness → Knowledge Sharing Behavior**

Employees who perceive their organization as supportive of learning are more willing to engage in knowledge exchange (Lin, 2007; Ipe, 2003). Organizational learning readiness fosters psychological safety, which enables employees to share both tacit and explicit knowledge (Mahmud & Alpaslan, 2022). Moreover, a high level of learning readiness creates a sense of community that enhances collaboration and mutual support (Aboobaker & Zakkariya, 2021; Razak, 2019).

H3: Organizational learning readiness positively affects knowledge sharing behavior among employees at Brighton Real Estate Spazio Surabaya.

**H4: Transformational Leadership → Innovative Work Behavior**

Transformational leaders inspire followers to exceed expectations, fostering creativity and innovation in their tasks. By stimulating intellectual growth and providing individualized consideration, such leaders promote an environment conducive to innovation (Ng, 2016; Peter et al., 2023). Studies have found that transformational leadership has a direct and positive influence on innovative work behavior by empowering employees to experiment and take risks (Rasyid et al., 2023; Udin et al., 2022).

H4: Transformational leadership positively affects innovative work behavior among employees at Brighton Real Estate Spazio Surabaya.

**H5: Organizational Learning Readiness → Innovative Work Behavior**

Organizational learning readiness strengthens innovation by fostering openness, adaptability, and the willingness to implement new ideas. When employees are psychologically prepared to learn, they tend to adopt creative approaches to solving problems (Huang, 2022; Brahmana et al., 2020). Research supports that readiness for learning is a precursor to innovation because it enables employees to translate knowledge into action (Faulks et al., 2021; Aboobaker & Zakkariya, 2021).

H5: Organizational learning readiness positively affects innovative work behavior among employees at Brighton Real Estate Spazio Surabaya.

**H6: Knowledge Sharing Behavior → Innovative Work Behavior**

Knowledge sharing directly contributes to innovation by facilitating the flow of ideas and best practices throughout the organization. Employees who actively exchange insights are more likely to generate and implement innovative solutions (Lin, 2007; Lee, 2001). Prior studies indicate that knowledge sharing serves as a critical antecedent of creativity and innovation, enhancing organizational agility and performance (Metallo et al., 2022; Sujibdo et al., 2021; Simatupang et al., 2022).

H6: Knowledge sharing behavior positively affects innovative work behavior among employees at Brighton Real Estate Spazio Surabaya.

### 3. Research Method

The present study employs a quantitative research approach, emphasizing numerical analysis and statistical techniques to empirically validate theoretical relationships and generate new insights. A correlational research design was adopted to examine the associations among the study variables transformational leadership, organizational learning readiness, knowledge sharing behavior, and innovative work behavior as correlation enables the identification of the degree and direction of inter-variable relationships (Sugiyono, 2019, 2020). The population of this study consists of all employees of Brighton Real Estate Spazio Surabaya, totaling 98 individuals, representing the entire workforce. Given the manageable population size, the research utilized a total sampling technique, whereby all employees were included as respondents, ensuring comprehensive data representation and minimizing sampling bias (Sugiyono, 2019). The exogenous variable in this study is *Transformational Leadership (X)*, which is hypothesized to influence other constructs. The endogenous variable is *Innovative Work Behavior (Y)*, representing the outcome variable affected by leadership and organizational factors. Two intervening variables are incorporated to capture mediating mechanisms: *Organizational Learning Readiness (Z<sub>1</sub>)* and *Knowledge Sharing Behavior (Z<sub>2</sub>)*. Data were analyzed using the Partial Least Squares–Structural Equation Modeling (PLS-SEM) approach, an advanced multivariate technique suitable for predictive and exploratory modeling in complex

frameworks with latent variables (Hair et al., 2021). The analytical procedure included assessments of construct validity and reliability, measurement model (outer model) evaluation, structural model (inner model) testing, and path analysis for hypothesis verification. This methodological design ensures robust statistical rigor and theoretical alignment with contemporary leadership and innovation research (Deng et al., 2022; Udin et al., 2022; Abukhait et al., 2023).

#### 4. Results and Discussion

##### Result

Data analysis was conducted using Smart-PLS version 3.2, which involves evaluating both the outer model and the inner model as part of the Partial Least Squares–Structural Equation Modeling (PLS-SEM) procedure. The first stage of the analysis focuses on assessing the outer model, which specifies the relationships between latent constructs and their reflective indicators (Solimun et al., 2017). This evaluation includes tests of validity (convergent, discriminant, and cross-loading) and reliability, ensuring that the measurement model adequately represents the underlying constructs.

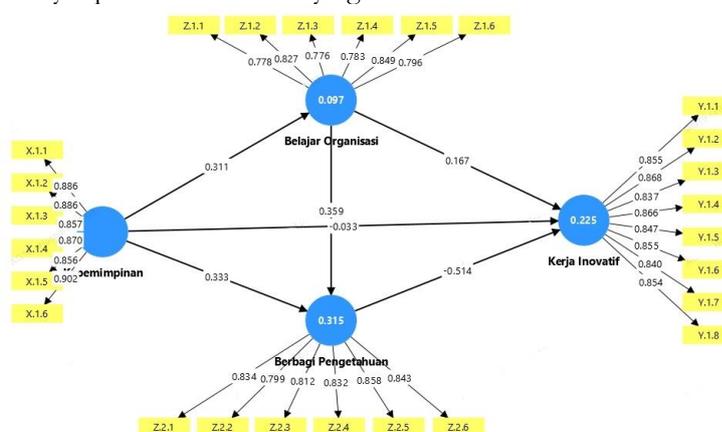


Figure 2. Evaluation of Outer Structural Equation Model.

##### Convergent Validity

Convergent validity examines whether each indicator consistently measures the intended construct. Indicators are considered valid when their loading factor values exceed 0.70, indicating strong representation of the latent variable. As presented in Table 1, all indicators of *Transformational Leadership*, *Innovative Work Behavior*, *Organizational Learning Readiness*, and *Knowledge Sharing Behavior* meet the threshold value (>0.70), thus confirming convergent validity. This implies that the indicators effectively capture the conceptual dimensions of each variable, supporting the internal consistency of the constructs (Hair et al., 2021).

Table 1. Convergent Validity Test of Indicators and Variables.

Variable	Indicator	Loading Factor	Critical Value	Remarks
Transformational leadership (X)	X1.1.1	0.886	0,70	Valid
	X1.1.2	0.886	0,70	Valid
	X1.2.1	0.857	0,70	Valid
	X1.2.2	0.870	0,70	Valid
	X1.3.1	0.856	0,70	Valid
	X1.3.2	0.902	0,70	Valid
Innovative work behavior (Y)	Y1.1.1	0.855	0,70	Valid
	Y1.1.2	0.868	0,70	Valid
	Y1.2.1	0.837	0,70	Valid
	Y1.2.2	0.866	0,70	Valid
	Y1.3.1	0.847	0,70	Valid

Variable	Indicator	Loading Factor	Critical Value	Remarks
Organizational learning readiness (Z1)	Y1.3.2	0.855	0,70	Valid
	Y1.4.1	0.840	0,70	Valid
	Y1.4.2	0.854	0,70	Valid
	Z1.1.1	0.778	0,70	Valid
	Z1.1.2	0.827	0,70	Valid
	Z1.2.1	0.776	0,70	Valid
	Z1.2.2	0.783	0,70	Valid
	Z1.3.1	0.849	0,70	Valid
Knowledge sharing behavior (Z2)	Z1.3.2	0.796	0,70	Valid
	Z2.1.1	0.834	0,70	Valid
	Z2.1.2	0.799	0,70	Valid
	Z2.1.3	0.812	0,70	Valid
	Z2.1.4	0.832	0,70	Valid
	Z2.1.5	0.858	0,70	Valid
	Z2.1.6	0.843	0,70	Valid

Source: Output SmartPLS 2025

**Cross-Loading Validity**

The **cross-loading test** further examines discriminant validity by ensuring that each indicator has a higher loading on its intended construct than on any other latent variable (Solimun et al., 2017). As shown in Table 2, all items loaded more strongly on their respective constructs than on unrelated variables, confirming that no indicator overlapped significantly with others. This finding reinforces the discriminant distinction between constructs such as *Transformational Leadership* and *Knowledge Sharing Behavior*.

**Table 2.** Cross loading Latent Variables.

	Organizational Learning Readiness	Knowledge Sharing Behavior	Transformational Leadership	Innovative Work Behavior
X.1.1	0.292	0.452	0.886	-0.228
X.1.2	0.261	0.432	0.886	-0.213
X.1.3	0.277	0.405	0.857	-0.181
X.1.4	0.203	0.344	0.87	-0.182
X.1.5	0.338	0.343	0.856	-0.136
X.1.6	0.255	0.338	0.902	-0.151
Y.1.1	0.014	-0.366	-0.189	0.855
Y.1.2	-0.096	-0.451	-0.199	0.868
Y.1.3	-0.122	-0.359	-0.161	0.837
Y.1.4	-0.087	-0.427	-0.207	0.866
Y.1.5	-0.119	-0.368	-0.227	0.847
Y.1.6	-0.117	-0.392	-0.146	0.855
Y.1.7	0.002	-0.382	-0.197	0.84
Y.1.8	-0.031	-0.296	-0.077	0.854
Z.1.1	0.778	0.373	0.276	-0.074
Z.1.2	0.827	0.428	0.316	-0.092
Z.1.3	0.776	0.343	0.244	-0.006
Z.1.4	0.783	0.382	0.191	-0.049
Z.1.5	0.849	0.337	0.229	-0.11
Z.1.6	0.796	0.349	0.221	-0.052
Z.2.1	0.36	0.834	0.408	-0.399
Z.2.2	0.429	0.799	0.454	-0.379
Z.2.3	0.379	0.812	0.289	-0.383
Z.2.4	0.338	0.832	0.305	-0.399
Z.2.5	0.417	0.858	0.402	-0.314
Z.2.6	0.374	0.843	0.337	-0.371

Source: Output SmartPLS 2025

### Discriminant Validity

Discriminant validity was evaluated by comparing the square root of the Average Variance Extracted (AVE) for each construct with the correlations between constructs. As reported in Table 3, the square roots of AVE values for all variables were greater than their inter-construct correlations, confirming adequate discriminant validity. This result indicates that each latent variable is unique and empirically distinct from the others, consistent with recommendations by Fornell and Larcker (1981).

**Table 3.** Results of the Discriminant Validity Test.

	<b>Organizational learning readiness</b>	<b>Knowledge sharing behavior</b>	<b>Trasformational leadership</b>	<b>Innovative work behavior</b>
Organizational learning readiness				
Knowledge sharing behavior	0.51			
Trasformational leadership	0.334	0.471		
Innovative work behavior	0.113	0.48	0.215	

Source: Output SmartPLS 2025

### Reliability Testing

Reliability was assessed using both Composite Reliability (CR) and Cronbach’s Alpha. As displayed in Table 4, all constructs exceeded the recommended threshold values (CR > 0.70;  $\alpha > 0.70$ ), indicating internal consistency and measurement reliability (Ghozali & Latan, 2015). Specifically, *Transformational Leadership* (CR = 0.945), *Innovative Work Behavior* (CR = 0.951), *Organizational Learning Readiness* (CR = 0.894), and *Knowledge Sharing Behavior* (CR = 0.911) were all deemed reliable.

**Table 4.** Reliability Test on Latent Variables,

No	Variabel	<b>Composite Reliability</b>	<b>Cronbach Alpha</b>	Remarks
1.	Transformational leadership	0.945	0.940	Reliable
2.	Innovative work behavior	0.951	0.946	Reliable
3.	Organizational learning readiness	0.894	0.889	Reliable
4.	Knowledge sharing behavior	0.911	0.910	Reliable

Source: Output SmartPLS 2025

**Table 5.** Multicollinearity Test Results.

	<b>Transformasion al leadership</b>	<b>Innovative work behavior</b>	<b>Organizational learning readiness</b>	<b>Knowladge sharing behavior</b>
Transformasion al leadership		1.116		1.038
Innovative work behavior				
Organizational learning readiness		1.196		1.143
Knowladge sharing behavior		1.178		1.174

Source: Output SmartPLS 2025

Based on the Smart-PLS output presented above, it can be concluded that there is no multicollinearity in the evaluated structural model. This is indicated by the Variance Inflation Factor (VIF) value, which is less than 3.

### Coefficient of Determination (R-Squared)

The R<sup>2</sup> values for the endogenous constructs are summarized in Table 6. According to Ghazali and Latan (2015), R<sup>2</sup> values of 0.75, 0.50, and 0.25 indicate strong, moderate, and weak models, respectively. In this study, *Organizational Learning Readiness* (R<sup>2</sup> = 0.088) was weakly predicted by *Transformational Leadership*, explaining 8.8% of its variance. *Knowledge Sharing Behavior* (R<sup>2</sup> = 0.301) demonstrated a moderate predictive strength, with 30.1% of its variance explained by *Transformational Leadership* and *Organizational Learning Readiness*. Meanwhile, *Innovative Work Behavior* (R<sup>2</sup> = 0.201) showed a weak level of predictability, indicating that only 20.1% of its variance could be explained by the preceding constructs.

**Table 6.** Results of R-Squared calculation.

	R-square	R-square adjusted
Organizational learning readiness	0.097	0.088
Knowledge sharing behavior	0.315	0.301
Innovative work behavior	0.225	0.201

Source: Output SmartPLS 2025

### Path Coefficient Analysis

**Table 7.** Path Coefficients of the Structural Equation Model.

Hypothesis		Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics ( O/STDEV )	P values	Remarks
Symbol	Effect						
H1	Transformational leadership (X) -> Organizational learning readiness (Z1)	0.311	0.32	0.096	3.247	0.001	Accepted
H2	Transformational leadership (X) -> Knowledge sharing behavior (Z2)	0.333	0.335	0.089	3.757	0.000	Accepted
H3	Organizational learning readiness (Z1) -> Knowledge sharing behavior (Z2)	0.359	0.367	0.093	3.875	0.000	Accepted
H4	Transformational leadership (X) -> Innovative work behavior (Y)	-0.033	-0.032	0.099	0.335	0.737	Rejected
H5	Organizational learning readiness (Z1) -> Innovative work behavior (Y)	0.167	0.171	0.1	1.666	0.096	Rejected
H6	Knowledge sharing behavior (Z2)-> Innovative work behavior (Y)	-0.514	-0.523	0.091	5.67	0.000	Accepted

The structural model (inner model) was analyzed to test the hypothesized relationships among variables. The results, as presented in Table 7, revealed mixed outcomes:

- a. H1: *Transformational Leadership* → *Organizational Learning Readiness* ( $\beta = 0.311, p = 0.001$ ) was significant and positive, confirming that transformational leaders enhance employees' readiness for organizational learning (consistent with Deng et al., 2022; Udin et al., 2022).
- b. H2: *Transformational Leadership* → *Knowledge Sharing Behavior* ( $\beta = 0.333, p = 0.000$ ) was significant and positive, indicating that leaders who inspire and intellectually stimulate employees promote knowledge exchange within the organization (Aboobaker & Zakkariya, 2021).
- c. H3: *Organizational Learning Readiness* → *Knowledge Sharing Behavior* ( $\beta = 0.359, p = 0.000$ ) was also significant and positive, suggesting that employees with higher learning readiness are more inclined to engage in knowledge sharing (Concetta Metallo et al., 2022).
- d. H4: *Transformational Leadership* → *Innovative Work Behavior* ( $\beta = -0.033, p = 0.737$ ) was non-significant, implying that direct leadership influence may not necessarily foster innovation without mediating mechanisms.

- e. H5: *Organizational Learning Readiness* → *Innovative Work Behavior* ( $\beta = 0.167$ ,  $p = 0.096$ ) was positive but not significant, indicating that readiness to learn alone may be insufficient to enhance innovative behavior.
- f. H6: *Knowledge Sharing Behavior* → *Innovative Work Behavior* ( $\beta = -0.514$ ,  $p = 0.000$ ) was significant but negative, suggesting a potential inverse relationship where excessive knowledge sharing might hinder innovation due to information overload or conformity pressures (Abukhait et al., 2023).

Overall, the findings suggest that Transformational Leadership significantly drives Organizational Learning Readiness and Knowledge Sharing Behavior, but its direct impact on Innovative Work Behavior is limited. Instead, innovation appears to be more indirectly influenced through complex mediating interactions among organizational learning and knowledge-sharing processes.

## Discussion

### *Transformational Leadership and Organizational Learning Readiness*

The findings indicate that Transformational Leadership has a positive and significant effect on Organizational Learning Readiness ( $\beta = 0.311$ ;  $p = 0.001$ ). This relationship suggests that leaders who display transformational characteristics such as articulating a compelling vision, demonstrating individualized consideration, and stimulating intellectual growth can effectively foster an environment conducive to learning and adaptability among employees. The results align with prior studies emphasizing that transformational leaders play a pivotal role in shaping a learning-oriented organizational culture (Deng et al., 2022; Udin et al., 2022).

From a theoretical perspective, this result supports the framework of Bass and Avolio's *Full Range Leadership Theory*, which posits that transformational leadership enhances intrinsic motivation and commitment toward collective goals. In organizations such as Brighton Real Estate Spazio Surabaya, this leadership style appears instrumental in cultivating readiness for organizational change and learning a crucial determinant of resilience in dynamic business environments (Rui-Ting Huang, 2022).

Practically, these findings highlight that managerial efforts to strengthen transformational leadership through mentorship, vision sharing, and participative decision-making can enhance employees' openness to new ideas and learning opportunities. This aligns with the argument of Braun et al. (2013) and van Knippenberg & Sitkin (2013), who noted that learning readiness emerges as a psychological outcome of trust and empowerment fostered by transformational leaders.

Overall, the significant relationship underscores the importance of leadership development initiatives in organizations seeking to build a sustainable learning culture. Training programs focusing on emotional intelligence, motivational communication, and intellectual stimulation could strengthen employees' readiness to embrace organizational learning as part of their professional identity.

### *Transformational Leadership and Knowledge Sharing Behavior*

The study reveals a positive and significant relationship between Transformational Leadership and Knowledge Sharing Behavior ( $\beta = 0.333$ ;  $p = 0.000$ ), indicating that transformational leaders effectively encourage employees to exchange knowledge within the organization. This finding corroborates prior evidence that leadership emphasizing inspiration and intellectual stimulation enhances collaborative information exchange and knowledge integration (Concetta Metallo et al., 2022; Aboobaker & Zakkariya, 2021).

From a theoretical lens, this aligns with *Social Exchange Theory*, suggesting that employees are more willing to share valuable knowledge when they perceive fairness, respect, and psychological safety within the organization (Niko Sujibdo et al., 2021). Transformational leaders create this environment by recognizing contributions and providing meaningful feedback, which reduces knowledge-hoarding tendencies.

In practice, transformational leaders at Brighton Real Estate can reinforce knowledge sharing by implementing team-based learning systems and peer-review mechanisms. By fostering mutual trust and shared purpose, leaders enable employees to perceive knowledge exchange as a collective investment rather than a competitive risk (Nadra Mahmud & Alpaslan, 2022).

Consequently, this finding contributes to leadership and innovation literature by demonstrating that the behavioral influence of transformational leaders extends beyond motivation it also structurally shapes the organization's knowledge ecology, which is vital for continuous improvement and innovation capability (Fatma Zarah Tan et al., 2021).

#### ***Organizational Learning Readiness and Knowledge Sharing Behavior***

The results demonstrate a positive and significant relationship between Organizational Learning Readiness and Knowledge Sharing Behavior ( $\beta = 0.359$ ;  $p = 0.000$ ). This indicates that when employees perceive their organization as ready to learn and adapt, they are more inclined to engage in active knowledge exchange. Such readiness fosters psychological safety and intellectual curiosity, which are critical enablers of knowledge flow across teams (Sunardi Sembiring Brahmana et al., 2020).

Theoretically, this supports the view of March (1981) and Meyer (2002), who emphasize that organizational learning readiness is a multidimensional construct encompassing affective commitment, cognitive flexibility, and openness to change. When these conditions are met, employees naturally engage in mutual learning behaviors that strengthen the collective intelligence of the organization (Jaudi, 2019).

From an applied perspective, the findings highlight that enhancing learning readiness through leadership support, participative culture, and recognition systems can indirectly stimulate knowledge-sharing behaviors. This confirms that readiness to learn acts as a psychological bridge between leadership influence and knowledge management outcomes (Agnieszka, 2022).

Overall, the significant relationship underscores the interplay between cultural and behavioral mechanisms. A learning-ready organization not only values knowledge as a strategic resource but also operationalizes it through consistent sharing behaviors that improve adaptability and organizational memory.

#### ***Transformational Leadership and Innovative Work Behavior***

The analysis reveals that Transformational Leadership has a negative and non-significant effect on Innovative Work Behavior ( $\beta = -0.033$ ;  $p = 0.737$ ). This suggests that while transformational leadership may enhance learning and knowledge sharing, its direct influence on employee innovation is limited in the studied context. The result diverges from traditional assumptions that transformational leaders directly foster creativity and innovation (Rasyid Ismail Bilal Salem et al., 2023).

Theoretically, this may indicate a *mediated relationship*, where leadership impacts innovation indirectly through learning and knowledge mechanisms (Abukhait et al., 2023). The insignificant finding could also be attributed to contextual factors such as rigid operational structures, risk aversion, or the service-oriented nature of the real estate sector which may constrain the translation of visionary leadership into actual innovation.

In managerial terms, the implication is that leadership inspiration alone is insufficient to generate innovative behavior unless accompanied by structural and cultural enablers. Encouraging experimentation, rewarding creative risk-taking, and providing resources for idea implementation are critical complements to leadership influence (Paula Marie G. Peter et al., 2023).

Consequently, the study contributes to literature by suggesting that Transformational Leadership acts as a necessary but not sufficient condition for employee innovation highlighting the need for integrative frameworks combining leadership, organizational learning, and knowledge systems (Udin et al., 2022).

#### ***Organizational Learning Readiness and Innovative Work Behavior***

The results show a positive but non-significant effect of Organizational Learning Readiness on Innovative Work Behavior ( $\beta = 0.167$ ;  $p = 0.096$ ). This suggests that while learning-oriented organizations may provide a foundation for innovation, readiness alone does not guarantee innovative outcomes. The finding supports prior arguments that innovation requires both psychological readiness and structural mechanisms to convert learning into creative actions (Nimitha Aboobaker & Zakkariya, 2021).

Theoretically, this relationship reflects the notion that learning readiness influences innovation indirectly by fostering openness and adaptability. However, in the absence of reinforcing mechanisms such as empowerment or autonomy, its effect may be muted (Huang, 2022).

Practically, the results imply that organizations must not only build readiness to learn but also create formal innovation systems such as idea incubation programs, innovation training, and cross-functional collaboration to translate readiness into tangible innovative behaviors.

This finding enriches prior work by emphasizing the complexity of innovation antecedents: organizational learning provides the “soil,” but leadership, motivation, and knowledge processes act as the “seeds” that bring innovation to fruition (Simatupang et al., 2022).

### ***Knowledge Sharing Behavior and Innovative Work Behavior***

Interestingly, Knowledge Sharing Behavior was found to have a negative and significant effect on Innovative Work Behavior ( $\beta = -0.514$ ;  $p = 0.000$ ). This counterintuitive result suggests that excessive or unstructured knowledge sharing may hinder rather than enhance innovation. The phenomenon may stem from *information overload*, *groupthink*, or *conformity pressures*, where too much shared information stifles individual creativity and risk-taking (Ziqing Xu & Suntrayuth, 2022).

From a theoretical viewpoint, this outcome challenges the dominant assumption in the *Knowledge-Based View* that knowledge sharing unequivocally enhances innovation. Instead, it aligns with recent findings emphasizing the importance of *selective and strategic knowledge exchange* to avoid cognitive saturation (Concetta Metallo et al., 2022).

In managerial practice, the implication is clear: organizations must balance openness with autonomy. Creating boundaries for focused knowledge exchange through knowledge curation, digital platforms, or moderated collaboration can prevent the dilution of innovative potential (Jian Jin & Sid Suntrayuth, 2022).

This result invites future research to reexamine the non-linear relationship between knowledge sharing and innovation, potentially exploring the moderating roles of psychological safety, organizational culture, or digital literacy in shaping these dynamics.

## **5. Comparison**

Compared with previous studies, the results of this research partially align with and partially diverge from existing findings in leadership and innovation literature. Consistent with prior studies (e.g., Deng et al., 2022; Udin et al., 2022), transformational leadership positively and significantly enhances both organizational learning readiness and knowledge sharing behavior, confirming its role as a catalyst for collaborative and adaptive learning environments. Similarly, the significant positive link between organizational learning readiness and knowledge sharing behavior supports theories emphasizing the importance of learning culture in promoting collective knowledge exchange (March, 1981; Meyer, 2002).

However, the findings differ from several state-of-the-art studies (e.g., Abukhait et al., 2023; Rasyid Ismail Bilal Salem et al., 2023), which reported that transformational leadership directly stimulates innovative work behavior. In contrast, this study found a negative and insignificant relationship, suggesting contextual or mediating factors may attenuate the effect of leadership on innovation within real estate organizations. Moreover, the negative significant impact of knowledge sharing behavior on innovation contradicts most knowledge-based perspectives, implying that excessive or unstructured sharing may inhibit creativity. These findings thus extend current theoretical discourse by revealing complex, context-dependent dynamics among leadership, learning, and innovation in organizational settings.

## **6. Conclusion**

This study empirically examined the relationships among transformational leadership, organizational learning readiness, knowledge sharing behavior, and innovative work behavior among employees of Brighton Real Estate Spazio Surabaya using the PLS-SEM approach. The findings indicate that transformational leadership significantly enhances organizational learning readiness and knowledge sharing behavior, and that learning readiness further promotes knowledge sharing. However, neither transformational leadership nor learning readiness directly influence innovative work behavior, while knowledge sharing behavior unexpectedly exhibits a significant negative effect.

These results suggest that innovation may require not only leadership and knowledge processes but also structural and cultural enablers that convert learning and collaboration into creative outcomes. The study contributes to leadership and innovation theory by emphasizing that transformational leadership indirectly supports innovation through mediating mechanisms, rather than direct behavioral influence.

From a practical perspective, organizations should focus on strengthening leadership development, structuring knowledge exchange systems, and building innovation-supportive environments. The main limitation of this study lies in its single-case context, which may restrict generalizability. Future research should therefore examine similar constructs across multiple industries and incorporate longitudinal or multi-level designs to capture dynamic causal relationships over time.

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