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TRANSFORMATIONAL LEADERSHIP AND INNOVATION CLIMATE AFFECTING INNOVATIVE WORK BEHAVIOR OF EMPLOYEES IN BUSINESS ORGANIZATIONS IN THAILAND

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Abstract

This study aimed to study transformational leadership and innovation climate affecting the innovative work behavior of employees in business organizations in Thailand. The research sample comprised employees and senior executives of large-scale business organizations. A questionnaire was employed as the research tool for data collection. The data was analyzed using structural equation analysis techniques. The study revealed that the structural model for the innovative work behavior of employees in large-scale business organizations was consistent with the empirical data (Chi-square = 223.421, DF =113, CMIN/DF=1.832. CFI= 0.913, SRMR = 0.053 and RMSEA=0.022). The factors showing a positive direct influence on innovation behavior were the innovation climate, with influence coefficients of 0.698 and 0.121 respectively. Furthermore, transformational leadership influenced innovative work behavior, with influence coefficients of 0.342 and 0.247 respectively.

Keywords: Innovative Work Behavior, Innovative Climate, Transformational Leadership

1. Introduction

Business competition has become more intense due to the effects of globalization. Organizations need to adapt swiftly to keep pace with these evolving conditions. Consequently, contemporary business operations pose challenges not only in terms of reducing production costs or enhancing product and service quality but also in the endeavor to cultivate customer loyalty, and meet their ever-growing expectations (Wong & Kwai-Chin, 2007). The heightened global competition in business arises from the impact of information technology, product and service quality, and production capabilities, which require businesses to be more flexible in their operations (Morris & Kuratko, 2002). In both domestic and international settings, this is a common strategy employed by the business sector to establish a competitive edge - creating innovation within the organization and prioritizing the introduction of these innovations to the market ahead of competitors (David, 2007). This provides the organization with a competitive advantage that can be sustained in the long term (Adamas & Phelps, 2006). For these reasons, modern-era business administration places significant emphasis on achieving competitive advantage through effective management of organizational innovation.

Currently, rapid advancements in science and technology have transformed global society into one driven by a knowledge-based economic system. Even in today's economic landscape, competition remains imperative, and knowledge serves as a crucial foundation for organizations

and countries striving for survival, growth, and stability. The current landscape highlights that the economic system is no longer reliant on land, labor, and resources; instead, it is primarily fueled by knowledge and innovations. In the past, organizational survival was centered on cost management, but today, the primary means for organizations to ensure their survival and growth is through innovation. Innovation holds paramount significance for contemporary organizations, whether they are in the private or public sector. To survive, they must leverage innovation to introduce something distinct from the existing norms, and for growth, they must continually develop and enhance their offerings. Consequently, various organizations may adopt different forms of innovation, whether it involves creating new products or services or enhancing work processes. Regardless of the specific form, what is more important than the innovation itself is understanding the driving forces behind innovation (Chompukum, 2008). Psychologists have turned their attention towards studying innovation both at the workgroup level and on a more personal scale. In doing so, they have shed light on two crucial aspects of human behavior. Firstly, humans possess a natural inclination to explore and interact with their environment in ways that are as creative as the situation demands. This grants humans the capacity to adapt and exhibit remarkable creativity in various settings. Secondly, humans are inherently driven by the need for change and diversity. This stems from a desire to overcome challenges and seek psychological safety. Thus, these fundamental truths about human behavior provide the impetus for individuals to innovate (Boonyam, 2011). Over time, research has delved into the relationship between human behavior and innovation, ultimately leading to a broader understanding of innovative work behavior as articulated by De Jong & Den (2008). They refined this concept to encompass four key components: opportunity exploration, idea generation, championing, and application. It became evident that innovation is cultivated through the collaborative efforts and creative synergy of workgroups or organizations, as generating innovation in isolation proves to be a formidable task (Curral, Forrester, Dawson & West, 2001). This prompted the need to explore how transformational leadership and the innovation climate impact the innovative work behavior of employees in business organizations in Thailand. The study uncovered various factors influencing the occurrence of innovative work behaviors, including organizational climate and transformational leadership. Notably, much of the existing research predominantly focuses on manufacturing organizations, the service sector, and industrial domains, typically within the private sector. This underscores the significance of extending the study to encompass government organizations, particularly those tasked with the crucial mission of providing public services to meet the needs of the populace. It is within this context that the idea to investigate the interplay of transformational leadership and the innovation climate on the innovative work behavior of employees in business organizations in Thailand emerged. The findings of this study hold the potential to furnish valuable insights for fostering innovative work behavior among employees, thereby driving local development and organizational progress.

2. Research Objectives

1. To study the influence of transformational leadership on the innovation behavior of employees in business organizations in Thailand,

2. To study the influence of the innovation climate of employees on the innovative work behavior of employees in business organizations in Thailand,

3. To study the influence of transformational leadership on the organizational innovation climate of employees in business organizations in Thailand.

3. Literature Review

Transformational leadership refers to a style of leadership behavior that aims to inspire employees, instilling faith and confidence in them. This influence prompts employees to channel their efforts towards enhancing their abilities, ultimately leading to higher potential and greater contributions to the organization's success. This leadership style is assessed through four key elements: 1) Ideological influence: This occurs when leaders serve as exemplary figures for their followers, instilling a sense of pride and motivation in them while working together. 2) Inspiration: Transformational leaders can stimulate and motivate employees, encouraging them to approach their work with liveliness, enthusiasm, and a positive attitude. 3) Intellectual stimulation: This aspect involves leaders motivating employees to recognize and address various challenges within the organization. This stimulation prompts employees to seek new approaches to problem-solving. 4) Consideration of the individual: Effective transformational leaders provide personalized care and attention to their employees, conveying a sense of value and importance within the organization (Williams, 2014). A review of related literature highlights a clear connection between leadership shifts, particularly towards a focus on learning, and subsequent impacts on innovation behavior. Studies by Reuvers, Enger, Vinkenburg & Wilson-Evered (2008), Warsi, Fatima & Sahibzada (2009), Abbas, Iqbal, Waheed & Rinz (2012), and Foumany, Mehraban & Gahani (2015) all corroborate the positive relationship between transformational leadership and various aspects of organizational behavior, including innovation and knowledge management. These findings align with the research conducted by Widiartanto & Suhadak (2013), further emphasizing the influential role of transformational leadership in shaping organizational learning and innovation efforts.

Climate inventory refers to the collective perception held by team members regarding the work environment and the team's characteristics, which are seen as conducive to fostering innovation. It is assessed through four key elements: 1) Having a vision: This entails setting valuable goals or results at a higher level and providing motivation for individuals to engage in their work. 2) Safety in participation: This characteristic of a team encourages and empowers individuals to actively participate in decision-making. It creates an environment where people feel secure interacting with one another. 3) Work focus: This involves a shared understanding of the importance of achieving high-quality work results aligned with the team’s vision or a combination of outcomes. 4) Support for innovation: This refers to the anticipation of practical support, leading group members to exert effort in presenting new ideas or approaches to the team (Chatzi & Nikolaon, 2007). A comprehensive review of related literature underscores the significant

relationship between team climate inventory and innovation behavior. Studies by Agrell & Gustafson (1994), Anderson & West (1996), and Edmondson (1999) consistently establish links between factors like safety in participation, having a clear vision and goals, as well as team support, and their impact on fostering innovative behavior within teams. These findings collectively emphasize the pivotal role of a conducive team climate in driving innovation.

Innovative work behavior pertains to the proactive actions of individuals driven by significant objectives, aiming to initiate the creation of novel concepts and practical, fresh ideas pertinent to the tasks assigned within the agency or organization. It is evaluated through four key components: 1) Opportunity exploration: This involves actively seeking out new occurrences and recognizing opportunities that emerge from problems or situations requiring resolution. 2) Idea generation: This entails the blending of fresh concepts with existing ones, to address challenges or enhance operational processes. 3) Promoting ideas: Once an idea has taken shape, individuals strive to advocate or present their concept to others, seeking support and buy-in. 4) Application: Supported ideas must then be tangibly put into action and implemented, involving the development of innovations and improvements, surpassing previous iterations (De Jong & Den, 2008).

4. Research Conceptual Framework

From studying related research, the research conceptual framework used in the study was formulated as follows.

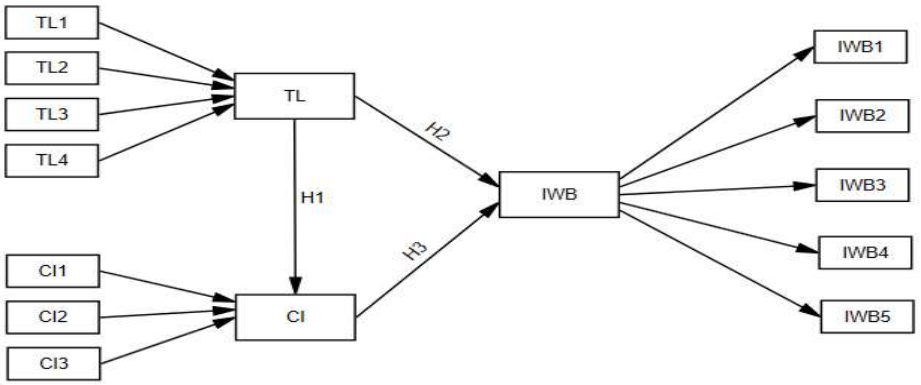

Figure 1. TL=Transformation Leadership, CI = **Climate Inventory,** IWB = **Innovative Work Behavior**)

4.1 Hypotheses Development

Previous studies have shown that business organizations characterized by a high degree of organizational innovation tend to achieve superior levels of business performance (Daniel & Sanz, 2008). This finding aligns with Porter's (1990) assertion that establishing a strategic advantage for sustainable competition and the enduring success of a business organization is closely tied to the extent of innovation within the organization. Building upon this, it can be inferred from the preceding discussion that a business entity cannot afford to neglect corporate innovation; doing so may lead to the eventual decline or failure of the entity (Spraggon & Bodolica,

2008). As emphasized by Morris and Kuratko (2002), organizations worldwide are presently compelled to engage in a collective effort to enhance their performance to keep pace with the rapid pace of change.

4.1.1 Transformational leadership and the innovation climate of employees

The research by Neale and Gregory (1991) highlights that an organization's climate plays a crucial role in shaping the attitudes and work behavior of its employees, ultimately affecting the efficiency and effectiveness of the organization. Building on this premise, Cherrington (1995) delved into the influence of leadership style variables on the organizational climate, asserting that different types of leaders contribute to distinct organizational climates. This aligns with Somyot Naweekarn's (1995) assertion that organizational leadership, particularly the style employed by senior executives, significantly impacts the organizational climate through their interactions with employees. While a substantial body of research has explored the relationship between leadership styles and organizational climate, there is a limited number of studies specifically examining how transformational leadership influences the innovation climate. This is in line with the findings of Zohar and Tenne (2008), who observed that the level of executive power centralization, as an indicator of transformational leadership, exerts a contrasting influence on the innovation climate. Wright and Nishii (2007) investigated the extent to which transformational leaders influence the organizational climate, but their study did not yield statistically significant evidence for the impact of transformational leadership on the innovation climate. Wright suggested that the use of a limited sample size in the study might have contributed to these results and recommended further research to ascertain the true influence of transformational leadership on the organizational climate. Given this literature review, it is anticipated that transformational leadership is likely to have a positive influence on the innovation climate (Zohar & Tenne, 2008). Consequently, the researcher has formulated the following hypothesis:

Hypothesis 1: Transformational leadership has a positive influence on the innovation climate of employees in business organizations in Thailand.

4.1.2 Transformational leadership and employee innovative work behavior

Transformational Leadership plays a pivotal role in predicting innovative work behavior among employees in government organizations. Effective leaders act as a catalyst to develop and foster innovation within their teams. Through transformational leadership, followers are inspired to actively seek change, while personnel are encouraged to think creatively and tackle problems with fresh perspectives. This motivation among staff members leads to heightened levels of innovative output, with the leadership of individual charisma of leaders. Consequently, transformational leaders are likely to exhibit a positive correlation with innovative work behavior (Gumusluoglu & Ilsey, 2009), ultimately resulting in enhanced performance within government agencies.

Previous research on transformational leadership has extensively examined various organizational effectiveness variables, including job performance and organizational commitment. The majority of these studies consistently indicate a positive relationship. Transformational

leadership tends to have a favorable impact on variables such as job satisfaction and the creation of a conducive work environment (Phasu Decharin, 2003). In the context of exploring the relationship between transformational leadership and employee innovation management, there is a relative scarcity of studies. Notable among them is the research conducted by Picterse, Van Knippenberg, Schippers, and Stam (2010), which focused on the perceptions of transformational and transactional leadership among employees in state enterprises in the Netherlands. The findings revealed that the transformational leadership behavior exhibited by senior executives in state enterprises positively influenced the levels of employee innovation. Conversely, transactional leadership exhibited a slightly negative influence on innovation levels. This aligns with the significance of innovative work behavior within government organizations, as it leads to the creation of new processes or practices that ultimately benefit the service recipients. Additionally, it confers a competitive advantage in a dynamic context, ensuring the long-term survival of the organization (Khan, Nawaz, & Khan, 2015). Further research has centered on the adoption of De Jong & Den Hartog's innovative work behavior concepts, particularly between 2014 and 2019, which encompass four dimensions: 1) Opportunity exploration, 2) Idea generation, 3) Promoting ideas, and 4) Application. When considering literature related to transformational leadership variables and indicators of employee innovative work behavior, Elkins and Keller (2003) found that inspirational motivation and intellectual stimulation, both characteristics of transformational leaders, play a crucial role in driving organizational innovation. They posit that leaders possess the capacity to directly and indirectly influence employees' creativity.

Given this comprehensive literature review, it is anticipated that transformational leadership is likely to exert a positive influence on the innovative work behavior of employees (Pieterse et al., 2010). Therefore, the researcher has formulated the following hypothesis:

Hypothesis H2: Transformational leadership has a positive influence on the innovative work behavior of employees in business organizations in Thailand.

4.1.3 Innovation climate and innovative work behavior of employees

Climate can be defined as the collective feelings, attitudes, and behavioral inclinations that characterize employee behavior. According to Schneider (1990), the organizational climate holds significant importance, as it is closely tied to employees' work behavior and is influenced by executives' expectations, support, and reward systems. Upon reviewing related literature, it is evident that most studies focus on the impact of organizational climate on organizational creativity. For instance, research conducted by Hunter, Bedell, and Mumford (2007) found that business organizations fostering a climate supportive of innovation positively influence creative initiatives at both the group and organizational levels. However, there is a limited body of research exploring the relationship between the innovation climate and variables associated with innovation management at the employee level. Noteworthy studies, such as that by De Jong and De Hartog (2005), reveal that the innovation climate positively impacts employees' innovative work behavior. This aligns with findings by Bunce and West (1995), which indicate that while the organizational climate does influence employees' innovative work behavior, the impact may not be exceptionally

high. Studies conducted in Asian countries further corroborate these findings. For example, Choi's (2007) research demonstrates that an atmosphere conducive to innovation positively influences the innovative work behavior of employees in South Korea.

Given this comprehensive literature review, it is anticipated that the innovation climate is likely to exert a positive influence on the innovative work behavior of employees (Choi, 2020). Therefore, the researcher has formulated the following hypothesis:

Hypothesis 3: The innovation climate has a positive influence on the innovative work behavior of employees in business organizations in Thailand.

5. Research Methodology

5.1 Population and Samples

The population for this research comprised employees and senior executives from large-scale business organizations, focusing exclusively on two industrial sectors:1) The technology products industry, encompassing 129 electrical-electronics and computer industries, as well as 96 automotive and component industries. 2) The raw material industry, which included 84 industrial and rubber product industries, along with 60 basic metal industries. This resulted in a total population of 369 locations, all of which were listed in the database of the Industrial Estate Authority of Thailand.

5.2 Data Collection

The data collection for this research was conducted through the distribution of questionnaires via mail. The researcher initiated the process by sending out letters to the selected participants, which included employees and senior executives from large-scale business organizations operating in two specific industrial sectors:1) The technology products industry, comprising 225 locations, 2) The raw materials industry, encompassing 144 locations. In total, the population under consideration consisted of 369 locations, all of which were listed in the database of the Industrial Estate Authority of Thailand. A comprehensive set of 369 questionnaires were dispatched. Upon receipt, the questionnaires were carefully reviewed for quality and completeness. Ultimately, a total of 283 questionnaires were deemed complete and eligible for analysis, representing 76.69 percent of the total sample size.

5.3 Research Tools

This research used a questionnaire divided into four parts: Part 1: general information of the respondents, Part 2: opinions about Transformational leadership in four areas, consisting of 1) Ideological influence, 2) Inspiration, 3) Intellectual stimulation, and 4) Consideration of the individual. Part 3: Comments on the innovation climate of employees in four issues, consisting of 1) Safety in participation, 2) efforts for excellence, and 3) support for innovation. Part 4: opinions about the innovative work behavior of employees in five issues, consisting of 1) Opportunity exploration behavior, 2) Initiative behavior, 3) Data analysis behavior, 4) Thought leadership behavior, and 5) Application behavior.

5.4 Validity and Reliability of the Research Tools

1) Testing content validity: The questionnaire was presented to three experts in the field of business administration to evaluate its validity and determine the Index of Item-Objective Congruence (IOC). The obtained IOC values ranged between 0.67 and 1.00, which falls within the acceptable criteria, as suggested by Nunnally and Bernstein (1994).

2) Checking construct validity: A sample of questionnaire respondents was utilized to confirm that each question accurately measures the component it is intended to assess. The factor loading values were observed to range from 0.64 to 0.81, all surpassing the acceptable threshold of 0.40, as recommended by Hair, Black, Babin, Anderson, and Tatham (2006).

3) Assessing reliability: Reliability was evaluated using Cronbach's Alpha Coefficient according to Cronbach's method (1970). The entire questionnaire demonstrated a reliability value of 0.89, which exceeds the 0.70 threshold, signifying an acceptable level of reliability, as outlined by Hair, Black, Babin, Anderson, and Tatham (2006).

4) Discrimination Power Analysis: The ability of each item to effectively classify respondents was assessed by determining the Corrected Item-Total Correlation, indicative of the item's power of discrimination. The results revealed discrimination power ranging from 0.46 to 0.69, all surpassing the acceptable threshold of 0.30, as suggested by Pallant (2020).

5.5 Statistics and Data Analysis

1) The researcher conducted data analysis utilizing both descriptive statistics and Structural Equation Model (SEM) techniques. Descriptive statistics were employed to derive key statistical values such as Frequency, Percentage, and Standard Deviation using a statistical package. Additionally, the SEM approach was applied to comprehensively analyze the data.

2) The analysis of causal relationships was undertaken through Path Analysis using a specialized statistical program. Moreover, the Structural Equation Model (SEM) was employed for a comprehensive assessment. The model's validity was confirmed by ensuring that the $\chi 2$ /df value was below 2, the Comparative Fit Index (CFI) approached 1, and the Root Mean Square Error of Approximation (RMSEA) and Root Mean Square Residual (RMR) indices were less than 0.05. These criteria, in line with the standards set by Hair, Black, Babin, Anderson, and Tatham (2006), indicated that the model was consistent with empirical data.

6. Results and Discussion

6.1 Statistic Test

The researcher analyzed the data by using descriptive statistics and the collected data to analyze the statistical values, including frequency, percentage, and standard deviation by statistical and analytical software packages and the Structural Equation Model (SEM). 2) Causal Factor Analysis by Path Analysis using Program statistically finished and analysis of structural equation model (SEM) and considering that $\chi 2$ /df is less than 2, the CFI index is close to 1, the RMSEA index, and the RMR index is less than 0.05, which is within the acceptable range. Hair et al. (2006) considered the model consistent with the empirical data.

Table 1. Variables and Measurement Items

Variables	Items	Factor loading	S.D.	CR	Alpha	AVE
Transformation Leadership	TL1	0.62	0.624	0.811	0.823	0.653
	TL2	0.59	0.601			
	TL3	0.61	0.612			
	TL4	0.64	0.634			
Climate Inventory	CI1	0.74	0.605	0.825	0.843	0.547
	CI2	0.75	0.623			
	CI3	0.79	0.736			
Innovative Work Behavior	IWB1	0.61	0.725	0.818	0.822	0.614
	IWB 2	0.65	0.744			
	IWB 3	0.69	0.631			
	IWB 4	0.70	0.712			
	IWB 5	0.72	0.711	0.824	0.812	0.607

Note: AVE = Average Variance Extraction, CR= Composite Reliability. All factor loadings, AVE, and CR values were significant at $p < 0.00$.

Additionally, Table 5 indicates discriminant validity with all bold diagonal values being higher than other values in the same row and column, making SEM acceptable.

Table 2. The Correlation of Construct

	TL	CI	IWB
TL	**0.546**		
CI	0.522*	**0.411**	
IWB	0.512*	0.414*	**0.434**

Remark: • Significance of Correlations: * $p < 0.050$, ** $p < 0.010$

• TL=Transformation Leadership, CI = Climate Inventory, IWB = Innovative Work Behavior

• The above calculation was performed using the "Master Validity Tool" AMOS Plugin by Gaskin & Lim (2016a)

6.2 Structural Equation Modell: Hypothesis testing

6.2.1 Structural Equation Model

The SEM analysis was conducted to investigate the influence of the factors of the Transformational Leadership and Innovation Climate Affecting the Innovative Work Behavior of Employees in Business Organizations

The final result shows that the model is consistent with the empirical data: Chi-square = 223.421, DF =113, CMIN/DF=1.832, CFI= 0.913, SRMR = 0.053 and RMSEA=0.022.

It can be concluded that the structural equation model of the role of organizational innovation capability in the relationship between disruptive innovation (technology disruption and

market disruption) and the organizational performance of Thai-listed firms is consistent with the empirical data.

6.2.2 The Results of the Hypothesis Tests

The results of the Structural Equation Model reveal the effects of coefficient estimation, shown in Figure 2, while the summary of hypothesis testing is presented in Table 3.

Table 3. The result of the Model Fit of the Structural Equation Model

Measure	Threshold	Initial Model		Final Model	
		Estimate	Interpretation	Estimate	Interpretation
CMIN	--	271.962	--	224.533	--
DF	--	135	--	113	--
CMIN/DF	Between 1 and 3	1.876	Excellent	1.832	Excellent
CFI	>0.90	0.924	Excellent	0.913	Acceptable
GFI	>0.90	0.843	Need More DF	0.922	Excellent
SRMR	<0.08	0.053	Excellent	0.053	Excellent
RMSEA	<0.06	0.056	Excellent	0.022	Excellent
PClose	>0.05	0.003	Terrible	0.434	Excellent

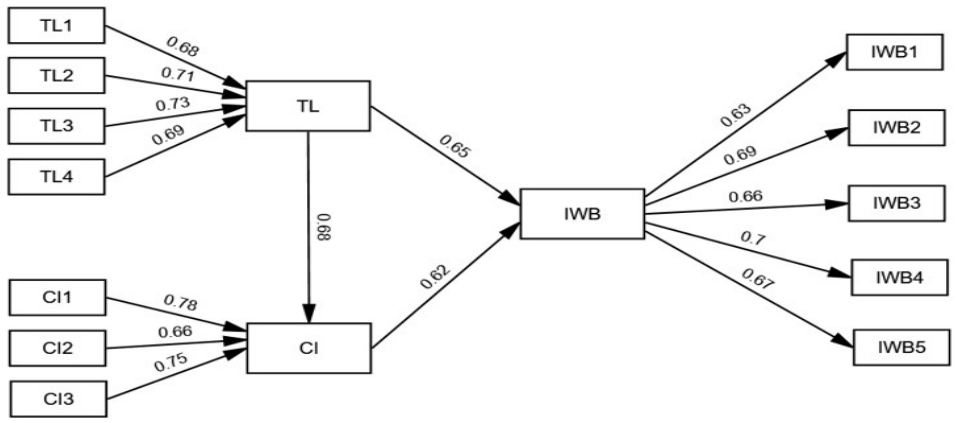

Figure 2. Summary of the hypothesis tests on the Role of Transformational Leadership and Innovation Climate Affecting Innovative Work Behavior of Employees in Business Organizations in Thailand with the empirical data.

- Standardization estimated.

Note: ——► The correlation was statistically significant.

– – – – ► The correlation was not statistically significant.

7. Discussions

The structural equation model of transformational leadership and innovation climate affecting innovative work behavior of employees in business organizations in Thailand can be discussed according to the factors influencing innovative work behavior as follows:

7.1 Transformational leadership has a positive influence on innovative behavior

Transformational leadership pertains to the behavior exhibited by leaders in the realm of management and work processes. Such leaders can influence their colleagues or followers, inspiring them to surpass anticipated levels of effort and effecting change. They nurture the development of their colleagues' and followers' abilities and potential and cultivate an awareness of the organization's mission and vision, as well as its societal impact. This process hinges on leaders inspiring others through an uplifting ideology, stimulating intellectual growth, and respecting individual differences. Creating innovative work behavior necessitates transformational leadership that is poised to instigate change among followers. A successful leader must possess commendable attributes and resolute determination. They must also possess the ability to inspire people, elucidating the value of generating diverse innovations. It is imperative to tap into the knowledge and abilities inherent within the followers, whether visible or concealed. Additionally, understanding the needs of followers and the challenges they face in their professional lives is crucial. This is consistent with the study of Kongphob Khantipongpunthu (2018), who found that the application of transformational leadership stimulates the use of intelligence, inspires, shows individual consideration, influences ideology, and takes into account organizational sustainability factors, both economic and social. This correlates with innovative work behavior, encompassing critical thinking, employee creativity, innovativeness, proactive work approaches, and the pursuit of opportunities. Regression testing revealed that transformational leadership not only stimulates the use of intelligence but also influences economic and environmental sustainability factors, thus impacting innovative work behavior. This is consistent with the research of Mehraban & Gahani (2015), who determined that transformational leadership exerts a positive influence on innovation and knowledge management. Their research uncovered that transformational leadership, along with organizational innovation and change management, is positively correlated with the performance of private hospitals in Thailand. Qualitative research further disclosed that organizational survival hinges on an innovation-oriented process, which serves as a linchpin for an organization's success. Recognizing the pivotal role of transformational leadership, innovation, organizational structure, and change management is imperative for private hospitals to thrive in a competitive international landscape. Moreover, Titaphon Phooaob and Kanjana Hinthaw's research in 2022 corroborates the positive impact of innovative leadership in fostering a culture of self-reliant creativity, seizing opportunities, and managing risks. This serves as a blueprint for enhancing the competitiveness of community businesses by selecting leaders who can spearhead innovation and guide entrepreneurs in honing their capabilities for a competitive edge.

7.2 Innovation climate has a positive influence on innovative work behavior

The innovation climate exerts a positive and direct influence on innovative work behavior. This climate is defined by team members' collective perceptions of the work

environment and the attributes of the team they belong to, creating an environment conducive to innovation, as outlined by the concept put forth by Anderson & West (1998). The innovation climate is characterized by key elements such as having a clear vision, fostering safety in participation, maintaining a focused work approach, and providing support for team innovation. Anderson & West (1996) observed a positive impact of the innovation climate on innovative work behavior. These findings are in line with Paulus' (2000) study, which also identified a positive correlation between the innovation climate and innovative work behavior. Furthermore, this is consistent with the research conducted by Sukmongkol Lertpiromsuk and Tipparat Laohavichien (2022), who investigated the influence of organizational climate on the innovative work behavior of employees. Their study gathered data through questionnaires administered to regular employees in private organizations across Thailand, revealing a positive association between organizational climate and innovative work behavior. Additionally, the research conducted by Pakawat Sanguanjeen and Prasopchai Pasunon (2022) further supports these findings. Their study aimed to examine the organizational climate that fosters creativity and its impact on the innovative work behavior of employees in multinational companies. The sample group consisted of Thai employees in multinational companies operating in Bangkok and surrounding areas. The study revealed that the majority of respondents were female, belonged to Generation Y, held bachelor's degrees, had less than three years of work experience, and were part of the management department. When analyzing the influence of independent variables on dependent variables, the study found that factors within the organizational climate supporting creativity—including organizational backing for challenging tasks, collaborative group work, and providing adequate resources and autonomy—had a positive effect on the innovative work behavior of employees in multinational companies.

7.3 Transformational leadership has a positive influence on innovation climate

An organizational climate that fosters a sense of friendliness among employees within the department or team, encourages open acceptance of opinions from both superiors and colleagues, establishes mutual trust in one another's work, and grants employees authority in their assigned tasks is essential. Such an organizational climate should strike a balance, offering a level of flexibility that is neither excessive nor insufficient. A flexible organization can empower employees to take ownership of their work, thereby contributing to a working environment that stimulates creative thinking. This is consistent with the findings of Nattida Suwatmekin (2019), who researched the influence of transformational leadership and organizational climate on the development of a growth mindset among employees in innovative organizations. This quantitative study explored how transformational leadership and organizational climate affect employees' growth mindsets in innovative organizations. The study's sample group consisted of employees in innovative organizations in Thailand. The results demonstrated a positive relationship between transformational leadership and organizational climate, specifically in the team engagement dimension. Additionally, the flexibility dimension and the dimension of work and responsibility exhibited a positive causal impact on the development of a growth mindset.

8. Recommendations from the Study

1. The organization should cultivate a supportive climate for team innovation. This involves encouraging employees to set clear goals, which can in turn foster motivation for their work. The organization should also empower employees to participate in decision-making processes. When employees feel that it is safe to collaborate and interact with one another, it paves the way for the emergence of new ideas. During their work, the organization should empower employees to collectively recognize and evaluate the quality of their work to promote excellence. This can be achieved by providing adequate time and resources, and by allowing employees to contribute their opinions or suggest new approaches. If the organization can establish a climate that effectively fosters innovation within the team, it will result in employees displaying a strong inclination towards innovative work behavior.

2. The organization should foster organizational innovation by ensuring that employees understand that the workplace is designed for recognition and acknowledgment from the organization. This approach will inspire employees to invest effort in generating innovative ideas. Furthermore, employees should be empowered with access to the resources allocated by the organization. The organization should also support and develop supervisors to serve as positive role models in their work. Supervisors should provide employees with the autonomy to carry out their tasks and should enable them to learn from their mistakes without the fear of punitive measures. This approach will encourage employees to exhibit innovative behavior, ultimately driving further organizational innovation.

3. Executives should exemplify transformational leadership, demonstrating a strong work ethic, commitment, and dedication to serve as positive role models for their employees. This will continue until they are recognized and trusted for their abilities, and their team feels pride in working alongside them. Executives must uphold high ethical standards and refrain from using their authority for personal gain. They should inspire the team to be dynamic and motivated to perform at their best, while also encouraging colleagues to approach challenges with creativity and view them from new perspectives. Additionally, executives should devote attention to nurturing the potential of individual employees, making them feel valued.

9. Recommendations for Further Research

1. The causal factors identified in this study warrant further qualitative investigation to gather in-depth insights. This comprehensive exploration will enable a more nuanced understanding, ultimately guiding the formulation of policies for the enhancement and development of local administrative organizations to achieve higher-quality outcomes.

2. Conducting a comparative study on the innovative work behavior of employees across various types of government organizations is recommended. This could involve comparing them with private organizations operating in similar contexts or with local administrative organizations in different regions. Such comparative analyses would provide valuable insights into the unique dynamics at play.

3. Subsequent research endeavors should encompass additional studies on external environmental factors that influence the innovative work behavior of employees. These studies must align with the specific operational context, ensuring relevance and applicability to real-world scenarios.

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