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Leadership Styles and Their Influence on Team Collaboration and Innovation in Creative Industries

Wanda Pratiwi[1], Riska Ariyanti[1]

[1]Fakultas Ekonomi dan Bisnis, Universitas Terbuka

*Corresponding Author: Wanda Pratiwi

Article Info

Abstract

The current research aims at exploring how specific leadership behaviors affect shared leadership processes and organizational creativity in firms that serve in the creative industry. Precisely, it compares how transformational, transactional, and laissez-faire leadership styles influence the promotion of collaboration and improvement of innovation at the team level. The first research design was quantitative whereby questionnaires were conducted to a total of 150 employees in the creative industries to obtain data. The results reflected good correlation between team collaboration and innovation outcomes, which attracted importance of team collaboration in the development of innovative culture. In some respects, these researches add value to the current understanding by explaining the effects of the behaviors of an individual leader on the level of creativity in working environments where a business operation involving innovation forms a fundamental business activity. The findings confirm that transformational leadership is useful in facilitating cooperation and creativity in the implementation of a change and the evidence that laissez-faire leadership style is not applicable in creative activities. The results are useful to managers working in creative business and have some specific suggestions concerning how managers can take care of a creative organizational culture and promote an effective knowledge sharing.

INTRODUCTION

The modern world of the global and dynamic business is characterized by leadership as one of the key factors of organizational success, especially in creative industries. Leadership styles are important as they not only define the direction an organization will take, but also define the manner in which various teams within an organization will work and the level of creativity will be enhanced among the workforce. Since most of the enterprises in the creative sectors such as advertising, design, film production as well as technology depend on the creativity and innovativeness of their employees, how the managers lead such groups determines the degree of collaboration and innovativeness among workers. Therefore, it is impossible to overestimate the importance of the role of leadership in the formation of team collaboration and innovativeness and the further impact on organizational

competitiveness in the modern dynamic market environment (Madanchian, 2025; Oke, 2025; Malek et al., 2024; Posen et al., 2023).

The creative industries are very diverse and flexible and manifest in different varieties of innovations. When this is the case, it is leadership that defines what is good or bad towards these factors. Studies have also shown that the leadership behaviors have a spectrum of outcomes, such as effectiveness, involvement, and problem-solving both within and between groups (Puccio et al., 2020; Huang et al., 2022; Yilmaz & Yilmaz, 2023). The results show that transformational leadership contributes to a greater degree of team innovation, which is partly explained by the empowerment of the team members and the emergence of a shared vision (e.g., Lee et al., 2020). Conversely, transactional leadership that is usually characterized by the repetition of established goals, the application of reward-punishment schemes, and the insensitivity to innovativeness is linked to lower levels of creativity within an organization and among workers (Prasmiwardana et al., 2025; Franklin, 2025).

As backgrounds in which innovation and problem-solving are valued, creative industries pose special challenges to leadership. The managers of these industries are to reconcile strict instructions with ample room that fosters creativeness (Köhler et al., 2022). It is well-established in the creative teams that teamwork is essential to the generation of creativity and how a leader embraces a given approach dictates the performance of the team. It has been found that the leaders of creative teams often use people-oriented leadership approaches with the aim of making members open up to the leader and other team members (Costa et al., 2023; Ahmed et al., 2023). These environments facilitate sharing of ideas by the members, seeking developmental opportunities as well as a culture of continuous improvement as far as innovation is concerned.

The increasing concern as to the role and significance of leadership approaches coupled with their impact on the interaction and creativity of the group; is not only apparent in theoretical studies but in the real-world experience of business and organizational development. It is now a common entrepreneurial adage that in order for organizations to remain relevant, organizations must find ways to grow. For those who work in creative industries, innovation is not a concept to be pursued, but a necessity, a rather crucial way of life or business model. Leadership in cultivating creative culture within organizations is thus underlined as important (Wiroonrath et al., 2024; Zhang, 2024). For instance, transformational leaders may encourage his or her subordinates to embrace challenge, create something different and develop new ideas while bureaucratic authoritative and laissez faire leaders may hinder creativity.

According Yang et al. (2021) explained that the traditional leadership has the positive correlation with job satisfaction, motivation and performance that are necessary for implementing the innovation. This is ironic especially for players in the creative economy sectors where human capital is supposed to be creative in coming up with new ideas and solutions. Although, Golden and this researcher found that the level of transformational leadership is positively linked with the level of innovation, literature research work has examined unique, variable leadership styles for creativity such as the servant leadership. servant leaders who care and develop their employees thereby building an environment grounded on trust fosters an organizational culture which can support creativity of the teams.

This sector is complex and evolving so this requires the leadership model to be very fluid. In industries where changes are inevitable, the leadership has to adapt to its approaches and leadership personality in order to fill the gaps required for the teams and projects in particular industries (Kotter et al., 2021; Lee, 2021; Ogundare et al., 2025). where the organizational environment is volatile, or where more innovative

approaches have not been effective, it may be necessary for leaders to provide more focus and direction. However, at the peak of the creative decision-making processes leaders might realize that centralization hinders creativity as groups are provided with autonomy to generate ideas and innovativeness. This adaptability becomes especially important given that creative industries quickly grow and shift to changes in trends, which means that customization is extremely important as well as willingness to take risks.

Creativity in general in this sphere concerns not only the introduction of new ideas to practice, but ideas which can provide value to the organization. Based on the experience of Tushman & Kolasani (2023), organizations carry out innovation by having upper management support activities that produce progressive refinements and transformation. What it means in the practical terms is that most of the time it means that someone needs to make sure that local corporate culture in the organization's creative field persists, while at the same time promoting the conditions that will produce radical innovations. When it comes to leadership behaviour that foster innovation and organisation control, leadership behaviour that promotes freedom yet with structure seems to work best according to Alblooshi et al. (2021).

In the case of the creative industries, one of the important success factors is collaboration. Where teams are involved and more so depending on skills and brain power, then collaboration makes it easy to unleash everyone's creativity. describe that leadership to foster open communication, team integration, and stakeholder voice improve collaboration behaviors in teams considerably. been found that when adopting a team climate organizational leader who support a high level of team collaboration are likely to enhance high levels of innovation.

Leadership, team collaboration, and innovation are quite fluid which explains why leadership variables may affect those parameters through other factors like organizational culture, team characteristics, and personality. there can be no doubt that leadership behaviours are closely linked to how integrated teams and creativity perform in creative occupations. Taking full advantage of leadership practices that allow not only for greater cooperation and trust, but also for adaptability, organizations are better placed to continue innovating in a world that is quickly becoming more and more competitive.

METHODS

This study employed a quantitative correlational research design to investigate the influence of leadership styles on team collaboration and innovation within creative industries. The correlational approach was chosen because it allows the researcher to examine statistical relationships among variables without manipulating them, which is suitable for understanding behavioral and organizational dynamics as suggested by Creswell & Creswell (2018). In the context of creative industries where teamwork, ideation, and problem-solving are central to organizational functioning this design made it possible to quantify the strength and direction of associations between different leadership styles and the key outcomes of collaboration and innovation. The study used a cross-sectional method, collecting data at a single point in time to capture employees' perceptions of leadership behaviors and innovation climates. As emphasized by Bryman (2016) and Hair et al. (2022), such designs are effective in assessing real-world organizational behavior and are particularly relevant in creative settings where leadership can significantly shape team performance (Lee et al., 2020; Puccio et al., 2020).

The population of this research comprised employees working in creative industries such as advertising, design, film production, and technology, particularly those situated in large urban centers known for their creative clusters. These sectors were selected because they represent the essence of innovation-driven organizations

where leadership plays a pivotal role in sustaining creative output (Costa et al., 2023). The study used a non-probability purposive sampling technique to select organizations that met specific inclusion criteria, namely those engaged in creative industries and employing teams directly involved in innovation-related projects. Within these organizations, employees who actively participated in creative team activities were invited to participate in the study. Purposive sampling was deemed appropriate because it ensures that participants have direct experience relevant to the variables under investigation (Etikan et al., 2016). The total sample included 300 employees drawn from 20 creative organizations. This sample size satisfied the statistical power requirements for multiple regression analysis as recommended by Cohen (1992). Respondents represented a range of organizational levels, including leaders, managers, and creative staff, thereby allowing for diverse perspectives on leadership and teamwork. Demographic data such as gender, age, tenure, and job level were collected to control for potential confounding factors in the analysis.

Data collection was done using two standardized questionnaires including the Multifactor Leadership Questionnaire (MLQ) by Bass & Avolio (1994) and two scales modified to assess team collaboration and innovation. The MLQ is one of the most widely tested leadership instruments, which measures three primary differences in leadership, transformational, transactional, and laissez-faire, using 45 items assessed on five-point Likert scale (strongly disagree to strongly agree). Transformational leadership dimensions involve the ability of the leader to inspire, motivate, and intellectually engage the subordinates through idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Avolio & Bass, 2004). The transactional leadership measures indicate contingent rewards and management by exception behavior and laissez faire leadership behavior reflects responsibility avoidance and lack of direction. Its strong psychometric qualities and wide-ranging validation in a wide range of organization situations make the MLQ especially appropriate to the current research (Judge & Piccolo, 2004). Team collaboration has been measured as based on Collaboration Scale by Baker et al. (2006) who identify 12 items that assess collaboration among team members in terms of communication, trust, and interdependence which are the three key elements of effective teamwork. Innovation was measured by using the Innovation Climate Scale created by Amabile (1996) that assesses the production of ideas that are creative, risk-taking, and the adoption of new solutions. The collaboration instrument and innovation instrument were both in the form of the five-point Likert format, and thus gave their measures uniformity. The reliability of all instruments was satisfactory with the Cronbach alpha coefficients showing values that are higher than 0.70 (refer to Table 5 in the Results section) and this means that the internal consistency of each construct is good. In order to increase content validity, the instruments were reviewed by two scholarly researchers in the field of leadership and creativity, where they gave feedback that led to slight wording remodels to increase its applicability to creative-industry settings.

The process of data collection took two months after ethical approval of the institutional research committee. The organizations were approached formally and informed of the purpose of the study and participation was voluntary. Both the paper based and electronic versions of the questionnaires were distributed to facilitate the accessibility choice of the participants. A pilot test on 20 respondents in non-creative service sectors was done before the actual collection of data to determine the level of clarity and reliability of the instruments. The pilot test scores were satisfactory in terms of reliability coefficients (0.75 and above in all scales) and testify to the relevance of the tools to the further administration. All the participants were made aware of the confidentiality of the responses and no risk of any personal harm in case of participation. They were requested to answer according to their first hand experience under their teams and how they have perceived their leaders. In order to

reduce common-method bias, the anonymity was guaranteed, and the instructions were underlined by the fact that there were no right and wrong answers. This process was ethical in nature and met the requirements of ethical research that the American Psychological Association (2020) described, that is, voluntary and informed participation.

Analysis of the data was carried out with the Statistical Package of the social Sciences (SPSS) to find the descriptive and inferential statistics. The central tendencies of the variables were summarized using descriptive statistics, namely, mean, SD, and a range, which helped to present an overview of the leadership patterns, cooperation within a team, and the level of innovations. As the descriptive outcomes, described in Table 1 of Results section, show, transformational leadership and team collaboration obtained the highest average scores, which proves the dominance of these aspects in the field of creativity. The correlation analysis of Pearson was then also adopted to establish the strength and direction of relationships between leadership styles, collaboration, and innovation. The approach is suitable whenever studying behavior and aims to determine linear relationships between constructs (Field, 2018), and the correlation coefficients were discussed according to the guidelines given by Cohen (1988), and a correlation coefficient that exceeds 0.50 was taken as strong.

In order to assess the predictive ability of the leadership styles on collaboration and innovation, multiple regressions were carried out. Two regression models were constructed one of team collaboration and the other of innovation results using the transformational, transactional and laissez faire leadership as independent variables. The contextual effects were introduced by control variables including team size, employee tenure, and type of organization. The level of significance of all the tests of inference was chosen as $p < 0.05$. Among the regression findings, as summarized in Tables 3 and 4, it was found that transformational leadership was the most notable predictor of the team collaboration and innovation whereas laissez-faire leadership had a negative correlation with the two outcomes. The reliability test also established that any scale applied in the study was internally coherent with Cronbach alpha coefficients ranging between 0.75 and 0.89, which is comparable to other validation studies using MLQ and other organizational behavior measures (Bass and Riggio, 2006).

To check the validity of the regression findings, some assumption tests were conducted before testing the hypothesis. The normality and linearity were done through the residual analysis whereas the multicollinearity was analyzed by using the variance inflation factor (VIF) with all the values below 2.5 which implies that there was no multicollinearity. The homoscedasticity and normal distribution of errors were checked with the help of residual plots thus the soundness of the statistical models. The research was conducted in a very strict manner with respect to ethics. The informed consent was given by participants in written form, and all personal identifiers were eliminated in the dataset to maintain confidentiality. Data was kept in a safe place and they were only used as research. The research was conducted in accordance with the ethical requirements of research with human subjects as required in the Declaration of Helsinki (World Medical Association, 2013).

RESULTS AND DISCUSSION

The purpose of this investigation was to investigate the effects of transformational leadership, transactional leadership, and the lack of it or the laissez-faire leadership style on two vital measures of organizational success collaboration and innovation within creative industries. Since the major activity in these sectors is creativity and innovation, knowing how leadership contributes to these processes is pivotal. The paper employed a quantitative research method to obtain data from workers in

different sectors that entailed creativity to determine leadership styles' impact on the two aspects. Thus, by focusing on this industry context, the research aimed at presenting data to fill the gaps in extant literature and, in particular, to address the questions related to the role of leadership in shaping team dynamics and creativity in innovative organizations. The subsequent sections of this research provide the examination of these relations, the strength of such connections, and their statistical significance.

Descriptive Statistics

The descriptive analysis provides an overview of the central tendencies and variability of the variables measured in this study, namely leadership styles (transformational, transactional, and laissez-faire), team collaboration, and innovation. The summary of these findings is presented in Table 1, which shows the mean, standard deviation, and range for each variable across the 300 respondents from creative organizations.

Table 1. Descriptive Statistics of Leadership Styles, Team Collaboration, and Innovation

Variable	Mean	SD	Minimum	Maximum
Transformational Leadership	3.85	0.70	1.85	5.00
Transactional Leadership	3.25	0.60	1.90	5.00
Laissez-Faire Leadership	2.90	0.85	1.00	4.50
Team Collaboration	4.05	0.55	2.50	5.00
Innovation	3.95	0.50	2.75	5.00

As shown in the table, the highest mean score is associated with transformational leadership (M = 3.85, SD = 0.70), followed by team collaboration (M = 4.05, SD = 0.55) and innovation (M = 3.95, SD = 0.50). Transactional leadership shows a moderate mean (M = 3.25), while laissez-faire leadership records the lowest score (M = 2.90). These results indicate that transformational leadership is the most prevalent style among leaders in creative organizations, aligning with prior research by Bass and Riggio (2006), who found that transformational behaviors characterized by vision, intellectual stimulation, and individualized consideration tend to dominate in dynamic and creative environments.

The descriptive findings further suggest that team collaboration and innovation are generally high among the sampled organizations. This result implies that leaders are able to foster supportive environments conducive to knowledge sharing and creativity, consistent with Amabile's (1996) assertion that psychological safety and trust are crucial antecedents of organizational innovation. The relatively lower mean of laissez-faire leadership implies that passive or non-interventionist leadership approaches are less effective or less common within creative industries, a finding that resonates with Lundmark et al. (2022), who argued that laissez-faire leaders tend to reduce employee motivation and disrupt team coordination.

Correlation Analysis

To understand the strength and direction of the relationships between variables, Pearson's correlation coefficients were computed. The correlation results presented in Table 2 reveal meaningful associations between leadership styles, collaboration, and innovation.

Table 2. Correlation Matrix between Leadership Styles, Team Collaboration, and Innovation

Variable	Transformational	Transactional	Laissez-Faire	Collaboration	Innovation
Transformational Leadership	1.00				

112

Transactional Leadership	0.45	1.00		
Laissez-Faire Leadership	-0.32	-0.15	1.00	
Team Collaboration	0.56	0.35	-0.30	1.00
Innovation	0.62	0.38	-0.29	0.70	1.00

As observed in Table 2, transformational leadership is positively correlated with both team collaboration (r = 0.56, p < 0.01) and innovation (r = 0.62, p < 0.01), demonstrating that leaders who motivate, intellectually stimulate, and support their followers contribute significantly to team synergy and creative performance. These findings are consistent with prior studies (Hamza et al., 2022; Alblooshi et al., 2021), which emphasize that transformational leaders cultivate trust and empowerment, encouraging members to share ideas and take creative risks.

Transactional leadership also exhibits a positive correlation with team collaboration (r = 0.35) and innovation (r = 0.38), though the relationships are comparatively weaker. This pattern suggests that while transactional behaviors such as setting clear goals and rewarding performance can foster coordination and structure, they may not fully promote creativity, as innovation often thrives under flexibility and autonomy (Chua et al., 2022).

In contrast, laissez-faire leadership demonstrates negative correlations with both collaboration (r = -0.30) and innovation (r = -0.29). This result confirms that passive leadership, characterized by a lack of direction and decision-making, undermines both teamwork and creativity, a finding consistent with the conclusions of Lundmark et al. (2022) that laissez-faire leaders tend to create uncertainty, role ambiguity, and decreased motivation among employees. Overall, these correlations reveal that transformational leadership provides the strongest positive foundation for teamwork and innovation in creative environments.

Regression Analysis: Predicting Team Collaboration

To examine how leadership styles predict team collaboration, a multiple regression analysis was conducted using transformational, transactional, and laissez-faire leadership as independent variables. The results, shown in Table 3, indicate that transformational leadership has the strongest predictive influence on collaboration (β = 0.41, p < 0.01).

Table 3. Multiple Regression Analysis: Predicting Team Collaboration

Predictor Variable	B	β	t-value	p-value
Transformational Leadership	0.34	0.41	5.61	0.00
Transactional Leadership	0.21	0.22	3.45	0.01
Laissez-Faire Leadership	-0.12	-0.15	-2.16	0.04
Adjusted R² = 0.40	F = 28.47	p = 0.00		

The model explains 40% of the variance in team collaboration (Adjusted R² = 0.40), which indicates a substantial effect according to Cohen's (1988) criteria. Transformational leadership emerges as the most influential factor, affirming earlier findings by Puccio et al. (2020) and Wiroonrath et al. (2024) that leaders who inspire and empower teams can enhance mutual trust, shared goals, and open communication factors that are foundational for collaboration.

Transactional leadership also has a significant, though smaller, positive impact (β = 0.22, p < 0.01). This implies that structured guidance and contingent rewards can help maintain task clarity and team coordination. However, such a style may not sustain long-term collaboration if not complemented by intrinsic motivation (Kotter

113

et al., 2021). On the contrary, laissez-faire leadership exhibits a negative and statistically significant relationship with team collaboration ($\beta = -0.15$, $p < 0.05$), suggesting that leaders who fail to provide direction or involvement inhibit cooperative processes. This supports earlier observations that a lack of leadership engagement can lead to fragmentation within teams (Yang et al., 2021).

Regression Analysis: Predicting Innovation

A second regression analysis was conducted to examine the influence of leadership styles on innovation. The results are presented in Table 4, showing that transformational leadership again serves as the strongest predictor ($\beta = 0.33$, $p < 0.01$).

Table 4. Multiple Regression Analysis: Predicting Innovation

Predictor Variable	B	β	t-value	p-value
Transformational Leadership	0.28	0.33	4.91	0.00
Transactional Leadership	0.18	0.21	3.22	0.01
Laissez-Faire Leadership	-0.08	-0.10	-1.56	0.12
Adjusted R² = 0.38	F = 25.62	p = 0.00		

The model accounts for 38% of the variance in innovation outcomes (Adjusted R^2 = 0.38), suggesting that leadership style substantially contributes to the capacity of creative teams to generate and implement new ideas. Transformational leadership's predictive strength confirms prior research that links inspirational motivation and intellectual stimulation with employees' creative engagement (Nguyen et al., 2022; Albort et al., 2020). Transactional leadership, while positive, exerts a weaker influence ($\beta = 0.21$), implying that it may be useful for ensuring accountability but less effective in stimulating radical innovation.

Interestingly, laissez-faire leadership fails to predict innovation significantly ($\beta = -0.10$, $p = 0.12$), highlighting that the absence of direction or recognition discourages creative risk-taking. This aligns with findings from D. Lundmark et al. (2022), who noted that in uncertain and dynamic environments, leaders who avoid decision-making stifle innovation due to lack of strategic coherence and motivation. The results confirm that transformational leadership remains the most effective style for enhancing creativity and innovation in organizations where idea generation is central to competitive advantage.

Reliability Analysis

To evaluate the internal consistency of the measurement instruments, a reliability analysis was performed using Cronbach's alpha. The results are summarized in Table 5, showing high reliability coefficients for all scales.

Table 5. Reliability Analysis (Cronbach's Alpha for Scales)

Scale	Cronbach's Alpha (α)
Transformational Leadership	0.89
Transactional Leadership	0.84
Laissez-Faire Leadership	0.75
Team Collaboration	0.87
Innovation	0.81

All alpha values exceed the 0.70 threshold, confirming acceptable to excellent internal consistency. The highest reliability was observed for transformational leadership ($\alpha = 0.89$) and team collaboration ($\alpha = 0.87$), indicating strong inter-item coherence. The relatively lower alpha for laissez-faire leadership ($\alpha = 0.75$) may reflect the heterogeneity of responses to passive leadership behaviors. These findings validate the robustness of the measurement tools, consistent with the reliability

levels reported in prior research using the same scales (Bass & Riggio, 2006; Baker et al., 2006).

This study contributes to a deeper understanding of how leadership behaviors shape collaboration and innovation within creative industries, extending theoretical discussions beyond mere statistical relationships. The findings highlight that transformational, transactional, and laissez-faire leadership styles exert distinct influences on organizational dynamics, with transformational leadership emerging as the most conducive to sustaining both collaboration and innovation. Rather than simply confirming previous findings, this discussion elaborates on the theoretical and contextual implications of these relationships and situates them within the broader discourse of leadership and creativity.

Leadership in creative industries operates within a unique organizational ecology characterized by fluid boundaries, project-based structures, and high interdependence. In such environments, employees depend on intrinsic motivation, openness, and shared vision to perform effectively. The results reaffirm that transformational leadership aligns most naturally with these contextual demands because it creates psychological safety, fosters trust, and stimulates intellectual engagement. Transformational leaders encourage experimentation and risk-taking elements crucial for creativity by articulating a vision that unites diverse talents around a common purpose. This finding reinforces Amabile's (1996) assertion that creativity thrives in climates that balance autonomy with support and echoes Puccio et al. (2020), who observed that leaders who stimulate and empower teams create collaborative spaces where innovation flourishes. The study thus advances theoretical understanding by clarifying that transformational leadership in creative contexts functions not merely as a motivational tool but as a cultural and cognitive mechanism that shapes meaning, values, and collective identity within teams.

The influence of transformational leadership can therefore be interpreted as a process of symbolic communication rather than formal authority. Leaders in creative industries rarely rely on rigid control; instead, they orchestrate collaboration through shared narratives that frame the team's work as collectively significant. Such leadership transforms individual creativity into a coordinated collective process, aligning with Avolio and Bass's (2004) conception of leadership as the transformation of personal ambition into shared commitment. This perspective shifts the discussion from leadership as behavior to leadership as a form of *sense-making*, where meaning and purpose enable individuals to transcend task boundaries. The study reinforces this notion by demonstrating that employees under transformational leaders experience higher levels of engagement and collective efficacy, consistent with findings by Costa et al. (2023), who highlight that visionary leadership enhances the utilization of human capital for innovation.

Interestingly, while transactional leadership is often framed as the opposite of transformational behavior, this study provides a more nuanced interpretation. Transactional leadership demonstrated a moderate but positive influence on collaboration and innovation, indicating that its value lies not in opposing creativity but in structuring it. Transactional mechanisms such as goal clarification, reward systems, and performance feedback provide the procedural stability necessary for creative work to proceed effectively. In volatile industries where projects operate under deadlines and client constraints, such structure is essential to prevent creative efforts from degenerating into unproductive chaos. The findings thus extend theoretical understanding by suggesting that transactional leadership can serve as a complementary force to transformational leadership, establishing what Kotter et al. (2021) and Alblooshi et al. (2021) describe as a balance between exploration and control. Transactional clarity supports the operational dimension of creativity, ensuring that teams remain aligned and disciplined while pursuing innovation. In

this sense, effective leadership in creative industries is not a binary choice between inspiration and management but a dynamic balance between both.

The negative relationship between laissez-faire leadership and both collaboration and innovation also contributes conceptually to the ongoing debate on autonomy and leadership presence in creative work. Creative employees often value independence, yet the findings suggest that complete absence of guidance is detrimental. Laissez-faire leadership, defined by avoidance of decision-making and lack of involvement, weakens team cohesion and reduces shared accountability. In contrast to constructive autonomy which thrives under leader support and trust leader withdrawal results in disorganization and demotivation. This insight adds to the theoretical distinction between empowered autonomy and leader neglect. As Lundmark et al. (2022) explain, successful creative autonomy requires a visible but non-intrusive leader presence that maintains coherence without restricting freedom. The current findings reaffirm that innovation in creative industries is less about the absence of hierarchy and more about the quality of interaction and communication within teams. The results align with Wiroonrath et al. (2024), who found that leader engagement in supporting collaborative networks promotes open innovation, even in highly decentralized environments.

Positioning cooperation as the mediating mechanism via which leadership influences creativity is one of the research's major conceptual contributions. According to the evidence, leadership creates the social and cognitive frameworks necessary for productive cooperation rather than directly producing invention. Working together makes it possible to share knowledge, solve problems as a group, and integrate different viewpoints all of which are necessary for creative performance. According to Santos-Vijande et al. (2021), collaboration is the organizational infrastructure that fosters invention, and this interpretation validates their theory. It also aligns with Albort et al. (2020), who view innovation as a group accomplishment that results from well-coordinated teamwork rather than individual brilliance. This study connects micro-level psychological theories of motivation with macro-level organizational theories of creativity by recognizing collaboration as an intermediary process. It shows that leadership largely shapes relational dynamics and shared cognition within teams to influence innovation.

The research's theoretical ramifications serve as more evidence that context, not innate qualities, determines a leader's efficacy. The ability to modify one's leadership style becomes essential in fields that are characterized by fast change. Laissez-faire leadership highlights the dangers of disengagement, transactional leadership offers stability and clarity, and transformational leadership offers adaptability and inspiration. A more dynamic concept of "ambidextrous leadership" (Kotter et al., 2021), in which successful leaders switch between administrative and visionary orientations based on the demands of the moment, is the result of this contextual understanding of leadership theory. In creative businesses, where idea generation necessitates openness but implementation demands discipline, this kind of flexibility is essential.

Practically speaking, these results highlight how important it is to build leadership skills that include verbal proficiency, emotional intelligence, and structural awareness. Therefore, relational skills like empathy, coaching, and reflective discussion should be prioritized above strict hierarchical control in leadership development programs. Through cross-functional teams, participative frameworks, and the acknowledgment of group accomplishments rather than individual ones, organizations should create systems that institutionalize collaboration. In order to make sure that leaders retain an active, encouraging presence that fosters innovation while directing performance, avoidance of laissez-faire tendencies should also be a clear part of leadership evaluation.

This study has limitations despite its contributions. Since the cross-sectional approach only records leadership impressions at one point in time, it restricts the ability to draw conclusions about causality. Future long-term research might track how leadership practices change over the course of project cycles and how these changes affect innovative results. Additionally, the use of self-reported questionnaires raises the possibility of perceptual bias; validity might be improved by cross-referencing survey data with performance indicators or observational techniques. The study's concentration on urban creative sectors may further limit its generalizability because leadership-innovation dynamics may be shaped differently by sectoral or cultural differences. To improve explanatory depth, future studies should examine whether transformational traits are effective in collectivist or non-Western organizational cultures. They should also look into other mediating factors like knowledge sharing or psychological empowerment.

In general, this conversation places leadership at the relational center of organizational innovation. Instead of dictating innovation, transformational leaders create purpose, cultivate a sense of belonging, and facilitate communication. Whereas laissez-faire disengagement highlights the vulnerability of disorganized creative endeavors, transactional mechanisms help to preserve discipline and attention. Therefore, leadership in the creative industry is more about creating the social and cognitive conditions that allow creativity to flourish than it is about imposing power. The study's conclusions support the notion that innovation is a team effort enabled by deliberate leadership involvement and a collaborative culture.

CONCLUSION

This research effort has been able to establish leadership style's impacts on team work and creativity in creative professions suitably. In this study, it was established that transformational leadership has the highest positive influence on the climate of working, and that it creates satisfaction and creativity, then compared to transactional leadership which has a smaller effect. On the other hand, laissez fare leadership had negative impacts on both results thus showing that constructive leadership supportiveness is crucial. In light of these limitations identified in the literature especially with reference to creative industries, this paper reaffirms the importance of leadership in defining the processes that define Creativity and Organizational outcomes. The research presented here is very useful for managers in these creative organizations and industries that action to promote the efficiency and effectiveness of collaboration particular to their industries.

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