

The Interactive Relationship between Paternalistic Leadership Strategies and Organisational Innovation for Addressing Organisational Slack: an Analytical Study of a Sample from Faculties at Dhi-Qar University

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The purpose of the current research is to understand the role of paternalistic leadership strategies (i.e., authoritarian leadership, good leadership and ethical leadership) of a surveyed sample. The research considers the interactive role of organisational innovation in business practice, workplace organisation and external relations to manage organisational slack (financial, creative, human and business-based slack). The present research has utilized the questionnaire as a key instrument for gathering the necessary data required to achieve the research objective. A total of 320 questionnaires were distributed to determine the level of paternalistic leadership, organisational innovation and organisational slack. 305 questionnaires were retrieved. Additionally, a specific statistical methods were used: arithmetic mean, standard deviation, spearman correlation coefficient and simple and multiple slack coefficients. The results of the study demonstrated a statistically significant correlation between paternalistic leadership, organisational innovation and organisational slack of the sample. Also demonstrated was a direct relationship between paternalistic influences on organisational innovation to address organisational slack.

Key words: *Paternalistic Leadership Strategies, Organisational Innovation, Organisational Slack.*

Section One: Research Methodology

First: Research Problem

The issue of paternalistic leadership strategies has received great attention from business organisations because it is essentially the basis on which they can promote their performance. Promoting organisational innovation is a mediator in strengthening the relationship and is used to identify a gap in knowledge. This presents itself as a major question and is seen as one of the most important challenges that may face an organisation. Rapid environmental developments and hurdles in the business world raise the following questions:

1. What is the level of paternalistic, authoritarian, good, and ethical leadership covered in the study sample?
2. What cases can be tracked by the study sample in order to promote organisational innovation with respect to business practices, the workplace and external relations?
3. To what degree do paternalistic leadership strategies contribute to organisational innovation and, similarly, does organisational slack have a role to play?

Second: Research Significance

The following is proposed to demonstrate the significance of the research:

1. This research contributes to the development of the socio-economic welfare of workers as it focuses on emphasising the importance of parental leaders, which, in turn, affects working people.
2. The significance of this research lies in its contribution to a definition of the sample being investigated, the need to pay attention to Paternalistic Leadership, and the focus towards further organisational innovation to address organisational slack.
3. The education sector to which this research belongs, the tertiary sector, is vital as it contributes significantly to the development of teaching staff. It also promotes the innovation and progress in educational institutions, which, in turn, leads to the development of a society. This may be the world in general and Iraq in particular. This research will assist the University to develop appropriate and real, localised solutions to build and develop this important educational sector.

4. The research measures the relationship of correlation and the effect of direct and indirect types between research variables.
5. The results and recommendations of the present research may benefit leaders and employees of the educational sector in general and the university (the sample of the study) in particular. The recommendations provided will contribute to the formation of a framework to understand the dimensions of Paternalistic Leadership strategies and the interactive role of organisational innovation for managing organisational slack.

Third: Research Objectives

The objectives of this research are to:

1. Identify the extent of Paternalistic Leadership in organisations;
2. Make known the extent and availability of organisational innovation from the point of view of faculty members (the sample of the study);
3. Determine the level of interest of the study sample by addressing organisational slack concerns; and
4. Determine the nature, type of relationship and impact between search variables.

Fourth: Research Hypotheses

- **Correlation Hypotheses**

1. **First Main Hypothesis:** That there is a statistically significant correlation between Paternalistic Leadership strategies, organisational innovation, and organisational slack.
 - Hypotheses of influence
2. **Second Main Hypothesis:** That there is a direct and statistically significant impact of Paternalistic Leadership on organisational innovation.
3. **Third Main Hypothesis:** That there is a statistically significant interactive effect of Paternalistic Leadership on organisational slack through the role of organisational innovation.

Fifth: Research Sample Population

The research community is that of *Dhi Qar University*. The sample comprises 305 teaching members out of a total of 438, as shown in Table (1) below. In order to represent the sample in full, the researcher distributed 320 questionnaires, 305 of which were valid for statistical analysis.

Table 1: Current Research Sample

No.	Faculty	Overall Teaching Members	Number Of Teaching Staff In Facility
1	Law	27	38
2	Education for Pure Sciences	60	76
3	Engineering	45	66
4	Sciences	60	81
5	Education for Human Sciences	57	84
6	Arts	56	93
Overall Sample Population		Sample Required : 305	

Sixth: Study Measures

In order to carry out the research, a questionnaire was used as the main data collection and measurement tool. In addition to general information, the questionnaire included three axes as outlined in Table 2 below:

Table 2: Questionnaire Axes and their Measures

Axes	Variables	Dimensions	Items	Sources
First Axis	Paternalistic Leadership	Authoritarian leadership	5	Fu& Si,2013
		Good leadership	5	Wu et al,2011
		Ethical Leadership	5	Cheng et al,2009
Total			15	
Second Axis	Organisational Innovation	Organisational innovation in business Practicing	3	Camisón&Villar,2014
		Organisational innovation in the organisation of the workplace	3	
		Organisational innovation in external relations	3	
Total			9	
Third Axis	Organisational Slack	Financial Slack	5	Dai&Kittilaksanawong,2014
		Human Slack	5	
		Innovative Slack	4	Bowen,2002



		Slack-based business unit level	4	Indjejikian&Michal,2006
Total			18	
Overall			42	

Section Two: Theoretical Framework

First: Paternalistic Leadership Strategies

❖ *Paternalistic Leadership Concept*

As a subject, paternalistic leadership strategies is of considerable significance. Most researchers, writers and practitioners do not agree on one unified concept or definition. According to Pellegrini & Scandura (2008: 567), paternalistic leadership strategies refer to the combination of strong power with concern and consideration. For Cheng et al. (2004:92), paternalistic leadership strategies are a method that combines strong discipline and authority with patriarchal goodness and ethical integrity. Others emphasised that paternalistic leadership strategies are one of the more relational leadership approaches that have emerged with so much attention (Chou et al., 2015: 686; Pellegrini & Scandura, 2008:566; Pellegrini et al, 2010: 391). Paternalistic leadership is a concept that has great potential for international leadership research (Aycan, 2006:445; Farh et al, 2008:5). Al-Abidy & Al-Hadi (2017:61) point out that paternalistic leadership strategies mean family leadership with the personality of a father who uses his authority to promote the well-being of the family, and refers to the method that combines good and parental domination.

Paternalistic leadership strategies refer to leaders' behaviours, such as the behaviour of a father and his children. Using this analogy, leaders are keen to help staff in every way possible; they are concerned about employees and, as a result of this interest, loyalty from subordinates towards the leader and the organisation is in place (Anwar, 2013: 109). Saher et al. (2013: 444) assume that paternalistic leadership strategies are a method that combines strong discipline and authority with good leadership and ethical integrity. Rehman & Afsar (2012: 148) state that paternalistic leadership strategies aim at humanising and moralising the workplace. (Cheng & Jen, 2005: 2) emphasised that patriarchal leadership strategies are the dominant leadership style in organisations and relational issues of this style have increasingly attracted researchers' attention.

Gelfand et al. (2007: 493) concluded that paternalistic leadership strategies are a hierarchical relationship that guides the professional and personal life of subordinates in a parent-like manner. From this relationship, the leader expects loyalty and respect. Whereas, Erben & Guneser (2008: 956) argue that paternalistic leadership strategies are more a cultural feature than a kind of leadership behaviour; they are an indication of paternalistic relationships at the organisational level.

While Zhou & Long (2005: 227) found that paternalistic leadership strategies are a way of expressing communication between the organisation's leader and employees. The importance of paternalistic leadership lies in promoting trust between the leader and workers, the harmony of the group, the emotional motivation and the lifelong commitment of the employee (Pellegrini & Scandura, 2008: 567). Moreover, the importance lies in its contribution to the development a business's culture (Sheer, 2013: 38), directing the leader's attention to the lives of working individuals (Pellegrini & Scandura, 2008: 568). The participation of senior management in making sound management decisions (Mussolino & Calabr, 2014: 201) also plays an instrumental role.

❖ *Strategies and Dimensions of Paternalistic Leadership:*

There are three main dimensions to measure parental leadership strategies:

- 1) **Authoritarian leadership** refers to leadership behaviours that emphasise power and control (Pellegrini & Scandura, 2008: 567). Niu et al. (2009: 32) believes that authoritarian leadership uses strategies to control and emphasise power and authority, as well as to highlight strict discipline. Al-Abidi& Al-Hadi, 2017: 63) points out that characteristics of authoritarian leadership confirm the existence of a strong, absolute, unquestioned authority. The existence of strict control over individuals requires members to obey the commander's instructions without reservation or hesitation.

Authoritarian leaders:

- Do not want to authorise subordinates and exercise control over them and watch the members closely.
 - Have the ability to undermine by deliberately ignoring suggestions and contributions of members.
 - Attempt to preserve their dignity and improve their image in front of others in order to gain confidence from subordinates.
 - Demand that members perform well, directly criticise poor performance and guide individuals.
- 2) **Good leadership** refers to the anxiety or stress of the individual towards the personal well-being of subordinates (Pellegrini & Scandura, 2008: 567). Niu et al., (2009: 32) believe that good leadership expresses overall and personal concern for the welfare of subordinates. Anwar (2013: 109) points out that good leadership means that there are good relations with employees by dealing with them with care. They strive to create a good and friendly work environment that benefits individuals and organisations. Moreover, good leadership is reflected in the performance results of workers and benefits them and their organisation in turn. Typical aspects of good leadership include

dedicated efforts to care for group members, attention to staff comfort and encouragement when faced with problems (Kaygısız & Otken, 45: 45).

3) **Ethical Leadership** depicts a leader who demonstrates superior personal virtues (Pellegrini & Scandura, 2008: 573). Niu et al. (2009: 32) sees ethical leadership in terms of seeking superior, ethical character. Others point out that ethical leaders assert ethical values such as equity and justice (Burns, 1978; Bass, 1985; Kaygısız & Otken, 2015). Al-Abidi and al-Hadi, 2017: 65) believe that ethical leadership comprises:

- Real attention to and care for subordinates in areas outside the scope of official work;
- Attention to the needs of dependents (physical and psychological) and;
- Dealing with subordinates with respect and without prejudice.

Second: Organisational Innovation

❖ *Organisational Innovation Concept*

Innovation is the cornerstone of most business organisations and is the means by which entrepreneurs create new resources for wealth or provide existing resources with enhanced potential to create wealth (Garcia et al., 2006: 22). Organisational innovation is the introduction of new organisational approaches to business management in the workplace and / or the relationship between the organisation and external agents (Camisón & Villar, 2014: 2891). OECD (2005: 3) believes that organisational innovation is the implementation of a new organisational method in business practices, organisation of the workplace or external relations. Armbruster et al. (2008: 644) concluded that organisational innovation meant changes in the organisation's structure and processes because of the implementation of new management and operational concepts and practices, such as teamwork in production, supply chain management, or quality management systems.

Battisti & Stoneman (2010: 187) emphasised that organisational innovation involves new management practices, organisation, marketing concepts and corporate strategies. Jung et al. (2003: 533) assumed that organisational innovation is the creation of new valuable and useful products and services within an organisational context. Organisational innovation, on the other hand, sees the organisation develop new or improved products/services and to introduce those products/services to the market. Gumusluoglu & Ilsev (2009: 461) described organisational innovation as the creation of new, important and useful products or services in the organisational environment. Khan et al. (2009: 679) considered organisational innovation as an activity aimed at developing, implementing, interacting with and modifying an idea as necessary. Tan & Nasurdin (2011: 156) defined organisational innovation, on a large scale, as creating a new idea and a new behaviour for the organisation.

❖ *Organisational Innovation Dimensions*

Camisón & Villar (2014: 2900) suggest that organisational innovation is limited to three main dimensions:

- 1) Organisational innovation in the practice of business: This refers to the implementation of new methods to regulate procedures and procedures, such as the establishment of databases of best practices, improved retention of workers, or the introduction of management systems.
- 2) Organisational innovation in the structure of the workplace: This refers to the implementation of new models for the distribution of responsibilities and decision-making among employees for the division of labour, as new concepts for structuring activities (Camisón & Villar, 2014: 2892).
- 3) Organisational Innovation in External Relations: Odhong & Omolo (2014: 147) assumes that external relations with working individuals is limited to interactions between employees as well as with employers. This interaction can be formal or informal, encompassing all areas of management including labour relations and employee participation, communication and industrial relations. This dimension also refers to the implementation of new approaches to organisational relations with other companies or public institutions, such as collaboration with research organisations or clients, integration with suppliers, or outsourcing (Camisón & Villar, 2014: 2892). Relationships with individuals working outside the scope of work demonstrate relationships with workers to create a competitive advantage through training, development, performance improvement and the help of a diverse workforce to improve the competitive context of the organisation (Zareei et al., 2014: 7; Firooz, 2012: 674). Xesha (2014: 313) stated that without strong relationships with stakeholders it was impossible to achieve success for business owners as business owners were in desperate need of the client, the worker, and other business owners, and thus could exchange views, resources and practices that would help them achieve their long-term goals.

Third: Organisational Slack

❖ **Organisational Slack Concept**

Organisational slack is an important issue as it reflects the fundamental issues that are used to enhance experimentation by allowing uncertainty (Chen & Huang, 2010: 411). Hakim, Natalia (2015: 310) refer to organisational slack as inefficient resource use or poor performance by less information-owning employees such as sub-business unit managers. On the other hand, organisational slack is an inability to invest an organisation's resources to achieve goals that result from a combination of internal and external influences. This inability causes slackness in tall areas of the organisation. Moses (1992: 39) argues that

organisational slack is a set of emergency resources used by an organisation to accommodate potential variability and uncertainty in its environment. Scholars consider organisational slack as a set of actual or potential resources that allow the organisation to adapt successfully to internal pressures. With regard to external pressures, adaptation focuses on a strategic policy change (Tan & Peng, 2003: 1250; Alvarez et al., 2007: 466). Kerschbamer & Tournas (2003: 511) conclude that organisational slack is an important source of cost savings in recessions because it provides the necessary support to address various environmental issues. Peng et al. (2010: 613) attributes organisational stagnation to potential resources that could be used to achieve an organisation's goals. Su et al. (2009: 76) believes that organisational slack can be used to support innovations and facilitate strategic behaviours.

❖ **Organisational Slack Dimensions**

The dimensions of the organisational slack can be summarised as follows:

- 1) **Financial slack:** financial stagnation is associated with stagnant theories and refers to a level of financial resources that do not exceed minimum requirements. It is also an important concept in management and strategic management theories. This concept provides an understanding of organisational phenomena such as efficiency, operation, innovation and performance.
- 2) **Innovative slack (Innovation):** The modern era has witnessed changes in all aspects of human life. The rapid development of technology and the provision of information communication technology tools played a key role in these developments. The emergence of the Internet and the massive expansion of electronic networks in all fields led to a shift from traditional methods of doing business to contemporary, electronic methods. (Hakim, Natalia: 2015: 309). Resca et al. (2013: 72) note that transformation is a process whereby the organisation is reorganised within its own environment. However, organisations have successfully transformed through:
 - Mastering new technologies
 - Entering new industries and markets, launching new products by changing the company's culture and reengineering organisational mechanisms (Johri, 1997: 236).
- 3) **Human slack:** refers to the organisation's human resources which provide flexibility and a possibility of creating, generating or strengthening new resources, as well as broadening available resources to achieve organisational objectives (Chen et al., 2013: 1970). Kerschbamer & Tournas (2003: 511) speak of to human resources and the main role they play in interpreting counter cyclical fluctuations.

- 4) **Business- based slack:** refers to the fact that the business unit is the building block of most business organisational structures and is designed to serve the targeted product sectors and selected markets (Campbell & Goold, 2003). It is responsible for maximizing the value that can arise from servicing these markets, resulting in a relatively high level of authority and autonomy over decisions about their operating performance (Hakim, Natalia: 2015: 309).

Section Three: Practical Part

First: Research Axes and Item Encoding

To facilitate the process of statistical analysis, variables included in the study were compensated for by a set of symbols and abbreviations shown in Table 3 below:

Table 3: Encoding questionnaire axes and their measurements

Axis	Variable	Dimension	Item	Code
First Axis	Paternalistic Leadership (PL)	Authoritarian leadership	5	LS
		Good leadership	5	LH
		Ethical Leadership	5	LU
Second Axis	Organisational Innovation (IO)	Organisational innovation in business Practicing	3	IT
		Organisational innovation in the organisation of the workplace	3	IE
		Organisational innovation in external relations	3	IR
Third Axis	Organisational Slack (OS)	Financial Slack	5	OSM
		Human Slack	5	OSI
		Innovative Slack	4	OSH
		Slack-based business unit level	4	OSC

Second: Normal Distribution Analysis

In order to examine whether data extracted from the sample research community follows normal distribution, the study employed a Kolmogorov – Smirnov and Shapiro – Wilk test as shown in Table 4 below.

- **Normal Distribution Test of Paternalist Leadership Variable**

Table 4: Paternalist Leadership Variable Normal Distribution Tests (Kolmogorov – Smirnov and Shapiro – Wilk)

Variable	Kol-Smi	P-value	Sha-Wil	P-value
LS	.119	> 0.05	.946	> 0.05
LH	.134	> 0.05	.939	> 0.05
LU	.115	> 0.05	.953	> 0.05

The results in Table 4 above shows that data adheres to a normal distribution. The tested value of Kolmogorov-Smirnov and Shapiro-Wilk is higher than (0.05) which is statistically accepted (Park, 2008: 8). Subsequently, results confirm the use of statistical tools to test the validity of hypotheses and to verify the reliability and stability of measuring instruments used.

• **Normal Distribution Test of Organisational Innovation**

Table 5: Organisational Innovation Variable Normal Distribution Tests (Kolmogorov – Smirnov and Shapiro – Wilk)

Variable	Kol-Smi	P-value	Sha-Wil	P-value
IT	.179	> 0.05	.943	> 0.05
IE	.228	> 0.05	.886	> 0.05
IR	.180	> 0.05	.931	> 0.05

The results in Table 5 above shows that data follows a natural distribution. The value tests of Kolmogorov-Smirnov and Shapiro-Wilk is higher than (0.05) which is statistically accepted (Park, 2008: 8). Subsequently, the results endorse the use of statistical tools to test the validity of hypotheses and to verify the reliability and stability of measuring instruments used.

• **Normal Distribution Test of Organisational Slack**

Table 6: Organisational Slack Variable Normal Distribution Tests (Kolmogorov – Smirnov and Shapiro – Wilk)

Variable	Kol-Smi	P-value	Sha-Wil	P-value
OSM	.174	> 0.05	.936	> 0.05
OSI	.095	> 0.05	.966	> 0.05
OSH	.159	> 0.05	.948	> 0.05
OSC	.098	> 0.05	.970	> 0.05

The results in Table 6 above show that data adheres to a natural distribution. The value tests of Kolmogorov-Smirnov and Shapiro-Wilk are higher than (0.05) which is statistically



accepted (Park, 2008: 8). Given this, the results confirm the use of statistical tools to test the validity of the hypotheses and to verify the reliability and stability of the measurement tools used.

Third: Tolerance Analysis

For the purposes of verifying the structural integrity of a research tool, an empirical analysis of the variables must be carried out. Empirical analysis, one application of the structural modelling equation, is used to determine and test the specifically built models and validate the study's relevance.

✓ *Paternalistic Leadership Variable*

This section presents a global structural analysis of paternalistic leadership items using the AMOS.v.23 program.

Figure 1 below shows the structural chart of paternalistic leadership items and demonstrates that items were saturated with a standard weight higher than (0.50). This attests to the acceptance of the structural model. Table 6 above illustrates the standard weights acquired by the paternalistic leadership variable.

Figure 1. Structural Model of Paternalistic Leadership Items

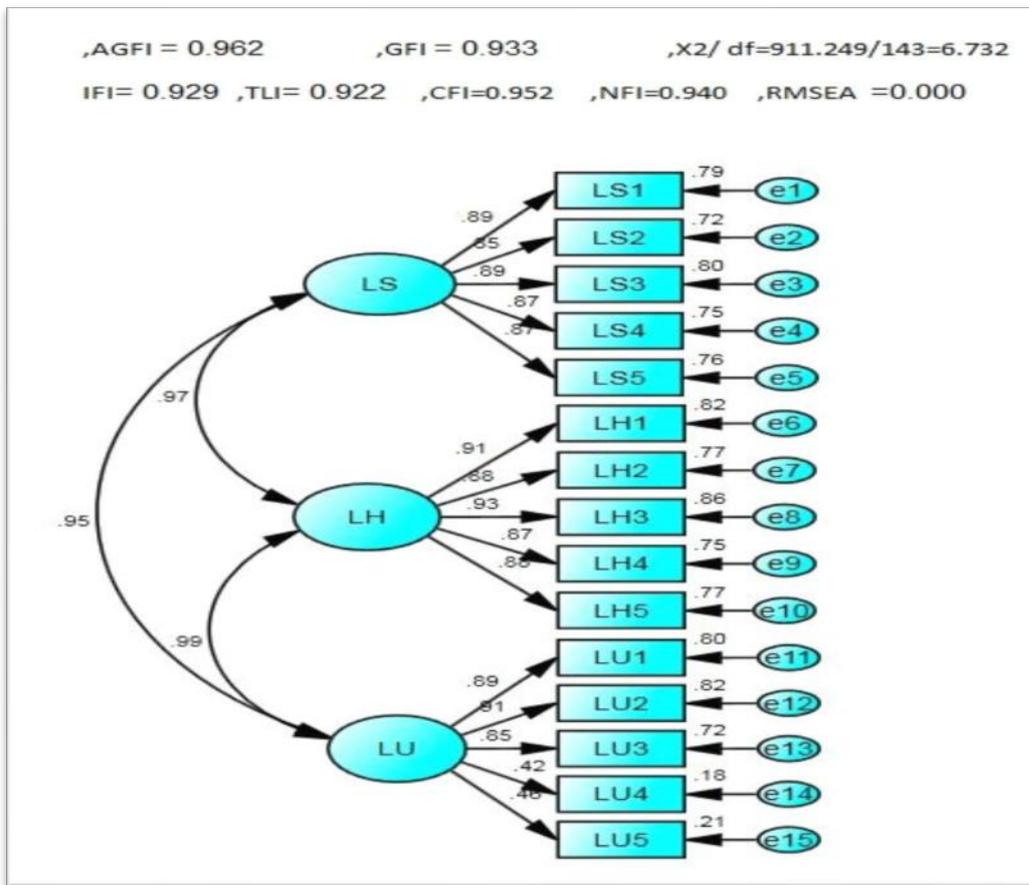


Table 7: Standard Weights (Standard Saturations) of Paternalistic Leadership Variable

Item			Estimate
LS1	<---	LS	.889
LS2	<---	LS	.848
LS3	<---	LS	.892
LS4	<---	LS	.868
LS5	<---	LS	.870
LH1	<---	LH	.908
LH2	<---	LH	.876
LH3	<---	LH	.930
LH4	<---	LH	.867
LH5	<---	LH	.877
LU1	<---	LU	.894
LU2	<---	LU	.906
LU3	<---	LU	.850
LU4	<---	LU	.422

LU5	<---	LU	.455
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❖ *Organisational Innovation Variable*

This section indicates the global structural analysis of Organisational Innovation items using the AMOS.v.23 program.

Figure 2 below shows the structural chart of Organisational Innovation items; items saturated with a standard weight higher than (0.50). This demonstrates the acceptance of the structural model for Organisational Innovation.

Figure 2. Structural Model of Organisational Innovation Items

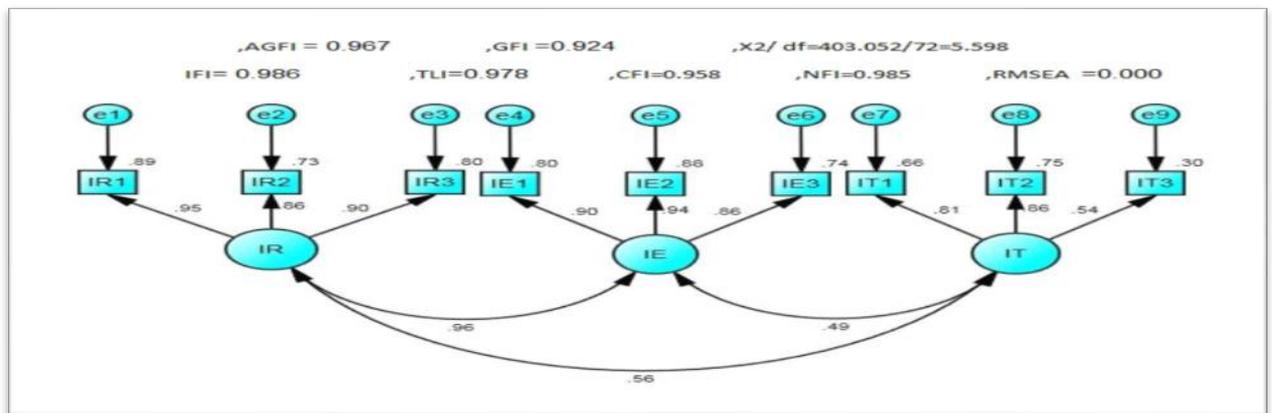


Table 8 below portrays the standard weights acquired by the Organisational Innovation variable.

Table 8: Standard Weights (Standard Saturations) of Organisational Innovation Variable

Item		Estimate
IR1	<---	IR .946
IR2	<---	IR .856
IR3	<---	IR .897
IE1	<---	IE .896
IE2	<---	IE .936
IE3	<---	IE .858
IT1	<---	IT .811
IT2	<---	IT .864
IT3	<---	IT .544

✓ *Organisational Slack Variable*

This section shows the global structural analysis of Organisational Slack items using the AMOS.v.23 program.

Figure 3 below displays the structural chart of Organisational Slack items; items that were saturated with a standard weight higher than (0.50). This verifies acceptance of the structural model.

Figure 3. Structural Model of Organisational Slack Items

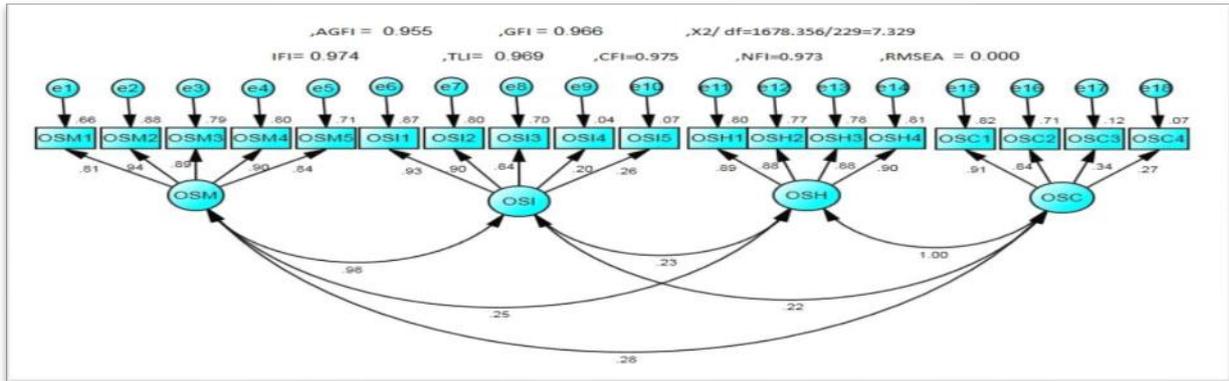


Table 9 below demonstrates the standard weights obtained by the Organisational Slack variable.

Table 9: Standard Weights (Standard Saturations) of Organisational Slack Variable

Item			Estimate
OSM1	<---	OSM	.811
OSM2	<---	OSM	.937
OSM3	<---	OSM	.887
OSM4	<---	OSM	.896
OSM5	<---	OSM	.841
OSI1	<---	OSI	.932
OSI2	<---	OSI	.896
OSI3	<---	OSI	.835
OSI4	<---	OSI	.204
OSI5	<---	OSI	.256
OSH1	<---	OSH	.893
OSH2	<---	OSH	.877
OSH3	<---	OSH	.883
OSH4	<---	OSH	.899
OSC1	<---	OSC	.906
OSC2	<---	OSC	.844
OSC3	<---	OSC	.340
OSC4	<---	OSC	.273

Fourth:

Testing the Consistency and Validity of the Questionnaires Items

It is clear from Table 10 below that Cronbach's Alpha coefficient is greater than 75%. Nunnally & Bernstein (1994: 297) confirm that this ratio is acceptable and, as such, indicates consistency and harmony of the current research scale items.

Table 10: Cronbach's Alpha of the Research Variables Dimensions

Axes	Variables	Dimensions	Items	Cronbach per Dimension*	Validity Coefficient per Dimension	Overall Cronbach Values	Overall Validity Coefficient
First Axis	Paternalistic Leadership	Authoritarian Leadership	5	.963	0.927	.962	.925
		Good Leadership	5	.964	0.929		
		Ethical Leadership	5	.964	0.929		
Second Axis	Organizational Innovation	Organizational Innovation in Business Practicing	3	.967	0.935	.962	.925
		Organizational Innovation in the Organization of the Workplace	3	.964	0.929		
		Organizational Innovation in External Relations	3	.964	0.929		
Third Axis	Organizational Slack	Financial Slack	5	.963	0.927	.965	.931
		Human Slack	5	.964	0.929		
		Innovative Slack	4	.975	0.951		
		Slack-Based Business Unit Level	4	.970	0.941		

Fifth: Statistical Description of the Research Variables

For the purposes of this research, a definition of the computational environment and standard deviations of each dimension is discussed in this section.

1) Paternalistic Leadership Variable

✓ *Authoritarian Leadership*

Notably, the results in shown in Table 11 below demonstrates that the highest arithmetic mean was the third item with a value of 4 and a standard deviation of 0.854. On the other

hand, the second item was ranked last because it was minimal at a value of 3.72; with a standard deviation of 1.032.

Table 11: Arithmetic Means, Standard Deviations, Minimum and Upper Limits of the Response Levels and Direction of Response to Post- Authoritarian Leadership

Rank	Arithmetic Mean	Standard Deviation	Item Priority
ls1	3.89	0.946	3
ls2	3.72	1.032	5
ls3	4	0.854	1
ls4	3.92	0.851	2
ls5	3.79	0.926	4
<u>LS</u>	<u>3.87</u>	<u>0.831</u>	----

✓ *Good Leadership*

Table 12 below presents the highest arithmetic mean as the third item with value of 3.91 and a standard deviation of 0.917. It is noted that the second item ranked last because it represents a minimum value of 3.72, with a standard deviation of 1.032.

Table 12: Arithmetic Means, Standard Deviations, Minimum and Upper Limits of the Response Levels, and Direction of Response to Post- Good Leadership

Rank	Arithmetic Mean	Standard Deviation	Item Priority
lh1	3.88	0.96	2
lh2	3.66	1.032	5
lh3	3.91	0.917	1
lh4	3.77	0.967	3
lh5	3.72	0.963	4
<u>LH</u>	<u>3.79</u>	<u>0.884</u>	----

✓ *Ethical Leadership*

The following Table, Table 13, illustrates the highest arithmetic mean as the third item with value of 4.06 and with a standard deviation achieving 0.901. The second item is ranked last because it represents a minimum of 3.75, with a standard deviation of 0.893.

Table 13: Arithmetic Means, Standard Deviations, Minimum and Upper Limits of the Response Levels and Direction of Response to Post- Good Leadership

Rank	Arithmetic Mean	Standard Deviation	Item Priority
lu1	3.87	0.973	4
lu2	3.91	0.896	3
lu3	4.06	0.901	1
lu4	3.75	0.893	5
lu5	3.95	0.849	2
<u>LU</u>	<u>3.91</u>	<u>0.718</u>	<u>---</u>

2) Organisational Innovation Variable

✓ *Organisational Innovation in Business Practicing*

Table 14 below presents the highest arithmetic mean as the third item with value of 3.87, with a standard deviation of 0.803. The second item ranked shown below is ranked last because it represents a minimum of 3.8 and with a standard deviation of 0.942.

Table 14: Arithmetic Means, Standard Deviations, Minimum and Upper Limits of the Response Levels, and Direction of Response to Post- Organisational Innovation in Business Practicing

Rank	Arithmetic Mean	Standard Deviation	Item Priority
It1	3.87	0.803	1
It2	3.81	0.942	3
It3	3.83	0.84	2
<u>It</u>	<u>3.83</u>	<u>0.708</u>	<u>---</u>

✓ *Organisational Innovation in the Organisation of the Workplace*

As shown in Table 15, the highest arithmetic mean was the third item with value of 4.04 and with a standard deviation of 0.897. The second item is ranked last because it represents a minimum of 3.88 and with a standard deviation of 0.931.

Table 15: Arithmetic Means, Standard Deviations, Minimum and Upper Limits of the Response Levels and Direction of Response to Post- Organisational Innovation in the Organisation of the Workplace

Rank	Arithmetic Mean	Standard Deviation	Item Priority
Ie1	3.88	0.931	3
Ie2	4.04	0.897	1
Ie3	3.95	0.811	2
<u>IE</u>	<u>3.96</u>	<u>0.822</u>	<u>---</u>

✓ *Organisational Innovation in External Relations*

The highest arithmetic mean in Table 16 below is the third item with value of 3.92 and a standard deviation of 0.858. The lowest arithmetic mean is ranked last owing to a minimum value of 3.83 and a standard deviation of 0.866.

Table 16: Arithmetic Means, Standard Deviations, Minimum and Upper Limits of the Response Levels, and Direction of Response to Post- Organisational Innovation in External Relations

Rank	Arithmetic Mean	Standard Deviation	Item Priority
Ir1	3.89	0.896	2
Ir2	3.92	0.858	1
Ir3	3.83	0.866	3
<u>IR</u>	<u>3.88</u>	<u>0.816</u>	

Organisational Slack

✓ *Financial Slack*

Table 17 presents the highest arithmetic mean as the third item with value of 3.94 and a standard deviation achieved at 0.821. The lowest arithmetic mean is the fifth item at a minimum value of 3.79, with a standard deviation of 0.824.

Table 17: Arithmetic Means, Standard Deviations, Minimum and Upper Limits of the Response Levels and Direction of Response to Post- Financial Slack

Rank	Arithmetic Mean	Standard Deviation	Item Priority
Osm1	3.94	0.821	1
Osm2	3.86	0.881	3
Osm3	3.79	0.824	5
Osm4	3.86	0.844	4
Osm5	3.93	0.793	2
<u>OSM</u>	<u>3.88</u>	<u>0.75</u>	<u>----</u>

✓ *Human Slack*

It can be observed from Table 18 below that the highest arithmetic mean was the third item with value of 3.91 and a standard deviation of 1.007. As the lowest arithmetic mean, the fourth item is ranked last owing to a minimum value of 3.58 and with a standard deviation of 0.868.

Table 18: Arithmetic Means, Standard Deviations, Minimum and Upper Limits of the Response Levels, and Direction of Response to Post- Human Slack

Rank	Arithmetic Mean	Standard Deviation	Item Priority
Osh1	3.91	1.007	1
Osh2	3.81	0.836	2
Osh3	3.8	0.937	3
Osh4	3.58	0.868	4
OSH	<u>3.77</u>	<u>0.837</u>	----

✓ *Slack-Based Business Unit Level*

Table 19 below demonstrates the highest arithmetic as the third item with value of 3.81 and a standard deviation of 0.942. The fourth item was ranked last because of a minimum value of 3.56 and, with a standard deviation of 1.045.

Table 19: Arithmetic Means, Standard Deviations, Minimum and Upper Limits of the Response Levels and Direction of Response to Post- Slack-Based Business Unit Level

Rank	Arithmetic Mean	Standard Deviation	Item Priority
Osc1	3.75	1.051	2
Osc2	3.56	1.045	4
Osc3	3.81	0.942	1
Osc4	3.75	0.893	3
OSC	<u>3.72</u>	<u>0.748</u>	----

Sixth: Correlations and Effects among Research Variables

❖ *Correlations among Research Variables*

By testing key and sub- hypotheses, this section centres on measuring correlations among paternalistic strategies as an independent variable, organisational innovation as an interactive variable, and organisational slack as a dependent variable.

Table 20: Correlations Among Research Variables

	LS	LH	LU	PL
LS	1			
LH	.911**	1		
LU	.823**	.859**	1	
PL	.958**	.972**	.930**	1
IT	.687**	.666**	.831**	.756**
IE	.901**	.914**	.802**	.918**
IR	.904**	.887**	.783**	.903**

IO	.932**	.923**	.894**	.961**
OSM	.925**	.917**	.818**	.932**
OSI	.835**	.773**	.689**	.806**
OSH	.273**	.225**	.282**	.270**
OSC	.441**	.389**	.594**	.490**
OS	.730**	.679**	.708**	.739**

With regard to Table 20 above, estimates of the correlation hypothesis test model are significantly below level (less than 1%), and confirm the hypothesis.

Accordingly, the following points are deduced from Table 20:

- 1) That by validating the correlation hypothesis, there is a statistically significant correlation between Paternalistic Leadership strategies, organisational innovation, and Organisational Slack. The correlation between paternalistic leadership strategies and organisational innovation is 96.1%. This percentage sits against a correlation between paternalistic leadership strategies and organisational slack at 73.9%.
- 2) That there is a direct and statistically significant impact of paternalistic leadership on organisational innovation as follows:
 - ✓ With regard to the correlation between authoritarian leadership and the dimensions of organisational innovation, a correlation of 90.4% exists for organisation and innovation in external relations and; 68.7% for organisational innovation in business practices;
 - ✓ With regards to good leadership and organisational innovation, a correlation of 91.4% was achieved and; 66.6% for innovative, organisational business practices;
 - ✓ In terms of the correlation between ethical leadership and organisational innovation, a correlation of 83.1% was fulfilled and; 78.3% for organisational innovation in external relations.
 - ✓ That the correlation between authoritarian leadership and organisational slack reached 92.5% and 27.3% organisational innovation slack. In addition, correlations between good leadership and organisational slack reached 91.7% for financial slack and 22.5% for the human slack. Finally, correlations between ethical leadership and organisational slack reached 18.8% for the financial slack and, 28.2% for human slack.

❖ *Effects amongst Research Variables*

✓ **Direct Effects**

This section entails the presentation, analysis and discussion of results of the relationship test between the variables identified in the study. It can also be noted from the results in Figure 4 below, that all estimates of the modelled and tested hypotheses effects are significant and below the mandatory level (less than 5%).

This fundamentally confirms a significant, direct effect of paternalistic leadership (authoritarian, good and ethical leadership) on organisational innovation in terms of business practice, workplace organisation, and external relations.

Therefore, it is concluded from Table 21 that there is a significant and direct effect:

- of LS on organisational innovation. The effect of authoritarian leadership on organisational innovation in an IT business is approximately 53%.
- of authoritarian leadership on organisational innovation. The effect of authoritarian leadership on organisational innovation in the workplace has risen to 66%.
- of LS leadership on organisational innovation. The impact of authoritarian leadership on organisational innovation in external relations is 87%.
- of LH on the dimensions of organisational innovation. The effect of good leadership on organisational innovation in IT business practice was approximately 2%.
- of LH on the dimensions of organisational innovation. The effect of good leadership on organisational innovation in workplace organisation IE has risen to 71%.
- of LH on the dimensions of organisational innovation. The effect of good leadership on organisational innovation in external relations (IR) is 50%.
- of ethical leadership on the dimensions of organisational innovation. The effect of ethical leadership on organisational innovation in business practice was approximately 85%.
- impact of ethical leadership on organisational innovation. The effect of ethical leadership on workplace organisational innovation (IE) has risen to 24%.

The effect of ethical leadership on organisational innovation with regards to external relations has no effect.

Figure 4. Model of Hypotheses Testing Effects

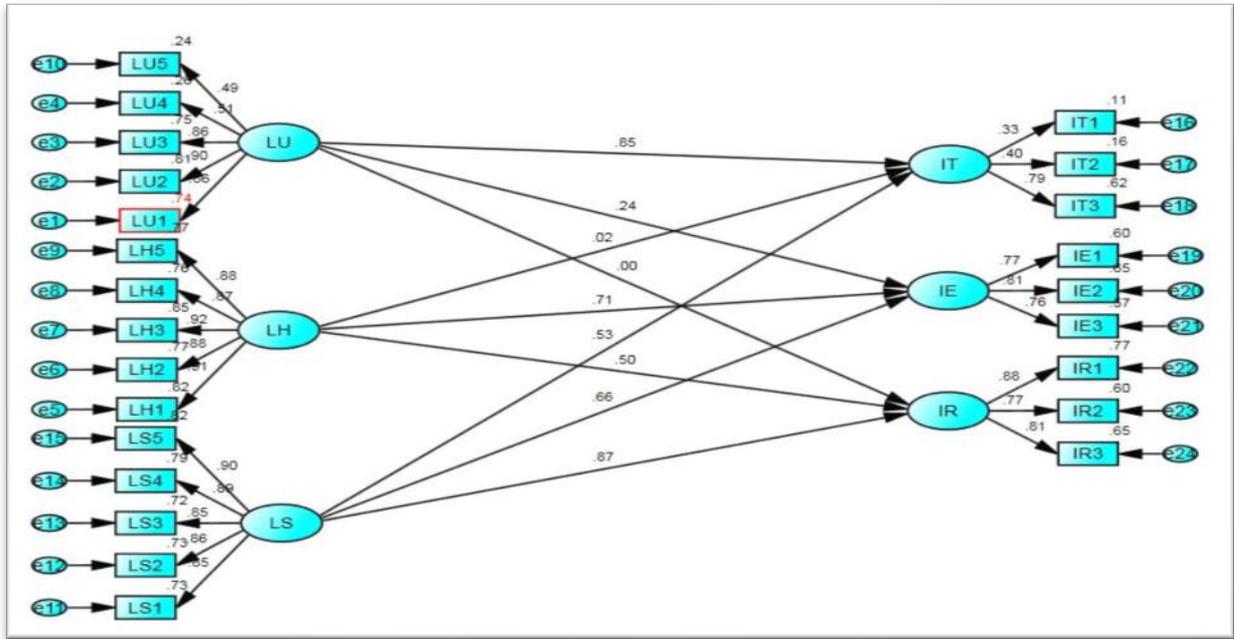


Table 21: Effects among Research Variables

Item			Estimate
IT	<---	LU	.849
IE	<---	LU	.242
IR	<---	LU	-.001
IT	<---	LH	.021
IE	<---	LH	.710
IR	<---	LH	.496
IR	<---	LS	.868
IE	<---	LS	.662
IT	<---	LS	.528

✓ **Interactive Effect**

It can be noted from the results shown in the Figure 5 below that all estimates of model hypotheses effects testing are significant and below level, at less than 5%. This confirms a significant direct effect of paternalistic leadership on organisational slack.

Therefore, it is concluded from Table 22 that:

- 1) Validating the hypothesis of effect assumes a statistically significant effect of paternalistic leadership on organisational slack brought about by organisational innovation. This interactive role represents an effect size of 36% for financial slack, 85% for human slack, 52% for innovative slack, and 63% for slack at a business unit level.
- 2) Validating the hypothesis of effect assumes a statistically significant effect of authoritarian leadership on organisational slack through brought about by organisational innovation. This interactive role represents an effect size of 74% for financial slack, 58% for human slack, 64% for innovative slack, and 75% for slack at a business unit level.
- 3) Validating the hypothesis of effect assumes a statistically significant effect of good leadership on organisational brought about by organisational innovation. This interactive role represents an effect size of 59% for financial slack, 62% for human slack, 64% for innovative slack, and 49% for slack at a business unit level.
- 4) Validating the hypothesis of effect assumes a statistically significant influence of ethical leadership on organisational slack through organisational innovation. This interactive role represents an effect size of 55% for financial slack, 75% for human slack, 66% for innovative slack, and 78% for a business unit level.

Figure 5. Paternalistic Strategies Relationship Effects on Organisational Slack Via Organisational Innovation

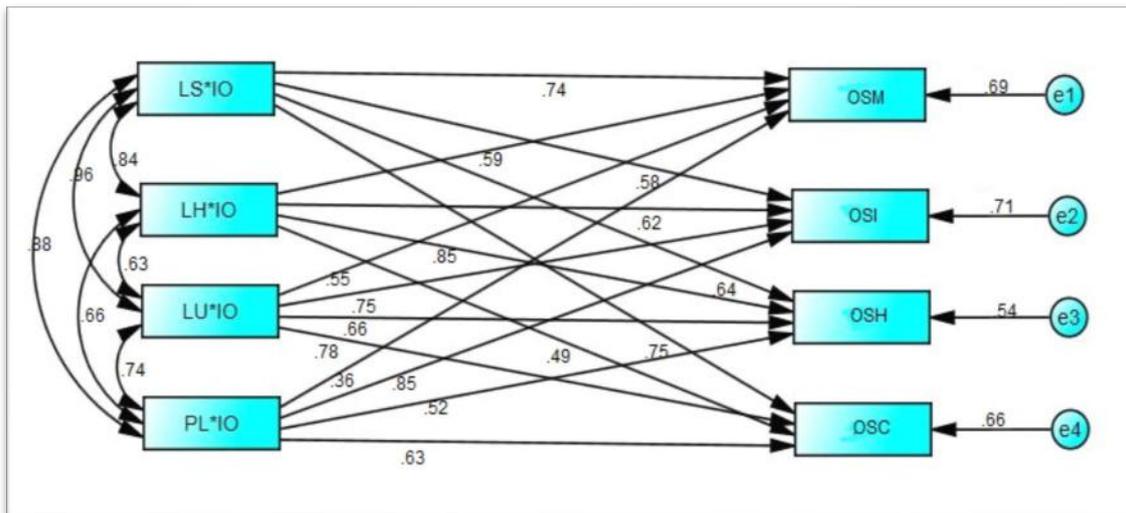


Table 22: Interactive Relationships Between Research Variables

Item			Estimate
OSM	<---	LS*IO	.743
OSI	<---	LS*IO	.578
OSH	<---	LS*IO	.636
OSC	<---	LS*IO	.754
OSM	<---	LH*IO	.589
OSI	<---	LH*IO	.621
OSH	<---	LH*IO	.638
OSC	<---	LH*IO	.492
OSM	<---	LU*IO	.554
OSI	<---	LU*IO	.751
OSH	<---	LU*IO	.655
OSC	<---	LU*IO	.777
OSM	<---	PL*IO	.362
OSI	<---	PL*IO	.852
OSH	<---	PL*IO	.519
OSC	<---	PL*IO	.630

Section Four : Conclusions and Recommendations

First : Conclusions

- 1) The study of research variables has proven a significant statistical correlation between paternalistic leadership with its characteristics representing independent variables. The characteristics of organisational innovation and organisational slack are also seen in this way. This confirms the need to develop training programs that enhance the ability of the chosen sample to perform tasks required of them efficiently and effectively.
- 2) The chosen sample confirms the need to perform new jobs with new responsibilities in addition to their current functions. This needs to be done within a short period of time in order to achieve a unique advantage that distinguishes from comparable organisations.
- 3) The investigated sample confirms that opportunities for developing the training, educational and developmental skills of its employees is critical.
- 4) The sample takes account of levels of cooperation and confidence and the ability to build reliable, personal relationships. This allows for the development of the organisation's objectives and necessary standards.



Second : Recommendations

- 1) The sample examined here should be used to develop training programs for employees. In doing this, they will acquire appropriate talent and expertise to support outstanding performance.
- 2) The sample should bring about increased interest in influencing employees in a positive way through effective communication to develop personal skills. This means providing a high level of knowledge and ability to develop professional skills.
- 3) The sample in question should focus on promoting change through specific means: resource provision, organisational structure, provision of communication systems as well as ongoing education.
- 4) The research sample should contribute to providing broad knowledge of contemporary developments in the areas of business and organisational innovation.



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