

The Impact of Transformational Leadership on Organizational Innovation  
(A field study on Saudi Basic Industries Corporation (SABIC) 2025)  
تأثير القيادة التحويلية على الابتكار المؤسسي (دراسة ميدانية لشركة الصناعات  
الأساسية السعودية (SABIC) 2025)

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تأثير القيادة التحويلية على الابتكار المؤسسي  
(SABIC) 2025 دراسة ميدانية عن شركة الصناعات الأساسية السعودية)

المستخلص:

هدفت الدراسة لمعرفة التأثير المثالي على الابتكار المؤسسي، وبيان دور الحفز الفكري في الابتكار المؤسسي، ومن ثم تحليل كيفية الاستفادة من الدوافع الملهمة في تطوير الابتكار المؤسسي، وتحديد تأثير الإعتبارات الفردية على الابتكار المؤسسي. وتمثلت مشكلة الدراسة في أنه بالرغم من أن العديد من المؤسسات تسعى لتحقيق الابتكار والتغيير المؤسسي، حيث تعمل على تحفيز الأفراد للتفكير بشكل إبداعي وتحفيزهم لتقديم أفكار جديدة ومبتكرة، عبر مختلف الأساليب، إلا أن أسلوب القيادة التحويلية، والذي يعد أهم الأدوات المساعدة في ذلك، والتي تهدف إلى تحقيق التغيير والتحسين في المؤسسات والمنظمات، غير مطبق بصورة سليمة أو تواجه بعض الصعوبات، ولعل السبب في ذلك يعود إلى عدم توجيه الأفراد نحو رؤية مشتركة وتحقيق أهداف مشتركة. اتبعت الدراسة المنهج الوصفي التحليلي، والمنهج التاريخي، بالإضافة للمنهج الاستدلالي. من أهم نتائج الدراسة إن القيادة التحويلية تعتبر جيدة ومناسبة لإدارة المؤسسات لخلق الابتكار المؤسسي وتطوير الأداء، تشجع القيادة التحويلية على العمل ضمن مجموعات في المؤسسات، مما ينعكس إيجاباً على الابتكار المؤسسي، إن القيادة التحويلية تزيد من ترابط العاملين في المؤسسات بصورة واضحة. أوصت الدراسة بعدد من التوصيات منها التأكيد على تطبيق وممارسة أسلوب القيادة التحويلية بمختلف القطاعات بصورة عامة، عقد برامج

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تطوير وتدريب للعاملين في المستويات الإدارية كافة، من خلال عقد الندوات والدورات التدريبية، تتصل مواضيعها بمحتوى القيادة التحولية ووضع معايير وقيم أخلاقية تؤدي إلى تقوية الثقافة التنظيمية تجاه القيادة، ربط المقدر في تطبيق وإنجاح القيادة التحولية بتوفير المتطلبات المادية والبشرية والمعلوماتية اللازمة ليساهم في رفع القدرة على الابتكار المؤسسي.

**الكلمات المفتاحية:** القيادة التحولية، الابتكار المؤسسي.

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**Abstract**

The study aimed to identify the ideal impact on institutional innovation, demonstrate the role of intellectual stimulation in institutional innovation, and then analyze how to leverage inspirational motivations to develop institutional innovation. It also sought to identify the impact of individual considerations on institutional innovation. The study's problem was that, although many organizations strive to achieve innovation and institutional change, by motivating individuals to think creatively and present new and innovative ideas through various methods, the transformational leadership approach, which is considered the most important tool for achieving this goal and aims to achieve change and improvement in institutions and organizations, is not being implemented properly or faces some difficulties. This is likely due to a failure to direct individuals toward a shared vision and achieve common goals. The study followed a descriptive-analytical approach, a historical approach, and a deductive approach. One of the most important findings of the study is that transformational leadership is considered appropriate and appropriate for managing organizations to create institutional innovation and improve performance. Transformational leadership encourages teamwork within organizations, which positively impacts organizational innovation. Transformational leadership clearly increases employee cohesion within organizations. The study recommended

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several recommendations, including emphasizing the application and practice of the transformational leadership approach across various sectors in general; holding development and training programs for employees at all administrative levels through seminars and training courses whose topics relate to the content of transformational leadership; and establishing ethical standards and values that strengthen organizational culture toward leadership. It also linked the ability to implement and successfully implement transformational leadership to providing the necessary material, human, and informational requirements, which contributes to enhancing the capacity for institutional innovation.

**Keywords:** Transformational leadership, institutional innovation.

### **Introduction:**

Transformational leadership is the process of motivating employees to achieve performance levels that exceed expectations by changing their attitudes, beliefs, and values. It is an effective leadership style that aims to motivate and develop individuals and achieve outstanding performance in institutions and organizations. This leadership approach relies on directing individuals toward achieving their personal and professional goals and enhancing trust and cooperation among team members. In this article, we will explore the impact of transformational leadership on performance and review the positive effects it can have. It represents a style based on strong relationships between the leader and subordinates. The transformational leader is characterized by his ability to motivate individuals and develop their capabilities and skills by guiding and directing them toward achieving their goals. The transformational leader is a source of inspiration for individuals and works to enhance trust and cooperation among team members.

It is also an important factor in enhancing employee satisfaction and retention within an organization. When individuals feel supported and guided by a transformational leader, their engagement with the organization increases and they become more willing to stay and work hard. Transformational leaders foster positive relationships between individuals, enhance trust and cooperation, which leads to improved employee



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satisfaction and increased loyalty to the organization. Furthermore, transformational leadership contributes to fostering innovation and creativity in organizations. When individuals feel free and supported to think outside the box and experiment with new ideas, they are more capable of providing innovative solutions and achieving change. Transformational leaders encourage individuals to push their boundaries and achieve creativity, leading to improved performance and sustainable success.

Transformational leadership is essential for achieving innovation and organizational change, as it motivates individuals to think creatively and motivates them to introduce new and innovative ideas. When individuals feel supported and encouraged to think outside the box and propose new ideas, they become more willing to take risks and experiment with new and innovative ideas. This ultimately leads to increased levels of innovation within the organization and positive change. Furthermore, transformational leadership promotes organizational change by guiding individuals toward a shared vision and achieving common goals. When individuals feel part of a larger vision and contribute to its realization, they become more willing to change and adapt to organizational transformations. Therefore, transformational leadership can contribute to achieving effective and sustainable institutional change.

### **Study Problem:**

Although many organizations strive to achieve innovation and institutional change, stimulating individuals to think creatively and present new and innovative ideas through various methods, the transformational leadership approach, which is one of the most important tools for achieving change and improvement in institutions and organizations, is not properly implemented or faces some difficulties. This may be due to the failure to guide individuals toward a shared vision and achieve common goals. When individuals feel they are part of a larger vision and contribute to its realization, they become more willing to change and adapt to organizational transformations. Therefore, transformational leadership can contribute to achieving institutional change effectively and sustainably.

### **Study Questions:**

The study seeks to answer the following questions:



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1. Does ideal influence play a role in institutional innovation?
2. What is the role of intellectual stimulation in institutional innovation?
3. How can inspirational motives be leveraged to develop institutional innovation?
4. Do individual considerations have a tangible impact on institutional innovation?

### **Study Hypotheses:**

The study is based on the following hypotheses:

1. There is a statistically significant relationship between ideal influence and institutional innovation.
2. There is a statistically significant relationship between intellectual stimulation and institutional innovation.
3. There is a statistically significant relationship between inspirational motives and institutional innovation.
4. There is a statistically significant relationship between individual considerations and institutional innovation.

### **Study Objectives:**

The study seeks to achieve the following objectives:

1. To identify the ideal influence on institutional innovation.
2. Explain the role of intellectual stimulation in organizational innovation.
3. Analyze how to leverage inspirational motivations to develop organizational innovation.
4. Determine the impact of individual considerations on organizational innovation.

### **Significance of the Study:**

The importance of the study stems from the following:

1. The nature of the study's topic, as it addresses the concept of leadership, an important topic that has received and continues to receive significant attention from scholars and researchers in the field of management.
2. Linking the topic of organizational innovation to a new and modern topic, namely transformational leadership, despite numerous studies on both variables.
3. Attempting to draw the attention of organizational management to the need to understand the relationship between transformational leadership and

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organizational innovation, and highlighting the importance of transformational leadership in a manager's performance and its impact on development and innovation, which will help them reflect on and develop their leadership styles.

4. This study may contribute to adding some knowledge to researchers, practitioners, and students in the field of business.

5. Draw the attention of insurance company officials to the need to review the leadership styles used and work to select the most appropriate leadership style for each stage.

### **Methodology:**

The study follows a descriptive, analytical, inferential, and historical approach.

### **Transformational Leadership:**

#### **The Concept of Leadership:**

There is no doubt that the topic of transformational leadership is one of the most highly regarded topics in management thought (Muhammad Abd al-Raouf, 2011). This is evidenced by the vast body of studies, in addition to hundreds of models and theories. Therefore, it is difficult to find a unified definition of transformational leadership. Among the most important of these definitions are:

Leadership is derived from the verb "to lead," meaning to perform an action to achieve the desired goal. It is a relationship between a leader and those led. The leader is the one who issues orders, and subordinates are the ones who carry out their leader's orders by performing actions that lead them to achieve the goals they seek (Ibn Manzur, 1990).

While defines it as achieving a goal by the best means, at the lowest cost, within the available resources and facilities, and utilizing these resources and facilities wisely (Youssef, 2010).

Defines it as the ability of an individual to influence and direct a person or group in order to gain their cooperation and motivate them to work with the highest degree of efficiency in order to achieve the set goals (Ahmad, 2002).

#### **Importance of Transformational Leadership:**

Leadership derives its importance from the human element, which has become the focus of attention in the organization and its most important

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resource that contributes to achieving its goals. Unlike other variables, individual behavior is difficult to control due to the constant changes and fluctuations in their feelings and emotions. In order to ensure maximum benefit from the human competencies available to achieve its goals, and thus ensure its sustainability and continuity, it is imperative to provide effective administrative leadership capable of influencing the behavior of individuals and thus motivating them to perform their assigned tasks efficiently and effectively. Therefore, there is a pressing need to design training programs to raise the leadership level of managers. A successful administrative leader is one who can spread a general atmosphere of values and attitudes that support creativity. Innovation among subordinates and colleagues is the essence of leadership, given the leader's influence on the behavior of individuals and groups.

In brief, the importance of transformational leadership stems from the following points:

1. Without transformational leadership, a manager cannot transform the desired objectives into results.
2. Without transformational leadership, all productive elements become ineffective and inefficient.
3. Without transformational leadership, planning, organizing, and controlling lose their impact on achieving organizational goals.
4. Without transformational leadership, an organization cannot envision the future and, consequently, plan its long-term progress and prosperity based on it.
5. Without transformational leadership, it is difficult for an organization to deal with external environmental variables that directly or indirectly affect the organization's achievement of its established goals.
6. The actions and behavior of an administrative leader are what motivate individuals and drive them to achieve organizational goals (Ahmad, 2013).

### **Transformational Leadership Functions:**

The duties of administrative leaders can be summarized as follows:

- 1- Planning: This means setting goals and selecting the necessary means to achieve the set objectives.

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2- Organizing: This means selecting employees, verifying their competence, participating in their training, and supervising the implementation of laws and regulations related to employees and public service, such as promotions, rewards, discipline, transfers, retirement, etc.

3- Guidance: This means guiding subordinates and ensuring mutual cooperation based on satisfaction, responsiveness, and mutual trust.

2. 4- Control: This means ensuring that actions are taken in accordance with established rules and principles, with the goal of correcting errors, correcting deviations, holding accountable those with bad faith, negligent individuals, and those who work with dedication and productivity(Sufi, 2002).

**Components of Transformational Leadership:**

The components of transformational leadership are as follows:

1. (Idealized Influence):

The leader is considered a role model and acts with transparency and high ethics, earning the trust and respect of subordinates and inspiring them to behave positively.

2. (Inspirational Motivation):

The leader has a clear and shared vision for the future and communicates it to subordinates in an inspiring way, enhancing their intrinsic motivation and linking it to the organization's goals.

3. (Intellectual Stimulation):

The leader encourages subordinates to think creatively and solve problems in new ways, and supports innovative ideas through training and skill development.

4. (Individualized Consideration):

The leader pays attention to the individual needs of subordinates, provides them with the necessary training and support to develop their skills and overcome weaknesses, and assigns tasks based on their abilities to ensure their success(Salah, 2016).

**Characteristics of Transformational Leadership:**

The characteristics of transformational leadership are as follows:

Creating a Shared Vision: The leader is able to build a unified vision that inspires subordinates to achieve high-level goals.

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**Stimulating Innovation:** The leader encourages employees to step outside the norm and think of new solutions to challenges.

**Developing Individuals:** The leader continually strives to develop subordinates' skills and raise their performance.

**Boosting Morale:** A leader boosts subordinates' morale by highlighting the importance of their roles in achieving the organization's goals.

**Facing Change:** A transformational leader enables organizations to adapt to rapid changes in the work environment by constantly striving for renewal and innovation (Ali, 2002).

### **Leadership Skills:**

1. **Problem-solving:** Problem-solving is one of the most important leadership skills, and leaders spend a significant amount of time solving problems for customers, the company, and their team. Leaders are the people colleagues look to for advice and assistance, and they often have the final say on the course of action. Leaders need to know how to think outside the box, imagine new solutions, anticipate consequences, and test theories in low-risk ways. These qualities separate leaders from the rest of the workforce. Even without formal job authority, leaders come to the aid of their colleagues, brainstorm solutions, and try to come up with solutions to problems and better ways of working.

These leaders also need to know how to solve problems within a team, as modern work revolves around collaboration. More people means greater diversity of ideas, so leaders must know how to select the best ideas. Leaders must also learn how to guide their teammates through the problem-solving process rather than automatically fixing every issue that arises. This approach helps teams become more skilled and self-sufficient.

2. **Decision Making:** Leaders make many decisions, and they often have the final say on difficult ones. Often, they are forced to choose a course of action based on incomplete or missing information. These decisions tend to involve large budgets or impact operations or employees. Great leaders have the confidence and competence to make sound decisions quickly. They know when to wait for more information, how to obtain more information, and how to evaluate options and choose the best option.



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Excellent decision makers are able to anticipate consequences and ramifications and can prepare for both the best and worst scenarios. These leaders can also explain and defend their decisions to senior leaders, their employees, and other departments. They also know how to engage others in the plan.

3. **Compromise:** Most people believe that leaders are the head of the chain of command; in reality, this is not true. No leader has complete authority or control; even presidents and CEOs must be subject to external forces such as investors, board members, market and global conditions, the industry at large, and the public. Leaders constantly find themselves in situations where they must mediate deals between different parties and find solutions that are most beneficial to all parties. Making concessions and finding compromises is a key management skill to master. Leaders must know how to find agreement between competing interests and how to handle conflicts in ways that satisfy all parties involved. These leaders learn how to present arguments, manage discussions, brainstorm ideas, and find agreement between parties. Finding the perfect solution is rare, and skilled leaders know how to find a compromise.

4. **Mentoring:** Investing in others is an important leadership skill. Looking for ways to help team members advance in their career paths. Mentoring, which is the act or process of providing assistance and advice to a younger or less experienced person, can help individuals learn more about their strengths and how they can apply those strengths in their careers.

5. **Self-Knowledge:** If you want to be an effective leader, you need to understand the environment in which you perform best, the skills you possess, and the areas where you need additional help. This requires examining your previous work environments, particularly those where you thrived or struggled. Applying this knowledge can help you understand how best to lead; past work evaluations can be reviewed to learn more about performance (Hafez, 2012).

### **Factors Influencing Transformational Leadership:**

There is no doubt that transformational leadership is a relationship of exchange and influence between leaders and their subordinates. This relationship takes place within the context of the climate and circumstances



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of the organization in which the administrative leader operates. There are also numerous factors and influences that positively or negatively impact transformational leadership, the most important of which are:

1. The characteristics and personalities of subordinates (followers). These characteristics may be physical, psychological, or behavioral.
  2. The goals of the organization (workplace), whether strategic or short-term.
  3. The type of work organization, whether in terms of its size, type of production, organizational methods and structure, decision-making, type of tasks, type of incentives, and work group.
  4. The environmental conditions and factors surrounding the work organization, i.e., the circumstances and influential factors the organization experiences, whether in its general environment or its internal environment.
- Therefore, we find that effective transformational leadership is one that takes all of these factors and influences into account(Hamada, 2021).

### **Corporate Innovation:**

#### **Concept:**

Corporate innovation is a systematic process of developing and implementing new ideas within organizations to create positive change, improve performance, and increase competitiveness. It is not limited to product development alone, but also includes process improvement, the application of new technologies, and the development of marketing strategies, which contribute to the organization's sustainability and achieve a competitive advantage in the market (Kamal, 2019).

#### **Objectives of Corporate Innovation:**

Corporate innovation aims to achieve the following:

1. Concept: It is the systematic adoption and application of new ideas to drive change and improvement within the organization, serving its market objectives.
2. Objectives: Improving performance: Increasing operational efficiency, productivity, and the quality of products and services.

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3. Enhancing competitiveness: Enabling the organization to outperform competitors and attract customers.
4. Ensuring sustainability: Building a renewed and sustainable capacity for innovation to meet contemporary challenges.
5. Creating value: Generating tangible value for beneficiaries and society, whether economic or social (Khaled, 2016).

**The Importance of Corporate Innovation:**

The importance of corporate innovation lies in the following:

1. Adapting to change: It helps organizations adapt to rapid technological, economic, and social transformations.
2. Exploiting opportunities: It allows organizations to explore and leverage new opportunities to develop their businesses.
3. 3. Enhancing culture: It contributes to building a corporate culture that supports creativity and continuous improvement.( Fawaz, 2011)

**Elements of Corporate Innovation:**

The elements of corporate innovation can be identified as follows:

1. Strategy: Developing clear strategies to support and promote innovation.
2. Organizational culture: Encouraging employees to think creatively and participate in generating ideas.
3. Processes: Establishing clear processes and frameworks to manage the innovation process from ideation to implementation.
4. 4. Resources: Providing the resources and tools necessary to develop ideas and transform them into practical solutions(Youssef, 2009).

**Types of Corporate Innovation:**

Types of corporate innovation vary according to the nature of the change occurring within the organization. Common types of corporate innovation include:

1. Product innovation: This relates to developing new products or improving existing products to better meet customer needs.
2. Operational Innovation: This includes improving, streamlining, and improving internal processes to achieve cost savings and increase productivity.
3. Service Innovation: This includes developing new services or improving existing ones to improve customer experience and satisfaction.

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5. 4. Business Model Innovation: This relates to changing existing business models or adopting new ones to achieve better competitiveness and sustainable growth(Youssef, 2016).

**The Importance of Corporate Innovation in Modern Business:**

Corporate innovation is a critical factor in achieving success and competitive advantage in modern business. Here are some of the importance of corporate innovation:

1. Competitive Differentiation: Corporate innovation helps differentiate an organization from competitors and achieve a strong competitive advantage in the market.
2. Adapting to Change: Corporate innovation helps adapt to challenges and rapid changes in the business and economic environment.
3. Increasing Productivity: Corporate innovation can improve processes, increase productivity, and improve the quality of products and services.
4. Attracting Talent: Innovative organizations create an attractive environment for creative and innovative talent, helping attract and retain the best talent.
5. Expansion and Growth: Corporate innovation can expand the scope of a business and explore new opportunities for growth and expansion.
6. In short, corporate innovation is the foundation for excellence and success in modern business, helping organizations respond to challenges and capitalize on available opportunities(Khaled, 2012).

**Transformational Leadership and Achieving Corporate Innovation:**

The researcher believes that innovative organizations that embrace corporate innovation are an attractive environment for talent and investment. Corporate innovation is a sign of development and progress, and thus attracts creative and innovative talents seeking to work in an environment filled with challenges and opportunities. Corporate innovation also increases the attractiveness of the organization to investors seeking companies with the potential to excel and achieve high returns. Transformational leadership can contribute more comprehensively to achieving innovation through the following:

1. Promoting a Thinking Culture:

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To achieve corporate innovation, a culture of innovative thinking must be encouraged within the organization. A spirit of exploration and motivation to think outside the box and seize opportunities must be fostered. This can be achieved by encouraging employees to propose new ideas and innovative proposals, and by providing the necessary support and resources to implement these ideas.

### **2. Promoting Collaboration and Interaction:**

Cooperation and interaction among organizational members play a crucial role in achieving corporate innovation. Interaction between different departments and the exchange of ideas and experiences must be encouraged. Joint working sessions and workshops can be organized to enhance collaboration, generate new ideas, and achieve competitive advantage.

### **3. Employing Expertise and Talent:**

4. To achieve institutional innovation, the expertise and talents within the organization must be leveraged. Multidisciplinary teams can be formed and individuals with diverse expertise can be hired. This allows for the integration of different ideas and visions and the generation of creative and innovative solutions(Manal, 2020).

### **5. Providing a Supportive Environment for Innovation:**

A supportive environment plays a significant role in achieving institutional innovation. An environment must be created that encourages experimentation, initiative, and acceptance of failure as part of the learning process. The necessary financial and technical resources, along with support and assistance from senior management, must be provided to achieve institutional innovation.

In short, institutional innovation can be achieved by encouraging a culture of thinking, fostering collaboration and interaction, leveraging expertise and talent, and providing an environment conducive to innovation.

### **Field study:**

#### **Population community and sample:**

The study population included employees of Al Rajhi Bank in the Kingdom of Saudi Arabia, where random sample select the study sample members, (105) from the total population, (105) questionnaires were distributed to the sample members, and (100) questionnaires were retrieved with a retrieval

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rate of 95.2%, and the response rate is considered one of the high rates as it exceeds the acceptable limits (75%).

**Study Data Analysis:**

**Table (1): The repetitive distribution of the sample members according to the variable of life**

Age	Frequency	Percentage
Less than 30	23	23
30 and less than 40 years	32	32
40 and less than 50 years	27	27
50 years or more	18	18
Total	100	100

The table shows that the majority of the sample members ranged between (30 and less than 40 years), with a rate of (32)%, then in the second place, the age group between (40 and less than 50 years) by (27)%, then in the third place, members of the sample, whose ages (less than 30 years) were (23)%, then the category (50 years or more) by (18%). Which helps them to understand the expressions of questionnaire and answer them accurately and objectively..

**Table (2): Distribution of the study sample according to "the educational level variable**

Educational level	Frequency	Percentage
secondary	3	3
University	64	64
Under university	33	33
Total	100	100

The table shows that the sample personnel from the secondary level of education reached (3)%of members of the total sample, while the percentage of university students reached (64)%, and the level of the university level (33)%. It is noted that there is a close percentage between the medical field and the administrative field in the group.

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**Table (3): Distribution of the study sample personnel according to the functional name variable**

Job title	Frequency	Percentage
Manager	9	9
Head	23	23
Employee	44	44
Others	24	24
Total	100	100

The table shows that (9)% of the sample members were their job names, directors of departments, (23)% of the heads of departments, (44)% of employees, and (24)% of other job names, which are names related to the subject and objectives of the study.

**Hypothesis Test:**

In this part, the researchers dealt with discussion and interpretation of the results of the field study, through the information that resulted in statistical data analysis schedules as follows:

- 1- There is a statistically significant relationship between ideal influence and organizational innovation.
- 2- There is a statistically significant relationship between intellectual stimulation and organizational innovation.
- 3- There is a statistically significant relationship between inspirational motivation and organizational innovation.
- 4- There is a statistically significant relationship between individual considerations and organizational innovation.

**The first hypothesis: There is a statistically significant relationship between ideal influence and organizational innovation..**

To prove this hypothesis, the simple slope model was used, which measures the relationship between the independent variable represented by (ideal influence) and the dependent variable represented by (institutional innovation). The results of the analysis came as shown in the following table:

**Table (4) results of the slope analysis of the relationship between Ideal effect and institutional innovation**

Material level	Test (t)	Detail (b)	Variables
0.000	5.21	0.56	The relationship between Ideal effect and institutional innovation
		0.82	Correction coefficient (R)
		0.67	Development laboratories (R2)
		34.2	F
		0.000	Sig F

It is clear from the table (4) that:

1. There is a strong correlation between the ideal influence and institutional innovation in the study community. This is evident from the value of the correlation coefficient (R) and the value of the regression coefficient (B), as follows:

\* The value of the correlation coefficient was (0.82). The value of the regression coefficient was (0.56), which is a positive value, indicating the existence of a relationship between the ideal influence and institutional innovation. Accordingly, a 10% change in the ideal influence results in a change in the level of institutional innovation by (5.6%), with all other variables held constant.

2. The results in Table (4) indicate an effect of the independent variable (ideal influence) on the dependent variable (institutional innovation), with the regression coefficient reaching (0.67). This result indicates that the variable (ideal influence) affects institutional performance by (67%), while other variables not included in the model have a (33%) effect.

3. The analysis results also reveal a statistically significant relationship between the dependent variable (institutional innovation) and the independent variable (ideal influence), according to the t-test and F-test at a significance level of (5%). The calculated t-value for the slope coefficient

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reached (5.21) with a significant significance of (0.000), and the F-value reached (34.2) at a significant level of (0.007).

Based on the analysis results, we conclude that the first study hypothesis, which stated: "There is a statistically significant relationship between ideal influence and organizational innovation," is an acceptable hypothesis.

**The second hypothesis: There is a statistically significant relationship between intellectual stimulation and organizational innovation**

To prove this hypothesis, the simple slope model was used, which measures the relationship between the independent variable represented by (intellectual stimulation) and the dependent variable represented by (institutional innovation). The results of the analysis came as shown in the following table:

**Table (5) results of slope analysis of the relationship between Intellectual stimulation and institutional innovation**

Material level	Test (t)	Detail (b)	Variables
0.000	6.87	0.71	The relationship between Intellectual stimulation and institutional innovation
		0.87	Correction coefficient (R)
		0.76	Development laboratories (R2)
		47.2	F
		0.000	Sig F

It is clear from the table (5) that:

.1There is a close relationship between intellectual stimulation and institutional innovation in the study community. This is evident from the value of the correlation coefficient (R) and the value of the regression coefficient (B), as follows:

The value of the correlation coefficient was (0.87) and the value of the regression coefficient was (0.71), which is a positive value, indicating a close relationship between intellectual stimulation and institutional

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innovation. Accordingly, a 10% change in intellectual stimulation leads to a (7.1%) change in the level of institutional innovation, with all other variables held constant.

.2The results shown in Table (5) indicate an effect of the independent variable (intellectual stimulation) on the dependent variable (institutional innovation), as the coefficient of variation reached (0.76). This result indicates that the variable (intellectual stimulation) affects institutional innovation by (76%), while other variables not included in the model affect it by (24%)

.3The analysis results also reveal a statistically significant relationship between the dependent variable (institutional innovation) and the independent variable (intellectual stimulation), according to the t-test and F-test, at a significance level of (5%). The calculated t-value for the slope coefficient was 8.60, at a significance level of 0.000, and the F-value was 47.2, at a significance level of 0.000. All significance values were below the (5%) significance level. Based on the analysis results, it is concluded that the second study hypothesis, which states: "There is a statistically significant relationship between intellectual stimulation and institutional innovation," is an acceptable hypothesis..

**The third hypothesis: There is a statistically significant relationship between inspirational motivation and organizational innovation.**

To prove this hypothesis, the simple slope model was used, which measures the relationship between the independent variable represented by (inspirational motives) and the dependent variable represented by (institutional innovation). The results of the analysis came as shown in the following table.

**Table (6) Results of slope analysis of the relationship between  
Inspirational Motivations and Corporate Innovation**

Mate rial level	Test (t)	Deta il (b)	Variables
0.000	8.60	0.86	The relationship between Inspirational Motivations and Corporate Innovation

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	0.91	Correction coefficient (R)
	0.82	Development laboratories (R2)
	74.0 5	F
	0.00 0	Sig F

It is clear from Table (6) that:

1. There is a strong correlation between inspirational motives and institutional innovation in the study community. This is evident from the value of the correlation coefficient (R) and the value of the regression coefficient (B), as follows:

The value of the regression coefficient was (0.86), a positive value, indicating a strong correlation between inspirational motives and institutional innovation. Accordingly, a (10%) change in inspirational motives results in a change in the level of institutional innovation by (8.6%), with all other variables held constant.

2. The results in Table (6) indicate an impact of the independent variable (inspirational motives) on the dependent variable (institutional innovation), with the coefficient reaching (0.82). This result indicates that the variable (inspirational motives) affects institutional innovation by (82%), while other variables not included in the model affect it by (18%).

3. The analysis results also show that there is a statistically significant relationship between the dependent variable (institutional innovation) and the independent variable (inspirational motives) according to the (t) and (f) tests at a significant level (5%), where the calculated (t) value for the regression coefficient (8.60) reached a significant significance (0.000), and the (f) value (74.05) reached a significant significance (0.000). Based on the analysis results, it is concluded that the third hypothesis of the study, which stated: (There is a statistically significant relationship between inspirational motivation and organizational innovation), is an acceptable hypothesis.

**The fourth hypothesis: There is a statistically significant relationship between individual considerations and organizational innovation.**

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To prove this hypothesis, the simple slope model was used, which measures the relationship between the independent variable represented by (individual considerations) and the dependent variable represented by (institutional innovation). The results of the analysis came as shown in the following table.:

**Table (7) The results of the slope analysis of the relationship between Individual considerations and institutional innovation**

Material level	Test (t)	Detail (b)	Variables
0.000	9.55	0.71	The relationship between Individual considerations and institutional innovation
		0.88	Correction coefficient (R)
		0.77	Development laboratories (R2)
		91.2	F
		0.000	Sig F

It is clear from the table (7) that:

1. There is a strong correlation between individual considerations and institutional innovation in the study population. This is evident from the value of the correlation coefficient (R) and the value of the regression coefficient (B), as follows:

The value of the correlation coefficient is (0.88). The value of the regression coefficient is (0.71), which is a positive value, indicating the existence of a relationship between individual considerations and institutional innovation. Accordingly, a 10% change in individual considerations changes the level of institutional innovation by (7.1%), with all other variables held constant.

2. The results in Table (7) indicate an effect of the independent variable (individual considerations) on the dependent variable (institutional innovation), as the regression coefficient reached (0.77). This result indicates that the variable (individual considerations) affects institutional

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innovation by (77%) while other variables not included in the model affect it by (23%).

3. The analysis results also reveal a significant correlation between the dependent variable (institutional innovation) and the independent variable (individual considerations), according to the t-test and F-test at a significance level of (5%). The t-value of the regression coefficient reached 0.77, with a significance level of 0.000, and the F-value reached 91.2, with a significance level of 0.000. All significance values were below the (5%) significance level. Based on the analysis results, it is concluded that the fourth hypothesis of the study, which states: "There is a significant correlation between individual considerations and organizational innovation," is an acceptable hypothesis.

### **Conclusions:**

Through the study, the research yielded the following results:

1. There is a statistically significant relationship between ideal influence and institutional innovation.
2. There is a significant relationship between intellectual stimulation and inspirational motivations and institutional innovation.
3. There is a statistically significant relationship between individual considerations and institutional innovation.
1. Transformational leadership is considered good and appropriate for managing organizations to create institutional innovation and improve performance.
2. Transformational leadership encourages working within groups within organizations, which positively impacts institutional innovation.
3. Transformational leadership significantly increases employee cohesion within organizations.
4. Transformational leadership leads to increased coordination at work and increased productivity.
5. Transformational leadership has the potential for development and contributes positively to the implementation of vision and goals.
6. Transformational leadership has a significant positive impact on business management and increases efficiency.

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7. Transformational leadership focuses on setting policies in a manner that aligns with work and enhances organizational capacity.

**Recommendations:**

Based on the findings, the researcher recommends the following:

1. Emphasize the application and practice of the transformational leadership approach across all sectors in general.
2. Develop development and training programs for employee's at all administrative levels, through seminars and training courses. Their topics relate to the content of transformational leadership and establish ethical standards and values that strengthen organizational culture toward leadership.
3. Link the ability to implement and successfully implement transformational leadership with the provision of the necessary material, human, and informational resources to contribute to enhancing the capacity for institutional innovation.
4. Involve employee's at all administrative levels in the process of selecting administrative leaders to ensure institutional innovation.
5. Work to formulate effective objectives for building transformational leadership within the limits of available capabilities and circumstances.
6. Work to update leadership programs and policies and align them with modern management trends.
7. Qualify specialized administrative units for the process of developing transformational leadership and provide the necessary databases and qualified human resources for its success.

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