THE IMPACT OF RELATIONSHIPS, LEADERSHIP AND INNOVATION ON ORGANISATIONS

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In the current turbulent and competitive environment, organizations continually strive to enhance their market position through inter-organizational relationships. Today, in an organization innovation plays a key role in the process of building an effective operating model. On the other hand, developing interpersonal relationships, and leadership behavior is desirable in response to the increasing demands of a turbulent environment. The author researched a sample of 622 business sector managers. The tools used were a questionnaire survey and a diagnostic survey, and, as a result, structural models were used. As a result, it was found that the type of relationship between members of an organization, the type of leadership, and innovation are correlated. The analysis shows that innovative behavior is better solved in organizations with strong leadership and, on the other hand, leaders' flexibility affects their relationships. It appears that there is relatively little research on how interpersonal relationships affect the generation and diffusion of new solutions. In this context, the results discussed and the conclusions drawn from them can be seen as an addition to the existing body of work, which should be further extended.

1   Introduction

In the current turbulent and competitive environment, organizations continually strive to enhance their market position through interorganizational relationships. Collaboration among entities serves as a vital avenue for organizations to bolster their competitive edge (Berman et al, 2024). This collaborative effort engenders a synergy effect, thereby augmenting access to advanced technological resources (Bańkowski & Rzepka, 2024).

The role of leaders in this context is of paramount importance. Cortellazzo et al. (2019) assert that effective collaboration necessitates leaders who not only demonstrate strong managerial capabilities but also possess interpersonal skills, empathy, and flexibility. Such attributes enable leaders to adeptly navigate the complexities inherent in today's global landscape (Rzepka & Witkowski, 2023), thus facilitating the establishment and maintenance of robust interorganizational relationships.

Leaders significantly influence the quality of both internal and external relationships, which in turn impacts team dynamics and overall organizational effectiveness. Rzepka (2023) emphasizes that the success of teams is closely tied to the competencies of their leaders, highlighting the necessity for leaders to exhibit agility in adapting to the evolving business and technological trends.

In summation of the aforementioned literature review, it is crucial to acknowledge that scholars recognize the intrinsic relationship between organizational leadership and innovation However, a notable paucity of research persists regarding the extent to which team relationships influence innovativeness. It remains to be determined whether the nature of interactions among employees is a significant factor that translates into their capacity to generate and implement new solutions

2   Literature review

Innovation is a key characteristic of an organisation in an era of ever-changing environment and associated constant challenges. Innovation is seen by many scholars (Wierzbicka -Mazur, 2020, Garita &Martinez, 2016) as a process combining science, technology, economics and management to achieve novelty and extending

from the emergence of an idea to its commercialisation or as new knowledge introduced into products, services and processes (Kogabayev&Maziliauskas, 2017;). It is worth noting the link between creativity and innovation as shown, for example, by Meutia et al (2018),Leino (2022) or Harrari (2021). These authors point out that creativity is the initial phase of innovation. On the other hand, Roy &Mohapatra (2023), Furtner et al (2018) or Rzepka & Sabat (2022) note the far-reaching relationship between being creative and being innovative.

As defined by Appio et al. (2024), a leader exerts a positive influence on other employees without resorting to coercive tactics. Their attitude depends on a set of soft skills (e.g. communication, creativity, dynamism, adaptability) that directly shapes their management style (and how others perceive them. The primary objective of a leader is to optimize the potential and competences of other employees (Wilson, 2022). Nowadays, when organizations largely operate based on the VUCA concept (volatility, uncertainty, complexity, and ambiguity), leaders must exhibit agility and flexibility, and need specific competences across various domains such as social competence (e.g. empathy), organizational acumen (e.g. organizing work), strategic thinking (e.g. planning), and technological literacy (e.g. analyzing data) (Sty'ven et al.2022) .

The theme of inter-organizational relationships has been extensively explored within the academic literature. Bellis et al. (2024) posit that the advancement of innovative activities necessitates that leaders adopt ambidextrous approaches, allowing them to adeptly navigate diverse environments while adapting their behaviors and styles, all the while upholding consistency in their values and norms. Contemporary researchers emphasize that the adaptation of innovation should concentrate on critical dimensions such as collaboration, prototyping, adaptability, experimentation, risk management, and data-driven development.

3   Methodology

The research presented herein is part of an international initiative titled "Teal Organizations in Economy 4.0," conducted across various countries including Poland, England, Hungary, India, Spain, Georgia, and the USA. This study comprised an initial preliminary phase followed by three subsequent stages of actual research. The research sample consisted of 622 respondents, selected through

random sampling methods. A proprietary survey questionnaire was used as a tool, distributed according to the standards of the CAWI (Computer-Assisted Web Interviewing) technique and consisting of thematic blocks relating to the leader/leadership in the organisation, innovations and technologies used in the company, prevailing relationships, agility and creativity, social capital, knowledge and information, trust and structure, organisational culture. The questionnaire consisted of 5 parts, each with 5 - 7 closed questions focusing on different topics. The employed research techniques included CAWI and Computer-Assisted Personal Interviewing (CAPI). The research was conducted by the recommendations established by the OECD-DAL. The survey targeted individuals employed within Polish enterprises. Furthermore, analytical methods such as the Cronbach alpha test, the ANOVA method, and the F test (Fisher-Snedecor) were utilized. Statistical analyses were performed using SPSS STATISTICA software, ensuring rigor and reliability in the findings. One of the limitations of the research was access to particular groups of respondents. The author pointed out the generalisation of the groups without breaking them down into the main sections of the SME's activities.

Table 1: Scope of business activity

		A - Preliminary stage	B- Primary research	C– Repeated tests
Primary modus operandi (%)	Trade	19.7	10.3	16.6
	Production	17.6	13.9	28.0
	Services	62.7	75.8	55.4
Geographic scope of operation (%)	Local	19.3	22.1	9.4
	Regional	8.2	12.4	27.3
	National	30.0	23.0	22.0
	International	42.5	42.4	41.3
Number of employees (%)	0-9	13.7	9.1	3.3
	10-49	24.0	18.8	55.1
	50-249	15.5	28.2	16.6
	250-999	18.5	20.9	16.6
	1000-and	28.3	23.0	8.4

Source: Own research

4   Findings

As previously stated, a leader's role is related to the process of influencing people to achieve expected results. A total of 44.2% of respondents agreed that good leaders should strive to shape their subordinates' independent thinking and responsibility

for their actions, while 34.7% strongly agreed. Only 2.1% of respondents disagreed with this statement, and 18% were undecided.

Table 2: Statements regarding a company leader

	I strongly disagree	I disagree	Hard to say	I agree	I strongly agree
In relations with subordinates, a good leader should strive to shape their independent thinking and responsibility for their actions	1.0	2.1	18.0	44.2	34.7
Vision is a characteristic of a good leader that unites and inspires the team to act	0.6	3.4	19.1	38.9	37.9
Humility is a characteristic of a good leader thanks to which they have the ability to acknowledge they have been wrong	0.3	3.2	18.6	42.9	34.9

Source: own research

As shown in Table 1, over 70% of respondents agree with the qualities of a good leader, i.e., vision, inspiring teams to act (38.9% and 37.9%, respectively). Similarly, regarding humility (i.e., good leaders should admit when they are wrong), more than 76% of respondents agreed with the statement (columns 4 and 5). Good leaders know, appreciate, and respect their colleagues; they motivate them to do fruitful work, show support during times of difficulty, and have all the prerequisites needed to manage a team effectively. Leaders have specialist skills such as knowledge and professional qualifications, innovative skills, creativity, and analytical thinking (Rzepka 2023). However, the most important characteristics are interpersonal skills related to team building. A leader with all the qualifications to manage who cannot communicate with the group will not succeed. According to my research, the effectiveness of a leader also depends on having skills that can be learned and constantly improved, regardless of one's predispositions. The leader should master social skills in effective team building and leading, i.e., the ability to communicate effectively, listen actively, provide feedback, motivate to achieve goals, have a positive self-presentation, solve problems, and exhibit assertive behavior. An effective leader should also be a visionary, an entrepreneur, an initiator, and a person open to spontaneous changes.

5   Discussion

In contemporary society, a leader or manager is no longer perceived merely as an individual who issues directives from the apex of a hierarchical structure. Instead, effective management is predicated on collaboration with the team, often assuming a supportive role. This collaborative approach has been demonstrated to be essential for fostering positive performance, productivity, and motivation. Research indicates that initiatives aimed at enhancing teamwork, such as team-building exercises, have a beneficial impact on team effectiveness and overall success. Team leaders frequently assume a critical role in steering their teams toward success, drawing upon both intuition and factual analysis to cultivate a leadership style that transcends mere data. A team leader is responsible for setting the tone, providing direction, and facilitating effective collaboration among team members.

As Rzepka and Sabat (2022) assert, the willingness to adopt new, creative solutions is a determining factor in the effective utilization of acquired knowledge, which is crucial for the successful implementation of innovative initiatives. Conversely, a turbulent environment can catalyze the emergence of novel types of intra-organizational relationships that have not previously existed, thereby playing a vital role in the innovation processes (Maziriri et al.2024)

James et al., 2022). The establishment of robust intra-organizational relationships may stem from knowledge-based agility and managerial decisions regarding the pursuit of new opportunities.

As demonstrated, the role of the leader is multifaceted. On one hand, leaders establish the developmental direction of their organizations; on the other hand, they motivate individuals to exert effort. Change is an inherent aspect of our lives; embracing it becomes a pivotal moment for any organization.

As evidenced by the aforementioned research (Rzepka, 2020; 2023), leaders in the 21st century must embody the qualities of artists, possessing the ability to adapt swiftly within the workplace, where the talent for establishing relationships, fostering creativity, and initiating change ultimately defines overall success. Consequently, contemporary leadership is grounded in the capacities to relate, create, and initiate, as well as in enhancing the agility of leaders, managers, and their teams. However,

many current leaders and managers have yet to acquire these essential skills. In fact, research indicates that the organization itself often serves as the primary barrier to skill development.

6   Conclusions

Indeed, a multitude of scholars recognize that the types of leadership employed within organizations have a substantial impact on the various dimensions of organizational functioning previously considered. For example, Gren and Ralph (2022) along with Reunamäki and Fey (2022) contend that leaders who adhere to traditional leadership styles characterized by supervision and control can detrimentally affect the agile thinking and behaviors of the teams they lead. In contrast, a leader who seeks to cultivate and empower others to realize their utmost potential should embody a range of essential leadership qualities. These qualities include listening, empathy, awareness, persuasion, conceptualization, foresight, a commitment to the development of individuals, stewardship, and community building (Knoll, 2019). It is imperative to note that such empowerment is not only vital for individual development but also plays a significant role in enhancing innovation and creativity within the organization.

In summary, a turbulent environment, can initiate new types of intra-organisational relationships that have not occurred before, which can play a critical role in innovation processes (Aničić 2024**)**. Strong intra-organisational relationships can result from knowledge-based agility and managerial decisions about whether to act on new opportunities. As Hutton et al. (2024) note, the organisation itself can develop the ability to respond to different situations (agility) through staff rotations, which enhances the skills of selected individuals contributing to open innovation.

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