The globalization has made it mandatory for the industries to introduce novel ideas in the products and services that they offer, and that is due to the rapidly increasing competition. For this prevailing innovation, it is very important for the management to adopt the right type of leadership. A managerial perception having the aim of producing constant and better results and reducing turnover and absenteeism of employees and last but not the least hastening the inventions and new creations, is called sustainable leadership. The purpose of this review is to facilitate the researchers by providing an authentic relationship between the sustainable leadership and innovation that is stated after studying 27 articles. This study comprises a review of literature encompassing past 9 years, this research involves and provides many pieces of guidance for researchers and leaders.

**Keywords:** Sustainable Leadership; Innovation; Systematic Literature Review; Theories

**INTRODUCTION**

International industry environment has been transmuted into a progressively more complicated, ambiguous and diversified entity because of the globalization. It is an excessive pressure for multinational companies to improve their abilities just not to adapt to the environmental changes but also to keep up with it otherwise they may get crushed by the external forces. About 20% to 50% of organizations performances differ from each other relating to a same sector of an industry. However, although in-depth studies have been conducted to determine what aspects of industry have direct impact on the prevailing culture but unfortunately, what type of leadership deeds are suitable for the process of innovation to develop in the culture. Innovation is a foundation of organizational success (C.Dunne, R.Aaron, C.McDowell, J.Urban, & R.Geho, 2016). This means that if an organization continues to work in a traditional way and do not change its actions according to the necessities, it cannot survive in this competitive environment. Therefore, they need to find new and novel ideas to perform in order to stand out and make a firm place in this strong unending competition (Ebrahim, Moosavi, & Chirani, 2016). Organizations must find new opportunities to grow and avail competitive advantage by adopting innovative ways to perform tasks efficient enough to stand out. The best thing that a leader can do to introduce innovation is to guarantee that every employee gets to do challenging work that avoids boredom and utilizes their capabilities and skills at fullest (Dodge et al., 2017). If leaders focus only on the daily routine and operations and takes innovation process as a choice, they are less likely to indulge in innovation and thus innovation process is repressed and ultimately it causes failure of innovation process. This is where the role of strategic sustainable leadership comes. It helps organization to manage short-term as well as long-term necessities of the company in the most efficient way for example it will help managers to carry out the process of innovation simultaneously with operational tasks at hand (Semuel, Siagian, & Octavia, 2017). Therefore, it is utmost important for the firms to accomplish in effect and proficient technological innovation that is steered by the right type of leadership behavior. As many researchers have concluded that employees are the main asset of the organization and the efficiency and effectiveness of any firm is in the hands of its workforce therefore it is very important to provide attention to their innovative behavior. An environment that is favorable for the prevalence of creativity to inspire the innovativeness of the employees and technology is very significant for this era’s industry (X. Li and Zheng, 2014; Chang-yen Tsai, Horng, Liu and Hu, 2015). By maintaining appropriate work environment, organizations can promote the behavior of creativity and increased efforts can be enhanced by motivating the employees the right way (Amabile, Teresa M., 1999).

**Literature Review**

**Sustainable Leadership**

Leadership has been studied in many areas, including psychology and education, military, administration, medical care, and nursing and particularly in business. For a motivating and facilitating environment to influence the employee’s creativity and other advantageous behaviors on job, leadership has been suggested consistently (Rehman, Sami, Haroon, & Irfan, 2019; Park, Kim, Joo, & Yoon, 2017; Yang Chen, Guiyao Tang, Jiafei Jin, Qinghong Xie, 2014). A managerial perception having the aim of producing constant and better results and reducing turnover and absenteeism of employees and last but not the least hastening the inventions and new creations,
is called sustainable leadership. This exceptional and progressive perspective of leadership, other than sustainable, is called “Rhinelander” or “honeybee” leadership (Avery, Gayle C., 2012). Studies and analyzes indicate that sustainable leadership requires a far-reaching vision when decisions are made to encourage systematic innovation and growth with the intention of increasing custom value build a competent, dedicated and very participative staff and provide high-level products, services and resolutions (Usmani, Sami, Baig, & Irfan, 2019; Hargre birds, Andy, 2012).

With the use of sustainable leadership, companies have become highly informed about the use of shared long-term benefits that associates various interest groups, such as suppliers and labor. A tacit agreement with the interested parties comprises an element that includes the moral and accountable activities of the firm headed for environment and the society. In short, to accomplish a balance between people, environment and monetary revenues during the current life of the company, and through that, to ensure that the company creates the necessary social capital to survive crises, is the main goal of sustainable leadership (Avery, 2005). Towards the powers that impacts the sustainable leadership, it has a futuristic approach towards it and also it stimulates an informative environment in the company to promote knowledge sharing and corporate diversity as it involves interchange of important opinions and such exercises, which ultimately becomes the reason for innovation and development. For the senior management of firms, it is recommended to consider keenly the innovation of workforce in their strategic aims and prospects so that they get motivated to perform even better in order to gain a competitive advantage to stand out in the competitive market (Ebrahim et al., 2016). The moral problems are directed by moral values and standards, social groups and organizational pressures about which leaders worry and stress (Peus, Sarah, & Frey, 2012). Employees do not only get motived to perform innovative behavior by the way they perceive or internal motivation or any psychological capital instead it also depends on under what kind of environment they are working and what is the leadership style adopted by the leader or manager. As the nature of sustainable leadership is evolutionary and all-inclusive therefore it is positively connected with almost all the aspects related to the job. It largely depends on the way a leader communicates, that how effectively are employees influenced to perform their jobs through novel ways. For example, leaders inspire employees to adopt innovative approaches by encouraging them for their out of the box thinking and by setting goals and communicating them properly to achieve innovativeness. Other than that, they can act empathetically and by learning their feelings and situations, evaluate and appraise the work of employees. Leadership improves the innovative behavior of employees by directly stimulating or setting the goal of innovation for employees (Wang, Rode, & Wang, 2010). Hence leaders need to adopt that style which is most appropriate according to the situation in order to promote the innovative behavior in the workplace, conserve the life of innovation and enhance the employee’s capabilities to innovate (Xie et al., 2018).

Innovation

Concept building, development of technology, production and selling of new products or services and or creating new equipment, management of such activities is called innovation (Trott, 2008). Therefore, innovation is a combination of all these processes (Philip & Armstrong, 2004). The usual concept is that process of innovation is complex and complicated that encompasses many different procedures. One of the easiest ways to understand innovation is to categorize it into its different stages and processes. Combination of creativity and productivity makes the basis for innovation and there are various factors that effects these two. For example, psychological elements such as openness, power and support for the employee and supervisor connection impacts on the creativity element (Amabile, 1979; J. R. Kimberly, 1981; John R Kimberly, 1981) The potential of any firm’s innovation resides in the capabilities, knowledge and skills of its workforce that includes employees as well as leaders (Kelley, Colarelli, Connor, Neck, & Peters, 2011). Defining the aim through a message is also very important because if the goals are not clear to the followers then they will be not able to respond properly. They will get confused regarding their role and about what is expected from them. Other than that it is also very important to empower employees to be able to make decisions regarding their job. According to the previous researches greater the sense of control employees has over one’s job, the level of complexity of the task at hand, pressure of the time constraints and the recognition and support of the superior directly impacts the innovativeness and creativity in the working environment, especially when these features are related directly with the organizational culture of particular work group(Ohly, Sonnentag, & Blunck, 2006), in order to accomplish the differentiation strategy through gaining competitive advantage and producing and performing best quality for the concerning parties, is based on the organization’s victory in introducing innovation in work place (Kalipappen, Narenthenen, 2014). Preceding references says that in any organization the activity the innovation process is greatly dependent on the matchless skills and abilities. The concept of achieving greater differentiation through innovation means producing less expensive and better-quality products than competing products (Hana, 2013). A major factor of strategic planning, in current era, is innovation that is already considered as a means to create wealth (Peus, 2006). While efficiency is critical to a company’s success, it cannot sustain its growth in the long term (Slimane, 2015). The process of innovation has now become a value-added process as almost all the organizations are running to innovate through technological innovation to get the competitive advantage. Every organization has a potential for innovation somewhere. To drive innovation, companies need to create such a culture and inside atmosphere that is easy to adapt changes, to accelerate information exchange and respond quickly to new opportunities (Hana, 2013).

According to (Ellonen, Jantunen, & Kuivalainen, 2011), companies having enhanced abilities can use the external knowledge and other external factors as a catalyst in internal affairs and innovation processes. This is why being innovative is peculiar. It can be said that in an organization, for innovation to prevail, it needs such culture that supports innovation and which also provide appreciation and recognition or provide any other reward for the employees who show innovative behavior (Wei, Liu, & Herndon, 2011; West, 2002). Other than that, the leaders who bring out the process of innovation should be able to determine errors, find new opportunities and needs to be able to improve their plans and projects or even abandon those projects that are unwanted at time (Kelley et al., 2011).

Sustainable Leadership and Innovation

Burns in 1978 provided with a pioneer study, which is now been authenticated by many other researchers that leadership do have a positive and massive influence on the behaviors of employees which is directly related to the deeds of innovation and creativity (Bass, Bernard M., 2006; Kesting, Ulhøi, Song, & Niu, 2015; Schmitt, Antje, Deanne N. Den Hartog, 2016; Sami, Jusoh, & Qureshi, 2016) and that is why it is taken as a step that is most crucial for the execution of innovation in the environment of the firm. The concepts of leadership and innovation are inter-related. A leader always thinks about bringing some kind of change to build a better future. In this regard we can say that leaders are the instinctive innovators and trend setters. A person who do not want to change or wants to maintain a current status quo is surly a manger but we cannot call him/her a leader (Slimane, 2015). Leaders are responsible for stimulating an environment that helps in cultivating the workforce psychosomatically and providing enough room for any innovation to bloom. Style of leadership have been acknowledged as one of the most significant elements influencing innovations as leaders play a prominent role in producing thoughts, setting objectives, and creating an innovation culture. Transformational leadership is essential in building organizational capacity for innovation by transforming the workplace and
making decisions that promote effective knowledge generation and execution.

Sustainable leadership is provident and inventive therefore without exhausting human or economic resources it helps to nurture the process of innovation. To develop a new future, sustainable leadership performs evaluation of previous life and learns from experiences that are formative and worthy. Sustainable leadership scrutinizes and induces the experiences of a corporate and respects its suppliers' knowledge and experience as a means of learning, protecting, surpassing and developing a better future. According to (Dodge et al., 2017) for an organization's Innovation Score, which is Organizational Encouragement, Challenging Work and Work Group Support, the three management dimensions shall be the most significant. Leadership promotes innovation by creating an atmosphere that promotes creativity, as well as allocating resources both to generate precise market research and to create market-acceptable products and services (Samuel et al., 2017). The results of (Akram, Lei, & Jamal, 2016) suggest that, as a strong motivational instrument, relational management helps staff portray creative job behaviors at each stage of the EIWB's idea generation, idea advancement and idea realization. However (Neubert, Hunter, & Tolentino, 2016) says, even when inherent motivation and psychological security are conceivable routes for improving creative conduct, they are only taken as assistance for the leadership’s connection to creative performance. In any organization, the ability of employees to innovate will depend on the capacity of environment to encourage changes and innovative behaviors, build by the leader.

Companies need to understand well how to create an atmosphere that is friendly to innovation and what variables influence the atmosphere in this regard. Along with many other factors leadership style also effects the required stratosphere for the adequate performance of innovation (X. Li & Zheng, 2014). Other than the dedication of the employee and the psychological capital of the individual, factors such as atmosphere of organization for innovation, leadership’s social capital and features of the workforce affects the innovative behavior (X. Li & Zheng, 2014). A leadership that is effective always promotes innovation and competitiveness and is seen as a key driver of sustainable development in emerging economies (Chen, Lin, Lin, & Iii, 2012). As discussed before, in order to understand the complexity of innovation it is suggested to categorize it into its stages or process for example process and product innovation. where, product innovation relates to fresh products or services implemented in the industry in order to meet the requirements and needs of clients (Barras, 1986). A firm can achieve a competitive advantage only when it works on all the categories of innovation simultaneously (Dynamics, The, Of, Innovations organizations, & States, 2001). What innovation relates to fresh components brought into the manufacturing and management activities of organizations for example, new leadership approaches, manufacturing techniques and new strategies (Ettlie & Reza, 1992) (Gopalakrishnan, Shanthi, Paul Bierly, 1999). As leadership has the tendency to implement the creative thoughts and philosophies in an organization therefore, it is considered most important factor, by (Yoon, DonHeeLee, & Schniederjans, 2016), that effects innovation.

Proper leadership style is able to encourage administrative innovation by encouraging staff and fostering a conducive environment for developing their creative and innovative abilities that ultimately lead to improved innovation capabilities and superior organizational competitive benefits (G. Li, Shang, Liu, & Xi, 2013; Srivastava, Bartol, & Locke, 2006; Yajiong, 2011; Yang, 2007; Sami, Jusoh, Mahfar, Qureshi & Khan, 2016). Qualification of employees and a firm leadership approach are the two factors that are determined by (Hana, 2013) as most important in shaping fundamental innovative behaviors. According to (Yoon et al., 2016) leadership is the most significant factor that affects innovation because innovation relates to the effective execution within an organization of creative thoughts. Performance of innovation is improved by implementing wise kind of leadership (Minh, Badir, Ngoc, & Afsar, 2017).it is suggested by (Khan, Aslam, & Riaz, 2014) that effective leadership is the reason behind the dominance of innovation activities in this contemporary organizations. The process of innovation in high technological organizations and the creativity level of employees, do not propel spontaneously rather leaders need to encourage and support the employees in order to do so (Tung, Feng-Cheng, 2016).

Managers who identify the climate of an innovative company properly have a tendency to feel empowered, need to think outside the box to stretch out the skies, shape on their intellectual possessions to help organizational success and thus display creative behavior (Kang, Solomon, & Choi, 2015). Leaders do not only generate innovative solutions to provide an elucidation for any problem, but also promotes the creativity of employees and support their new creations so that to plan new strategies for the sake of new opportunities and innovativeness. On the basis of principles of leadership, the leaders build their tasks and roles. They authorize and inspire employees to take risks, make new experiments, and learn from experiences in order to generate novel aspects of thoughts (Freeman, 2015; Gupta, Macmillan, & Surie, 2004; Kang et al., 2015; Karol, 2015; Leitch, Mcmullan, & Harrison, 2012). (Sabrina, Gerlach, Maria, & Xin, 2018) postulates that in order to sustain organizational accomplishment, leaders need to work on innovation along with improving the efficiency of the organization’s operations. In strengthening the organizational creativity, starting and driving innovation projects, implementing innovation projects and overcoming opposition, leadership plays a crucial role (Kesting et al., 2015).

Hypothesis: there is a direct relationship between Sustainable leadership and innovation.

According to some scientists, leaders can directly and indirectly influence the creativity of supporters. An instance of a direct impact is leaders who cater for the intrinsic motivation and higher-level needs of supporters, which are known to be significant creative sources. Indirectly, by creating a working atmosphere that promotes staff to attempt distinct methods without worrying about being punished simply because the results are negative, leaders can encourage creativity. The dominant position of leadership in the workplace suggests that sustainable leadership is a main situation factor that can have a significant effect on creativity (Tsai & Tseng, 2010). Within the organizational framework, transformational leaders could boost innovation and motivate employees by inspiring them and stimulate intellect, which are significant considerations for the innovation in an organization (Noruzi, Dalfard, & Azhdari, 2013).

![Sustainable Leadership](image)

**Table 1: Theories of reviewed articles**

| Sr. No | Article Title | Theory |
|-------|--------------|--------|
| 1     | What followers are saying about transformational leadership fostering employee innovation via organizational learning, knowledge sharing and social media use in public organization? | Innovation Theory |
| 2     | A servant leader and their stake holders: when does organizational structure enhance a leader’s influence. | Social learning theory |
| 3     | The influence of leadership on product and process innovation in china: The contingent role of | Upper echelon theory, |

Copyright © 2019 Journal. This is an open access article distributed under the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.
Methodology

This paper is written by following a review paper approach. A review paper is the one that concludes the previous work of researchers in a single article. The articles reviewed in this paper were obtained from 4 web servers Google scholar, science direct, emerald insight and Taylor and Francis, and were published between 2010 and 2019. ‘Sustainable leadership’, ‘innovation and leadership’ were the keywords entered in the search area. Only those articles were selected which were peer-reviewed and were related to organizational setup. After reading their titles and abstracts 27 articles were selected for the review purpose.

Discussion

The results of this study have several consequences for present and prospective leaders and entrepreneurs of high technological companies who are in need of enhancing their employees’ ability for innovation and recognition of opportunities in order to enhance their business’ competitiveness and development. This study comprises of a review of literature of past 9 years, this makes it easy for the future researches to be able to find and quote the material required for the analyses. This research involves and provides many pieces of guidance for leaders with respect to exercise. The findings indicate that there is a positive relationship between sustainable leadership and innovation. As a consequence, companies could enhance organizational innovation by improving leaders’ practical understanding and strengthening the capacity to manage organizational knowledge. Innovation has been one of the top strategic priorities of businesses for over a century against the background of quickly evolving, vibrant markets. With organizational units playing a main role in organizational innovation, the leadership conduct of managers heading these units is essential to enhance the innovativeness of the organizational unit.

Conclusion

This study helps to investigate how sustainable leadership is able to drive innovation and effectiveness. This paper analyzes the critical significance of exploring leadership styles and behaviors that efficiently foster and enhance innovation and appreciation of opportunities for both individual innovation and growth of innovation leadership. There is a huge need to encourage management behaviors in which leadership plays a key role in supporting organizations’ creative job behavior. Organizations operate on their staff to accomplish the mission of innovation, i.e. to innovate their techniques and activities in order to obtain fruitful outcomes. Personal skills of entrepreneurial leaders allow them to foresee a good future for their organization through the development of an innovative vision and possibilities. While the functional skills of entrepreneurial leaders empower them to influence and encourage members of their community to leave their present and conventional job performance and expand their attempts to implement creative and entrepreneurial activities. By involving employees in the development of creative concepts and construction trust and dedication to implementing the thoughts, leaders reshape employees’ perceptions of their abilities. To regulate the employees towards innovation and acknowledgement of opportunities, the personal and functional skills of sustainable leadership enables the entrepreneurial leaders to deliberately influence them.

References:

Akram, T., Lei, S., & Jamal, M. (2016). The impact of relational leadership on employee innovative work behavior in IT industry of China. Arab Economic & Business Journal, 11, 153–161.
Amakele, T. M. (1979). Effects of external evaluation on artistic creativity. Journal of Personality and Social Psychology, 37(2), 221–233.
Avery, Gayle C., & H. B. (2012). Sustainable leadership: Honeybee and locust approaches. Routledge.
Avery, G. (2005). Leadership for sustainable futures: Achieving success in a competitive world. Edward Elgar Publishing.
Bailyn, L. (1985). Autonomy in the Industrial R&D Labt. Human Resource Management, 24(2), 129–146.
Barras, R. (1986). Towards a theory of innovation inservices. Research Policy, 15, 161–173.
Bass, Bernard M., and R. E. R. (2006). Transformational leadership. Psychology press.
Burns, J. M. (1978). Leadership. New York: Row and Harper.
C.Dunne, T., R.Aaron, J., C.McDowell, W., J.Urban, D., & R.Geho, P. (2016). The impact of leadership on small business innovativeness. Journal of Business Research, 69(11), 4876–4881.
Chen, M. Y., Lin, C. Y., Lin, H., & Iii, E. F. M. (2012). Does transformational leadership facilitate technological innovation? The moderating roles of innovative culture and incentive compensation. Asia Pacific Journal of Management, 29, 239–264.
Crossan, M. M., & Apaydin, M. (2010). A Multi-Dimensional Framework of Organizational Innovation: A Systematic Review of the Literature. In Journal of Management Studies (Vol. 47).
Dodge, R., Dwyer, J., Witzeman, S., Neylon, S., Dodge, R., Dwyer, J., … Taylor, S. (2017). The Role of Leadership in Innovation. Research- Technology Management ISSN:222–60(3), 22–19.
Dynamics, T. H. E., & States, U. (2001). The dynamics of the adoption of product and process innovations in organizations. Journal of Management Studies, 38(1), 45–65.
Ebrahim, P., Moosavi, S. M., & Chirani, E. (2016). Relationship between Leadership Styles and Organizational Performance by Considering Innovation in Manufacturing Companies of Guilan Province. Procedia - Social and Behavioral Sciences, 230, 351–358.
Ellonen, H.-K., Jantunen, A., & Kuivalainen, O. (2011). The Role Of Dynamic Capabilities In Developing Innovation-Related Capabilities. International Journal of Innovation Management, 15(3), 459–478.
Ettlie, J. E., & Reza, E. M. (1992). Organizational Integration And Process Innovation. Academy of Management Journa, 35(4), 795–827.
Freeman, D. (2015). Entrepreneurial Leadership Across Contexts : Unique Challenges And Skills. Journal of Leadership Studies, 8(3).
Gopalakrishnan, Shanthi, Paul Bierly, and E. H. K. (1999). A reexamination of product and process innovations using a knowledge-based view. Journal of High Technology Management Research, 1(19), 147–166.
Gupta, V., Macmillan, I. C., & Surie, G. (2004). Entrepreneurial leadership : developing and measuring a cross-cultural construct. Journal of Business Venturing, 19, 241–260.
Hana, U. (2013). Competitive Advantage Achievement through Innovation and Knowledge. Journal of Competitiveness, 5(1), 82–96.
Kalippan, Narentheren, and H. H. (2014). Does service innovation act as a mediator in differentiation strategy and organizational performance nexus? An empirical study. Asian Social Science, 10(11), 123.
Kang, J. H., Solomon, G. T., & Choi, D. Y. (2015). CEOs’ Leadership Styles and Managers’ Innovative Behaviours: Investigation of Intervening Effects in an Entrepreneurial Context. Journal Of Management Studies, 52(4).
Karol, R. A. (2015). Leadership In The Context Of Corporate
