

THE EFFECT OF TEAM LEADERSHIP AND INNOVATIVENESS ON CONSTRUCTION EMPLOYEES' JOB PERFORMANCE: A CASE STUDY OF MALAYSIA INDUSTRIAL ESTATES LTD

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Abstract:

Purpose-The role of leaders in ensuring excellent organizational performance should parallel with adequate innovativeness. The purpose of this study is to investigate the positive development of the selected industry (MIEL) on effective leadership in conducting projects and embracing innovativeness to lead the workforce.

Design/methodology/approach-Data were collected from 119 employees' grades/positions G6 to G13 using questionnaires. A partial least squares- structural equation modelling (PLS-SEM) was used to test a set of hypotheses stemming from a conceptual model of leadership, innovativeness, and employee job performance.

Findings- The empirical results showed that only process innovation significantly impacts MIEL employees' job performance. Leadership and innovative culture do not impact the MIEL employees' job performance. The leadership of MIEL leaders does not play a significant role and does not increase employees' job performance when it relates to the system implementation. **Practical implications-**The findings from this study can help construction companies like MIE Industrial Ltd. by providing insight for the leaders on how to be more effective in managing employees with success achievement towards company objective in this new system implementation which involve millions ringgit cost of development. Furthermore, the findings from this study which associate with innovativeness, points towards the importance of employee job performance to anticipate company growth.

Originality/Value-This research was a real case study and positively highlighted the company's leadership towards employees' performance. Partially, this research study was conducted during the COVID-19 pandemic which provides a unique setting to examine resilience and learning. **Paper type-** Research paper

Keywords: Leadership, Process Innovation, Cultural Innovativeness

1.0 INTRODUCTION

Based on the positive development in the construction industry, efficient progress relies on effective leaders to conduct the project or organization to lead the workforce and manpower. Regardless of their respective organization's size or structure, most leaders attempt to maximize their employees' performance to achieve organizational goals. In fact, leadership has been defined in terms of mobilizing the workforce towards attaining organizational goals (Cakir and Adiguzel, 2020). Effective team leadership, innovativeness, and employees performance are factors that have been viewed as fundamental for organizational success (Abdalla Ibrahim and Catalan-Opulencia, 2021). A capable leader provides team direction for the organization and leads followers towards realizing desired goals. Similarly, employees with high job

performance are likely to exert more effort in their assigned tasks and pursue a corporate interest. An organization that nurtures high job performance can also retain employees with the required skills (Abdalla Ibrahim and Catalan-Opulencia, 2021).

Strong Leadership and Innovativeness positively improve employees' job performance. According to Arumugam et al. (2019), employee job performance refers to employees' attitude towards their jobs and the leaders lead them. In particular, leaders within organizations can adopt appropriate leadership styles to affect employees' job performance. In recent years, both academicians and practitioners have recognized the significance of effective and exemplary leadership in employees' job performance (Rebecca and Wright, 2013). In addition, leadership is conceived as a process where one or more people influence a group to move in a specific direction. Leadership has been utilized in human endeavors, such as politics, business, academics, and social works. The leader of a company has an important role to play in the performance of its followers in his/her organization (Akpapere et al., 2019).

Organizational growth can be affected by incompetent leaders who fail to lead the team and display low commitment towards innovativeness. The result will also reflect employees' performance overall. Thus, the sense of what it means to be an effective, innovative team leader is formed by the leaders themselves, whether they are good, bad, creative, ingenuity, or possess positive vibes delivered to the MIE employees. Organizational accomplishment depends on leaders who are willing to make the efforts to develop their leadership capability. This includes leading globally to develop the mindset and skill set required to succeed in a complex construction environment. They lead people across distances, cultures, time zones, and complex organizational structures such as a matrix or networked organization structure (Sebastian et al., 2016).

Malaysia's construction industries faced one of its most challenging phases in 2014, and during that critical phase, the industries gradually managed to encounter the challenge of maintaining, assimilating, and expanding by using innovative construction methods to endure the most challenging time. Undeniable, due to the severe impact, many construction majors have announced job cuts to manage costs that had risen upwards during the thriving days and resorted to decreasing their workforce amid the most significant downturn in the industry. The downturn's impact hit Malaysia, especially labor, and caused the market to lay off 6,547 people, and 30% of that number, nearly 2,000 people lost their jobs come from the construction industry (Sidhu, 2015). As revenue comes down, employees are being redeployed from upstream to downstream and will also be asked to multi-task in the organization. (Sidhu, 2015). The Malaysian construction industry has had several downfalls and recoveries, and the ability of the construction industry to respond to changes in the environment depends on the leadership style, innovativeness nurture employee's job performance to ensure the growth firmly sustain. In Malaysia, the construction industry plays a vital role in the economy because it stimulates growth, builds up capital formation, creates employment, and provides crucial backward and forward linkages to the rest of the economy (Alaloul et al., 2021). Corresponding to the Ministry of Finance's (MOF) Economic Report, the forecast growth of the sector in 2019 is 4.7 to 4.9 percent (MOF, 2019). The right team leadership is vital to create, manage and sustain an

excellent organization's success and profitability. Parallel with the current rapid development of construction technology, and this industry has become more knowledge-intensive. It has become imperious to carry on innovativeness in construction, which is one of the essential tools to support competition among other organizations (Chia et al., 2014).

2.0 LITERATURE REVIEW

2.1. Leadership

Leadership has many different definitions by scholars and researchers, and it is a particular term and different through behaviors. Leadership behavior is culturally determined and different from culture to culture (Ilham, 2018). According to Hofstede (2011), national culture is significant on the impact of leadership on subordinates' performance, which reflects variation from country to country. Hence, justify the need to study the leadership style in the construction industry environment, particularly in Malaysia's context. In the field of leadership study, scholars have identified several leadership styles that greatly influence organizations.

Leadership style in the construction industry is vital for every construction company, and leadership styles and their practice constitute important variables having an essential role in project management success (Emere, Aigbavboa, and Thwala, 2018). According to these authors, the exemplary leadership approach can shape subordinates' performance and facilitate construction projects to go effortlessly. Based on Emere et al. (2018) arguments that the right leadership style should be able to "thrust" employees to complete tasks well-timed and appropriately while at the same time transporting out the greatest in them. Leaders achieve objectives through energized and excited employees who share their passion, vision, and direction. Generally, it is all about aligning people to the vision that means communication, motivation, and inspiration (Emere et al., 2018).

Fiedler, Hersey, and Blanchard (2020) posit that the most desirable leadership or attitude is team management, where the leader is equally task-oriented and people-oriented. In this perspective, the leader would have a consistent leadership style that will be effective at all levels of a subordinate's maturity. Yukl (2013) argues that there are several and different definitions regarding the concept of a leader and the term leadership. According to this author, a consensus suggests it involves influencing and guiding relationships within an organization. The best employers know how to participate with their employees to achieve the organization's objective (Cho, Billing, and Bhagat, 2019).

2.2. Team Leadership

A "Proven Tools for Success" book by Parker (2021) mentioned that leaders must have solid expertise in this era, especially in the world of organizations. Based on his numerous years of research, he believed that a good leader could lead any team doing any work, and it was believed that a leader and those skills were handy in any setting. According to Glen, "Effective leadership is effective leadership," some universal truths cut across all types of team. According to Paker (2021), influential leaders have a clear vision and can communicate that vision. According to the author, leaders foster a sense of urgency about the team's work,

including team members in goal setting and decision-making, and foster a climate of openness and honesty. Jay Britton (Carson, 2006) found from his dissertation and the leadership team has been a crucial first step in advancing understanding of internal team leadership dynamics and their effects on individual team members. The findings also demonstrated that these studies suggest that shared leadership is an essential predictor of team performance and provides an additional resource to teams beyond the leadership of any single individual. However, McDermott (2014) indicated that leadership teams must align purpose, a perceived need to work together on common goals, and a standard set of ground rules. Selected as a case study, MIE Industry growth from 1997 until today increasingly became enamoured with the power of teams from each discipline and business function. Start with a small, rented shop lot building to own 12 floors building, MIEL was established and thrived. Thus, the leadership team is highly anticipated and suits the construction industry, especially for MIEL to meet all the organization's challenges and market realities shortly. Leaders in MIEL functional organizations have been asked to work together to add value beyond what the organization provides. Question on who should be on a leadership team, nurtured by MIEL director, to form follows function. Meaning leaders are contemplating forming a leadership team by defining what the leadership team will be expected to work on and what it will do.

In MIEL, Directors, CEO and COO attended weekly management meetings, where they received report updates from various departments' progress and issues from Key Division Head. Since Dato Khoo (Director), he is alone not fully leverage in all vital business function experiences and expertise. He formed a leadership team by adding in Head of Business function (Finance, Human Resource, Marketing, Project, Construction, Procurement, and Engineering) to join the meeting and be a real team with open discussions and made joint decisions. The MIEL director concerns whether a group of leaders functions together or operates as a siloed (refer to an attitude do not want to share information or knowledge) working group.

2.3. Innovativeness

Malaysia has tactically highlighted innovation as the key factor for more significant growth and identifies the importance of innovation as the substance for the country's long-term success (Samsi, Abdullah and Lim, 2020). ETP (Economic Transformation Program) recognizes the significance of innovation as the impetus in achieving Malaysia's Vision 2020. Given the above background, it is crucial to explore a better understanding of enhancing the construction industry's performance which demands dynamic and innovative strategies in contributing towards tremendous growth (Zuhairy and Ibrahim, 2016)

The next upsurge of great innovative ideas will not come from environments in which leaders control and micromanage employees. Innovation thrives in organizations whose employees are free to think and openly express them. Moreover, environments where employees can freely confront the status quo, are cultured through the behavior of their leaders (Dike, 2017). According to Asad Khan et al. (2020), innovativeness refers to an organizational-wide tendency to introduce newness and novelty through experimentation and research to develop new products, services, and processes. To be more precise, innovativeness is a transformation process of a new and original idea into a new product or service with commercial value in the

market. Due to bottomless changes in the competitive environment, this concept has been considered by many business scholars. Rogers (2003) characterizes innovativeness as the degree to which an organization adopts a relative to its peers earlier. In an extensive meaning, innovativeness is the creation and capture of new value and the implementation of new methods in business practices and organization to improve and transform the managerial mindsets and business models to cope with changes (Yıldız, Baştürkand Bozc, 2014).

On the other hand, innovativeness is used to describe whether the individual or the firm is willing and eager to innovate (Nieminen, 2020). MIEL is going through a transition phase of innovation from the old ERP system adopted by MIEL shareholder company (CTCI Corporation, based in Taiwan) to the new own SAP S/4 Hana system costing around RM 4.4 million overall implementation and licenses for licenses key users. MIEL Employees must adapt to new business innovation and new processes since MIEL pays a large sum of money on new hiring and employee training. Henceforth, this research will narrow the innovativeness aspect into process innovation and innovation culture as the framework—these two activities to be weighed, which one highly influences employee's performance in MIEL organizations.

2.3.1 Process Innovation

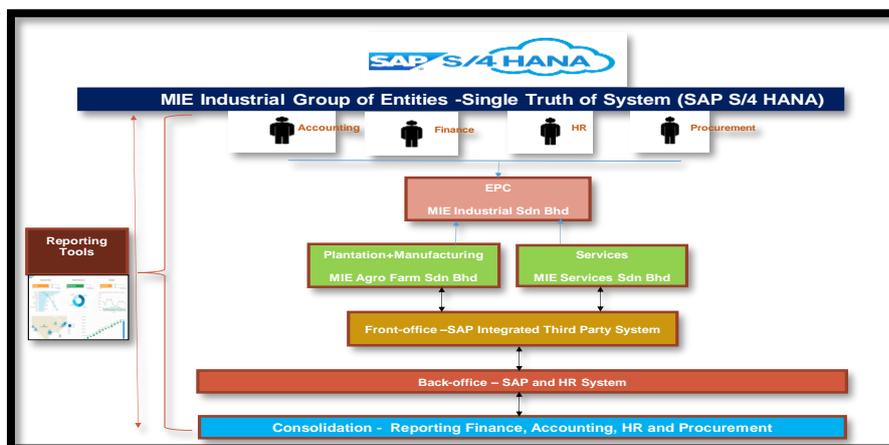
Reseachers Quandt, Ferraresiand Bezerra (2017) define process innovation as new or significantly improved methods for producing or supplying goods and services, which must be new to the enterprise, not the enterprise necessarily new to the industry. The innovation ideas to adapt with new technology due to the previous system from CTCI is very limited and not user-friendly (see figure 1). MIEL director realized that it is an excellent time to change into new process innovation since an improvement is essential for MIEL business growth in the construction industry. Parallel to the present technology, this new invention is called process innovation. The process is an instrument provided by science that enormously enhances its powers, as Albert Einstein did with his innovations (Sahay, Gupta and Gupta, 2011). Innovation is a tool with which process embellishments. Process Innovation about services involves radically new technology, a combination of pre-existing technologies, or new knowledge (Sahay et al., 2011). According to several authors, the innovation process is a model used as a management tool to standardize development activities (Meissner and Kotsemir, 2016). Strengthen this statement, and it is MIEL's mission to align all the internal business processes to the highest standardization, which can cater to the overseas market for new business ventures. In previous studies, innovation is essential for designing and securing competitive advantage and is inevitable for any organization's economic sustainability (Louw, Schutte, Seidel, and Imser, 2018). Organizations that constantly gain new competitive advantages by innovation will enjoy long-term survival in the market (Louw et al., 2018). According to this statement, MIEL leaders' objective is to ensure the new implemented innovation system makes employees' daily tasks more convenient, increases the range of services, and improves flexibility of services in provision for each business function. In MIEL, successful innovation projects require an adequate innovation management capability that enables organizations to proactively manage customer needs and trends. Therefore, even though the investment in new process innovation is risky and expensive, it is necessary.

Investment in innovation is essentially a self-fulfilling prophecy. MIEL is spending money on development and expects the result and output derived from innovative ideas for MIEL employees' betterment performance, resulting in higher profit and stability.

Figure 1: Old ERP system by CTCI Corporation (Produce by MIEL)



Figure 2: New Technology Implementation, New Innovation System (Produce by MIEL)



2.3.2 Innovation Culture

Innovation culture is an essential factor in initiating the integration between the MIEL front and back end. In today's hypercompetitive environment, MIEL needs to generate ideas and be able to implement the ideas fast and efficiently (see figure 2).

In order to ensure organizational stability parallel with the innovation process, innovative culture play key aspects that can be described as creativity, openness and receptiveness to new ideas, risk-taking, and entrepreneurial mindset. The author's study mentions that employees in firms with a strong innovation culture value their fellow employees' contributions, consider

themselves creative and innovative, and view uncertainties as an opportunity, not a risk (Dobni, 2008).

Innovation culture includes the intention to be innovative, the extent to which employees are oriented towards learning new ways to do things, thus influencing the orientation towards finding new ideas and implementing them (Nieminen, 2020). Innovation culture boosts and open communication besides allowing decentralized decision-making within the organization. Several studies have shown that innovation fosters incremental improvements and makes the firm more responsive to existing market needs. In addition, innovation culture also supports the firm outperforming its competitors by fulfilling needs that the customer is not even aware of (Tournois, 2013) or finding new ways to do things, which will increase its competitive advantage. It is vital that all employees involved in the innovation project and the whole implementation process, from beginning to end, aware of what is in the pipeline, have a mutual understanding, and that the transmission of information is fast and effective. Therefore, a collective mind will lead to a smoother transition between the front and back end of innovation and contribute to the firms' overall innovation performance (Gunnar & Thorhallur, 2014).

2.3.3 Employees Job Performance

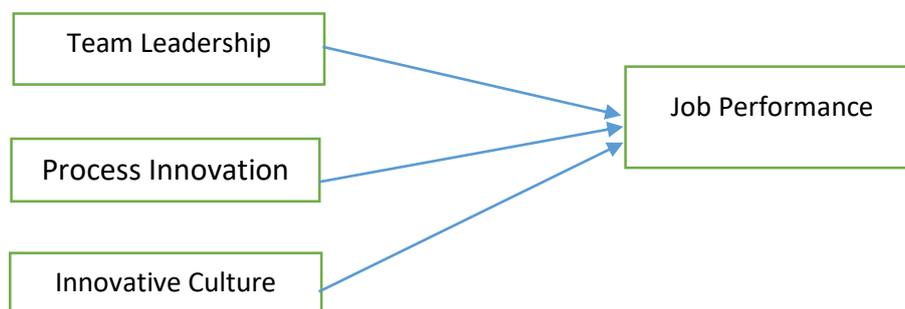
The definition of performance is very flexible, and it is used according to the concept or nature of work that gives the best outcome of the word (Phillips, Chang and Su, 2019). However, performance generally means the best outcome of an activity done by an organization over a while. Cited by the researcher, employee performance includes executing defined duties, meeting deadlines, employee competency, and effectiveness and efficiency in doing work. Various organizations need strong leadership styles that stimulate employee performance. (Iqbal Anwar and Haider, 2015).

An organization's employee performance is more likely to be influenced by teamwork, team trust, recognition, a reward (Motyka, 2018). Indeed, recognition and rewards are important criteria for the employees of an organization to motivate them effectively and enhance their performance (Ahmad and Manzoor, 2017). However, due to advanced technology nowadays, teamwork is getting much important to improve the overall performance of employees as well. Good employee performance is essential for the organization because success depends on employee creativity, innovation, and commitment (Elidemir, Ozturk and Bayigomog, 2020). Good performances at workplaces and labor productivity growth are also important in stabilizing the economy employing improvement of life, salary increase, and increase in the goods available for consumption (Mair, Druckman and Jackson, 2019).

Employee job performance has been researched for a decade and is considered the essential element in organizational efficiency. While working as an individual may not establish those assigned tasks well since some of those tasks are required to have specific knowledge or skills that the individual does not possess. As cited by (Sanyal and Hisam, 2018), working as a team has become another alternative to improve the performance of the employees nowadays. Bienkowska and Tworek (2020) referred to job performance as the result of two aspects: employees' abilities and skills (natural or acquired) to perform a better job.

Therefore, this research is about the effect of MIEL leadership and innovativeness on employee performance which majorly focused on employees. MIEL believed that an effective organization is entrenched from the propellers or the business leaders. The idea of effective leadership is also embraced in the world of technology. The MIEL employees perceived a need for a leader who should lead people and be effective in the organization. Therefore, people at MIEL need an effective leader who can lead the people toward the changes and performance improvement. Staff at MIEL believes that employee performance can increase organizational productivity by varying the inputs needed to attain their expected outputs.

Figure 3: Conceptual Framework



2.3.4 Hypothesis Development

a. Team Leadership and employees job performance

The effect of team leadership on employees' performance has been an important topic of many kinds of research done by academics and practitioners in previous years (Sanyaland Hisam, 2018). This topic is because the practical concept of team leadership strongly influences the performance of MIEL and the employees who work in it. Sanyaland Hisam (2018) state that understanding the effect of team leadership on performance is important because some researchers are one of the fundamental driving forces for improving an organization's performance. Team leadership enhances skills, knowledge, and abilities while working (Hanaysha, 2016). Researchers and experts indicate that effective behaviors and concepts related to teamwork can improve employees' performance and productivity and enhance the ability to solve conflicts and face urgent and sudden challenges at work.

To strengthen the above statement, several researchers, academicians, and practitioners conducted studies on this topic. The findings related to team leadership show a much more significant effect derived from the studies performed according to Bahmanabadi (2015). Whereas Basit, Sebastian, Hassan (2018) stated, team leadership has a significant positive impact on employee performance.

Therefore, it can be asserted that team leadership fostered by MIEL is the determiner of employee performance and has a positive effect. Thus, the following hypothesis was proposed:

H1: Team Leadership has a significant positive effect on Employees Job Performance.

b. innovativeness and employee job performance

Based on the previous research, it was found that employees' performance is influenced by innovation (Alawamleh, Ismail, Aladwan and Saleh, 2018). Innovation through employees generate ideas for new products and services would eventually improve competitiveness, administrative process, increase efficiencies, and practical work management (Kraśnicka, Głód and Wronka-Pośpiech, 2016). It will also improve quality performance and enhance productivity (Abdulla Lari, Abdul Hamid and Darwish Lari, 2020).

MIEL encourages technological innovation, which focuses on services for their stakeholders and employees, which are important in innovation implementation. To encourage employees to show innovation in their work behavior, high commitment from team leadership become of interest. When MIE employees perceive the organization as committed and supportive, it is more likely that they (the employees) show the organization's desired performance.

Technological innovation helps organizations learn and search for new ideas through receptive technological knowledge (Ferreira Teixeira and Rammal, 2020)), and it was found that technological innovation has a significant impact on employee performance ((Dasgupta, Gupta and Sahay, 2011; Camison and Villar-Lopez, 2014). Technological advancement increases the value of services innovation through electronic linkages that could alter the firms acquiring and delivering information (Milbratz, Gomes and De Montreuil Carmona, 2019). The underpinning idea of technological innovation is that technology had to change the way of working, and therefore machines and tools have to be more flexible, user-friendly human-machine and could ease the process of work (Sabadie, 2014).

Research conducted by Hamadi, Guembour, and Raki (2017) found that innovation means generating ideas and turning these into reality to help the organization achieve its goals. Suriati, Siti Halijah and Mohamad (2016) found significant positive relationships on employee performance were mainly innovation and indicated that innovation activity at the utility company should not be reduced.

Therefore, it can be emphasized that innovativeness nurtured by MIEL leaders is one of the indicators of employee performance and have a positive effect.

H2 and H3: Innovativeness has a significant positive effect on Employees Job Performance

3. METHODS AND MATERIALS

The research environment for this study was the Malaysia Industrial Estates Developer in Malaysia, and it used a quantitative research method. The leadership team included the Head of Division, Head of Department, Senior Manager, Manager, and Assistant Manager, with a population of 15 people. Only 160 personnel were studied, including Senior Executives, Senior Engineers, Engineers, and Executives. The data was collected during the early stages of the pandemic. The self-administered survey was completed by 119 of the 160 employees in the HQ, yielding a response rate of 74.4 percent. One of the main reasons for the unbiased response

rate was the survey design, which enabled the researcher to follow up with the targeted respondents explicitly.

Instruments derived from prior studies were used to create survey items (see Table 1 for details). All of the items were rated on a five-point Likert scale (1-strongly disagree to 5-strongly agree). Smart PIs was utilized to analyze the hypothesized correlations in this study.

Table 1: Instrument Development

Construct	Items	Sources
Leadership	5	Wan Muda, Libunao, Mohd Sallehand Sulaiman (2016)
Process Innovation	5	Duyguluand Ozeren (2009)
Innovative Culture	5	Rao and Weintraub (2013)
Job Performance	5	Iqbal (2015), Wan Muda et al. (2013)

3.1 Accessibility and Ethical Issues

The study obtained permission by the researcher from the MIEL organization's legal advisor to avoid legal implications before conducting the investigation. Approval was obtained from MIEL management to proceed with the research completion.

4.0 RESULTS

A total of one hundred sixty questionnaires were distributed, and received one hundred nineteen surveys were fully completed, and eleven questionnaires were incomplete. The response rate was 74.4%.

Table 2: Demographic Information

Demographic Data		
	n	%
Department		
Construction	35	29.4
Project	23	19.3
Account/Finance	12	10.1
Engineering	22	18.5
Marketing	12	10.1
Procurement	15	12.6
Gender		
Male	66	55.5
Female	53	44.5
Age		
< 30 years	31	26.1
30 - 40 years	68	57.1
41 to 50 years	10	8.4
51 to 60 years	7	5.9
>60 years	3	2.5
Qualification		
Certificate/Diploma	7	5.9
Degree/Professional	110	92.4
Master/PhD	2	1.7
Position/Grading		
G6	30	25.2
G7-G9	68	57.1
G10	10	8.4
G11	7	5.9
G12-G13	4	3.4

Table 2 shows that males account for 56.3 percent of the respondents, while females account for 43.7 percent. The gender disparity between male and female employees demonstrates that both genders play a vital role in the study's structure. The following table reveals that construction has 29.4 percent (35 people), the project has 19.3 percent (23 employees), engineering has 18.5 percent (22 employees), and account/finance, procurement, and marketing each have 10.1 percent, 12.6 percent, and 10.1 percent, respectively. In comparison to other departments, the building and engineering departments provide 47.9%. Many of the participants were aged 30 to 40 years old (57.1 percent), followed by 40 to 50 years old (8.4%), less than 30 years old (26.1 percent), 50 to 60 years old (5.9 percent), and more than 60 years old (2.5 percent). With 79 percent of respondents, Senior Executive/Senior Executive (G7-G9) was the most popular job title, followed by Assistant Manager (G10), 7.6%, Executive/Assistant Engineer (G6), 6.7 percent, Manager (G11) 4.2 percent, and Senior

Manager (G12-13) with 2.5 percent. Employees with a bachelor's degree have the highest qualification (89.9%), followed by those with a diploma or certificate (5.9%), and those with a master's degree (4.2 percent).

4.1. Measurement Model (outer model)

The reliability, validity and internal consistency of the measurement model were the first steps in PLS-SEM. Composite reliability (CR) and Cronbach's Alpha tests were used to assess the constructs' suitability for the measurement model. The CR value varied between 0.875 and 0.913, while the CB alpha varied between 0.814 and 0.881 (see Table 3). Both tests yielded substantially above the 0.70 suggested cut-off point (Nunnally and Bernstein, 1994). It may be determined that all the measurement model constructs were dependable. The average variance extracted (AVE) values were utilized to assess the constructs' convergent validity. The values of AVE ranged from 0.600 to 0.677, as shown in Table 3. The AVE values were legitimate because they were above the acceptable threshold of 0.50. (See Table 3). Discriminant validity was assessed using the Fornell–Larcker criterion (Fornell and Larcker, 1994). All of the square rooted values of AVE are more significant than the equivalent interconstruct correlations, as seen in Table 3. It means that all constructs have enough discriminant validity to be useful (see Table 4).

Table 3: Construct Reliability and Validity

Latent Variables	Indicators	Outer Loadings	Composite Reliability	AVE	Alpha
Leadership	L1	0.923	0.875	0.600	0.814
	L2	0.632			
	L3	0.943			
	L4	0.841			
	L5	0.391			
Process Innovation	PI1	0.653	0.899	0.642	0.858
	PI2	0.732			
	PI3	0.841			
	PI4	0.900			
	PI5	0.856			
Innovative Culture	IC1	0.901	0.904	0.657	0.866
	IC2	0.710			
	IC3	0.940			
	IC4	0.837			
	IC5	0.622			
Job Performance	JP1	0.821	0.913	0.677	0.881
	JP2	0.822			
	JP3	0.887			
	JP4	0.780			
	JP5	0.801			

Table 4: Fornell-Larcker criterion for discriminant validity

	Innovative Culture	Job Performance	Leadership	Process Innovation
Innovative Culture	0.811			
Job Performance	0.305	0.823		
Leadership	0.559	0.316	0.775	
Process Innovation	0.256	0.372	0.323	0.801

Table 5: Path Coefficients-Mean, STDEV, T Values, P-Values

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Result
Innovative Culture -> Job Performance	0.156	0.157	0.099	1.577	0.116	Rejected
Leadership -> Job Performance	0.135	0.153	0.104	1.306	0.192	Rejected
Process Innovation -> Job Performance	0.289	0.297	0.086	3.342	0.001	Accepted

4.1. Evaluation of structural model (inner model)

The analysis of inner model through bootstrapping indicates the level of significance of each hypothesis test (see Table 5). Table 5 shows that the influence of innovative culture and leadership on job performance is not significant because its T-statistic value is $1.51 < 1.96$, but the effect of process innovation on job performance is positive and significant because of its T-statistic value is $3.342 > 1.96$.

Table 6: R Square

	R Square	R Square Adjusted
Job Performance	0.198	0.177

The values of R-square for the model are 0.198(19.8%) for the sample selected for this study. The values of R-square the models show a "weak" effect. It means that the low r-squared figure is generally a bad sign for predictive models (see Table 6). Also, the low R-Square shows a weak relationship between the model presented and the response variable.

5.0 DISCUSSION

MIEL's leadership relationships and employee job performance was evaluated in light of the company's recent system implementation. This study aims to see how leaders carry out their leadership responsibilities and how their subordinates perform during the implementation of the system. The difficulties staff faced when coordinating ongoing project site requirements while migrating the system and data. The system is the foundation of MIEL's everyday operations, including everything from tendering to project execution, procurement, costing, and billing. As a result, it is critical to evaluate all relationships and effects per the assumptions. According to the results of the hypothesis, there is no link between (leadership, creative culture, and employee job performance. Employee performance at MIEL is concerned with day-to-day tasks, particularly as they relate to the new system. Due to the deployment of the S4 Hana system, MIEL's leaders only carry 19.8% of their responsibilities. The statistical results for leadership reveal that leadership has a negligible positive impact on MIEL employee job performance, showing that MIEL leaders' leadership is insignificant. When it comes to system adoption, leadership presence will not improve staff performance. This is because employees must respect and follow the company's direction in order for the construction sector to transition to a more advanced high-tech system that would improve project requirements efficiency MIEL management views innovation as a key driver of long-term success, which is why particular managers or leaders have been designated to lead and manage the new system that has been established in the organization. The way leaders deliver strong signals to employees, like with any top-down endeavor, is critical. Innovation is inevitably linked to change, and it diverts resources and attention away from efforts to improve performance.

Practical Implication

The importance of leadership, innovation, culture, and procedure helps managers understand why the company's system can impact employee performance. An important duty for every firm is to give employees enough time to implement new systems to maximize their potential. Leaders from all departments must play an active role in improving employee work performance in general.

Table 7: Implication to MIEL

Implication towards Stakeholder in MIEL	What needs to be done?	How?
Managers	<ul style="list-style-type: none"> The Voice of employees need to be heard Plan and schedule 	<ul style="list-style-type: none"> Feedback System Logical time schedule for implementing the system
Employees	<ul style="list-style-type: none"> Need to take active roles in company plan and decision 	<ul style="list-style-type: none"> Take proactive action in work roles

The conclusions of this study can help construction organizations, notably MIE Industrial Ltd., by giving leaders insight into how to be more effective in managing personnel and achieving company objectives in this new system deployment, which costs millions of ringgit. Furthermore, the study's findings, linked to innovativeness, attest to the importance of

employee job performance in predicting firm success. Employees at MIEL are empowered and have more control over their work, according to this survey. It means that employees are at ease in their roles and can innovate at their own speed and in their own surroundings.

Employees must be provided with sufficient resources, particularly to adapt to the new system and allow for the emergence of new ideas. As a result, leaders must guarantee that the innovation process is carried out successfully, and they should be aware of how employees interact with the innovation process. MIEL should cultivate leadership among managers and supervisors to develop leaders for innovation. Leadership can indirectly impact innovation by identifying the project at the site and the services MIEL needs to adapt and improve to meet client needs.

6.0 RECOMMENDATION

MIEL Top management should pay close attention to staff performance and ensure that all departments run smoothly. The decision to change in implementing a new system should be made to sustain the company's performance. The findings of this study prove that leadership and innovativeness are the most important aspects in motivating employees to improve their performance. Through leadership and innovation development, this information could be used to show strategies and address organizational needs. Some ways for increasing leadership, innovation, and employee performance could be offered based on the findings. To begin, MIEL leaders must learn how to develop an organizational atmosphere, be aware of what is important to employees, and encourage them to perceive possibilities and challenges in their environment. Leaders should also have a clear vision and development plan for their personnel, and they should work together as a team. Leaders must recognize the value of innovation and encourage staff to pursue new possibilities in this area.

Second, MIEL leaders should broaden their understanding of the new method for measuring employee performance to ensure that this connection is compelling. This can be done by defining expectations and setting goals and standards for employees to meet. Leaders must recognize that enhancing employee performance through planned and deliberate innovation will only increase employees' readiness to adapt to new everyday job innovations in a new system. Finally, a collaborative inquiry is a long-term, productive conversation with personnel participating in the overall implementation process. According to this study, employee performance is linked to MIEL's ability to innovate, and employee performance directly impacts MIEL's ability to innovate. As a result, a growing company that encourages innovation should improve the creativity of its people through job complexity and supportive relationships. Finally, MIEL leaders and innovativeness have been strongly tied to employee performance to keep a competitive solution provider in the construction business. This is due to MIEL's commitment to innovation and the development of strong leadership, all of which contribute to the company's outstanding long-term growth and profitability.

Directions for Future Research

A repetition of the study with a bigger target population and the sample size is recommended for future research. Future research should aim for bigger sample size and a more balanced percentage of leadership styles, innovation processes, and organizational culture. The study's most important finding is that MIEL Ltd has found innovation process and culture as a standard variable in describing innovativeness. Furthermore, compared to leadership, the explanatory power of employees' performance on innovativeness is more critical. This study will make further research on the relationship between organisational innovation in process and culture change-centered leadership style and firm innovativeness. More crucially, a corporation's ability to innovate can only be appreciated if leadership and organizational culture are evaluated together. The new manner of leading can be seen as an element that should be enhanced in the organization to reach a target that is in line with the company's goal of innovation. Nonetheless, the role of leaders is critical in providing a framework for the innovation process. Leaders may need to take a divergent and exploratory approach to problem formulation and ideation in the early stages of innovation, where knowledge and ideas are widely integrated. In the later stages, when implementation is the priority, moving forward may be more appropriate. As a result, by adopting an innovation policy that is pushed throughout the business, any future system deployment can benefit from a mix of leadership and creativity. The current organization study might also prove the need for leadership and innovation culture transformation, prompting the researchers to pursue a new research topic.

7.0 CONCLUSION

Finally, the ability of firms to behave creatively has become critical in determining employee job performance. The leader's duty for the organization's innovation will be expanded, as the leader will have to encourage creative processes and culture in their particular departmental personnel. The findings of this study show that process and cultural innovation are critical determinants of job performance. These factors substantially impact MIE Industrial Sdn Bhd employees' job performance in the construction business. The current survey enables these personnel to identify and evaluate their attitudes regarding the new system (SAP S4 Hana) recently introduced in MIE—understanding the factors that influence job performance allows managers and supervisors to manage and oversee MIEL employees' performance. There is little doubt. However, leadership and innovation play a vital part in a company's competitive edge and merit in the sector. It is vital to apply a chosen creative system in order for the organization to maintain good management. The ability to create effective leadership is vital, and it can be done by applying innovation, resulting in the construction industry being a leader. This study discovered that innovativeness is linked to employee performance and is influenced by the firm's leadership style. Employees at MIE must be exposed to every aspect of innovation that the company plans to implement to secure the organization's long-term growth.

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