

Interpersonal Factors on Enterprises' Innovation Performance

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Abstract. In the current economic society, innovation is not only the key to the sustainable development of many enterprises, but also an imperative in the development of the country. The way to improve the innovation performance of enterprises this issue is now a lot of enterprises are very concerned about. All major companies want to understand the different impacts it brings to business management. Therefore, this paper starts from the four dimensions of ambidextrous leadership, paradoxical leadership, heterogeneity of top management team and stability of top management team to explore the impact of interpersonal factors on innovation performance. It is found that ambidextrous leadership and paradoxical leadership have a positive impact on the innovation performance of enterprises; the stability of the top management team always has a positive impact on the innovation performance of enterprises; and the heterogeneity of the top management team has different impacts on the innovation performance of enterprises according to different heterogeneous situations.

Keywords: Leadership; innovation performance; ambidextrous leadership; paradoxical leadership.

1. Introduction

In recent years, with the continuous development of the global economy, the competition between different enterprises has become more intense. Innovation is now the top priority of enterprise development, and how to shift from high-speed development to high-quality development is a common problem faced by all enterprises. As a result, the issue of innovative development of enterprises has attracted a great deal of attention from various countries and has become one of the most important topics in many countries.

There are numerous factors affecting the innovative performance of enterprises, and the degree of influence of interpersonal relationships is particularly prominent in it, which has become the research hotspot of many scholars and achieved many research results. Such as ambidextrous leadership, paradoxical leadership and other different leadership styles, the heterogeneity and stability of the top management team all have a great impact on the innovation performance of enterprises. In view of this, this study tries to explore and summarize the impact of leadership style and management team style on corporate innovation performance, and expects to provide useful insights for the development of corporate innovation in this aspect.

However, it is necessary to investigate the impact of interpersonal relationships on firms' innovation performance vary across countrie. It is also unknown that whether this factor have a greater impact on firms' innovation performance in countries such as China and South Korea, where interpersonal relationships are highly valued. The exploration of these issues has an important impact on the healthy development of enterprises.

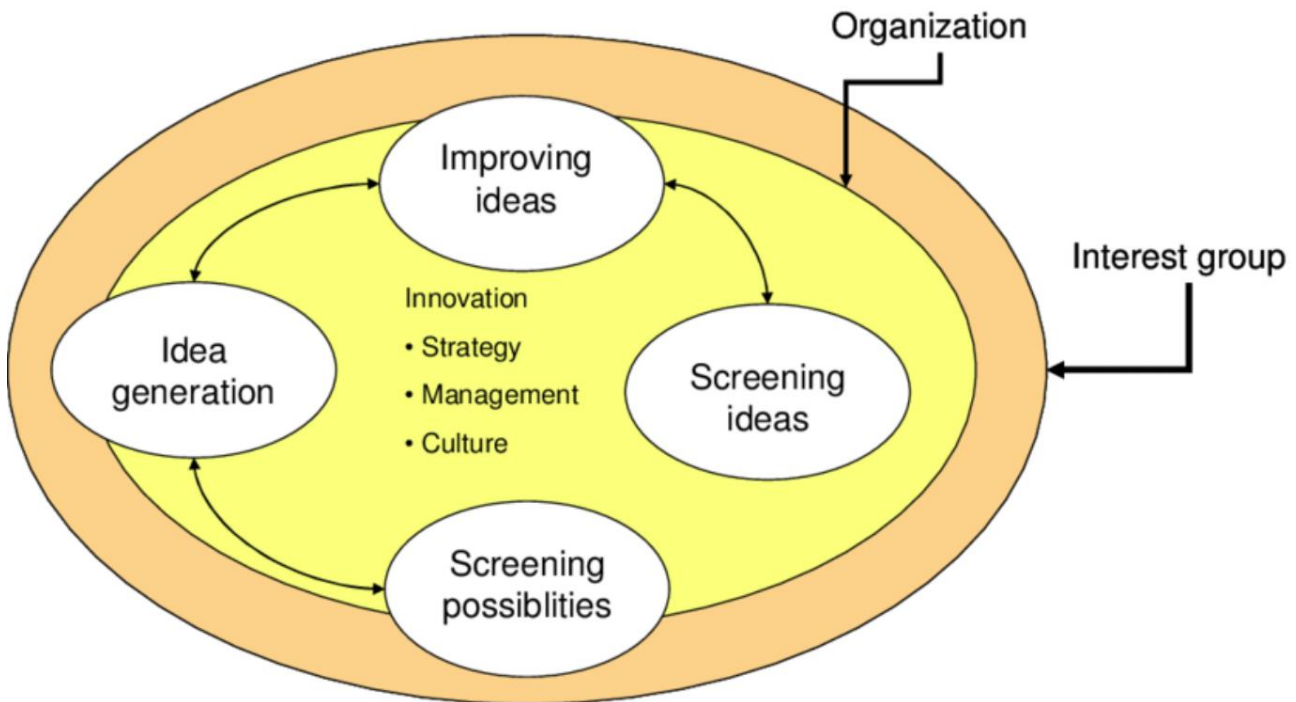


Fig. 1 A sketch of the innovation process.

2. Conceptualization and Research on Innovation Performance of Enterprises

The process of increasing the comprehensive value of an enterprise through the use of new technologies in the company's operations by means of innovation is the process by which the innovative performance of an enterprise plays its role. The concept of innovation was first introduced by the Austrian-American economist Joseph Alois Schumpeter in his famous work "Theory of Economic Development" and has received a great deal of attention. Subsequently, Freeman was the first to define corporate innovation performance in a narrow sense [1]. However, due to the complexity of the concept of innovation performance itself, different scholars in different countries have developed different views on it, thus giving rise to a variety of different conceptual interpretations. Regarding the earliest research on enterprise innovation performance in mainland China, it can be traced back to the article published in Soft Science, which is named A preliminary study on the conceptual analysis and performance evaluation of technological innovation [2]. Since the publication of this article, the factor of innovation has received more and more attention from the Chinese academia and society. A sketch of the innovation process is shown in Fig. 1.

Innovation performance includes the knowledge of enterprise economy, finance, macroeconomics, microeconomics, digital economy and other fields, and is characterized by interdisciplinary. Therefore, the research on it is also complex and diverse, and different scholars have conducted diversified research from different dimensions. And among them, the United States is the first country that started to study the innovative performance of enterprises. In the existing research, bibliometric analysis method based on bibliometrics and supplemented by mathematics, statistics [3], entropy weight method [4], empirical research method [5] are adopted. A sketch of the innovation system is shown in Fig. 2.

Innovation Management System

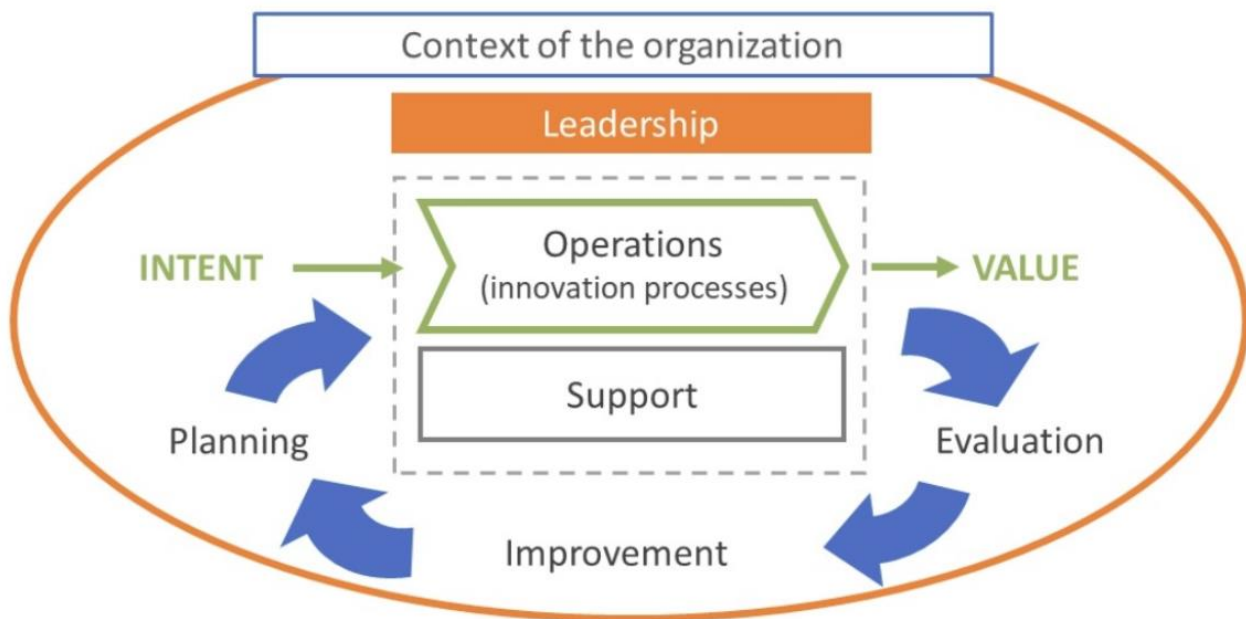


Fig. 2 A sketch of the innovation management system.

3. The Impact of Leadership Style and Top Management Team on Enterprises' Innovation Performance

3.1. The Impact of Ambidextrous Leadership on Enterprises' Innovation Performance

Ambidextrous leadership is a leadership model first proposed by a team of researchers at Ohio State University. Ambidextrous leadership, like the yin and yang in the Chinese Tai Chi diagram, seemingly contradictory individuals are actually perfectly integrated. Before the concept of ambidextrous leadership was introduced, it was shown through early research that different types of single leadership styles play an influential role in employee success [6, 7]. However, the reality is often not so idealized. For many modern companies, a single leadership style no longer meets the needs of business management. This is because, in the process of enterprise innovation, there are two core processes, knowledge creation and knowledge integration, which tend to cause a great deal of conflict because the skills required for knowledge creation and knowledge integration are contradictory to each other. Therefore, a single management style is difficult to ensure the smooth progress of the two processes, and if the company is not managed properly, it will affect the development of the whole enterprise and the innovation performance of the whole enterprise. However the ambidextrous leadership approach is able to make judgment based on their different situations at the moment, possesses a certain paradoxical cognition, and has a certain applicability and effectiveness [8]. Moreover, furthermore, ambidextrous leadership has a positive impact on subordinates' career success, which means that the higher the level of ambidextrous leadership, the more likely employees are to be successful in their careers. There are also studies that conclude that ambidextrous leadership also positively affects the generation of employee advice, and can stimulate employee advice by strengthening the perception of employee insider identity; the higher the leadership power distance, the stronger the influence of ambidextrous leadership on employee insider identity perception [9]. In conclusion, the model of ambidextrous leadership helps to improve the innovative performance of enterprises.

3.2. The Impact of Paradoxical Leadership on Enterprises' Innovation Performance

Paradoxical leadership refers to a leader's use of seemingly competing but interrelated leadership behaviors designed to simultaneously satisfy competing demands at work [10]. This new type of leadership can simultaneously use both sides of the contradiction, and rationalize the use of all the contradiction, so that the leader can better solve the contradictory problems arising in management, which is conducive to the management of the enterprise. Paradoxical leadership abandons the traditional “either” “or” logic in favor of the “both” “and” logic, maximizing the use of contradictions. Enterprises' innovation performance is closely related to the ability of leaders to respond to the conflicting demands of changing and complex environments, so when paradoxical leadership occurs in innovation climates with large numbers of employees and complex work environments, leaders are quick to respond to changes in the external environment [11]. Usually, paradoxical leaders have holistic thinking and big-picture concepts, they have the ability to coordinate the conflicting innovation goals through paradoxical integration behaviors in the first time, positively transform the conflicts and balance the paradoxical innovation goals to achieve a positive and effective purpose and achieve better innovation performance. At the same time, achieve the “both” “and” result.

In 2015, the concept of paradoxical leadership was defined in a real sense and was first formally proposed by Zhang and other scholars. Up to now, the research on paradoxical leadership in management academia is still only in the beginning stage, so only a small number of scholars have conducted in-depth analysis and research on paradoxical leadership and corporate innovation performance. Among the existing studies, Xie Min confirmed the effectiveness of paradoxical leaders in the context of innovation through statistical analysis of his own research and case studies of strengthening [12], and concluded that paradoxical leadership can effectively promote enterprises' innovation performance.

3.3. The Impact of Heterogeneity of Top Management Team on Enterprises' Innovation Performance

The top management team, as the core team of a enterprise, has a key influence on the enterprises' strategy formulation and decision implementation, among other things. Heterogeneity of top management team refers to the differences in demographic characteristics of individual top manager in the team. Such differences can be reflected in many dimensions, such as age, gender, education, tenure, educational background, and professional experience [13].

According to the relevant studies on top management team heterogeneity and enterprises' innovation performance, many scholars around the world have empirically analyzed them from different perspectives respectively. Han et al. found that there are differences in the effects of different aspects of top management team heterogeneity on enterprises' innovation performance [13]. Wang and Zhang taking 16 banks as research samples, they found that top manager's age heterogeneity has a negative impact on banks' innovation ability, while gender heterogeneity shows a positive relationship on banks' innovation ability [14]. Therefore, the impact of top management team heterogeneity on enterprises innovation performance is not invariable, and it should be analyzed specifically according to the aspects of specific heterogeneity.

3.4. The Impact of Stability of Top Management Team on Enterprises' Innovation Performance

Stability of the top management team generally refers to a state of social stability in which the members of the top management team can remain unchanged and maintain internal harmony as time changes. This includes two meanings, the top managers can be maintained in the number and structure of relative stability, and the team can establish mutual trust, complementary and mutual cooperation mode [15].

A stable top management team can have strong team cohesion and operational efficiency and can also formulate relevant enterprises' innovative strategic decisions with high quality, so as to avoid differences of opinion and quarrels within the top management team as much as possible. Stable top

managers are more likely to reach a consensus between the rapid development of joint collaboration, each other have a foundation of trust, but also more fully play out the advantages of each member, and thus enhance the efficiency of enterprises' innovation and innovation results output rate, but also have a positive impact on enterprises' innovation performance.

4. Conclusion

To summarize, interpersonal relationship has far-reaching influence on enterprise innovation performance. The development of enterprises cannot be separated from the development of innovative performance, and the development of innovative performance cannot be separated from interpersonal relationships. Enterprises should find suitable leadership styles according to their own situation, try to adopt ambidextrous leadership, paradoxical leadership style, and develop different policies for different top management teams, innovative management methods, innovative corporate strategies, so as to promote the healthy and sustainable development of enterprises.

Finally, this type of research does not take into account the fact that the importance of interpersonal relationships varies across countries. For example, in East Asian countries (especially the People's Republic of China, Japan, and the Republic of Korea), interpersonal relationships are particularly important in their social interactions because of their unique cultural and historical backgrounds. In the future, an attempt could be made to study the differences in the impact of interpersonal relationships on firms' innovation performance across countries, which would facilitate in-depth research on this topic.

Author Contribution

All the authors contributed equally and their names were listed in alphabetical order.

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