

## STRENGTHENING TRANSFORMATIONAL LEADERSHIP AND PUBLIC POLICY INNOVATION IN INDONESIA

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### ABSTRACT

This study finds that transformational leadership plays a significant role in encouraging public policy innovation in Indonesia. This research is interesting because of its focus on transformational leadership as a driver of public policy innovation in Indonesia, which is relatively rarely studied in depth. This study uses a qualitative method that aims to explore a deep understanding of the phenomenon of transformational leadership and public policy innovation in Indonesia. Data collection was carried out through in-depth interviews with key informants and using data triangulation techniques. The results of the study show that transformational leadership plays an important role in encouraging public policy innovation in Indonesia. Transformational leaders are able to create a strong vision, motivate their subordinates, and encourage creativity and active participation in policy reform. Further research involving quantitative data and broader scope is needed to provide a deeper understanding of the effectiveness of transformational leadership in Indonesia.

**Keywords:** *Transformational leadership, Public Policy, Innovation*

### A. INTRODUCTION

In the midst of rapid global changes and increasingly complex societal demands, public policy innovation has become an urgent need for governments around the world, including in Indonesia (Kadarisman et al., 2022). Along with increasing pressure from society, globalization, and domestic political dynamics, governments are faced with the challenge of creating policies that are not only effective but also able to adapt to changing times. Innovation in public policy is now seen as a strategic solution to overcome increasingly complex socio-economic problems and meet the expectations of people who are increasingly critical of government performance. In the context of Indonesia, more innovative policy changes require visionary and transformational leadership. Transformational leadership, characterized by a leader's ability to inspire, motivate, and drive sustainable change, is crucial in driving more effective and innovative policy reforms (Li et al., 2019). Transformational leaders not only act as decision-makers but also as agents of change who are able to direct organizations and institutions of government towards the achievement of a broader vision.

Studies on transformational leadership have shown that this leadership style plays a key role in driving organizational and policy innovation, especially in the public sector (Hoai et al., 2022). Transformational leaders are able to create a

conducive work climate for creative thinking and open up space for collaborative discussions and provide space for the development of innovative policy solutions. In Indonesia, leaders with transformational characteristics have great potential to drive positive change in various sectors, including government, education, economy, and infrastructure. The challenges in implementing transformational leadership in Indonesia are not few (Passakonjara & Hartijasti, 2020). Bureaucratic structures that tend to be hierarchical and conservative mindsets and political obstacles can be obstacles to the policy innovation needed. Public leaders in Indonesia need to develop the ability to not only understand and manage bureaucracy but also motivate their subordinates to be actively involved in the process of change and innovation.

Transformational leadership has received more attention, especially in the face of increasingly complex contemporary challenges (Litz & Blaik-Hourani, 2020). Social, economic, political, and technological changes have created an environment that demands leaders to be more adaptive, visionary, and innovative. Leaders in various countries face pressure to respond to various global problems such as the climate crisis, economic inequality, and political instability. In this context, traditional leadership that focuses more on stability and status quo management is considered less able to overcome these new challenges. Transformational leadership with its ability to mobilize and inspire change is seen as a solution to address this global problem. Transformational leaders not only focus on achieving short-term targets but also prepare organizations and society to face an uncertain future (Junnaid et al., 2020). This leadership is becoming increasingly important in global crisis situations such as the COVID-19 pandemic where effective leaders must be able to make quick decisions and encourage innovation in public policy to safeguard the well-being of the community. However, there are a number of obstacles that slow down the implementation of this leadership style. Challenges such as political instability, rigid organizational culture, and resistance to change are obstacles to the effective implementation of transformational leadership (Usman, 2020). In some developing countries, including Indonesia, hierarchical bureaucratic structures and limited resources are also major challenges that hinder public policy innovations initiated by transformational leaders.

This research is very urgent considering the challenges faced by Indonesia in the context of public policy in the era of globalization and rapid technological development. As a country with complex bureaucracies and fluctuating political dynamics, Indonesia needs policy reforms that are not only responsive to the needs of the community but also innovative in solving them. This research is interesting because of its focus on transformational leadership as a driver of public policy innovation in Indonesia, which is relatively rarely studied in depth. Much of the literature focuses on the technical aspects of public policy or bureaucracy, this research offers a new perspective by highlighting how innovative leadership styles can be a catalyst for more progressive policy reforms. This research aims to explore the role of transformational leadership in encouraging public policy innovation in Indonesia. The formulation of this research problem is: 1) What is the role of transformational leadership in encouraging public policy innovation in

Indonesia? 2) How can transformational leaders in Indonesia overcome bureaucratic and political barriers to strengthen public policy innovation? 3) How does the application of transformational leadership in Indonesia compare to practices in other countries in the context of public policy innovation?

The next section of this article contains a literature review and the relevance of the applied theory. In the method section, the researcher described the data collection techniques, analysis techniques and how the results of the findings were explained. Furthermore, the core part is the results of research and comprehensive discussion. The final part of this study consists of conclusions and limitations of the research.

## B. LITERATURE REVIEW

Transformational leadership was first introduced by Adserias et al., (2018) as a leadership style that goes beyond self-interest to achieve larger goals such as significant social or organizational change. Reza (2019) then developed this theory further by stating that transformational leadership consists of four main components: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Transformational leadership is considered capable of creating an organizational climate that supports innovation. Miao et al., (2018) showed that transformational leaders in the public sector can increase the motivation of their subordinates to participate in a more creative and participatory policy-making process. Leaders who have a transformational character tend to instill a strong vision, encourage new ideas and inspire their employees to go beyond the boundaries of bureaucracy.

A study conducted by Moussa et al., (2018) shows that transformational leadership is very effective in creating innovation in the public sector, especially when leaders can overcome structural barriers and encourage an organizational culture that is more open to change. The findings also indicate that without support from external factors such as policy flexibility and political support, transformational leadership may not be strong enough to deliver significant innovation. One well-known example is the public sector reform program in New Zealand in 1980 led by Roger Douglas who was the Minister of Finance at the time (Scott, 2020). Douglas is considered a transformational leader who has successfully overhauled the country's economic system and social policies through a bold and innovative approach, although his measures have also attracted controversy because they are considered too radical by some. Another study shows that transformational leadership played a crucial role in the post-crisis economic revival of 1997. President Kim Dae-jung is considered a transformational figure who is able to steer the country from the brink of bankruptcy to economic recovery by pushing for significant economic reforms (Eichengreen et al., 2020). He stressed the importance of innovation in economic policy and financial sector management, although his policies have also been criticized for sacrificing short-term welfare for long-term growth.

While many studies have shown the effectiveness of transformational leadership in driving innovation and change, there is debate among academics about the limitations and drawbacks of this approach. Hai et al., (2021) argues

that transformational leadership is often difficult to measure objectively and is easier to apply in small or flexible organizations compared to large and bureaucratic public organizations. In organizations with a strict hierarchical structure, transformational leadership can be hampered by formal regulations that limit flexibility and creativity. In addition, some experts also warn about the dangers of transformational leadership cults, where leaders who are too focused on their vision can ignore the political realities and fundamental needs of the organization. Xiong et al., (2023) criticize that transformational leadership can pose a risk of authoritarianism if the leader does not consider input from others or is too confident in his or her own ability to influence change. Proponents of transformational leadership such as Alblooshi et al., (2021) argue that this leadership style remains relevant in organizational situations that require rapid change and significant innovation. They emphasize that a good transformational leader not only inspires and motivates but also creates an environment where his followers feel heard and involved in the decision-making process.

The implementation of transformational leadership in the public sector faces many challenges. The hierarchical bureaucratic structure and culture of political patronage as well as resistance to change among state apparatus are some of the main obstacles. The results of Kusman (2018) research show that bureaucracy in Indonesia tends to maintain the status quo and is less responsive to innovation, thus suppressing the potential for the implementation of transformational leadership. There are several examples of successful transformational leadership at the local level in Indonesia. Ridwan Kamil, for example, during his tenure as Mayor of Bandung (2013-2018) succeeded in implementing innovative policies in the field of urban planning and public services supported by a visionary leadership approach. This shows that despite the great challenges, the implementation of transformational leadership in Indonesia is still possible especially with strong political and community support.

### **Public Policy**

Public policy is a collective decision taken by the government to deal with public problems. According to Howlett (2022) public policy involves a complex process ranging from problem identification, policy formulation, implementation, to impact evaluation. They explained that public policy must be based on in-depth analysis that includes social, economic, and political aspects to create sustainable solutions. In Lambin & Thorlakson (2018) view public policy also reflects the interaction between various actors and institutions including government, civil society, and the private sector that together shape policies in accordance with societal needs and national priorities. Public policy aims to solve problems in society and create general welfare. Marris (2018) emphasized that public policies must be designed to answer the urgent needs of the community such as health and education services and poverty alleviation. In addition, public policies must provide benefits that can be felt by all elements of society, including the fair redistribution of resources and the improvement of social welfare.

The main debate in public policy often revolves around the top-down versus bottom-up approach in policy implementation. According to Demir & Demir (2021) the top-down approach is still considered dominant where policies are

formulated by top-level authorities and implemented hierarchically. However, the bottom-up approach involving local actors is also starting to gain ground because it is more responsive to the needs of the community at the grassroots level. The Top-Down approach, supported by Rhoades (2018) focuses on the policy structure of the central government. They emphasized that a clearly regulated policy from above can ensure consistency and compliance in implementation. However, this approach has been criticized for often ignoring local dynamics that can affect policy success. The Bottom-Up approach as described by Imperial (2021) places local actors as the key to success in policy implementation. They argue that public policies implemented without taking into account input from actors at the field level tend to be less effective because they fail to address specific problems in local communities. In addition, there is also a debate on the effectiveness of market-based policies versus state intervention-based policies. According to Howlett (2019) market-based policies are more efficient in some contexts, but often result in social inequality. Rhonheimer (2023) argues that state intervention-based policies are needed to create a more equitable redistribution of resources and social justice.

Public policy theory has a strong relevance to transformational leadership, especially in encouraging policy innovation. Transformational leadership as described by Venus et al., (2019) emphasizes the importance of vision, motivation, and inspiration in creating change. Transformational leaders can leverage public policy theory to create policies that are more inclusive, innovative, and responsive to social change. In the context of policy innovation, transformational leaders play an important role in creating an environment conducive to innovation. According to Maffei et al., (2020) transformational leaders are able to push for more adaptive and data-driven policies, where the process involves the participation of various stakeholders including civil society and the private sector. The importance of policy innovation was also discussed by Tidd & Bessant (2020) who mentioned that innovative policies in the modern era must be able to adapt to rapid changes in the global and local environment. Transformational leaders in the public sector, with their vision and commitment to change, are able to drive more relevant and effective policy breakthroughs, especially in the face of global challenges such as climate change, social inequality, and political instability.

### **Transformational Leadership**

Transformational leadership is a leadership style that inspires and motivates followers to go beyond personal interests and work towards achieving a greater common goal. According to Reza (2019) transformational leadership is defined as the process in which a leader helps motivate his followers to reach their maximum potential through influence, motivation, and intellectual stimulation. Transformational leaders not only act as leaders, but also as agents of change who build strong emotional bonds with their followers, inspiring them to contribute more actively in an organization or group. According to Khan et al., (2022) transformational leadership consists of four main elements, namely: 1) Idealized Influence; 2) Inspirational Motivation; 3) Intellectual Stimulation; and 4) Individualized Consideration.

The main goal of transformational leadership is to create positive and sustainable change in the organization or community. Transformational leaders aim to motivate individuals, improve performance and stimulate broader change through inspiration and influence. According to Ariyani & Hidayati (2018) transformational leadership aims to increase follower engagement, commitment, and performance through a strong vision and the development of an environment that supports innovation. One of the main criticisms is regarding the ambiguity in its measurements. According to Mahmood et al., (2019) transformational leadership is sometimes difficult to measure objectively because of subjective elements such as charismatic influence and inspirational motivation that can vary between individuals and contexts. In addition, transformational leadership is often considered too idealistic and relies on the ability of a single leader to inspire major change. Brunsson & Olsen (2018) that this leadership style can be unrealistic in a rigid bureaucratic environment where systemic change is often difficult to carry out without the support of many actors. Another debate has emerged regarding the potential for authoritarian patterns in transformational leadership. According to Haslam et al., (2020) in some cases transformational leaders can manipulate their followers through excessive charisma and build personality cults that can lead to blind obedience that actually hinders innovation and critical thinking among followers. Lai et al., (2020) emphasize that transformational leadership is effective in increasing employee engagement because they feel driven by the leader's vision and feel part of a larger purpose. Klein, (2020) found that transformational leaders encourage innovation and creativity in organizations which is crucial in the era of digitalization and globalization. Saiti & Stefou, (2020) argue that in organizations with highly hierarchical or bureaucratic structures, transformational leadership can be hampered by strict regulations and procedures, making it difficult to drive innovative change. Price (2020) argue that transformational leaders who exaggerate the use of charisma can manipulate their followers to achieve their goals, which can lead to obedience without critical reflection.

### **Diffusion Innovative Theory**

This theory explains how, why, and at what speed an innovation spreads among social groups or social systems. Rogers et al., (2014) defined diffusion as "The process by which innovation is communicated through certain channels over time among members of a social system". The innovation referred to in this theory can be in the form of new ideas, products, technologies or policies introduced into a society. According to Rogers, there are four main elements that affect the diffusion process of innovation: the innovation itself, communication channels, time and social systems. Rogers also identified five categories of innovation adopters: 1) Innovators; 2) Early adopters; 3) Early majority; 4) Late majority; and 5) Laggards. The main purpose of diffusion of innovation theory is to explain how innovation is accepted and adopted by society or social systems. This theory aims to understand the factors that influence the adoption of innovations as well as estimate how an innovation can spread faster or slower in a given context.

Campbel (2020) argue that diffusion of innovation theory is too deterministic and often fails to consider the cultural, political, and economic contexts that affect how innovation is adopted. They argue that this theory tends to assume that innovation adoption is a linear and predictable process, when in reality it is often more complex. In addition, Stojcic et al., (2018) showed that innovations that are considered “good” by some groups may be irrelevant or even detrimental to others. This leads to a debate about the local context in the diffusion of innovations, where some innovations are not always suitable for adoption by all social systems in the absence of specific adaptations. The diffusion of innovation theory has also been criticized by experts such as Avelino (2021) who argue that this theory does not take into account the power dynamics and social inequalities that affect access to innovation. Innovation can support groups that are already in power while marginalized groups remain marginalized due to lack of access to such innovations.

Ma & Lee (2019) argues that the diffusion of innovation theory does not adequately account for structural barriers that may hinder innovation adopters, such as economic inequality or infrastructure constraints. Zhang & Vorobeychik (2019) emphasized that innovation adoption is often a non-linear process full of challenges and negotiations, which is not necessarily reflected in the basic model of more linear innovation diffusion theory. Diffusion of Innovation Theory has strong relevance to public policy innovation. This theory can be used to explain how new policies, especially innovation-based ones, are adopted by governments, communities, or the private sector. In the context of public policy, this theory helps to understand how innovative policies spread from one government to another or from one community to another (Berry & Berry, 2018). Transformational leaders in public policy often act as early adopters who encourage the implementation of innovative policies, and then disseminate them to other governments or the wider community (Berry & Berry, 2018). According to Ashaye & Irani (2019) factors influencing the successful diffusion of public policy innovation include political commitment, stakeholder engagement, and access to information and resources.

### C. METHOD

This study uses a qualitative method that aims to explore a deep understanding of the phenomenon of transformational leadership and public policy innovation in Indonesia. The qualitative method was chosen because it allows researchers to explore the experiences, views, and perceptions of informants related to policy and leadership in a dynamic social and political context. As stated by Hennink et al., (2020) qualitative approaches are well suited for research that focuses on developing new theories or understandings from different perspectives through direct interaction with participants. The snowball sampling technique is used to determine informants, this technique was chosen because it involves stakeholders spread across different levels of the organization who cannot be easily identified through conventional sampling methods. The use of snowball sampling in this study allows researchers to obtain informants who have direct experience in the implementation of public policy and

transformational leadership in Indonesia. The process begins with interviews with a small number of government officials or leaders of relevant organizations, then directs researchers to other informants who have experience or involvement in such policies and leadership. The following will be presented by research informants:

Table 1. Research Informant

No	Informant	Public Office
1	FAY	Regent of Gresik Regency
2	MW	Regent of Jombang Regency
3	ARM	Deputy Mayor of Surabaya
4	CM	Commission XI of the House of Representatives of the Republic of Indonesia
5	FW	Experts of Commission XI of the House of Representatives of the Republic of Indonesia
6	AM	Deputy Speaker of the DPRD of East Java Province
7	CH	Expert Deputy Speaker of the East Java Provincial DPRD
8	MYI	Deputy General Secretary of HIPMI East Java Province
9	FA	Experts of Commission D of the Surabaya City DPRD
10	BAT	Supervisory Board of the Indonesian Chamber of Commerce
11	ML	Chairman of HIPMI Surabaya City
12	AR	Indonesian Ministry of Home Affairs

Data collection was carried out through in-depth interviews with key informants. The interview technique was chosen because it provides an opportunity for the researcher to obtain rich and detailed information regarding the informant's perspective, experience, and knowledge related to the research topic. As explained by Phillipi & Lauderdale (2018) in-depth interviews allow researchers to understand how informants articulate and interpret certain social phenomena in their own contexts. To improve the validity and reliability of the research results, the data triangulation technique is used in data analysis. Triangulation is carried out by combining the results of interviews from various informants, relevant policy documents and direct observations related to policy implementation and transformational leadership.

## D. EXPLANATION

### Interpretation of Transformational Leadership

Leaders who have an idealistic influence show honesty, integrity, and commitment to high values so as to inspire trust and respect from their subordinates. Effective leaders in policy innovation are those who not only have a clear vision but are also able to be moral role models for the organization. FAY informants showed the results of the interview, namely:

*“The leader I respect is the one who puts into practice what he says.*

*When we see them working hard and honestly, we are encouraged to follow in their footsteps.”* (Interview conducted in May 2023)

Leaders who set a strong moral example inspire their teams to contribute more actively to policy implementation. These findings are in line with research

by Antonakis et al. (2018) which stated that the idealistic influence of leaders can strengthen the involvement and commitment of subordinates, especially in an environment that demands innovation. The results of the interview with MW showed that:

*“Subordinates will only believe in a leader who is consistent in his words and actions. If leaders rely only on rhetoric without concrete action, they will not be respected.”* (Interview conducted in May 2023)

This statement indicates that trust is a key element in idealized influence and that trust is earned through concrete actions and commitment to moral principles. Consistency between the leader's words and deeds makes subordinates feel that the leader has strong integrity so that they are more willing to follow the direction and support the proposed policy innovation. Furthermore, the second indicator, namely inspirational motivation in ARM informants, will be reviewed as follows:

*“Our leaders often remind us of the importance of the role of this policy for society. He always connects our work with the positive impact that will be felt by the wider community.”* (Interview conducted in June 2023)

This statement shows that leaders with Inspirational Motivation are able to associate daily tasks with greater goals so that subordinates feel more inspired and motivated to give their best performance. This is in line with the theory of Bass and Riggio (2019) which states that a good transformational leader is always able to make subordinates feel that their work has importance. Furthermore, the interview was conducted to CM as follows:

*“Our leaders led us to believe that despite the enormous bureaucratic challenges, these policies can succeed if we all collaborate and innovate.”* (Interview conducted in June 2023)

This statement emphasizes the role of leaders in inspiring confidence among team members even in the midst of challenging conditions. Leaders who have inspirational motivation help their followers see challenges as opportunities for innovation, not as insurmountable obstacles. Furthermore, the third indicator, namely intellectual stimulation, which interviews FW will be reviewed as follows:

*“Our leaders never limit the ideas that emerge. Instead, we are encouraged to think of better and more efficient ways to implement policies, even if they are contrary to conventional approaches.”* (Interview conducted in June 2023)

This reflects how intellectual stimulation is applied where leaders create an environment that allows for freedom of thought and rewards new perspectives. Other interviews with AM revealed that successful leaders in Intellectual Stimulation not only value creative ideas but also encourage critical discussions as follows:

*“We are encouraged to ask questions, challenge the status quo, and not just follow old procedures. He always said that good policy is the result of various points of view being tested.”* (Interview conducted in July 2023)

This shows that transformational leaders not only drive innovation but also create space for team members to think critically, which ultimately enriches the quality of the resulting policies. Furthermore, the review of the fourth indicator about individualized consideration to CH informants is as follows:

*“He always takes the time to listen to us, not only in terms of work, but also when we face personal issues that affect performance. It makes us feel valued and supported personally, not just as workers.”* (Interview conducted in July 2023)

These findings reflect how individualized consideration is applied, where leaders show genuine concern for individual well-being, which in turn increases team loyalty and commitment. Another interview with MYI also highlights how leaders who pay attention to individual needs can drive significant personal development as follows:

*“My leader cares a lot about our career development. He not only gives us tasks, but also makes sure we get the training or mentoring we need to grow.”* (Interview conducted in August 2023)

This shows that individualized consideration involves not only paying attention to the personal needs of subordinates, but also focusing on their professional development. Transformational leaders who apply this approach help their teams to grow, both in terms of skills and careers, ultimately improving the overall performance of the organization.

### **Interpretation of Innovative Diffusion Theory**

Innovators are individuals or groups who first adopt innovation and often act as agents of change in a social system. The interview with the FA informant explained as follows:

*“Our leaders are always the first to try new technologies to make public services easier. He wasn't afraid to take risks and encouraged us to try new things.”* (Interview conducted in June 2023)

This suggests that Innovators in innovation diffusion theory are often identified with risk-taking and forward-thinking characters, which allows them to initiate change even though there has not been much evidence of success before. Another interview with BAT stated:

*“We have some very progressive leaders, they were the first to propose changes in the rigid bureaucratic system. Despite a lot of resistance, they continued to push this innovation until it was finally accepted by others.”* (Interview conducted in July 2023)

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These informants emphasized the role of early adopters as agents of change that help convince their colleagues to participate in the adoption of innovations,

especially by providing examples of successful early adoption. Other interviews with AR are as follows:

*“Here, people who are considered influential in a community or organization are often the first to support innovation after innovators. When they start using new approaches or technologies, more people follow because they believe in their judgment and experience.”*  
(Interview conducted in August 2023)

These findings show that early adopters are not only early adopters of innovations but also have an important role in influencing the decision of the more conservative majority to adopt the innovation. The third indicator, namely the early majority, is reviewed based on FAY informants as follows:

*“We are not in a hurry to adopt a new innovation until we actually see the evidence of its success from others. Once we are confident that this policy or technology works, we will follow.”* (Interview conducted in September 2023)

This shows that the early majority tend to wait and observe the results of the implementation of innovation by the previous group before feeling comfortable adopting it themselves. Another interview with MW is described as follows:

*“We want to see how this innovation works elsewhere and whether it's really effective. Once there is concrete evidence, then we will support and implement it.”* (Interview conducted July 2023)

Furthermore, the fourth indicator, namely the late majority in ARM informants, will be reviewed as follows:

*“A lot of people here only adopt change after they feel absolutely necessary, or after they see that almost everyone around them is already implementing the innovation. They tend to wait until there is no other option.”* (Interview conducted in July 2023)

This shows that the Late Majority tend to be hesitant and adopt innovations only after they become the norm in their social system. In another interview with the CM informant pointed out:

*“Most of them wait until the innovation is actually proven to be safe and profitable. They need more evidence and confidence before adopting something new, and they usually only follow along when it's clear there's no big risk.”* (Interview conducted August 2023)

This statement underscores that late majorities are more cautious and often lag behind in innovation adoption because they tend to wait until the risk is minimized or completely eliminated. Furthermore, the review of the fifth indicator, namely laggards with FW informants is as follows:

*“Some people here are very reluctant to change, they will only use the new method after there is absolutely no other choice. They tend to be very skeptical and comfortable with the old ways.”* (Interview conducted in October 2023)

This shows that laggards usually adopt innovation out of necessity rather than belief in the benefits of the innovation. They often wait until the situation forces them to change. Other interviews with AM are as follows:

*“Some people are still using the old methods even when new innovations have been implemented in almost everywhere. They tend to think that these innovations are irrelevant or even risky. They are also affected by bad experiences with innovation in the past.”*  
(Interview conducted in October 2023)

The informant highlighted that laggards often had negative experiences or excessive concerns that slowed innovation adoption so that they fell behind the rest of the group. Understanding these patterns of innovation adoption allows policymakers to formulate more effective strategies in driving innovation by targeting different approaches for each category of adopters. Managing innovation diffusion well can help improve the effectiveness of implementing new policies, accelerate reforms, and ensure sustainable change at different levels of society.

### **The Role of Transformational Leadership Encourages Policy Innovation**

Transformational leadership has a very important role in driving policy innovation in Indonesia, especially in the face of dynamic social, economic, and political challenges. Transformational leaders have the ability to inspire, motivate, and influence their subordinates to go beyond self-interest and work together for larger goals such as innovative public policy reforms. The hierarchical bureaucratic structure in Indonesia and the conservative political culture are often an obstacle to innovation, and the role of transformational leadership is becoming increasingly crucial in facilitating the necessary changes. One of the key elements of transformational leadership is building a strong and inspiring vision. Transformational leaders in Indonesia, as seen in the case of progressive regional leaders such as Ridwan Kamil in Bandung, play an important role in formulating and conveying innovative visions to all stakeholders. According to Bednall et al., (2018) transformational leaders are able to provide a clear vision and provide motivation for subordinates to innovate. In the context of public policy in Indonesia, leaders like this can use their influence to push for policy reforms in education, health, and governance that are more responsive to changing times. Ridwan Kamil's leadership when he was the Mayor of Bandung shows how transformational leaders can integrate technology in city governance through “smart city” policies that make public services more efficient and transparent. Transformational leaders take advantage of inspirational motivation which is one of the important dimensions in transformational leadership to move their subordinates to innovate according to the vision they have built. They also use Intellectual Stimulation to encourage employees to think creatively and find new solutions to existing problems.

Policy innovation is often hampered by resistance from rigid bureaucracies and a work culture that is less supportive of change. Transformational leaders can play an important role in overcoming these barriers by creating a work environment that encourages openness to new ideas and creates a more adaptive work culture. Rojak et al., (2024) states that transformational leaders have the ability to drive organizational culture change by giving individual attention and supporting the personal and professional development of subordinates. Not all experts agree on the effectiveness of transformational leadership in overcoming resistance to change. Litz & Blaik-Hourani (2020) argues that although

transformational leaders are able to inspire and encourage innovation, they often face difficulties in changing established and tended to be rigid bureaucratic structures. This happens because the bureaucracy in Indonesia, like in many other developing countries, has hierarchical characteristics and is often inflexible in adopting change.

Transformational leadership in Indonesia is not only important at the local level but also at the national level. Transformational leaders in ministries or national institutions can encourage macro and sustainable policy innovations such as reforms in fiscal policy or more adaptive laws and regulations. According to Lasrado & Kassem (2021) successful transformational leaders are able to see the big picture and integrate their vision with policies that support innovation in various sectors including education, health, and the economy. Transformational leadership plays an important role in encouraging public policy innovation in Indonesia, especially in creating innovative visions, overcoming resistance to change, and leading more adaptive policy reforms. Despite the challenges of rigid bureaucratic structures and complex political dynamics, transformational leaders can be powerful agents of change by harnessing the power of vision, inspiration, and support from subordinates. Its effectiveness relies heavily on the leader's ability to maneuver in a complex political environment as well as ensure broad support from a wide range of stakeholders.

### **Transformational Leaders Overcome Bureaucratic and Political Obstacles**

The bureaucratic structure in Indonesia is notoriously hierarchical and often inflexible in dealing with change. Long, multi-layered decision-making processes and reliance on formal procedures often slow down the adoption of policy innovations. Transformational leaders can overcome these bureaucratic barriers by using an intellectual stimulation approach to encourage subordinates to think creatively and find innovative solutions that can cut through complicated bureaucratic paths. A transformational leader not only gives room for creativity but also encourages employees to challenge the status quo and find new ways of implementing policies. According to Park et al., (2021) transformational leaders are effective in creating an organizational culture that supports change and innovation even in highly structural bureaucracies. Leaders such as Ridwan Kamil, who when he was the Mayor of Bandung, were able to overhaul the bureaucratic process through the policy of digitizing public services. This approach has succeeded in speeding up the licensing process and increasing efficiency without having to completely overhaul the existing bureaucratic system. The use of inspirational motivation shows that transformational leaders can convince their subordinates that innovation is not only beneficial to the organization but also to service to the community, thereby reducing internal resistance. According to Mansaray (2019) although transformational leaders can inspire and encourage innovation, they often face difficulties in changing established bureaucratic structures. Mansaray argues that bureaucratic transformation requires systemic change involving structural reform and this cannot be done only through individual leadership. While transformational leaders can initiate change of support from a higher level and broader policy changes are needed to ensure long-term success.

Transformational leaders overcome political barriers by developing collaborative strategies that involve a wide range of stakeholders including political actors. According to Torfing & Sørensen (2019) successful transformational leaders are able to build political coalitions that support policy innovation, and they use influence and communication skills to align political interests with reform goals. For example, in fiscal policy reform in Indonesia, successful transformational leaders often involve political actors at various levels of government, so that policy innovation can be supported by broader political alliances. Experts such as Herrfahrdt-Pähle et al., (2020) highlight the challenges facing transformational leaders in an unstable political context. In situations where political change is frequent, transformational leaders may struggle to maintain continuity and stability of policy innovation. According to Edwards III et al., (2020) political pressure can force leaders to compromise on their innovative principles in order to gain political support, ultimately hindering the implementation of desired changes.

### **Transformational Leadership Case Studies**

One of the most famous examples of transformational leadership at the global level is Nelson Mandela who successfully transformed South Africa from a racially divided country to a more inclusive democratic country. Mandela demonstrated the characteristics of transformational leadership through idealized influence by being a moral role model who was respected by various groups of society, including those who had previously opposed him. Mandela not only leads with a vision, but also uses individualized consideration by understanding the needs of different communities, both black and white, to create national reconciliation. In the process of transitioning from apartheid to democracy, Mandela also used intellectual stimulation to encourage political leaders from different racial groups to think creatively in designing inclusive laws and policies. Mandela's inspirational motivation is demonstrated in his ability to unite the nation through passionate rhetoric and optimism about the future of South Africa. Mandela's transformational leadership is widely recognized as key in creating much-needed political stability amid a difficult transition. Expert AlAfnan & Dishari (2024) argues that Mandela's success is not solely due to his transformational leadership. They highlighted that Mandela has broad support from the international community and has had a political moment in favor of his change. The role of international structures and historical momentum are so influential that while Mandela's transformational leadership is very important, external factors also contribute to his success.

In Indonesia, one of the most frequently cited examples is Ridwan Kamil, the former Mayor of Bandung and now the Governor of West Java, who is also known as a transformational leader in the context of public policy and urban development. As the Mayor of Bandung, Ridwan Kamil introduced the Smart City initiative that integrates digital technology to improve public services and overcome urban problems. Through his idealized influence, Kamil became a leader recognized for his integrity and clear vision of the city's modernization. Ridwan Kamil also uses intellectual stimulation by encouraging his team and city residents to think creatively in solving urban problems such as congestion and

waste management. This leadership creates a culture of innovation in local government, where subordinates and citizens are encouraged to contribute to policy solutions through a collaborative and participatory approach. Debate among academics and policy observers states that while Ridwan Kamil has succeeded in introducing many innovations, the broader bureaucratic barriers in Indonesia often hinder the sustainability of such change. Hai et al., (2021) states that transformational leaders often face challenges in overcoming bureaucratic resistance and rigid structures, especially in developing countries. Ridwan Kamil, despite having a strong vision, often faces limitations on a larger scale when his innovative policies meet with a national bureaucratic structure that is slower to adopt change.

## E. CONCLUSION

This study finds that transformational leadership plays a significant role in encouraging public policy innovation in Indonesia. Transformational leadership plays an important role in driving public policy innovation in Indonesia. Transformational leaders are able to create a strong vision, motivate their subordinates and encourage creativity and active participation in policy reforms. Leaders such as Ridwan Kamil have shown that the application of intellectual stimulation, inspirational motivation, and individualized consideration can help overcome bureaucratic obstacles and modernize public governance. However, the success of policy innovation is often influenced by political dynamics and bureaucratic structures that demand smart leadership strategies to overcome resistance and build sustained support. This study has some limitations including a limited focus on specific case studies in Indonesia so the results may not be fully applicable to different contexts at the national and international levels. This study uses a qualitative method that relies on interviews with key informants that can be influenced by subjective bias. Further research can use quantitative data and a wider scope is needed to provide a deeper understanding of the effectiveness of transformational leadership in Indonesia.

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