



Volume and Issues Obtainable at Center for Business Research and Consulting,  
IBMAS, The Islamia University of Bahawalpur Pakistan

## South Asian Review of Business and Administrative Studies

ISSN: 2710-5318; ISSN (E): 2710-5164

Volume 6, No.2, December 2024

Journal homepage: <https://journals.iub.edu.pk/index.php/sabas>

# Employee Creativity and Paradoxical Leadership: The Mediating Effect of Employee Adaptiveness and Knowledge Sharing in Banking Sector of Pakistan

**Ali Ijaz**, Assistant Professor, The ORBIT Institute, Lahore, Pakistan.

**Muqaddas Naz**, Hailey College of Commerce, University of the Punjab, Lahore, Pakistan.

**Aisha Javeria**, Assistant Professor, NCBA&E, Lahore, Pakistan.

**Muhammad Ilyas**, General Manager, Pakistan Telecommunication Company Limited, Pakistan

### ARTICLE DETAILS

#### History

*Revised format:*

*Nov 2024*

*Available Online:*

*Dec 2024*

#### Keywords

*Paradoxical leadership, Knowledge sharing, Employee adaptiveness, Employee creativity*

### ABSTRACT

The goal of the current study is to investigate how employee adaptability and knowledge-sharing function as mediators in the relationship between employee creativity and paradoxical leadership in Pakistan's banking industry. To examine the connections between the constructs, 610 Pakistan's banking industry workers were surveyed. Survey instruments were used, and confirmatory factor analysis was carried out. A parallel mediation analysis was carried out using AMOS and the structural equation modeling technique. According to the current study, employee creativity, flexibility, and knowledge sharing are strongly correlated with paradoxical leadership. Additionally, in Pakistan's banking industry, it was discovered that employee creativity and paradoxical leadership are mediated by knowledge-sharing and adaptability. The results of this study will be helpful to senior banking management as they develop plans for improving leader-subordinate relationships in a way that can encourage innovation among staff members. By making insightful recommendations, the current study provides novel insights into the dynamics of knowledge sharing and employee adaptability between paradoxical leadership and employee creativity.



© 2024 The authors, under a Creative Commons Attribution Non-Commercial 4.0 international license

Corresponding author's email address: milyasch66@gmail.com

DOI: 10.52461/sabas.v6i2.3856

**Introduction**

By introducing innovative concepts, goods, and offerings, businesses adjust to the accelerated pace of shifts in technology in the knowledge-based economic status, global competitiveness, and financial dangers. Developing new, substantial concepts is crucial for retaining an advantage over other businesses and safeguarding the viability of an organization since workers are seen as an important driver of creation. Creative individuals are specifically viewed as a valuable resource for a business that values diversity, creativity, and adaptability (Z. Liu, James, Walpole, & White, 2023). Employee creativity, according to early research, is essential to a company's productivity and success. Creative work requires knowledge, creative effort, creative ideas, and drive (Aldabbas, Pinnington, & Lahrech, 2023). Since disengaged workers are less likely to develop novel solutions, inspiring people. Whether it pertains to intellectual labor individuals must reach their fullest capacity. A positive correlation between ethical leadership, inclusive leadership, and servant leadership has been found in earlier research on the link between management and workers' innovation (R. Liu, Yue, Ijaz, Lutfi, & Mao, 2023). It also shows that employment autonomy, coaching, support, and role modelling all enhance employee innovation. Contradictory results have been found in numerous research on the topic, including some that are negative and those that show no association at all. According to Marchant-Pérez, Leitão, and Nunes (2024) negative leadership and supervision practices, such as abusive supervision also inhibit employee innovation and creativity. Because domain knowledge and expertise are essential components of every creative work, it can be challenging for leaders to develop and concentrate on the creative skills of their team members. According to Sawyer and Henriksen (2024) componential theory of creativity, domain expertise is a crucial component of creativity. The data has become a crucial source of revenue and a way for companies to obtain an edge over their competition in the era of the learning economy. The company administration is heavily dependent on handling information, and crucial managerial expertise (Akagha, Coker, Uzougbo, & Bakare, 2023).

A broad variety of concepts and ways of thinking that are pertinent to the job or issue at hand at work are also exposed to employees via contact (Thornhill-Miller et al., 2023). High levels of information sharing help workers learn more quickly and improve their ability to be innovative, which is another facet of creativity. Combining information from many sources has the benefit of fostering the development of greater levels of creativity (Calic, Mosakowski, Bontis, & Helie, 2022). According to Jia, Luo, Fang, and Liao (2024), employees generate unique and imaginative ideas when they connect with people who have been given a wide range of data and expertise and who have several specialities. For instance, sharing one's insider information or externalizing it to make it explicit for delivery reasons can lead to the generation of new knowledge (Boamah, Zhang, Shehzad, & Wen, 2024). Businesses have been recommended to engage in procedures that encourage information sharing via efficient

knowledge-sharing practices given the obvious benefits of knowledge. It is important to emphasize that several aspects are involved, including the protection of workers' self-interest rather than the intensification of their labor and the loss of associated potential benefits (Hallsworth & Kirkman, 2020). People withhold actions when the costs exceed the benefits and reveal them when the benefits outweigh the costs (net profit) or vice versa (Köbis, Bonnefon, & Rahwan, 2021). It suggests that depending on the situation and the advantages or disadvantages of people in an organization participate in both information sharing and knowledge concealment. By offering individuals autonomy and significance, a responsible leader may promote information exchange behavior preventing knowledge-shrouding conduct and implementing strong norms and regulations (Siddiqui, Ijaz, Javeria, & Naz, 2023). The present study explores the relationship between paradoxical leadership, employees' creativity, knowledge sharing, and employees' adaptiveness.

### **Literature Review and Hypotheses Development**

The literature review on paradoxical leadership, employee innovation, knowledge sharing, and employee adaptability is briefly discussed in this chapter. In addition, it discusses the connections between paradoxical leadership and knowledge sharing, employee adaptability, and innovation among employees. Review the research on the connections between employee creativity, knowledge sharing, and adaptability.

### **Paradoxical Leadership and Employee Creativity**

Understanding the dynamic connections between ambient and human elements that influence the creative process is vital as the economy that relies on expands in the age of technology. Leadership has historically been seen as having the biggest impact on staff innovation (Hoang, Wilson-Evered, & Lockstone-Binney, 2021). The application of a range of leadership ideologies, to utilize executives' official legitimacy and standing influence, such as inspiring governance, change management, and managerial leadership has greatly benefitted employee creativity (Vincent, 2023). However it's still not obvious how creativity and responsible leadership are related (Lee et al., 2020). Because the followers rely on the leader, leadership also has a detrimental influence on creativity. It has been demonstrated, nonetheless, that this management approach encourages employees' creativity. This relationship is enhanced by having a creative function at work, together with a high degree of independence and identity while it is harmed by having a small degree of identity (Lin, Huang, & Huang, 2020). On the other hand, considerate leadership encourages workers' inventiveness (Qomariah, Nyoman, & Martini, 2022). An empirical study is required to ascertain the connections between leadership philosophies and creativity since employee behavior in an organization is episodic. A manager who can deal with both extremes in their workforce may

inspire and foster an atmosphere that fosters innovation. To successfully react to paradoxical events, leaders must play a range of conflicting roles and exhibit paradoxical behavior. Paradoxical leaders recognize the continual clash of paradoxical events and attempt rather than making reasoned judgements or making concessions, to combine and incorporate them into a larger structure (X. Li, Xue, Liang, & Yan, 2020).

While maintaining individual consideration and autonomy, paradoxical leadership establishes rather than making reasoned judgements or creating concessions, to combine and incorporate them into a larger structure, uses uniform treatment of employees to maintain control, and works to reduce status disparities about employee needs. When compared to more traditional leadership approaches like transformational and transactional leadership, paradoxical leadership was shown to have a favorable impact on employee proactivity, competency, and adaptability (X. Li et al., 2020). Proactivity and flexibility among employees create a positive atmosphere and help workers feel safe at work. The paradoxical leadership style, however, may cause certain workers to feel subjective ambivalence, and these individuals will then show greater levels of creativity as they search for discomfort. This study hypothesizes that followers of paradoxical leaders are considerably creatively affected. Rather than making reasoned judgements or creating concessions, combine and incorporate them into a larger structure. The integration of creativity requires outstanding organizational ability, which paradoxical leadership is a catalyst for. A paradoxical leader initiates two related processes that urge staff to go above and beyond what is required of them as well as to take initiative to fulfil organizational expectations. A contradictory director may foster workers' innovative thinking by comprehending the mechanics behind both their internal drive and external needs (Z. Li & Liu, 2022).

On the other hand, a paradoxical leader empowers followers by allowing them the autonomy and freedom to voice their desires and concerns, to listen to subordinates, and to accept assistance in handling organizational paradoxes. Perplexing management is associated with improved group and staff efficiency because it encourages originality and imaginative conduct (Y. Shao, Nijstad, & Täuber, 2019). Third, paradoxical leaders boost worker productivity by promoting a culture where contradictory action is accepted as commonplace and unavoidable. Individuals may believe that contradictory and opposing requirements are common in businesses (Miron-Spektor, Ingram, Keller, Smith, & Lewis, 2018). To make their disagreement constructive rather than unresolvable, they may combine several demands. A contradictory leader in an organization encourages both clever and hard work, which increases employee innovation (Arici & Uysal, 2022). Given this rationale, our hypothesis is:

H1: Paradoxical leadership has a positive influence on employee creativity.

### **Paradoxical Leadership and knowledge sharing**

Discovering a company's information that may benefit others and creating strategies to make it accessible to all parties concerned is the process of knowledge sharing. Effective information sharing is a critical section of handling information. According to Castaneda and Cuellar (2020), knowledge sharing can be carried out in a variety of ways, in addition to networking and communicating with others for example, by recording, organizing, and capturing knowledge; resolving issues; assisting others, learning from professionals and colleagues, and developing one's competencies. It is clear that in a team, information sharing does not happen naturally, and that the team leader is essential to making it possible. Because of this, team leaders should promote or support information exchange (Al-Kurdi, El-Haddadeh, & Eldabi, 2020). The attitudes of leaders, arbitrary standards, perceived behavioral control, and knowledge-sharing goals all showed favorable correlations. Rewards, such as merit pay, may be partially based on knowledge-sharing behavior during formal exchanges across teams or between work units. However, incentives based on group performance may also be successful in encouraging a feeling of teamwork, ownership, and commitment among workers. An organization's performance would notably benefit from improving information exchange across and within work units. Knowledge-sharing and leadership behaviors relate to professional service businesses. According to the research, contingent incentive leadership styles considerably and favorably influence both internal and external information sharing. Additionally, a strong predictor of internal knowledge sharing is a leader's style.

This research assumes that workers often share and conceal information inside an organization, but that the motivations for doing so vary substantially. Employees who share information do so with good intentions, while those who keep it hidden do so with bad intentions. This is accomplished through displaying concern, taking into account each person's uniqueness within an organization, and providing each person with enough autonomy but exercising control over them if they depart from anticipated organizational behaviors. Paradoxical leadership, according to Y. Yang, Li, Liang, and Zhang (2021), is associated with increased team and individual performance, including productivity, originality, and creative activities. Paradoxical leadership traits behaviorally integrate and accept competing demands at the same time to benefit from the paradox's intended effect. A leader who can handle the various moral inconsistencies and challenges that people display at work is essential given the constant change in the corporate environment. Creativity via the mediating effects of information sharing and understanding concealment. The paradox-based theory of

governance was born because of the ability to tackle these issues from a contradictory perspective. The impact of paradoxical leadership on workers' motivations and behaviors at work may be explained by the enigma concept (Y. Yang et al., 2021). Employees commonly participate in the sharing of information and behaviors about the advantages and disadvantages they stand to gain. Although the ideas of sharing and hiding information are not mutually exclusive, they do call for two distinct types of incentives (Butt, 2020). The paradox notion of direction, which contends that contradictory leaders may cope with inconsistencies like being both demanding and uplifting when it comes to comprehension of control customs forms the basis of the bulk of our study.

Those with contradictory leadership philosophies treat all of their employees fairly and consider their attributes to create a healthy workplace, inspire workers to aspire to them and develop a happy work atmosphere (J. Shao et al., 2018). The staff members are consequently free to express their thoughts and are delighted to provide some enlightening and inventive expertise. Employees are more likely to participate in primitive voice behavior when leaders act paradoxically; nevertheless, when leaders act paradoxically, employee prohibitive voice behavior is decreased (N. Yang, Chen, & Wang, 2024). As a result, we hypothesized the following hypothesis:

H2: Paradoxical leadership has a positive association with knowledge sharing.

### **Paradoxical Leadership and Employee Adaptiveness**

On the other hand, paradoxical leadership enforces consistent treatment of personnel for control creates vertical structural links between status and authority, and maintains individual consideration and autonomy while attempting to minimize status disparities about the needs of employees. When compared to more traditional leadership approaches like transformational and transactional leadership, paradoxical leadership was shown to have a favorable impact on employee proactivity, competency, and adaptability (Y. Zhang, Huai, & Xie, 2015). Proactivity and flexibility among employees create a positive atmosphere and help workers feel safe at work (Walumbwa, Muchiri, Misati, Wu, & Meiliani, 2018). The paradoxical leadership style, however, may cause certain workers to feel subjective ambivalence, and these individuals will then show greater levels of creativity as they search for discomfort. Additional research (Ortmann & Sydow, 2018) also showed contradictory correlations between creativity and freedom and control, with both having beneficial and harmful consequences. In light of this literature and discussion, we proposed the following hypothesis:

H3: Paradoxical leadership has a positive influence on employee adaptiveness.



### **Employee Management and Employee Creativity**

It seems exceedingly difficult to describe knowledge in a non-abstract and non-sweeping fashion. Knowledge is prone to being both everything and nothing (Nóvoa & Alvim, 2020). This "everything and nothing" conundrum is prevalent in the profession. According to Swanson, Kim, Lee, Yang, and Lee (2020), knowledge sharing is fundamental to new sorts of employment, the imminent change in thinking from InfoBar to Knowledge Warfare (K- Warfare), organizational success, and the inevitable death of private firm capitalism. Knowledge now plays a crucial part in the growing post-industrial and information revolutions, along with substantial changes in organizational structures. Weaving various paths into a cogent message is tough for us, and we think it is difficult for most others as well. Knowledge sharing is one of the most hazy things that have emerged in recent years, especially when their value is crucial. What, specifically, comprises the deliberate effort to collect, organize, distribute, and change the information that is deemed valuable to a firm is not agreed upon or clearly defined. Instead, a patchwork of subdomains that focus on some aspects of the issue while disregarding others occurs.

The industrial and service industries, where the introduction of new products plays a significant role, have generally given higher value to employee innovation throughout human history. Additionally, researchers have identified the assets that have the greatest impacts on innovation in the service industry (Bani-Melhem, Abukhait, & Mohd. Shamsudin, 2020). There is, however, a scarcity of research that looks at what motivates or disincentives creative behaviour among service sector employees. Because they feel it is too challenging to analyze, many scholars disregard innovation in the service sector. This perception may be a result of the particular conditions of each organization. According to Berraies and Zine El Abidine (2019), innovation happens in a business when a limited number of variables define a change in a product or service.

To generate fresh ideas at work, employees require knowledge of the issues and tasks at hand. As a result, individuals look for information from many local sources, including their coworkers (Alavi & Leidner, 2001). Coworkers' ability to be creative is limited by the willful withholding of information from one another when it is requested (Bogilović, Černe, & Škerlavaj, 2017). Creativity and exploratory and exploitative behaviors are tightly associated, hence information concealing by workers reduces creativity among team members (Fong, Men, Luo, & Jia, 2018). According to (Fong et al., 2018), information concealment behavior has a detrimental effect on creativity, which eventually lowers employee creativity levels (Fong et al., 2018). According to the social dilemma

theory, people may have conflicting motivations for both giving and concealing because they are placed in a situation where they might benefit from acting selfishly at the cost of their communities and resources. As a result, we hypothesize the following hypothesis:

H4: Knowledge sharing has a significant impact on Employee Creativity.

### **Employee Adaptiveness and Employee Creativity**

Employee adaptability, which is the capacity to change with changing circumstances, is associated with innovation. It has become a crucial necessity for all personnel and organizations to be adaptable as needed in the modern, turbulent business environment. According to one's formal education and prior experiences, creativity is the consequence of their entire creative thinking, talents, and expertise (Nahapiet & Ghoshal, 1998). It is crucial to remember that for an idea to qualify as creativity must be both unique and practical; in other words, it must have the potential to be valuable for the organization's expansion. It's also important to recognize that creativity can either be a gradual, improving shift or a sudden, abrupt change. Creativity depends on the capacity for adaptation (Fong et al., 2018). Employees with adaptive skills show them to acclimatize to innovative behaviour and ensure that the system can continue without interruption in the event of any changes to the nature, methods, or schedule of the activity. The adaptable personnel try to create new paths by using their innovative thinking processes, talents, and skills in the event of a setback rather than lamenting it. By forgoing conventional techniques and procedures and providing cutting-edge solutions for both ongoing and new problems, those personnel may adapt to changing circumstances and manage their creative demands. Considering the literature and discussions on this. We put out the following proposal:

H5: Employee adaptiveness has a positive influence on employee Creativity

### **Mediating Role of Knowledge Sharing**

No matter how much or how little information is shared, doing so implies a Cognate-Behavioral action involving others. Individual-level sharing of knowledge is crucial because it forms the basis for all higher levels of knowledge exchange in the value-creation process of an organization (De Long & Fahey, 2000). More thorough information exchange aids employees in becoming specialists in their industries of expertise and enhances each person's skill set. For instance, (Drake, Steckler, & Koch, 2004) discovered that information sharing within the team moderates the beneficial association between individual skill growth and creativity. Sharing information therefore facilitates



access to the diverse expertise of team members and fosters individual innovation (Tiwana & McLean, 2005). Creativity is indirectly influenced by information generation, but it is not directly impacted by knowledge donation (Park, Gu, Leung, & Konana, 2014). In a setting where staff members are encouraged to interact with one another, share their expertise, and get rewards for doing so, creativity is fostered. The creation of new, significant ideas that can be debated with coworkers and senior management and, if workable, effectively implemented is encouraged in this sort of working environment (Hon, 2012). Effective leadership has both the capacity to establish standards for followers by example and the flexibility to allow followers to work together and share information in the workplace. Additionally, it emphasizes how important it is to collaborate, exchange information, and have the opportunity to pick up new skills while working in a team (Wu et al., 2020). People who work for a company with a conflicted employer are free to discuss their original ideas and happy to offer some astute guidance that will foster their creativity. As a result, we hypothesize the following:

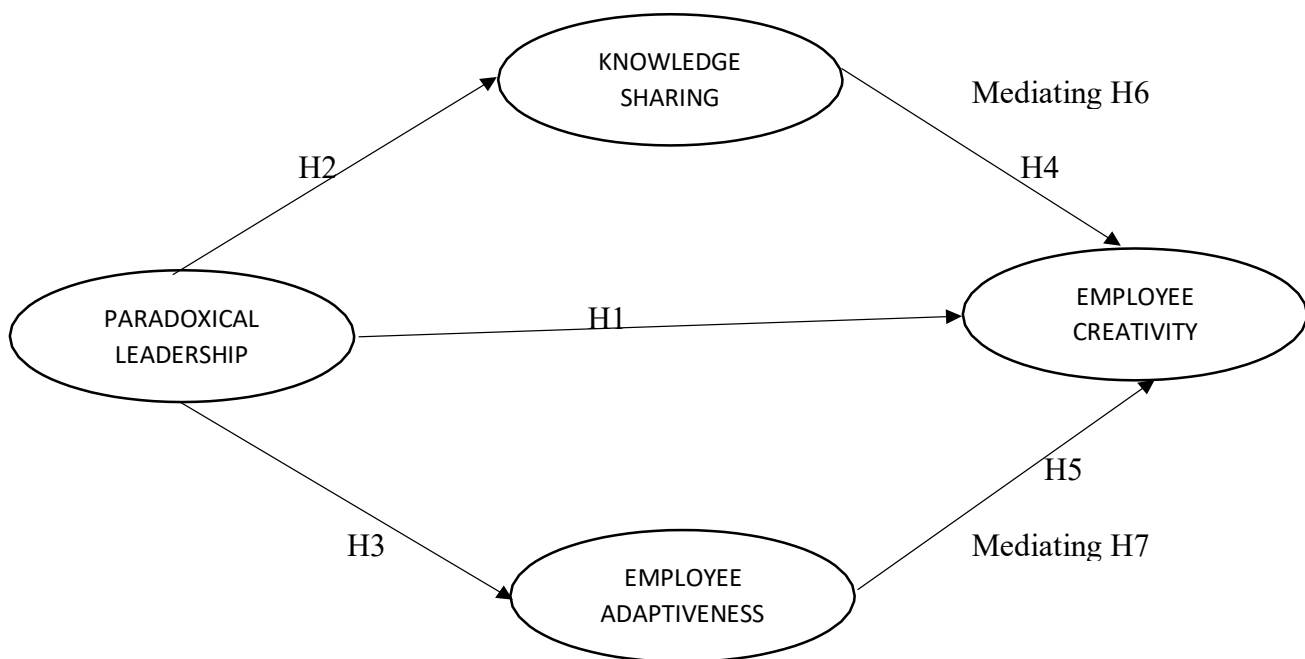
H6: Knowledge sharing plays a significant mediating role between Paradoxical Leadership and Employee Creativity.

### **Mediating Role of Employee Adaptiveness**

The notion of catering to the unique requirements of ever-tinier market groups has long been promoted as a business strategy. One of three ways to provide higher customer value, for instance, has been described as customer intimacy, which involves adapting offers to the precise requirements of more specialized market segments (Bedeian, 1993). According to (Fornell, Rust, & Dekimpe, 2010), the ability of the business to customize its offering to meet the specific needs of each consumer is key to delighting service consumers more so than satisfying buyers of commodities. In fact, despite reliability having historically been determined to be the most significant element impacting service quality views, a national survey of customer satisfaction indicated that customization had a bigger determining influence on service quality than reliability. (Parasuraman, Berry, & Zeithaml, 1993). The concept of adaptive job performance looks at how people respond to change. According to a large study by (Pulakos, Arad, Donovan, & Plamondon, 2000), the concept of adaptive performance is an eight-dimensional construct that encompasses, among other things, innovative problem- solving, navigating ambiguous and unpredictable work settings, and displaying interpersonal adaptation. Numerous organizational behavior scholars have investigated adaptive performance. Compared to the broad adaptive job performance focus. Increased competition is one of the factors forcing businesses to change and get better constantly.

Changes in markets, creativity, and technology improvements are other drivers. Employees are consequently under additional pressure to adapt to new or changing work settings by becoming more adaptable, versatile, and tolerant of ambiguity (Hessari, Daneshmandi, Busch, & Smith, 2024). This has led to a high rate of environmental and organizational change. Individual adaptability is a term used frequently to describe the capacity to effectively adjust oneself to a changed workplace. In addition to tasks and surroundings, self-adaptation has been advocated as a third component of job success (Baharum et al., 2023). Individual flexibility is frequently regarded as a crucial characteristic of today's workers. Despite the value of flexibility in the workplace, there is still little comprehensive study on personal flexibility (Griffin & Hesketh, 2003). Research on adaptability and adaptive behaviors has only recently begun, with particular attention paid to adaptive performance (Pulakos et al., 2002) task. Others have looked at employee adjustment to shifting, uncertain, or new work settings in addition to this developing area of study on adaptability, but without explicitly mentioning the idea of individual adaptability. Employee adaptability, which is the capacity to change with changing circumstances, is associated with innovation. It has become a crucial necessity for all personnel and organizations to be adaptable as needed in the modern, turbulent business environment. One's general creative thinking, abilities, and competence, which rely on his or her formal education and prior experiences, are what lead to creativity

### Theoretical Framework



Source: Authors' work

## **Methods**

### **Sample**

The top five commercial sector bank employees were taken as samples for the present study. Bankers were asked to fill out a questionnaire regarding paradoxical leadership, employee adaptiveness, employee creativity, and knowledge sharing in the banking sector. Researchers personally visited banks of major cities of Pakistan (Lahore, Karachi, Islamabad, Peshawar, Quetta, and Faisalabad) and also used Google Docs to get responses from bankers of major cities. Permission is taken from high-ups in the banking sector to get responses from bankers. To get the responses from bankers, questionnaires were distributed as per the number of branches operating in Pakistan. Data is collected from branch staff only as they directly deal with bank strategies implementation. A cover letter with a survey questionnaire was attached to provide awareness regarding the scope, purpose, and confidentiality of the study. The cover letter clearly states that participation in the survey is voluntary and that if anyone is not interested can return the questionnaire.

Researchers distributed survey questionnaires personally and also via Google Docs. Personally, distributed survey questionnaires were 480 and received 310 questionnaires with a response rate of 65%. Whereas, survey questionnaires via Google Docs were sent to 220 and received 86 with a response rate of 39%. So, researchers used the 396 responses to analyze the data and to test the hypothesis of the study.

## **Measures**

### **Paradoxical leadership (PL)**

Paradoxical leadership (PL) has been measured using the scale developed by Zhang et al. with scale anchors ranging from “1=strongly disagree to 5=strongly agree (Y. Zhang & Han, 2019). A sample item is “Your manager has a strong sense of self-opinion but remains open to accepting knowledge and input from others.” The alpha reliability for this scale was 0.97.

### **Employee Creativity (EC)**

Based on X. Zhang and Bartol (2010) a five-item scale is adopted for measuring employee creativity. A sample item includes “proactive in stimulating new and useful suggestions to enhance performance in your workplace.” The anchors ranged from “1=never to 5=always.” The alpha reliability for this scale was 0.96.

**Employee Adaptiveness (EA)**

The employee adaptiveness scale is based on four items and adopted from a previous study (Żywiołek, Tucmeanu, Tucmeanu, Isac, & Yousaf, 2022). A sample item from the scale is “Our extant competencies support in implementing advancements in the industry.” Its value of Cronbach’s alpha is 0.88.

**Knowledge sharing (KS)**

The eight-item knowledge-sharing measure developed by Hu and Zhao has a Cronbach's alpha reliability of 0.865 (Hu & Zhao, 2016). "I make it a point to teach my coworkers new skills whenever possible" is an example statement.

**Data Analysis and Results****Descriptive Statistics****Demographic**

Our demographic results show that the majority of respondents (66%) had 1 to 5 years of work experience. While 60% of respondents had 18 Years of education. The ratio of male respondents was higher (75%) as compared to female respondents (25%). Most respondents were age group of 25-35 years. Data was collected from the top five commercial banks of Pakistan that represent the whole country.

**Regression Analysis**

Direct and indirect relationships were tested in the present study. In the first hypothesis, the direct impact of paradoxical leadership on employee creativity is tested and results show that there is a significant impact of PL on EC ( $\beta$  0.328). In H3, PL impact on EA is tested and results depicted that there is a significant impact of PL on EA ( $\beta$  0.573). In the H2, PL impact on KS is tested and results show that there is a significant impact of PL on KS ( $\beta$  0.225). H5 described that EA has a significant impact on EC ( $\beta$  0.323), and in the final direct relationship, H4 described that there is significant positive impact of KS on EC ( $\beta$  0.254).

**Direct and Mediation Analysis**

<b>Path</b>	<b>R</b>	<b>R<sup>2</sup></b>	<b><math>\beta</math></b>	<b>SE</b>	<b>T-test</b>	<b>P Value</b>
PL → EC	0.2796	0.0782	0.3286	0.0569	5.7799	0.0000
PL → EA	0.6570	0.4316	0.5730	0.0331	17.2968	0.0000
PL → KS	0.1753	0.0307	0.2249	0.0636	3.5353	0.0005
EA → EC	0.4489	0.2015	0.3232	0.0818	3.9515	0.0001
KS → EC	0.4489	0.2015	0.2541	0.0426	5.9654	0.0000
<b>Indirect Effect</b>			<b>Effect</b>	<b>SE</b>	<b>LLCI</b>	<b>ULI</b>
PL → EA → EC			0.1852	0.0459	0.0983	0.2747
PL → KS → EC			0.0571	0.0192	0.0240	0.0996

Table 1: Direct and Indirect Analysis

Source: Author's completion.

The mediating role of Knowledge sharing between paradoxical leadership and employee creativity is tested in H6 of the present study. Results revealed that there is partial mediation exists ( $\beta$  0.057). In the H7, the mediating role of employee Adaptiveness is tested between paradoxical leadership and employee creativity. Results indicated that is significant but not fully mediated relationship existed ( $\beta$  0.185).

**Implications of the Study****Theoretical Implications**

This research adds to the body of knowledge in the area of leadership on knowledge management by demonstrating how a paradoxical leader can effectively navigate dynamic, complex organizational environments, promote knowledge sharing, and control behavior. Furthermore, this research clarifies how knowledge management affects workers' creative thinking. This research aids in our comprehension of the behavior of knowledge management in the banking industry, where creativity is not only fostered but also greatly aided by knowledge management. This discovery has important ramifications for organizational theory and practice. It also aids managers in creating knowledge-sharing cultures and, eventually, increases employee creativity via efficient management techniques.

## **Practical Implications**

To improve employee information-sharing culture and, ultimately, employee creativity, the present research highlights the need for paradoxical leaders who can both encourage knowledge-sharing and limit workers' adaptive behaviors. Given the prevalence of paradoxical challenges at both the organizational and personnel levels, leaders' efficacy is more important in stimulating employees' creativity in the banking sector. Paradoxical leadership has to be included in an organization to foster more knowledge-sharing, which fosters innovation. To facilitate sound decision-making, managers need to back leaders who welcome opposing viewpoints and promote constructive debate among their employees. This strategy may boost team members' involvement and participation, which will eventually improve the quality of the decisions made. When team members engage in decision-making, they feel valued by management, which also deters antisocial conduct. According to the report, knowledge-sharing programmes should be periodically implemented inside the company to create a cohesive and competent workforce. The study's findings will assist the businesses' top management in creating plans to improve senior-subordinate relationships and to promote information exchange to stimulate creativity. The research found that team members who consistently share information foster employee innovation and increase an organization's performance. Lastly, the study will help upper management create a framework or model for boosting employee creativity by looking at performance enhancers other than knowledge-sharing techniques (like working practices, learning and development, organizational identification, work-life balance, as well as empowerment). Because of this, the findings may be utilized to develop innovative strategies for information hiding and sharing that foster employee innovation across national boundaries in a variety of businesses.

## **Limitations and Future Directions**

Our research has some limitations and can guide future research directions. Firstly, the sample sources of our research study were limited. We only collect data from the top five commercial sector banks of Pakistan. Future researchers can collect data from other banks to increase the universality of research results. Second, we collected data at one point in time. The driving factors of knowledge-sharing behavior can also change at different stages of development.

So, future researchers can use longitudinal data collection techniques. We only verify the mediating effect of employee adaptiveness and knowledge sharing. Future researchers can study the other dimensions. Our area of research was Pakistan. Therefore, future studies can focus on cross-regional or cross-country research to explore the relationship between paradoxical leadership and employee creativity.



## References

- Akagha, O. V., Coker, J. O., Uzougbo, N. S., & Bakare, S. S. (2023). Company secretarial and administrative services in modern irish corporations: a review of the strategies and best practices adopted in company secretarial and administrative services. *International Journal of Management & Entrepreneurship Research*, 5(10), 793-813.
- Al-Kurdi, O. F., El-Haddadeh, R., & Eldabi, T. (2020). The role of organisational climate in managing knowledge sharing among academics in higher education. *International Journal of Information Management*, 50, 217-227.
- Alavi, M., & Leidner, D. E. (2001). Knowledge management and knowledge management systems: Conceptual foundations and research issues. *MIS quarterly*, 107-136.
- Aldabbas, H., Pinnington, A., & Lahrech, A. (2023). The influence of perceived organizational support on employee creativity: The mediating role of work engagement. *Current psychology*, 42(8), 6501-6515.
- Arici, H. E., & Uysal, M. (2022). Leadership, green innovation, and green creativity: A systematic review. *The Service Industries Journal*, 42(5-6), 280-320.
- Baharum, H., Ismail, A., McKenna, L., Mohamed, Z., Ibrahim, R., & Hassan, N. H. (2023). Success factors in adaptation of newly graduated nurses: a scoping review. *BMC nursing*, 22(1), 125.
- Bani-Melhem, S., Abukhait, R. M., & Mohd. Shamsudin, F. (2020). Does job stress affect innovative behaviors? Evidence from Dubai five-star hotels. *Journal of Human Resources in Hospitality & Tourism*, 19(3), 344- 367.
- Bedeian, A. G. (1993). *Management*: Dryden Press.
- Berraies, S., & Zine El Abidine, S. (2019). Do leadership styles promote ambidextrous innovation? Case of knowledge-intensive firms. *Journal of Knowledge Management*, 23(5), 836-859.
- Boamah, F. A., Zhang, J., Shehzad, M. U., & Wen, D. (2024). Exploring the impact of social capitals and knowledge creation on construction firms performance in the COVID-19 era. *Journal of Engineering, Design and Technology*, 22(2), 404-421.
- Bogilović, S., Černe, M., & Škerlavaj, M. (2017). Hiding behind a mask? Cultural intelligence, knowledge hiding, and individual and team creativity. *European Journal of Work and Organizational Psychology*, 26(5), 710-723.
- Butt, A. S. (2020). Mitigating knowledge hiding in firms: an exploratory study. *Baltic Journal of Management*, 15(4), 631-645.
- Calic, G., Mosakowski, E., Bontis, N., & Helie, S. (2022). Is maximising creativity good? The importance of elaboration and internal confidence in producing creative ideas. *Knowledge*

- Management Research & Practice*, 20(5), 776-791.
- Castaneda, D. I., & Cuellar, S. (2020). Knowledge sharing and innovation: A systematic review. *Knowledge and Process Management*, 27(3), 159-173.
- De Long, D. W., & Fahey, L. (2000). Diagnosing cultural barriers to knowledge management. *Academy of Management Perspectives*, 14(4), 113-127.
- Drake, D. B., Steckler, N. A., & Koch, M. J. (2004). Information sharing in and across government agencies: The role and influence of scientist, politician, and bureaucrat subcultures. *Social science computer review*, 22(1), 67-84.
- Fong, P. S., Men, C., Luo, J., & Jia, R. (2018). Knowledge hiding and team creativity: the contingent role of task interdependence. *Management Decision*, 56(2), 329-343.
- Fornell, C., Rust, R. T., & Dekimpe, M. G. (2010). The effect of customer satisfaction on consumer spending growth. *Journal of marketing research*, 47(1), 28-35.
- Griffin, B., & Hesketh, B. (2003). Adaptable behaviours for successful work and career adjustment. *Australian Journal of psychology*, 55(2), 65-73.
- Hallsworth, M., & Kirkman, E. (2020). *Behavioral insights*: MIT Press.
- Hessari, H., Daneshmandi, F., Busch, P., & Smith, S. (2024). Mitigating cyberloafing through employee adaptability: the roles of temporal leadership, teamwork attitudes and competitive work environment. *Asia-Pacific Journal of Business Administration*.
- Hoang, G., Wilson-Evered, E., & Lockstone-Binney, L. (2021). Leaders influencing innovation: A qualitative study exploring the role of leadership and organizational climate in Vietnamese tourism SMEs. *Employee Relations: The International Journal*, 43(2), 416-437.
- Hon, A. H. (2012). Shaping environments conducive to creativity: The role of intrinsic motivation. *Cornell Hospitality Quarterly*, 53(1), 53-64.
- Hu, B., & Zhao, Y. (2016). Creative self-efficacy mediates the relationship between knowledge sharing and employee innovation. *Social Behavior and Personality: an international journal*, 44(5), 815-826.
- Jia, N., Luo, X., Fang, Z., & Liao, C. (2024). When and how artificial intelligence augments employee creativity. *Academy of Management Journal*, 67(1), 5-32.
- Köbis, N., Bonnefon, J.-F., & Rahwan, I. (2021). Bad machines corrupt good morals. *Nature human behaviour*, 5(6), 679-685.
- Lee, A., Legood, A., Hughes, D., Tian, A. W., Newman, A., & Knight, C. (2020). Leadership, creativity and innovation: A meta-analytic review. *European Journal of Work and Organizational Psychology*, 29(1), 1- 35.

- Li, X., Xue, Y., Liang, H., & Yan, D. (2020). The impact of paradoxical leadership on employee voice behavior: a moderated mediation model. *Frontiers in Psychology, 11*, 537756.
- Li, Z., & Liu, L. (2022). The impact of organizational innovation culture on employees' innovation behavior. *Social Behavior and Personality: an international journal, 50*(12), 1-10.
- Lin, C.-P., Huang, H.-T., & Huang, T. Y. (2020). The effects of responsible leadership and knowledge sharing on job performance among knowledge workers. *Personnel Review, 49*(9), 1879-1896.
- Liu, R., Yue, Z., Ijaz, A., Lutfi, A., & Mao, J. (2023). Sustainable business performance: Examining the role of green HRM practices, green innovation and responsible leadership through the lens of pro-environmental behavior. *Sustainability, 15*(9), 7317.
- Liu, Z., James, S., Walpole, G., & White, G. R. (2023). A communities of practice approach to promoting regional circular economy innovation: evidence from East Wales. *European Planning Studies, 31*(5), 988-1006.
- Marchant-Pérez, P., Leitão, J., & Nunes, A. (2024). Abusive Leadership: A Systematic Review of the Literature. *Innovations for Healthcare and Wellbeing: Digital Technologies, Ecosystems and Entrepreneurship*, 423- 455.
- Miron-Spektor, E., Ingram, A., Keller, J., Smith, W. K., & Lewis, M. W. (2018). Microfoundations of organizational paradox: The problem is how we think about the problem. *Academy of Management Journal, 61*(1), 26- 45.
- Nahapiet, J., & Ghoshal, S. (1998). Social capital, intellectual capital, and the organizational advantage. *Academy of management review, 23*(2), 242-266.
- Nóvoa, A., & Alvim, Y. (2020). Nothing is new, but everything has changed: A viewpoint on the future school. *Prospects, 49*(1), 35-41.
- Ortmann, G., & Sydow, J. (2018). Dancing in chains: Creative practices in/of organizations. *Organization Studies, 39*(7), 899-921.
- Parasuraman, A., Berry, L. L., & Zeithaml, V. A. (1993). More on improving service quality measurement. *Journal of retailing, 69*(1), 140-147.
- Park, J. H., Gu, B., Leung, A. C. M., & Konana, P. (2014). An investigation of information sharing and seeking behaviors in online investment communities. *Computers in Human Behavior, 31*, 1-12.
- Pulakos, E. D., Arad, S., Donovan, M. A., & Plamondon, K. E. (2000). Adaptability in the workplace: Development of a taxonomy of adaptive performance. *Journal of applied psychology, 85*(4), 612.
- Pulakos, E. D., Schmitt, N., Dorsey, D. W., Arad, S., Borman, W. C., & Hedge, J. W. (2002). Predicting adaptive performance: Further tests of a model of adaptability. *Human*

- performance*, 15(4), 299-323.
- Qomariah, N., Nyoman, N., & Martini, P. (2022). The Influence of Leadership Style, Work Incentives and Work Motivation on the Employees Performance of Regional Revenue Agency. *Journal of Economics, Finance and Management Studies*, 5(07), 1942-1954.
- Sawyer, R. K., & Henriksen, D. (2024). *Explaining creativity: The science of human innovation*: Oxford university press.
- Shao, J., Tang, L., Wang, X., Qiu, R., Zhang, Y., Jia, Y., . . . Ye, Z. (2018). Nursing work environment, value congruence and their relationships with nurses' work outcomes. *Journal of Nursing Management*, 26(8), 1091-1099.
- Shao, Y., Nijstad, B. A., & Täuber, S. (2019). Creativity under workload pressure and integrative complexity: The double-edged sword of paradoxical leadership. *Organizational Behavior and Human Decision Processes*, 155, 7-19.
- Siddiqui, S. H., Ijaz, A., Javeria, A., & Naz, M. (2023). Systematic review and development of responsible leadership scale. *Pakistan Journal of Humanities and Social Sciences*, 11(1), 38-52.
- Swanson, E., Kim, S., Lee, S.-M., Yang, J.-J., & Lee, Y.-K. (2020). The effect of leader competencies on knowledge sharing and job performance: Social capital theory. *Journal of hospitality and tourism management*, 42, 88-96.
- Thornhill-Miller, B., Camarda, A., Mercier, M., Burkhardt, J.-M., Morisseau, T., Bourgeois-Bougrine, S., . . . Mourey, F. (2023). Creativity, critical thinking, communication, and collaboration: assessment, certification, and promotion of 21st century skills for the future of work and education. *Journal of Intelligence*, 11(3), 54.
- Tiwana, A., & McLean, E. R. (2005). Expertise integration and creativity in information systems development. *Journal of management information systems*, 22(1), 13-43.
- Vincent, A. (2023). *Modern political ideologies*: John Wiley & Sons.
- Walumbwa, F. O., Muchiri, M. K., Misati, E., Wu, C., & Meiliani, M. (2018). Inspired to perform: A multilevel investigation of antecedents and consequences of thriving at work. *Journal of Organizational Behavior*, 39(3), 249-261.
- Wu, C., Chen, X., Cai, Y., Zhou, X., Xu, S., Huang, H., . . . Zhang, Y. (2020). Risk factors associated with acute respiratory distress syndrome and death in patients with coronavirus disease 2019 pneumonia in Wuhan, China. *JAMA internal medicine*, 180(7), 934-943.
- Yang, N., Chen, H., & Wang, X.-H. (2024). Paradoxical leadership behavior and employee creative deviance: The role of paradox mindset and leader–member exchange. *Journal of Business and Psychology*, 39(3), 697- 713.
- Yang, Y., Li, Z., Liang, L., & Zhang, X. (2021). Why and when paradoxical leader behavior

- impact employee creativity: Thriving at work and psychological safety. *Current psychology*, 40(4), 1911-1922.
- Zhang, X., & Bartol, K. M. (2010). Linking empowering leadership and employee creativity: The influence of psychological empowerment, intrinsic motivation, and creative process engagement. *Academy of management journal*, 53(1), 107-128.
- Zhang, Y., & Han, Y.-L. (2019). Paradoxical leader behavior in long-term corporate development: Antecedents and consequences. *Organizational Behavior and Human Decision Processes*, 155, 42-54.
- Zhang, Y., Huai, M.-y., & Xie, Y.-h. (2015). Paternalistic leadership and employee voice in China: A dual process model. *The leadership quarterly*, 26(1), 25-36.
- Żywiołek, J., Tucmeanu, E. R., Tucmeanu, A. I., Isac, N., & Yousaf, Z. (2022). Nexus of transformational leadership, employee adaptiveness, knowledge sharing, and employee creativity. *Sustainability*, 14(18), 11607.

