

Entrepreneurial Leadership and Innovation

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Entrepreneurial Leadership and Innovative Work Behavior: The Role of Creative Self-efficacy

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ABSTRACT

Several previous studies have tested the relationship between leadership type and innovative work behavior. However, there have been only a few empirical studies examining the mediating role of creative self-efficacy on the relationship between entrepreneurial leadership and innovative work behavior. This study was conducted to fill this gap to understand the relationship between entrepreneurial leadership and innovative work behavior and the role of creative self-efficacy as a mediating variable for the relationship between entrepreneurial leadership and innovative work behavior. Data were collected using a questionnaire distributed to 190 employees of the Astra Honda Authorized Service Station (AHASS) and analyzed using Structural equation modeling with SmartPLS software. The results indicate that entrepreneurial leadership increases the innovative work behavior of employees. Besides, entrepreneurial leadership increases creative self-efficacy and leads to increased employee innovative work behavior. This study contributes to the development of the literature by providing empirical evidence on the relationship between entrepreneurial leadership and innovative work behavior and the role of creative self-efficacy in innovative behavior. This study confirms Social Cognitive Theory (SCT) that a person's self-efficacy will generate creative ideas in the workplace and produce innovative work. The practical implication is that leaders must provide greater opportunities for employees to develop creative ideas in the workplace to achieve an increase in innovative work behavior.

ABSTRAK

Penelitian terdahulu sudah menguji hubungan tipe kepemimpinan dengan innovation behavior, namun masih ada kelangkaan studi empiris tentang peran mediasi creative self-efficacy pada hubungan antara entrepreneurial leadership dengan innovation work behavior. Studi ini dilakukan untuk mengisi gap tersebut dengan tujuan untuk memahami hubungan entrepreneurial leadership dengan innovation work behavior, serta peran creative self-efficacy sebagai mediasi dari hubungan entrepreneurial leadership dengan innovation work behavior. Data dikumpulkan menggunakan kuesioner yang dibagikan kepada 190 karyawan Astra Honda Authorized Service Station (AHASS). Analisis data menggunakan Structural equation modelling dengan software SmartPLS. Hasil penelitian mengindikasikan bahwa entrepreneurial leadership akan meningkatkan innovative work behavior karyawan, selain itu entrepreneurial leadership akan meningkatkan creative self-efficacy, dan menyebabkan peningkatan innovative work behavior karyawan. Studi ini berkontribusi pada pengembangan literatur dengan memberikan bukti empiris tentang hubungan antara entrepreneurial leadership dengan innovative behavior, dan peran creative self-efficacy pada innovative behavior. Studi mengkonfirmasi Social Cognitive Theory (SCT) bahwa self-efficacy seseorang akan menghasilkan ide-ide kreatif di tempat kerja, dan menghasilkan pekerjaan yang inovatif. Implikasi praktis, leader harus meningkatkan kesempatan kepada karyawan lebih besar untuk mengembangkan ide-ide kreatif dalam pekerjaan, dalam rangka mencapai peningkatan innovative work behavior.

1. INTRODUCTION

Studies have shown that entrepreneurship is closely

related to innovation (Tidd, 2014). Entrepreneurial behavior encourages innovation and adaptation to

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environmental changes (Renko et al., 2015). Therefore, managers need to have the ability to encourage innovation in their company. Innovation is needed due to changes in the competitive business environment (Sawaeen & Ali, 2020) and increasing business risks (Fontana & Musa, 2017). Companies must adapt through innovation to deal with these environmental changes (Ince et al., 2016) by exploring and exploiting opportunities to maintain competitive advantage (Fontana & Musa, 2017). A business's success can be achieved if the leader has a clear vision and is supported by entrepreneurial actions (Sawaeen & Ali, 2020). Companies must be able to take opportunities and improve organizational competence (Huang et al., 2014).

A competitive and dynamic business environment requires leaders who can encourage creativity and innovation to be able to compete and have an entrepreneurial leadership spirit (Gupta et al., 2004). Two factors determine innovation. At the organizational level, innovation is determined by leadership (Puente-Diaz, 2016), while at the individual level, innovation is determined by individual creativity. The result of individual creativity in an organization is innovation (Hon & Lui, 2016). The creativity and innovation model developed by Hon & Lui (2016) explains that creativity is generated by creative efficacy at the individual level, and the results are individual outcomes in the form of career satisfaction.

Meanwhile, at the organizational level, the results of individual creativity are in the form of performance and innovation. In particular, Cai et al. (2019) stated that innovation in teams (organizations) is determined by entrepreneurial leadership. The model illustrates the relationship between leadership and creative efficacy and innovation, where leadership is the antecedent of creativity, while innovation results from creativity. Entrepreneurial leadership increases followers' trust in skills and abilities and encourages enthusiasm for innovation (Renko et al., 2015).

Several studies on leadership and innovative behavior have always focused on transformational leadership, where transformational leadership is related to innovation and creativity (Afsar et al., 2014; Afsar & Masood, 2018; Caillier, 2016; Chen et al., 2014; Gill et al., 2010; Herrmann & Felfe, 2014; Kang et al., 2015). Transformational leadership can foster a climate of innovation that can encourage employees (Jaiswal & Dhar, 2015). Besides, transformational leadership is related to performance (Buil et al., 2019; Salanova et al., 2011). Newman et al. (2018) argue that different leadership

(for example, entrepreneurial, transformational, and participative leadership) effectively fosters innovative behavior. However, the meta-analytic research conducted by Herrmann and Felfe (2014), a study on transformational leadership concerning creativity, has shown unsatisfactory results because transformational leadership is not specifically related to innovative behavior and opportunity recognition (Bagheri, 2017). This suggests that previous studies on the role of transformational leadership in innovation need to be developed in other leadership types.

As stated by the Indonesian Motorcycle Industry Association, East Java's national motorcycle sales are in second place after West Java. In 2019, Honda occupied the market with a market share reaching 75.7% (AISI, 2019). East Java is the province with the highest motorcycle sales rate (15.9%) after West Java (17.65%). There are 73 AHASS outlets in the Malang area, 27 of which are located in Malang City, 43 outlets are in Malang Regency, and three outlets are located in Batu City. Astra Honda Motor (AHM), as the authorized Honda Motorcycle distributor, has established a network of Astra Honda Authorized Service Station (AHASS) by collaborating with local workshops. Each workshop provides standardized facilities, infrastructure, and certified technicians. AHASS is completely under the management of AHASS owner/manager to achieve the targets set by AHM. Consequently, competition among AHASS outlets is quite intense in attracting customers. Therefore, each AHASS outlet needs to make innovations to attract customers. This challenge requires strong leadership from the owner/manager to increase the ability to encourage innovation, both in terms of service innovation and work innovation. The term leadership in this study is limited to entrepreneurial leadership because entrepreneurial leadership (EL) encourages organizations to strengthen a culture of innovation by seeking and taking advantage of opportunities to improve organizational performance (Rae, 2017). EL is considered an effective leadership style in facing a dynamic business environment because it encourages innovation (Fontana & Musa, 2017; Freeman & Siegfried Jr, 2015).

Previous research results show that entrepreneurial leadership improves employee innovative work behavior (Bagheri, 2017), facilitates the innovation process in the company (Fontana & Musa, 2017), and has an impact on business performance (Huang et al., 2014; Sawaeen & Ali, 2020). These findings indicate that employees'

innovative behavior is determined by how they can move their employees to apply new ideas in their work. Other studies have examined the relationship between entrepreneurial leadership and creativity, such as the study conducted by Cai et al. (2019). The results show that employees and teams led by entrepreneurial leadership can produce creative results supported by employees and teams' creative self-efficacy. The literature that discusses how entrepreneurial leadership affects innovative work behavior through creative effectiveness is still very limited. Also, there are very few empirical studies on the relationship between entrepreneurial leadership and work innovation behavior in small businesses. **3** fill this gap, this study is conducted to examine the relationship between entrepreneurial leadership and innovative work behavior, including analyzing the mediating role of creative self-efficacy.

2. THEORETICAL FRAMEWORK AND HYPOTHESES

Entrepreneurial Leadership

Entrepreneurial leadership focuses on recognizing and exploiting opportunities as entrepreneurial goals (Renko et al., 2015) and achieving innovation performance (Fontana & Musa, 2017). Entrepreneurial leadership focuses on innovation and adaptation to environmental changes (Surie & Ashley, 2008), including exploiting new opportunities and increasing the ability to compete (Huang et al., 2014). According to entrepreneurial leadership theory, entrepreneurial leadership is an effective type of leadership to build teams to achieve innovation goals (Renko et al., 2015). The term entrepreneurial leadership refers to one of the leadership characteristics that lead to innovation. In this study, entrepreneurial leadership is defined as a type of leadership that focuses on introducing and exploiting opportunities to build teams to achieve innovation goals (Renko et al., 2015).

Entrepreneurial leadership improves organizational performance because it can strengthen a culture of innovation by seeking and exploiting opportunities (Rae, 2017). Entrepreneurial leadership is considered an effective leadership in encountering a dynamic business environment since it can increase innovation and recognize opportunities (Fontana & Musa, 2017; Freeman & Siegfried Jr, 2015). Entrepreneurial leadership adopts philosophy and management methods that enable integrating knowledge to be utilized in the new operation, processes, and products (Gupta & Batra, 2016). It is important to encourage the development of

entrepreneurial leadership at all levels of the organization to ensure that the innovation process is managed effectively (Fontana & Musa, 2017). This is because the organizational competitive advantage is determined by employee innovative behavior (Wang et al., 2015). The role of entrepreneurial leadership is to develop strategies and approaches, facilitate innovation, support new ideas by employees (Bagheri, 2017), and recognize opportunities perceived by employees (Huang et al., 2014). Entrepreneurial leadership can increase individual participation, raise innovation awareness, using creative methods, solve problems, and utilize resources effectively to improve organizational performance (Rae, 2017; Strobl et al., 2020). The application of entrepreneurial leadership in SMEs is considered effective because it can deal with a dynamic business environment since its orientation is opportunity and innovation. Besides, it is also able to move followers to recognize opportunities and use creative methods. The aim is innovative behavior and organizational performance.

Research on entrepreneurial leadership can be done focusing on three things: leaders (entrepreneurial behavior and attitudes), new business owners, and differences or similarities between leaders and entrepreneurs (Renko et al., 2015). In this study, entrepreneurial leadership is examined with an approach to entrepreneurial behavior and attitude and its impact on innovative employee behavior.

Creative Self-Efficacy

The Social Cognitive Theory (SCT) states that the belief in self-efficacy enables developing creative ideas in the workplace. The core of SCT is assessing one's ability to execute courses of actions required to achieve performance (Bandura, 1986). This includes two things, namely the expectation of performing certain behaviors and the results to be obtained from the behavior (Leong & Rasli, 2014). An individual who has self-efficacy can execute the action. Self-efficacy affects one's affective response in carrying out the task, which will affect the task's success (Newman et al., 2018).

Creative self-efficacy is a special form of self-efficacy in which a person believes that he can generate creative ideas (Tierney & Farmer, 2002). Creative self-efficacy bridges the creativity of leaders and employees' creativity (Jiang & Gu, 2017). Employees with high creative self-efficacy tend to realize their creative potential to achieve creative results (Diliello et al., 2011). They are involved in

innovative behavior since they believe in their knowledge and skills to generate ideas at the workplace (Jiang & Gu, 2017). In contrast, employees with low creative self-efficacy will regard challenges as mere opportunities (Newman et al., 2018). In service companies, employee's creative self-efficacy is portrayed from innovative behavior in the workplace in which customer problems are solved creatively (Michael et al., 2011).

Innovative Work Behavior

An understanding of innovative work behavior is needed to develop innovation (Messmann & Mulder, 2012). Innovative behavior is the involvement in the innovation process as an initial part of innovative results. The concept of innovative behavior is broader than that of creativity (Shin et al., 2016) since innovative behavior includes activities ranging from fighting for ideas to implementing new processes (Janssen, 2000), while the focus of creativity is narrower only on raising useful new ideas (Shalley, 2008). Creativity includes exploring and generating ideas, while innovation includes fighting for and implementing ideas (De Jong & Den Hartog, 2010). Innovative work behaviors link activities and employee's work results, influencing the development of innovation (Messmann & Mulder, 2012). Innovative work behavior includes identifying and introducing new ideas, processes, and new procedures in work (De Jong & Den Hartog, 2010).

De Jong and Den Hartog (2010) measured innovative work behavior using four dimensions: 1) idea exploration, dealing with the discovery of opportunities as an initial process of innovation; 2) idea generation, dealing with products, services or processes, new markets, process improvement, and problem identification; 3) idea championing, dealing with fighting for ideas to be relevant to be implemented, and 4) idea implementation, dealing with the behavior of realizing ideas. Messmann and Mulder (2012) used five dimensions to measure innovative work behavior: opportunity exploration, idea generation, idea promotion, idea realization, and reflection. The difference between these two measurements is that De Jong and Den Hartog (2010) measured the innovation by focusing on the organization's level, while Messman and Mulder (2012) used a dynamic and context-bound construct.

Entrepreneurial Leadership and Innovative Work Behavior

In an organization, a leader has a role as a facilitator and manager. A facilitator's role is to change the

creative efforts of individuals and teams into innovation, while the role of a manager is to manage the organization's goals to innovation (Denti & Hemlin, 2012). Crossan and Apaydin (2010) developed a multi-dimensional organizational innovation framework with three determinants of innovation, namely leadership, managerial levels, and business processes. It was further explained that in the context of leadership, innovation is determined by leaders' ability and motivation to innovate. Entrepreneurial leadership encourages organizations to strengthen a culture of innovation (Rae, 2017), which is considered effective in a dynamic business environment (Fontana & Musa, 2017) and in supporting the employee's creation of new ideas to achieve innovation (Bagheri, 2017).

Studies have shown that entrepreneurial leadership positively affects innovative employee behavior (Bagheri, 2017). Entrepreneurial leadership has a positive and significant influence on the innovation process (Fontana & Musa, 2017), moderated by the environment (Huang et al., 2014). Using a different perspective from leadership, Afsar and Umrani (2019) explain that transformational leadership affects innovative work behavior, and the climate for innovation moderates the relationship. Chen (2007) examined the relationship between entrepreneurial leadership and innovative capability, and the results showed that a high level of entrepreneurial leadership and team creativity increased innovative capability.

Several previous studies have examined the relationship between entrepreneurial leadership and innovative behavior. In general, however, they were conducted in medium and large companies. Thus, it allows different findings in the context of small and medium enterprises. This study tested the relationship between entrepreneurial leadership and innovative work behavior in the context of small and medium-sized service enterprises.

H₁: Entrepreneurial leadership has a positive relationship with innovative work behavior

Entrepreneurial Leadership and Creative Self-Efficacy (CSE)

The results of research conducted by Puente-Diaz (2016) show that creative self-efficacy (CSE) can be enhanced from two levels. At the organizational level, CSE is determined by leadership, while at the individual level, CSE is enhanced through the achievement of predetermined goals. Leadership and goal achievement are related to CSE since they determine the achievement of creative performance.

Jaiswal and Dhar (2015) state that employees with high self-efficacy will use creative behavior if the climate supports innovation. An innovation-friendly climate is formed by proper leadership. Cai et al. (2019) found that innovative work behavior (IWB) is determined by entrepreneurial leadership, including the employees' creativity and the team.

H₂: Entrepreneurial leadership has a positive relationship with creative self-efficacy

The Mediating role of Creative Self-Efficacy

The creative self-efficacy model proposed by Puente-Diaz (2016) shows that creative self-efficacy is affected by leadership (organizational antecedent) and employee achievement goals (personal antecedent). The outcome of creative efficacy is

creative performance. The model suggests the role of leadership as an antecedent of creative self-efficacy and its impact on individual creative performance. According to Michael et al. (2011), employees with high creative self-efficacy show high innovative behavior. Amabile and Pratt (2016) developed the Dynamic Component Model explaining an individual's creativity concerning innovation. A study conducted by Cai et al. (2019) reveals that innovative work behavior is determined by entrepreneurial leadership. This relationship is mediated by employee creative self-efficacy as the intervening variable.

H₃: Creative self-efficacy mediates the relationship between entrepreneurial leadership and innovative work behavior

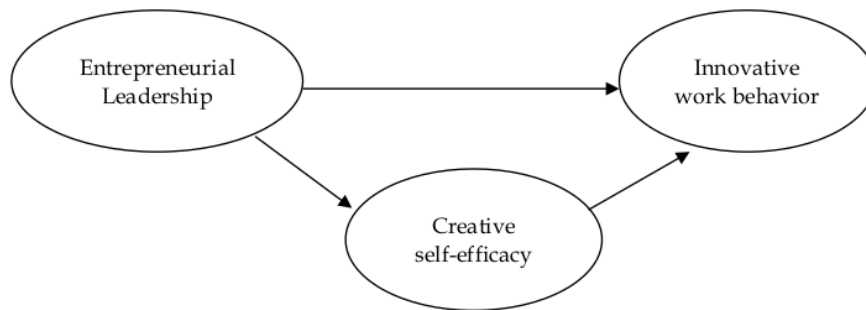


Figure 1. Research Framework

3. RESEARCH METHOD

Research Design

This research is quantitative research conducted at an automotive service company, namely Astra Honda Authorized Service Station (AHASS). Data collection was carried out using a questionnaire sent via post-mail to AHASS employees to determine their views on leadership, creative self-efficacy, and work innovation in their workplace.

This study combined two approaches, namely innovation at the individual level related to creative self-efficacy and innovative work behavior at the organizational level related to the application of entrepreneurial leadership in companies. Data were collected using a single source method from employees. They were asked to assess the entrepreneurial leadership behavior of the owners/managers and their perceptions of creative self-efficacy and innovative work behavior in the workplace.

Sampling method

The research sample was taken from AHASS employees in Malang Raya, including Malang City, Malang Regency, and Batu City. A total sample of 209 employees was selected using the proportional random sampling technique. This study involved 73 AHASS outlets in Malang, consisting of 27 outlets in Malang City, 43 outlets in Malang Regency, and three outlets in Batu City. Each AHASS outlet had a different number of employees. The proportional number of samples in each AHASS outlet was 47.7% of the total number of employees. Of the 209 questionnaires distributed to AHASS employees, only 190 were eligible for analysis (response rate of 90%).

Measures

The measurement of entrepreneurial leadership was carried out using eight-question items (Renko et al.,

2015). Respondents were asked to respond whether the leader has radical improvement ideas, totally new ideas, risk-taking, creative solutions, passion, business vision, encouraging employees to work more innovative, and wants challenges from employees related to their business.

Innovative work behavior measurement was carried out using four question items developed by De Jong and Den Hartog (2010), such as idea exploration, idea generation, idea championing, and idea implementation. Creative self-efficacy measurement was carried out using three question items developed by Tierney and Farmer (2002). Respondents were asked if they believed that they could solve problems creatively, perceived that they could generate new ideas, and had the talent to develop other people's ideas. Respondents answered with a 5-point Likert Scale, ranging from

1 = strongly disagree to 5 = strongly agree. SEM-PLS was used to test the hypothesis of relationships between variables.

4. DATA ANALYSIS AND DISCUSSION

This study was conducted at the Astra Honda Authorized Service Station (AHASS) in Malang Raya to measure employee's innovative work behavior and the influencing factors, namely entrepreneurial leadership and creative self-efficacy.

The characteristics of respondents in this study are presenter in Table 1. The majority of respondents are over 30 years old. Their education background varies from high school to Bachelor, with high school graduates dominate. Overall, most of the employees have more than five years of work experience.

Table 1. Sample Characteristics

	Characteristics	Number	Percentage
Age	< 20	22	12%
	20-30	70	37%
	> 30	98	52%
Education	High School	144	76%
	Diploma	29	15%
	Bachelor	17	9%
Work Experience	< 5 years	51	27%
	5-10 years	76	40%
	>10 years	63	33%

The description of innovative work behavior, entrepreneurial leadership, and creative self-efficacy in Table 2 show that in general, employees provide an assessment of the level of entrepreneurial leadership in the company with a high (substantial) value, especially in the dimensions of "leaders often have new ideas, creative solutions to problems, and future company's mission. Meanwhile, other dimensions show moderate results. Creative self-efficacy, from all dimensions, shows a high (substantial) value. The innovative work behavior shows a high (substantial) value for three dimensions, namely new work methods, techniques or new work instruments (idea generation), enthusiasm for innovative ideas (idea championing), and introducing innovative ideas into work practice (idea implementation). In contrast, the

dimension of idea exploration shows a moderate value.

Measurement Model

The estimation of structural models and hypothesis testing for the relationships between variables were conducted using SmartPLS software. Table 2 presents the loading factor for each dimension of each construct analyzed. The t-value measured the significance of the loading factor. According to Hair et al. (2011), the role of thumb is for model evaluation. Each item must have an outer loading value of > 0.7 and at t-value of > 1.96 (significance level = 5%). The test results show that all items have a loading factor greater than 0.7, and each item has a t-value of > 1.96. Thus, the items and constructs meet the requirements for model measurement.

Table 2. Descriptive Statistics and Loading Factor

Variables	Mean	SD	Loading Factor	t-value
Entrepreneurial Leadership				
Radical idea development	3.021	3.021	0.714	20.060
Ideas for new products/services	3.837	3.837	0.842	44.923
Taking risks	3.253	3.253	0.702	17.022
Creative solutions to problems	3.658	3.658	0.746	21.702
Spirit at work	3.058	3.058	0.775	24.855
Vision in doing business	3.584	3.584	0.779	23.653
A more innovative way of doing business	2.811	2.811	0.725	17.366
More challenging business	3.179	3.179	0.736	22.796
Creative Self-Efficacy				
Have creativity at work	3.874	3.874	0.841	37.341
Able to solve problems at work	3.889	3.889	0.794	20.315
Self-confidence can solve work	4.053	4.053	0.732	16.301
Innovative work behavior				
Idea generation	3.042	3.042	0.764	18.536
Idea exploration	3.921	3.921	0.861	44.284
Idea championing	3.968	3.968	0.829	31.363
Idea implementation	3.779	3.779	0.858	47.922

Source: SmartPLS Output, 2020

Internal consistency reliability was measured using composite reliability. Table 3 shows that the items in each construct have satisfactory reliability. Furthermore, the measurement of convergent validity was done using the criteria of average variance extracted (AVE) for each construct of 0.5 or more (Hair *et al.*, 2011). The AVE value in table 3 shows that the construct meets convergent validity

(AVE > 0.5). The discriminant validity test was done using the Fornell-Larcker criteria. Each construct's AVE value should be higher than the highest squared correlation (Hair *et al.*, 2011). The AVE value for each construct (number in the diagonal direction) is higher than the highest squared correlations with any other construct (numbers below the diagonal); thus, the construct has good discriminant validity.

Table 3. Evaluation of the Measurement Model

Construct	Composite Reliability	AVE	EL	CSE	IWB
Entrepreneurial Leadership (EL)	0.913	0.568	0.568*		
Creative Self-Efficacy (CSE)	0.833	0.625	0.417	0.625*	
Innovative work behavior (IWB)	0.898	0.687	0.505	0.311	0.687*

* Average Variance Extracted (AVE)

Source: SmartPLS Output, 2020

Structural Model

Structural testing of the model used a value of R2 that is a measure of the accuracy of the model's predictive. The test results in Table 4 show that R2 = 0.417 for the innovative work behavior construct and 0.521 for the creative self-efficacy construct, explaining 52.1 percent of innovative work behavior variance and 52.1 percent of creative self-efficacy variance. The evaluation results indicate that the business performance and EM coefficients in the model are fairly good (Hair *et al.*, 2011).

Table 4 presents the path coefficient value of the

causal relationship between constructs and the t-value for hypothesis testing. Based on the results of the analysis, it is found that entrepreneurial leadership has a positive and significant relationship with innovative work behavior (t-value 10.445 > 1.96), entrepreneurial leadership also has a positive and significant relationship with creative self-efficacy (t-value 16.826 > 1.96). Thus, hypothesis 1 (H1) and hypothesis 2 (H2) are supported. Furthermore, the role of creative self-efficacy as mediation has a t-value of 2.446 > 1.96. Thus, Hypothesis 3 (H3) is supported.

Table 4. Direct and Indirect Effect

Relationship	Path Coefficient	t-value	R ²
EL → IWB	0.601	10.445	0.417
CSE → IWB	0.169	2.532	
EL → CSE	0.646	16.826	0.521
EL → CSE → IWB	0.109	2.446	

Source: SmartPLS Output, 2020

Discussion

This study examines the relationship between entrepreneurial leadership and innovative work behavior, with creative self-efficacy as a mediator. Hypothesis testing results indicate that innovative work behavior is determined by entrepreneurial leadership, whereas a high entrepreneurial leadership is positively related to innovative work behavior. The difference between entrepreneurial leadership from other leadership types is that entrepreneurial leadership focuses on recognizing and exploiting opportunities to achieve entrepreneurial goals (Renko et al., 2015) and innovation performance (Fontana & Musa, 2017). In this study, entrepreneurial leadership is proven to encourage employee involvement in the innovation process in the form of innovative work behavior in the workplace. Entrepreneurial leadership can encourage employees to identify and introduce new ideas in the work process and procedure (De Jong & Den Hartog, 2010). The results of this study indicate that if the leader has new ideas, creative solution to every problem, willingness to take risks, creativity, future company's mission, high spirit, and wants challenges from employees related to the business, the leader can encourage employees to have innovative behavior in the workplace. This study has confirmed the role of entrepreneurial leadership on innovative work behavior and provided empirical evidence of entrepreneurial leadership's effectiveness in improving innovative work behavior, especially in service SMEs, since it will increase innovation and opportunity recognition.

The relationship between entrepreneurial leadership and employee innovative behavior is influenced by employee characteristics. Most of the employees are over 30 years old, have more than ten years of work experience, and have graduated from high school, although some have Bachelor's degrees. With these characteristics, employees have confidence, maturity, and a good awareness of innovation's importance at work. Employee maturity often raises new ideas in the workplace (Cai et al., 2019), while the educational background is positively

correlated with participation levels (Rossberger & Krause, 2015).

Besides, entrepreneurial leadership is positively related to creative self-efficacy, in which high entrepreneurial leadership will increase the employee's creative self-efficacy. Furthermore, employee with high creative self-efficacy will increase innovative work behavior. Thus, creative self-efficacy mediates the relationship between entrepreneurial leadership and innovative work behavior. Entrepreneurial leadership directly affects innovative work behavior but has an indirect effect through innovative work behavior. In other words, innovative work behavior partially mediates the relationship between entrepreneurial leadership and innovative work behavior.

When SME leaders apply entrepreneurial leadership, they will encourage employee creativity, such as employee involvement to generate and explore new work ideas (De Jong & Den Hartog, 2010). Employees with high self-efficacy will use creative behavior when the innovation climate supports it, and leadership will determine the innovation climate (Jaiswal & Dhar, 2015). This finding is relevant to the antecedent models of creative self-efficacy of Puente-Diaz (2016) that creative self-efficacy is determined by leadership. Thus, leadership is an antecedent of creative self-efficacy. Besides, this study's results are in line with the results of the research conducted by Michael et al. (2011) that employees with high creative self-efficacy will show high levels of innovative behavior. Furthermore, Newman et al. (2018) state that high entrepreneurial leadership will affect the relationship between creativity and innovative behavior.

This study was conducted in response to the antecedent of the creative self-efficacy model proposed by Puente-Diaz (2016) that leadership will determine creative efficacy. Thus, leadership is an antecedent of creative self-efficacy. Besides, this study responds to The Dynamic Component model proposed by (Amabile & Pratt, 2016) that individual creativity is related to innovation. At the individual level, creativity includes intrinsic motivation for the

task, skills, and creative process. Furthermore, at the organizational level, innovation includes motivation for innovation of available resources.

5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

This study investigates the relationship between entrepreneurial leadership and innovative work behavior and the mediating role of creative self-efficacy. The results show that entrepreneurial leadership has a positive effect on innovative work behavior. Besides, entrepreneurial leadership increases creative self-efficacy, which in turn, creative self-efficacy will encourage innovative work behavior. Thus, creative self-efficacy mediates the relationship between entrepreneurial leadership and innovative work behavior. Entrepreneurial leadership is reflected in generating new ideas, having creative solutions, willing to take risks, being passionate, and having a future company's mission. Such behaviors will encourage employees to have innovative behaviors in the workplace.

Entrepreneurial leadership is an important aspect of creating creative self-efficacy to achieve innovative employee behavior since entrepreneurial leadership provides greater opportunities for employees to develop their creativity. Entrepreneurial leadership improves employees' creative self-efficacy in the company's innovation process by generating and exploring new ideas and implementing them in innovative jobs.

This study broadens previous studies' complexity that entrepreneurial leadership is a factor that affects innovation performance (Fontana & Musa, 2017) and business performance (Huang et al., 2014; Sawaeen & Ali, 2020). This study proves that entrepreneurial leadership affects creative self-efficacy and increases employee innovative work behavior. Also, the results of this study confirm the study conducted by Newman et al. (2018) that different leaderships are all effective for innovative behavior.

The results of this study also confirm the Social Cognitive Theory (SCT) of Bandura (1986) that belief in one's self-efficacy will generate creative ideas in the workplace. Furthermore, high entrepreneurial leadership can increase employees' sense of ability to execute the actions innovatively (Bandura, 1986). Creative self-efficacy and innovative behavior are both created and increased when the leader applies entrepreneurial leadership.

Business competition, especially in the after-sales service sector, is getting tighter. Such intense competition requires a leader to develop innovative

ideas, brand-new ideas, a risk-taker attitude, creative solutions, passion, and a strong vision that encourage them to work more innovatively. Good leaders should encourage employees with challenges to increase employees' creative and innovative behavior. Therefore, leaders need to use fruitful insights to provide greater opportunities for employees to develop creative ideas at work for stronger innovative work behavior.

This study suffered from several limitations. This study limitedly involved only employees of Astra Honda Authorized Service Station (AHASS) in a limited area of Malang, East Java. Future researchers are encouraged to conduct similar studies in a wider area to obtain more comprehensive results. Creativity and innovation in this study refer to the ones at the employee level, measured using subjective measures, thus allowing biases of information. Future researchers are suggested to measure these variables at the organizational level, for instance, measuring the creative self-efficacy and innovative work behavior of the owner/manager.

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