The Influence of Transformational Leadership, Team Collaboration and Employee Empowerment on Team Innovation in Shenzhen Software Companies

Zhiqiang, Huang[1*]

[1]University of Melaka, Melaka, 78200, Malaysia

*Corresponding author: 89625386@qq.com

Abstract: The dynamic transformation within the global technology sector, notably among Chinese software companies, highlights the critical role of transformational leadership in fostering innovation. This study aims to examine the relationships between transformational leadership, team collaboration, employee empowerment, and their collective impact on team innovation in Shenzhen's software companies. Utilizing a quantitative research methodology, the study analyzes data from 400 employees across various companies using structured questionnaires and statistical tools like SPSS and AMOS. Findings reveal that transformational leadership significantly influences team innovation, both directly and indirectly, through team collaboration and employee empowerment. The research underscores the interconnectedness of visionary leadership, collaborative practices, and empowered employees in driving innovative outcomes, offering valuable insights for leadership strategies in the tech industry. These contributions enrich the theoretical understanding of organizational dynamics and provide practical implications for fostering innovation in fast-paced technological environments.

Keywords: Transformational Leadership, Team Collaboration, Employee Empowerment, Team Innovation

1.   Introduction

The global business landscape, particularly within the technology sector, is undergoing rapid transformation (Allioui & Mourdi, 2023). Among the most notable contributors to this dynamic evolution are Chinese software companies, which have demonstrated significant growth and remarkable innovation (Lei et al., 2019). This burgeoning success has sparked considerable interest in identifying the underlying factors driving such innovation. One factor that has garnered substantial attention is the role of leadership style, with transformational leadership emerging as a critical area of focus.

Transformational leadership is defined by its capacity to inspire, intellectually stimulate, provide individualized consideration, and exert idealized influence (Faupel & Süß, 2019). At its core, it involves leaders acting as visionaries and role models, fostering an environment where creativity and change are not merely encouraged but celebrated (Crede et al., 2019). These leaders utilize their charismatic influence to significantly impact their followers' attitudes and values, motivating them through a compelling vision, intellectual stimulation, and personalized consideration. Such

an environment is particularly pertinent in the rapidly evolving Chinese technology sector, where companies constantly strive to outpace both local and global competitors.

The dynamics within teams also play a crucial role in fostering innovation (Caccamo, 2020). Effective team collaboration in the software industry transcends mere cooperation; it encompasses deep interaction, including the awareness, articulation, and appropriation of ideas into tangible outcomes (Waizenegger et al., 2020). In an industry characterized by rapid technological advancements, the ability of teams to collaborate effectively can significantly influence innovative output. This collaboration is vital for managing complex projects that require diverse skill sets and perspectives.

Employee empowerment is another critical element in nurturing an innovative environment within software companies (Baird et al., 2020). In this context, empowerment goes beyond traditional job roles and responsibilities, encompassing autonomy, decision-making, and the encouragement of initiative and creativity. In the high-stakes world of Chinese software companies, empowering employees can lead to a more dynamic, agile, and innovative workforce.

Innovation manifests in various forms within these companies, each essential for maintaining a competitive edge (Galanakis et al., 2021). Product innovation involves developing new or significantly improved goods or services (Babina et al., 2021), which is crucial in the fast-paced software industry. Process innovation focuses on enhancing production or delivery methods (Awan et al., 2021), aiming for greater efficiency and quality. Service innovation aims to improve customer experiences or find new service delivery methods (Blichfeldt & Faullant, 2021), often leveraging digital advancements. Understanding the interplay between transformational leadership, team collaboration, employee empowerment, and these forms of innovation is key to deciphering the success of Chinese software companies.

In the rapidly evolving global technology sector, Chinese software companies have marked their presence with significant innovation and growth (Liu et al., 2020). This remarkable progression prompts questions about the underlying factors driving such success and innovation. One prominent factor is transformational leadership, which is believed to have a considerable influence on organizational dynamics and innovation. Despite its perceived importance, there remains a gap in understanding how exactly transformational leadership fosters an innovative environment within these organizations.

Transformational leadership, characterized by vision and charisma, appears to be a critical element in guiding teams towards innovative outcomes (Siangchokyoo et al., 2020). Leaders who embody this style serve not only as visionaries but also as role models, creating a culture where creativity and change are actively encouraged and celebrated. Their ability to motivate, intellectually stimulate, and provide personalized support to each team member is central to cultivating a culture of innovation. In the context of Chinese software companies, where the pace of change is relentless, the impact of such leadership could be particularly significant. However, the precise nature of this impact and how it translates into tangible innovation remains an area that is not fully explored.

Beyond leadership, the dynamics of team collaboration in software companies also warrant attention. Effective collaboration in these settings involves a deeper level of interaction, including awareness, articulation of ideas, and the conversion of these ideas into tangible results (Bates et al., 2019). Given the complexity of projects and the need for diverse skill sets in the software industry, understanding the role of collaboration in driving innovation is critical. However, the specific ways in which collaboration under transformational leadership influences innovative output in Chinese software companies are not clearly understood.

Employee empowerment is another crucial factor in this puzzle. In the high-stakes environment of Chinese software companies, empowerment extends beyond assigning responsibilities. It includes granting autonomy, enabling decision-making, and fostering initiative and creativity. Empowering employees could lead to a more dynamic and innovative workforce (AlKahtani et al., 2021). However, the relationship between employee empowerment under transformational leadership and its direct impact on innovation in these companies is an area that lacks comprehensive exploration.

Innovation in this context is multifaceted, encompassing product, process, and service innovation. Each of these areas is vital for maintaining a competitive edge in the technology sector. For instance, product innovation involves developing new or significantly improved technologies, a cornerstone in the software industry (Yusuf, 2021). Process innovation focuses on enhancing methods of production or delivery, vital for efficiency and competitiveness (Ni et al., 2021). Service innovation is increasingly important for improving customer experiences in a digital world (Alosani et al., 2021). Understanding how transformational leadership, team collaboration, and employee empowerment interact to drive these diverse forms of innovation is crucial but remains underexplored.

The interplay of these factors—transformational leadership, team collaboration, and employee empowerment—in fostering innovation is complex. While it is recognized that transformational leaders can create a fertile environment for collaboration and innovation, the specific mechanisms of this influence are not fully understood. Similarly, while effective team collaboration and employee empowerment are seen as essential for innovation, their roles as mediators in this process need further investigation, especially in the unique context of Chinese software companies.

Moreover, there is a need to understand how the empowerment of employees under transformational leadership influences their innovative capabilities. Empowered employees are likely to take more initiative and be more creative, but how this translates into innovation in products, services, and processes is not clearly defined. The cumulative effect of these individual contributions on organizational innovation is an area ripe for exploration.

In summary, while transformational leadership, team collaboration, and employee empowerment are recognized as crucial for innovation in Chinese software companies, the detailed dynamics of how these factors interact and contribute to different types of innovation are not fully understood. This research seeks to address these gaps, providing a comprehensive understanding of the relationships between these elements and their collective impact on innovation. By doing so, it aims to offer valuable insights for both academic research and practical applications in business leadership and management. The findings of this study are expected to contribute to the theoretical understanding of these relationships and offer practical implications for leaders and managers in the software industry and beyond.

According to outlined research background and problems, the study proposes the following research objectives:

1) To examine the relationship between transformational leadership on team innovation in Chinese software companies.

2) To analyze the mediating effect of team collaboration in the relationship between transformational leadership and team innovation in Chinese Software companies.

3) To investigate the mediating effect of employee empowerment in the relationship between transformational leadership and team innovation in Chinese Software companies.

2. Literature review
2.1 Studies on Transformational Leadership and Team Innovation
The dynamic relationship between transformational leadership and team innovation has garnered significant attention in the realm of organizational studies.

Afsar & Umrani (2020), Klaic et al. (2020), and Sheehan et al. (2020) collectively emphasize the pivotal role of transformational leadership in fostering innovation within teams, though they highlight different mechanisms through which such leadership operates. Afsar & Umrani (2020) underline the overall ability of transformational leaders to inspire and engage team members, fostering an innovative culture through visionary insights and charismatic communication. In contrast, Klaic et al. (2020) focus specifically on the aspect of inspirational motivation, illustrating how leaders who articulate a compelling vision of the future can create an environment ripe for innovation by setting clear, ambitious goals and instilling purpose and excitement. Sheehan et al. (2020) shift the lens to intellectual stimulation, demonstrating that leaders who encourage their teams to question conventional thinking and embrace creative problem-solving significantly enhance the team's innovative capacity. Each study, while supporting the

consensus that transformational leadership positively influences team innovation, brings to light distinct dimensions through which such leadership styles manifest their impact, suggesting a nuanced framework that encompasses vision, engagement, and intellectual challenge as critical for fostering an innovative organizational culture.

2.2 Studies on Transformational Leadership and Team Collaboration

The nexus between transformational leadership and team collaboration has garnered substantial attention in contemporary organizational research.

Juhro et al. (2019), Pradhan & Jena (2019), and Burmeister et al. (2020) collectively affirm the positive impact of transformational leadership on team collaboration, albeit through distinct mechanisms and outcomes. Juhro et al. (2019) emphasize the role of transformational leaders in fostering a culture of open dialogue and mutual respect, which enhances team adaptability and shared responsibility for outcomes. In contrast, Pradhan & Jena (2019) focus on the leaders' ability to cultivate a sense of awareness and open communication, aligning individual talents with team objectives to promote an inclusive and innovative team environment. Meanwhile, Burmeister et al. (2020) highlight the inspirational aspect of transformational leadership, underscoring its effectiveness in boosting team morale and motivation through recognition and celebration of achievements. While all three studies underscore the efficacy of transformational leadership in enhancing collaboration, they present nuanced views on the processes and effects involved. Juhro et al. and Pradhan & Jena provide insights into the structural and interpersonal dynamics facilitated by transformational leaders, whereas Burmeister et al. concentrate on the emotional and motivational dimensions. This diversity in perspectives suggests that the full spectrum of transformational leadership's impact on team collaboration encompasses a blend of cultural, psychological, and motivational elements, each contributing to a more cohesive, adaptable, and productive team environment.

2.3 Studies on Team Collaboration and Team Innovation

In recent years, the dynamic relationship between team collaboration and team innovation has garnered significant attention in organizational research.

The studies conducted by Zou et al. (2023), Yang et al. (2023), and Baruah et al. (2023) collectively affirm the pivotal role of team collaboration in fostering innovation, albeit through different lenses and emphases, underscoring a broad scholarly consensus on the subject. Zou et al. (2023) highlighted the dynamics of open communication and close cooperation within teams as crucial for the proliferation of creative ideas and solutions, especially in the domain of new product and service development. This observation was particularly salient in organizations that championed cross-functional teams, suggesting that the amalgamation of diverse skills and perspectives inherently boosts the team's capability to navigate complex projects and adapt to fluctuating market demands. Their emphasis on the necessity of an organizational culture that nurtures such collaborative environments by investing in team-building and communication-enhancing activities further underscores the organizational groundwork required for innovation. On a complementary trajectory, Yang et al. (2023) reinforced the significance of collaborative practices across various industries, indicating that the benefits of such practices—namely, the rich exchange of ideas and the resultant creative problem-solving capabilities—are not confined to specific sectors. Their findings that teams characterized by diversity and expertise enjoy a heightened capacity for introducing groundbreaking processes and solutions echo the sentiments of Zou et al. (2023) regarding the invaluable contribution of diverse team compositions to innovation. Furthermore, Yang et al. (2023) extended the discussion by pinpointing the importance of management practices that bolster autonomy and facilitate open dialogue, thereby crafting an environment conducive to innovation. In a narrower scope, Baruah et al. (2023) shed light on the sphere of service innovation, elucidating how teams ingrained with a collaborative culture excel in innovating service delivery and customer engagement through a collective problem-solving approach, continuous knowledge sharing, and mutual support. This specificity aligns with the broader themes identified by Zou et

al. (2023) and Yang et al. (2023), while also adding depth to the discourse by emphasizing the iterative feedback mechanisms with customers as a tool for refining services. The role of leadership in promoting an environment that values open communication and joint decision-making was identified as a cornerstone for the success of collaborative teams in service innovation, resonating with the broader narrative on the indispensability of supportive organizational and managerial frameworks for innovation.

2.4 Studies on Transformational Leadership and Employee Empowerment

The relationship between Transformational Leadership and Employee Empowerment has garnered significant attention in recent organizational studies.

The exploration of Transformational Leadership's impact on Employee Empowerment by Irnawati & Prasetyo (2020), Nguyen (2020), and Schermul & Meyer (2020) collectively underscores the multifaceted nature of this influence, highlighting the significance of vision alignment, inspirational motivation, and intellectual stimulation. Irnawati & Prasetyo (2020) illuminate the comprehensive effects of transformational leaders who not only inspire but also align with the personal values and goals of their employees, fostering an environment of support and value. This, they argue, cultivates a deep-seated sense of ownership and responsibility in employees towards their roles, enhancing job satisfaction and productivity by making work seem more meaningful and impactful. Similarly, Nguyen (2020) scrutinizes the aspect of inspirational motivation, suggesting that leaders who articulate a compelling future vision effectively ignite an internal drive in employees. This drive is not just for compliance but for exceeding expectations, leading to increased initiative, creativity, and a workforce that is adaptable and resilient, essential traits in today's dynamic business landscape. On another front, Schermul & Meyer (2020) focus on the intellectual stimulation component of transformational leadership, emphasizing its crucial role in challenging employees' conventional thinking and fostering a culture of innovation. By valuing employees' ideas and encouraging novel approaches, this leadership style ensures that employees feel genuinely valued and empowered to take ownership and make proactive decisions. These studies present a holistic view that transformational leadership's effect on empowerment is multi-dimensional, encompassing emotional, psychological, and intellectual engagement, each playing a distinct but complementary role in fostering an empowered, satisfied, and productive workforce.

2.5 Studies on Employee Empowerment and Team Innovation

The exploration of the relationship between employee empowerment and team innovation has been a focal point of research in recent years.

The scholarly consensus underscores the pivotal role of employee empowerment in fostering team innovation. Guo et al. (2023) emphasize that autonomy and participative decision-making enrich the workplace with a creative and open atmosphere, encouraging the presentation of unconventional ideas without the fear of criticism. This environment, as highlighted, not only propels a culture of innovation but also enhances team cohesion and collaboration, essential for sustaining innovation. Echoing this sentiment, Naibaho & Naibaho (2023) extend the discourse to various organizational settings, asserting that empowerment, characterized by access to resources, information, and decision-making authority, significantly bolsters adaptability, creativity, and the speed of innovation implementation. Their findings suggest that such empowered teams are adept at refining processes, thus continuously improving efficiency. Salem et al. (2023) further dissected the innovation process into ideation and implementation phases, revealing that empowerment is crucial at both junctures. They argue that during the ideation phase, empowered employees are inclined towards risk-taking and creative thinking, which broadens the spectrum of ideas generated. In the implementation phase, these attributes translate into enhanced problem-solving skills and agility, facilitating efficient execution of ideas and overcoming obstacles through a heightened sense of ownership and responsibility among team members. While Guo et al. (2023) and Naibaho & Naibaho (2023) converge on the premise that empowerment

catalyzes innovation by creating a supportive environment for idea generation and execution, Salem et al. (2023) provided a granular analysis by segmenting the innovation process, thus offering a nuanced understanding of where and how empowerment impacts innovation. Despite their methodological divergences, the studies collectively affirm that employee empowerment is indispensable for cultivating a resilient and innovative team culture. This synthesis of perspectives not only corroborates the positive correlation between empowerment and innovation but also enriches the dialogue on enhancing organizational competitiveness and adaptability in the dynamic business landscape.

3. Research Methodology
3.1 Research Design
This study employs quantitative research methodology, which focuses on the collection and statistical analysis of numerical data (Mohajan, 2020). This approach is ideal for examining the relationships between transformational leadership, team collaboration, employee empowerment, and team innovation within Chinese software companies. Quantitative methods enable precise measurement and comparison of variables, facilitating the identification of patterns, relationships, and causal links. Standardized tools such as the Multifactor Leadership Questionnaire (MLQ) are used to assess these variables. The reliability and objectivity of quantitative research ensure that findings can be generalized across similar settings (Mishra & Alok, 2022). This methodology supports complex statistical analyses, essential for testing hypotheses and deriving meaningful insights (Bauer et al., 2021; Sürücü & Maslakçi, 2020). Given the dynamic nature of the software industry, this approach is crucial for predicting future trends and informing strategic decisions (Bouncken et al., 2021; Ghauri et al., 2020).

3.2 Research Population
The research population consists of employees from various software companies in Shenzhen, China. Based on McDermott's (2023) recommendation, the sample size should be at least 20 times the number of observational variables. With 13 variables identified, a minimum of 400 samples is considered appropriate. Using data from Shenzhen Business Daily and Shenzhen Bureau of Statistics (2022), and sample size formulas calculated with Raosoft software, the study determined that a sample size of 384 is sufficient. To account for potential non-responses and incomplete data, 400 participants will be randomly selected from different departments and hierarchical levels within Shenzhen's software companies. This ensures a diverse and representative sample, reflecting various experiences and perspectives within the industry.

3.3 Sampling
A random sampling method will be employed to select participants, ensuring each employee in the target demographic has an equal chance of inclusion. This minimizes selection bias and enhances the generalizability of the results. The sample will include employees from startups to established firms in Shenzhen, capturing a broad spectrum of organizational cultures and structures. This stratification ensures that the sample reflects a wide range of experiences, from entry-level staff to senior management, across different functional areas. The choice of Shenzhen as the sampling location is driven by its status as a major hub for technological innovation. The sample size of 400 was determined based on Müller's (2023) guidelines, ensuring a comprehensive dataset while maintaining manageability in data collection and analysis.

3.4 Research Instrument
The primary tool for data collection is a structured questionnaire, divided into two main parts. The first part gathers demographic information, such as age, gender, educational background, job position, years of experience, and company

type. This information ensures the sample's representativeness and allows for analysis of demographic influences on the main variables. The second part focuses on the key variables: transformational leadership, team collaboration, employee empowerment, and team innovation.

Transformational Leadership is assessed using 23 items adapted from Gebreheat et al. (2023), Ytterstad & Olaisen (2023), Sürücü et al. (2022), Radi Afsouran et al. (2022), and Crucke et al. (2022). These items cover four dimensions: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration.

Team Collaboration is measured through 16 items derived from Pun et al. (2022), Orchard et al. (2021), Kelly et al. (2020), and Mouazzen et al. (2023). The dimensions include awareness, articulation, and appropriation.

Employee Empowerment is evaluated using 15 items adapted from Yağan (2023), Al-Rjoub et al. (2023), Cobanoglu (2021), and Nwachukwu et al. (2021). The dimensions are autonomy, decision-making, and initiative and creativity.

Team Innovation is assessed through 17 items derived from Antonio et al. (2021), van Zijl (2022), Hsu et al. (2023), and Ye et al. (2019). The dimensions include product innovation, process innovation, and service innovation.

The questionnaire uses a Likert-5 scale, allowing respondents to indicate their level of agreement with various statements. This standardized format ensures consistency in responses and facilitates quantitative analysis.

3.5 Data Analysis

Descriptive Analysis: The initial phase involves summarizing the key features of the data, including measures of central tendency (mean, median) and dispersion (standard deviation, range). This analysis provides a preliminary overview of the data characteristics, helping to identify trends and anomalies. SPSS software will be used for this analysis, and the results will be presented in tables.

Confirmatory Factor Analysis (CFA): The next phase uses CFA to validate the measurement models for the key variables. This involves specifying a model based on hypothesized relationships among observed and latent variables, and testing it using AMOS software. Key indicators of model fit, such as the Chi-Square test, CFI, TLI, and RMSEA, will be examined to ensure the model accurately reflects the data.

Structural Equation Modeling (SEM) Path Analysis: The final phase employs SEM path analysis to examine the causal relationships between variables. This technique assesses direct and indirect effects and mediating variables. The theoretical model, specified based on research hypotheses, will be tested using AMOS software. Path coefficients, model fit indices, and mediation effects will be analyzed to confirm hypothesized relationships and explore complex interactions.

4.   Findings and Discussion

SEM path analysis was utilized to investigate the relationship among transformational leadership (TL), team collaboration (TC), employee empowerment (EE) and team innovation (TI) in Shenzhen software companies. Based on collected data from questionnaires, the study obtained the following SEM path analysis results displayed in **figure 1**.
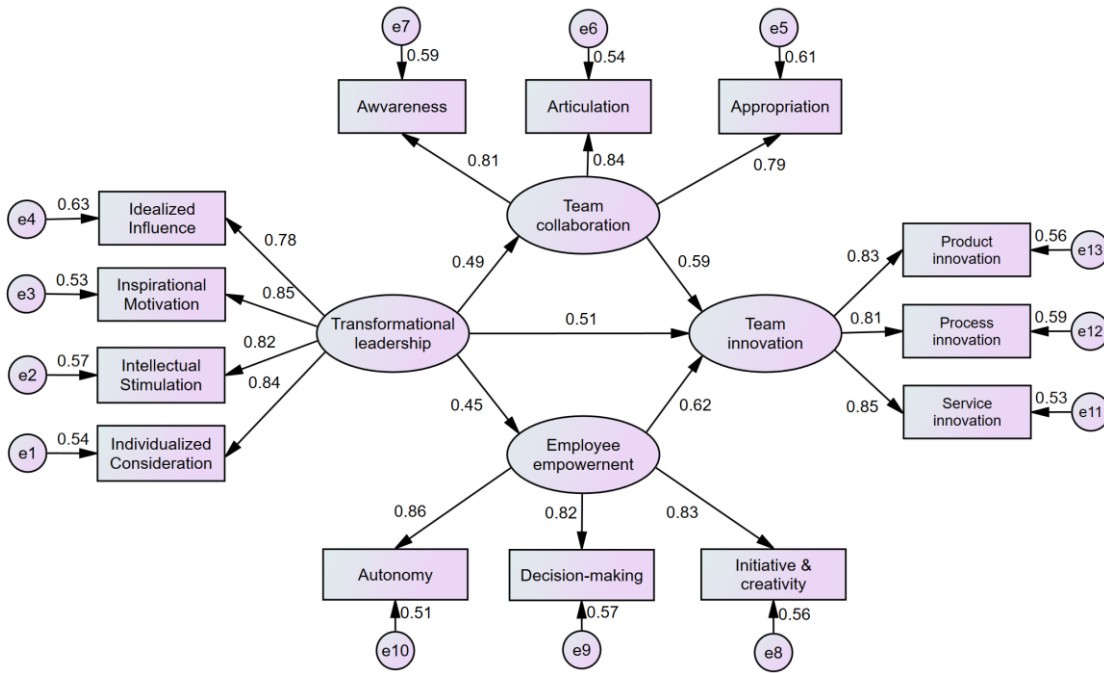
The study utilized bootstrap method to check whether team collaboration and employee empowerment mediate the relationship between transformational leadership and team innovation, with analysis results in **Table 1**.

Table 1: Mediating analysis results

Standard effect	Path	Effect coefficient	95% confidence interval		S.E.	P-value	Results
			Lower	Upper			
Total effect	TL --->TI	0.786	0.733	0.839	0.027	***	Mediating
Direct effect	TL --->TI	0.514	0.465	0.563	0.025	***	effect
Indirect effect	TL-->TC---> TI	0.276	0.233	0.319	0.022	***	
Total effect	TL --->TI	0.796	0.745	0.847	0.026	***	Mediating
Direct effect	TL --->TI	0.514	0.465	0.563	0.025	***	effect
Indirect effect	TL-->EE---> TI	0.282	0.241	0.323	0.021	***	

The following major research findings can be acquired based on analysis results of SEM path analysis and mediation analysis.

4.1 Transformational Leadership and Team Innovation

The results of the study indicate that transformational leadership significantly influences team innovation in Shenzhen's software industry. Leaders who exhibit transformational qualities such as idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration create an environment conducive to innovation. These leaders foster a culture where creative thinking is encouraged, and team members feel motivated to pursue novel ideas. The empirical data supports the hypothesis that transformational leadership positively impacts team innovation, confirming previous research by Afsar and Umrani (2020) and Klaic et al. (2020). This finding underscores the importance of visionary leadership in driving the innovative capacities of teams within the rapidly evolving software sector.

4.2 Transformational Leadership and Team Collaboration

The study also reveals a significant positive relationship between transformational leadership and team collaboration. Transformational leaders enhance collaboration by fostering a culture of open communication and mutual respect,

which aligns with the findings of Juhro et al. (2019) and Pradhan and Jena (2019). These leaders inspire their teams through shared goals and collective vision, which enhances the cohesion and cooperation necessary for complex project execution. The ability of transformational leaders to align individual talents with team objectives promotes a collaborative environment essential for effective problem-solving and innovation. This result highlights the role of transformational leadership in building strong, cohesive teams capable of high-level collaboration.

4.3   Team Collaboration and Team Innovation

The data demonstrates a strong positive influence of team collaboration on team innovation. Effective collaboration within teams leads to the pooling of diverse ideas and skills, which is crucial for innovative outcomes. This aligns with the work of Zou et al. (2023) and Yang et al. (2023), who emphasized the importance of open communication and cooperation in fostering innovation. In the context of Shenzhen's software companies, where projects often require diverse technical expertise, effective collaboration becomes a key driver of innovation. Teams that communicate well and work closely together are more likely to generate and implement innovative solutions, reinforcing the critical role of collaborative practices in the innovation process.

4.4   Transformational Leadership and Employee Empowerment

Transformational leadership is also found to significantly enhance employee empowerment. Leaders who inspire and intellectually stimulate their employees foster a sense of autonomy and decision-making capability among team members. This finding is consistent with the studies of Irnawati and Prasetyo (2020) and Nguyen (2020), who noted that transformational leaders empower their employees by aligning personal values with organizational goals and encouraging innovative thinking. In the competitive landscape of Shenzhen's software industry, empowered employees are more likely to take initiative and contribute creatively to their teams, highlighting the pivotal role of transformational leadership in nurturing empowered, proactive employees.

4.5   Employee Empowerment and Team Innovation

The study confirms that employee empowerment has a positive impact on team innovation. Empowered employees, who feel autonomous and valued, are more inclined to propose and pursue innovative ideas. This is in line with the findings of Guo et al. (2023) and Naibaho and Naibaho (2023), who emphasized the role of empowerment in creating a creative and open workplace atmosphere. In Shenzhen's software companies, where rapid technological advancements require continuous innovation, empowering employees is essential for maintaining a dynamic and innovative workforce. The data supports the hypothesis that empowered employees contribute significantly to team innovation, underscoring the importance of fostering a supportive and empowering organizational culture.

4.6   Mediating Role of Team Collaboration

Team collaboration plays a crucial mediating role in the relationship between transformational leadership and team innovation. The study finds that transformational leadership enhances team collaboration, which in turn drives team innovation. This mediating effect highlights the indirect pathway through which transformational leadership fosters innovation by first building a collaborative team environment. The findings are consistent with the theoretical framework proposed by Juhro et al. (2019) and Burmeister et al. (2020), who suggested that the benefits of transformational leadership are partly realized through enhanced team dynamics. In the context of Shenzhen's software industry, where complex projects require high levels of teamwork, the ability of transformational leaders to foster collaboration is a key factor in driving innovation.

4.7 Mediating Role of Employee Empowerment

Employee empowerment also mediates the relationship between transformational leadership and team innovation. The data suggests that transformational leaders empower their employees, which in turn leads to higher levels of innovation within teams. This mediating effect is supported by the studies of Salem et al. (2023) and Schermul and Meyer (2020), who highlighted the importance of empowerment in enhancing innovative capacities. In Shenzhen's competitive software industry, transformational leaders who empower their employees enable them to take initiative and contribute creatively, thus fostering a culture of innovation. This finding emphasizes the dual role of transformational leadership in directly inspiring innovation and indirectly fostering it through employee empowerment.

5. Conclusion

The study conclusively demonstrates that transformational leadership, team collaboration, and employee empowerment are pivotal in driving team innovation within Shenzhen's software companies. Transformational leaders, by embodying inspirational motivation, intellectual stimulation, idealized influence, and individualized consideration, create a fertile environment for innovation. This leadership style not only directly influences innovation but also indirectly enhances it through improved team collaboration and employee empowerment. Effective team collaboration, facilitated by a culture of open communication and mutual respect, serves as a crucial mediator that translates leadership qualities into innovative outcomes. Similarly, empowering employees by granting autonomy and encouraging initiative proves to be another vital pathway through which transformational leadership fosters innovation. The findings underline the interconnectedness of these elements, suggesting that a holistic approach, integrating strong visionary leadership with supportive team dynamics and a culture of empowerment, is essential for sustaining innovation in the competitive technology sector of Shenzhen. This research enriches the theoretical framework on organizational behavior and offers practical insights for leaders aiming to nurture an innovative workforce in rapidly evolving industries.

Conflict of Interest

The authors declare no conflicts of interest

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