


Inclusive leaders for innovation in the founder stage and sibling partnership of family enterprises



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Background: The current challenges faced by local family businesses related to innovation involve adapting to changing market conditions while maintaining their unique identity and traditions. Innovation is the foundation of every organisation, and the leadership style of business leaders heavily influences employee innovation.

Aim: This study investigates the impact of inclusive leadership, an underexplored type of leadership, on innovative behaviour, with affective commitment and learning culture as mediating variables.

Setting: The research was conducted in four family-owned companies in the founder and sibling partnership stage, spanning the manufacturing and service industries.

Methods: A quantitative approach was used to survey employees in family enterprises in North Sumatra, Indonesia. Partial Least Squares Structural Equation Modeling analysis was utilised to test the relationships between variables, while Importance-Performance Map Analysis and Multi-Group Analysis were implemented to provide deeper insights into the variables.

Results: The results revealed that inclusive leadership positively influenced innovative behaviour in the sibling partnership stage and service companies, with affective commitment acting as the mediator. However, learning culture did not influence innovative behaviour and could not serve as a mediator.

Conclusion: The findings emphasise the importance of adopting inclusive leadership, especially during the sibling partnership stage, and fostering affective commitment to enhancing innovation in family businesses.

Contribution: This study offers valuable insights for leaders of family businesses seeking to improve innovativeness, resilience and sustainability. The findings enrich the existing literature on family business management.

Keywords: human capital; innovation culture; organisational commitment; organisational culture; work behaviour.

Introduction

Family businesses have been an integral part of the global economy for centuries, and it is estimated that 65%–80% of companies worldwide are owned or operated by families (Sun, Wickramasekera & Tan 2022). Family firms often survive long-term and develop into successful multinational companies. However, they usually face unique challenges that are not encountered in other types of business. Some key challenges are the risk of stagnation and reluctance to change established business strategies, especially when a disruption occurs (Leppäaho 2022).

Innovation is a way to overcome this problem and avoid the pitfalls of routine, which can hinder business sustainability, creativity and growth. Innovation helps family firms adapt to market changes, retain human talent and maintain a competitive advantage (Alzuod 2024; Tan et al. 2022). Nevertheless, innovation in family businesses is often overlooked or not given enough attention. Empirical studies show that innovation is highest in family-owned firms in the first generation but often decreases during the second and subsequent generation stages (Cesaroni, Diaz & Sentuti 2021). Research has found that organisational innovation behaviour is heavily influenced by leaders' leadership styles (Dong & Zhong 2021). One leadership style that may work well in family-owned firms is inclusive leadership, which promotes diversity, equity and fairness (Fang et al. 2019). Therefore, employees have a sense of belonging and experience the 'feeling of home' in the workplace (Guo, Jin & Yim 2023:2).

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Individuals with a deep sense of connection to a company are more committed and motivated to uphold the core business values. Furthermore, those who have built an affective commitment are more likely to take risks and thrive in challenging environments to contribute to the organisation (Bak 2020). In addition to affective commitment, a learning culture is crucial for companies to innovate, as it encourages knowledge sharing among employees and favours idea generation and implementation (Rattanawichai, Wiriapinit & Khlaisang 2022; Siswanti & Nurhariati 2022).

Research on innovation is one of the most neglected areas in family business-related studies, as most investigations focus on family firm performance, ownership, governance and succession among family members (Ahmad, Omar & Quoquab 2021; Venter & Hayidakis 2021). To date, a limited number of studies have been conducted on the relationship between inclusive leadership styles, an underexplored type of leadership and innovation behaviour among employees (Kang, Song & Li 2022; Qi et al. 2019), especially in family-owned firms. Prior research has mostly examined how traditional leadership styles such as charismatic, democratic, entrepreneurial, paternalistic and transformational leadership impact organisational innovations (Edward & Kaban 2020; Ghayas et al. 2023). Moreover, only a few studies have utilised affective commitment and learning culture as mediators in research on family enterprises. Therefore, this study intends to fill this gap and provide novelty by emphasising the importance of inclusive leadership in boosting innovation in family enterprises and investigating the role of affective commitment and learning culture.

Building on the aforementioned research background, this study proposes a framework to examine the impact of inclusive leadership on innovative behaviour, with affective commitment and learning culture anticipated to act as mediators. Therefore, there are four research questions raised in this study, (1) Does affective commitment mediate the relationship between inclusive leadership and innovative behaviour in family enterprises? (2) Does learning culture mediate the relationship between inclusive leadership and innovative behaviour in family enterprises? (3) Does the stage of family business moderate the relationship between the variables? (4) Does the type of industry moderate the relationship between the variables?

The contributions of this study are as follows. Firstly, it enhances the current literature on leadership and innovation by examining the relationship between inclusive leadership and innovative behaviour. Given the increasing importance of leadership and innovation in family businesses, investigating the relationship between these two variables enriches current studies (Rondi 2019; Tan et al. 2022). Secondly, considering the importance of understanding how inclusive leadership influences innovative behaviour, this study explores two mediator variables: affective commitment and learning culture. This is one of the few empirical studies to examine the proposed research model in the family business environment. The roles of affective commitment

and learning culture provide significant theoretical and practical insights for both scholars and family firms (Tran & Choi 2019; Wang et al. 2020). Finally, this study offers guidance for family business owners, family members, business leaders and managers in identifying the elements that impact innovative behaviour.

Literature review

Family business

Family-owned enterprises have long been acknowledged for their economic contribution. A family firm is owned and managed by the founder or family members, who hold at least one managerial position along with most of the company's voting rights (Kaban & Wimko 2024). These companies typically have long-term perspectives, emphasising the creation and preservation of wealth for future generations. The distinct fusion of family and business dynamics is a notable characteristic of family firms. The roles in the family and business sometimes overlap, creating challenging leadership situations.

All businesses, including family businesses, require innovation to expand and remain competitive. Innovation has an important role in family businesses because it can help them sustain and develop in the long term (Rykkje, Høvig & Pettersen 2023). However, the conservative tendencies of family firms occasionally restrict innovation. The need to embrace change and take risks may be constrained by the importance placed on tradition and upholding the family legacy. Thus, the role of leadership in driving innovation is crucial. Unlike other types of leadership, inclusive leadership promotes employees' strong openness to their own opinions and ideas while tolerating trial-and-error behaviour. This encourages employees to work positively and engage in productive behaviour under various circumstances, including innovative behaviour, employee involvement and organisational citizenship behaviour (Wang et al. 2020).

Moreover, companies must encourage an innovative culture and be committed to continuing to improve (Frank 2019). Family businesses may maintain relevance and competitiveness in a rapidly changing business environment by adopting new technologies, exploring new markets, and diversifying their products and services (Thrassou 2018). Successful family businesses understand the need to evolve and embrace new ideas without losing sight of their core values. They leverage their history and heritage as a source of competitive advantage, while actively seeking opportunities for growth and innovation (Letonja 2016). This can be accomplished by funding research and development, fostering various opinions and encouraging open communication (Serrano-Bedia 2016; Sinaga et al. 2021). Based on this phenomenon, family firms are encouraged to adopt inclusive leadership, affective commitment and learning culture to foster innovation in the business.

Construct definitions

One particular type of leadership that prioritises honesty, fairness and treating subordinates in the same manner is

inclusive leadership (Aboramadan, Dahleez & Farao 2022). Inclusive leaders are committed to ensuring that all team members are given the right to share their thoughts on decision-making through consensus (Veli Korkmaz et al. 2022). This is important in a family business environment to ensure that each individual is respected and that all employees, whether family or non-family members, feel connected to the organisation (Fries, Kammerlander & Leitterstorf 2021).

Innovative behaviour refers to the application of new concepts, methods and techniques in the workplace (Rattanawichai et al. 2022). It is a more comprehensive term than creativity and encompasses a broader array of activities associated with the creation, development and use of new ideas. The human element of innovation is the emphasis of management studies on inventive behaviour rather than on technology (Bak 2020).

Affective commitment refers to an employee's involvement in an organisation (Batmomin et al. 2022). It is an employee's positive emotional attachment and passion, fostering strong relationship with the organisation and pride in being actively involved. As family businesses typically have long-term perspectives, they require employees to be fully committed to the organisation so that they are willing to provide energy and responsibility to support the welfare and success of the business (Pike-Bowles, Townes & Chinyamurindi 2024). According to Sharma and Irving (2005), affective commitment is one of the four important qualities of successors based on the commitment to the family business, where the successor has a deep emotional attachment and strong identification with the business, demonstrating genuine affection and engagement.

A learning culture is an environment within a company that promotes and fosters individual and organisational learning, in which knowledge sharing is valued and rewarded (Tran & Choi 2019). A culture of learning is crucial, especially for family businesses because it helps the company break the status quo, maintain a competitive advantage and continue to grow in the long term (Tan et al. 2019).

Inclusive leadership and innovative behaviour

Guo et al. (2023) outlined the mechanism by which employees of small- and medium-sized businesses in China exhibited innovative work behaviour and inclusive leadership. Inclusive leadership was positively associated with innovative behaviour, with job crafting acting as a mediator. Qi et al. (2019) investigated that inclusive leadership had a significantly positive influence on innovative behaviour in companies in China, using the mediation of perceived organisational support. Moreover, a similar finding was revealed by Fang et al. (2019) where inclusive leadership was significantly and positively related to innovative behaviour among new-generation employees, with psychological capital as the intermediary variable:

H1: There is a positive influence of Inclusive Leadership on Innovative Behaviour in family enterprises.

Affective commitment as a mediator

Choi et al. (2015) conducted a study on service companies in Vietnam and confirmed that inclusive leadership was positively correlated with affective organisational commitment. Affective commitment was also found to impact individual innovation behaviour, as shown by Yeşil, Sözbilir and Akben (2012). In accordance with this, Bak (2020) conducted a cross-sectional study on government employees, which indicated that affective commitment had a positive influence on innovative work behaviour. Wang et al. (2020) also used the mediation of affective commitment to show the link between inclusive leadership followers taking charge of promoting changes in the company:

H2: There is a positive influence of Inclusive Leadership on Affective Commitment in family enterprises.

H3: There is a positive influence of Affective Commitment on Innovative Behaviour in family enterprises.

H4: Affective Commitment is a mediator between Inclusive Leadership and Innovative Behaviour in family enterprises.

Learning culture as a mediator

Previous research by Tran and Choi (2019) showed that inclusive leadership positively influenced the organisational learning culture among Vietnamese service workers. Another work by Aboramadan et al. (2022) found that learning culture exerted a positive influence on innovative work behaviour among academic staff working in Palestinian education institutions. At the same time, the findings also demonstrated the mediation of organisational learning culture between inclusive leadership and innovative work behaviour:

H5: There is a positive influence of Inclusive Leadership on Learning Culture in family enterprises.

H6: There is a positive influence of Learning Culture on Innovative Behaviour in family enterprises.

H7: Learning Culture is a mediator between Inclusive Leadership and Innovative Behaviour in family enterprises.

Stage of family business and type of industry

Family businesses typically evolve through three distinct stages: the founder stage, sibling partnership and cousin collaboration (Eckrich & McClure 2012). At the founder stage, the business is controlled by the founder, whose personal vision and values deeply influence its identity and operations. This stage often features strong personal involvement and decision-making driven by the founder's desire to create a lasting legacy, which can sometimes result in a short-term focus at the expense of long-term sustainability and succession planning. As business transitions to the sibling partnership stage, management becomes more formalised, with governance structures such as family councils or boards being introduced to enhance decision-making and resolve conflicts. This stage requires adapting to the complexities of shared leadership among siblings. The final stage, cousin collaboration, involves the inclusion of cousins and potentially other extended

family members, necessitating effective communication and robust governance frameworks. This stage aims to maintain cohesion and align the extended family's goals with the business's strategic direction. Understanding these stages is crucial for grasping the evolution of family firms and their management practices.

Family firms play a significant role in both manufacturing and service industries, contributing to economic growth and employment. In the manufacturing sector, family businesses often leverage familial ties to foster trust and collaboration among employees, which can enhance productivity and innovation. Research indicates that family firms may exhibit a strong commitment to product development through the effective transfer of tacit knowledge, which is crucial for maintaining a competitive advantage in a rapidly changing market (Kean Yew 2023). In the service industry, family businesses leverage their familial relationships to create a strong organisational culture that emphasises customer service and employee loyalty. The personal investment of family members in the business often translates into higher levels of commitment to service quality, which can enhance customer satisfaction and retention (Pikkemaat 2016).

The hypotheses is summarised in a research model illustrated in Figure 1.

Research methods and design

A quantitative methodology was chosen for this study using a correlational research design and PLS-SEM. The correlational design was selected to statistically measure the relationships among variables, allowing for generalisation to the target population. Partial Least Squares Structural Equation Modeling was appropriate for this study as it tested a mediation model and assessed complex relationships between multiple constructs (Williams, Wiggins & Vogt 2022).

Data collection

This study used data on employees working in four family-owned businesses in North Sumatra, Indonesia. Companies

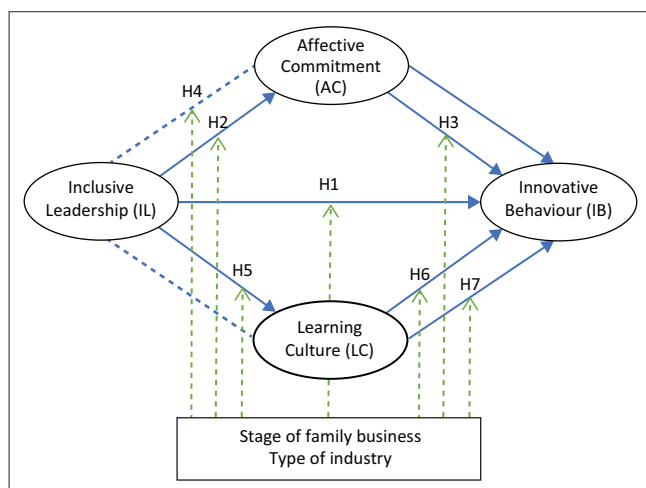


FIGURE 1: Research model.

were considered family businesses when their family members owned and managed the business (Beckers et al. 2020). Simple random sampling was chosen based on the considerations regarding the research objectives and limitations. Data were collected through an online survey conducted from April 2023 to December 2023. Employing a self-administered questionnaire, 220 respondents completed the survey for statistical analysis. Table 1 provides detailed information on the family firms participating in this study.

Respondents' profile

The demographic characteristics of the respondents were analysed using IBM SPSS 25, as seen in Table 2. There were 120 males and 100 females who participated in the survey. Most respondents were between the ages of 31 years and 40 years, with a Bachelor's degree. There were as many as 122 employees who had worked for less than 6 years and 98 employees who had worked for more than 6 years in the company.

Measurement

A five-point Likert scale (1 = strongly disagree to 5 = strongly agree) was utilised to measure all constructs used in this study. There were nine items to measure the independent variable, which was inclusive leadership taken from Carmeli, Reiter-Palmon and Ziv (2010) including statements such as 'My manager is open to hearing new ideas' and 'My manager is attentive to new opportunities to improve work processes'. The affective commitment was measured using five items adapted from Ly (2023) that included statements such as 'This company has a great deal of personal meaning for me' and 'I feel a strong sense of belonging to this company'.

TABLE 1: Total participants.

Participants	Stage of family business	Type of industry	Returned questionnaires
Company 1	Founder stage	Manufacturing	65
Company 2	Founder stage	Service	80
Company 3	Sibling partnership	Manufacturing	34
Company 4	Sibling partnership	Service	41
Total	-	-	220

TABLE 2: Characteristics of respondents.

Description	Frequency	%
Gender		
Male	120	54.5
Female	100	45.5
Age (years)		
20–30	52	23.6
31–40	91	41.4
41–50	77	35.0
Education level		
Secondary or High school	80	36.4
Bachelor's	140	63.6
Tenure in the company (years)		
< 1	33	15.0
1–5	89	40.5
6–10	72	32.7
> 10	26	11.8

The learning culture was measured using four items adapted from Hult (1998), which contained statements such as 'The sense around here is that employee learning is an investment, not an expense' and 'The basic value of this company is learning as a key to improvement'. Finally, there were six items to measure the dependent variable, which was innovative behaviour taken from Aboramadan et al. (2022). The statements used include 'I generate creative ideas' and 'I consider myself innovative'. A pre-test with 30 participants outside the survey population was carried out before the actual survey was placed to test the reliability and validity of the questionnaire.

Data analysis

The PLS-SEM method was utilised in this study to examine the relationships between latent constructs in the research model. The evaluation of the measurement and structural models was carried out in two steps (Hair et al. 2019). The reliability and validity of the reflective variables were tested to examine the measurement model, while the R^2 , f^2 , Q^2 , path coefficients and indirect influences were tested to examine the structural model.

Ethical considerations

Ethical clearance to conduct this study was obtained from the Internal Review Board Universitas Pelita Harapan (IRB UPH) (reference no.: 091/IRB-UPH/IX/2024).

Results

The reliability and validity of the tool were tested to verify its consistency and accuracy. According to Hair et al. (2022), the reliability was measured using composite reliability (CR). It was found that CR values in this study were between 0.754 and 0.796, which was deemed acceptable (Diamantopoulos et al. 2012). As for convergent validity, the average variance extracted (AVE) value for each variable was found above the threshold. Table 3 shows the values of CR and AVE, indicating the fulfilment of the reliability and validity construct with an acceptable level of internal consistency and accuracy (Hair et al. 2019).

The next step was to assess discriminant validity to ensure that each construct was distinct from other variables in the research model using the Fornell-Larcker criterion (Fornell & Larcker 1981). The results demonstrated that the reflective variables were distinct from each other and discriminant validity was established.

To assess the structural model, it was important to check the collinearity by testing the variance inflation factor (VIF). A higher VIF value suggested a potential collinearity among constructs (Becker et al. 2013). However, this study found no collinearity problems, as the inner VIF values remained within the acceptable range. To assess the significance of the items and the paths in the structural model, a bootstrap method with 5000 iterations was used. Model quality was

evaluated based on the coefficient of determination (R^2), effect size (f^2) and cross-validated redundancy (Q^2) according to Hair et al. (2022).

As presented in Table 4, this study showed that R^2 for affective commitment was 0.165, R^2 for learning culture was 0.229 and R^2 for innovative behaviour was 0.308, indicating that the constructs were impacted by predictor variables with weak criteria. On the influence of innovative behaviour, the largest effect size (f^2) was found in affective commitment (0.190), followed by inclusive leadership (0.027) and learning culture (0.007). Q^2 values for any endogenous variable were to be greater than zero to reflect how well the structural model predicted the construct. The result showed that all Q^2 values had a small predictive power (Hair et al. 2019).

Finally, all hypotheses assumed in this study were investigated using a one-tailed test, as shown in Table 5. Inclusive leadership had a positive direct influence on innovative behaviour ($\beta = 0.161$, $t = 2.155$), confirming H1 was acceptable. Inclusive leadership also had a positive direct influence on affective commitment ($\beta = 0.406$, $t = 5.398$) and affective commitment had a positive direct influence on innovative behaviour ($\beta = 0.420$, $t = 5.720$); thus, H2 and H3 were supported. Affective commitment mediated the relationship between inclusive leadership and innovative behaviour ($\beta = 0.170$, $t = 3.724$), justifying H4. Moreover, inclusive leadership had a positive direct influence on learning culture ($\beta = 0.479$, $t = 6.185$). However, learning culture could not directly impact innovative behaviour ($\beta = 0.082$, $t = 0.976$); therefore, the results supported H5 but

TABLE 3: Value of composite reliability and average variance extracted.

Variable	Item	CR	AVE
Inclusive leadership (IL)	IL1	0.766	0.522
	IL4	-	-
	IL5	-	-
Affective commitment (AC)	AC1	0.754	0.506
	AC4	-	-
	AC5	-	-
Learning culture (LC)	LC2	0.796	0.566
	LC3	-	-
	LC4	-	-
Innovative behaviour (IB)	IB3	0.762	0.517
	IB4	-	-
	IB6	-	-

CR, composite reliability; AVE, average variance extracted.

TABLE 4: Structural model evaluation.

Relationship	R^2	R^2 Adjusted	Influence size (f^2)	Predictive relevance (Q^2)
Inclusive leadership				
IL → AC	-	-	0.197	-
IL → LC	-	-	0.297	-
IL → IB	-	-	0.027	-
Affective commitment				
AC → IB	0.165	0.161	-	0.078
Learning culture				
LC → IB	0.229	0.226	-	0.112
Innovative behaviour				
	0.308	0.298	-	0.141

IL, inclusive leadership; AC, affective commitment; LC, learning culture; IB, innovative behaviour.

TABLE 5: Hypotheses testing results.

Path	Direct influence			Indirect influence			Total influence			Supported
	β	t	p	β	t	p	β	t	p	
H1. IL \rightarrow IB	0.161	2.155	0.016	0.210	3.601	0.000*	0.371	4.777	0.000*	Yes
H2. IL \rightarrow AC	0.406	5.398	0.000*	-	-	-	-	-	-	Yes
H3. AC \rightarrow IB	0.420	5.720	0.000*	-	-	-	-	-	-	Yes
H4. IL \rightarrow AC \rightarrow IB	-	-	-	0.170	3.724	0.000*	-	-	-	Yes
H5. IL \rightarrow LC	0.479	6.185	0.000*	-	-	-	-	-	-	Yes
H6. LC \rightarrow IB	0.082	0.976	0.165	-	-	-	-	-	-	No
H7. IL \rightarrow LC \rightarrow IB	-	-	-	0.039	0.935	0.175	-	-	-	No

IL, inclusive leadership; AC, affective commitment; LC, learning culture; IB, innovative behaviour.

*, Significant at $p < 0.01$.

did not support H6. Learning culture also failed to act as a mediator between inclusive leadership and innovative behaviour ($\beta = 0.039$, $t = 0.935$), confirming that the finding did not accept H7.

Importance-performance map analysis

The importance-performance map analysis (IPMA) method was employed to illustrate the relationship between the importance and performance of each attribute (Ringle & Sarstedt 2016). All the variables used to influence innovative behaviour were relatively high in performance with values of 78.34, 77.08 and 71.47 for learning culture, inclusive leadership and affective commitment, respectively. Moreover, Table 6 shows the indicator of total influences and performances for innovative behaviour where items from affective commitment, namely AC1 (0.211) 'I enjoy discussing my company with people outside it' held the greatest importance, followed by AC5 (0.207) 'I feel a strong sense of belonging to my company'. Learning culture was shown to be the least important (0.082) despite its highest performance (78.34) among all antecedents. Lastly, affective commitment (0.420) appeared as the most important factor in the analysis.

Multi-group analysis

A multi-group analysis (MGA) was performed based on the stage of the family business and the type of industry. It was deemed essential to evaluate the influences across multiple relationships and to understand the variations in relationships across different subgroups (Cheah et al. 2020). Therefore, it would help to identify meaningful differences that might not be apparent when analysing the entire dataset.

The findings showed that inclusive leadership did not have a direct influence on innovative behaviour in the founder stage ($\beta = 0.130$, $t = 0.062$) and in the manufacturing industry ($\beta = 0.159$, $t = 0.071$), as shown in Table 7. Also, affective commitment had less significance on innovative behaviour in the sibling partnership group ($\beta = 0.347$, $t = 0.012$) than in the other groups. Finally, learning culture did not influence innovative behaviour directly and was unable to mediate the relationship between inclusive leadership and innovative behaviour in all groups, which was in line with the hypothesis results.

TABLE 6: Importance-performance of innovative behaviour.

Construct/item	Important	Performance
Inclusive leadership	0.371	77.08
IL1	0.148	75.69
IL4	0.190	78.19
IL5	0.174	77.05
Affective commitment	0.420	71.47
AC1	0.211	74.21
AC4	0.170	66.22
AC5	0.207	72.96
Learning culture	0.082	78.34
LC2	0.003	78.41
LC3	0.004	78.75
LC4	0.031	77.73

IL, inclusive leadership; AC, affective commitment; LC, learning culture.

Discussion

The findings of this study strengthen previous work in which inclusive leadership has a positive influence on innovative behaviour (Fang et al. 2019; Guo et al. 2023; Qi et al. 2019) and affective commitment (Choi et al. 2015). Affective commitment positively influences innovative behaviour (Bak 2020; Yeşil et al. 2012) and acts as a mediator between inclusive leadership and innovative behaviour (Wang et al. 2020). Furthermore, it is also believed that, in family firms, inclusive leadership has a positive direct influence on learning culture (Tran & Choi 2019). This study emphasises that inclusive leadership has a more significant influence indirectly through affective commitment to innovative behaviour, compared to its direct influence. Affective commitment is also found to be important in family enterprises, as it significantly influences innovative behaviour.

This research highlights that learning culture has no direct influence on innovative behaviour and fails to act as a mediator in the environment of family enterprises. While the study by Aboramadan et al. (2022) shows that learning culture can improve innovativeness and act as a mediator, this study discovers that learning culture is not a critical factor influencing innovation for family firms. There are several possible explanations for this finding. Family businesses often carry the cultural values of their families, which can impact their decisions regarding business operations (Beckers et al. 2020; Krishnan 2020). Cultural values may not necessarily follow the updated trends in the current environment. Next, a lack of importance of learning culture within the family business often occurs, as family

TABLE 7: Multi-group analysis results.

Relationship	Stage of family business				Type of industry			
	Founder stage		Sibling partnership		Manufacturing		Service	
	β	p	β	p	β	p	β	p
H1. IL \rightarrow IB	0.130	0.062 ^{ns}	0.346	0.024	0.159	0.071 ^{ns}	0.212	0.029
H2. IL \rightarrow AC	0.295	0.000*	0.593	0.000*	0.459	0.000*	0.343	0.004*
H3. AC \rightarrow IB	0.435	0.000*	0.347	0.012	0.394	0.000*	0.468	0.000*
H4. IL \rightarrow AC \rightarrow IB	0.128	0.000*	0.206	0.022	0.181	0.003*	0.161	0.012
H5. IL \rightarrow LC	0.365	0.000*	0.674	0.000*	0.394	0.000*	0.483	0.000*
H6. LC \rightarrow IB	0.130	0.083 ^{ns}	0.010	0.483 ^{ns}	0.082	0.267 ^{ns}	0.021	0.432 ^{ns}
H7. IL \rightarrow LC \rightarrow IB	0.047	0.104 ^{ns}	0.007	0.481 ^{ns}	0.032	0.282 ^{ns}	0.010	0.431 ^{ns}

IL, inclusive leadership; AC, affective commitment; LC, learning culture; IB, innovative behaviour; ns, not significant.

*, Significant at $p < 0.01$.

members are cautious about sharing information with non-family members in the organisation (Zhu & Chen 2022). Finally, family businesses often display adaptability and consistency, which can occasionally conflict with one another (Treviño-Rodríguez & Gallo 2022). This can make it difficult for family firms to adapt to changing circumstances and to develop a learning culture and innovative behaviour.

The MGA results indicate that in the founder stage and within the manufacturing sectors, inclusive leadership does not directly impact innovative behaviour. In the context of the founder stage in family enterprises, the owner's strong involvement and control in decision-making and strategic direction may limit the empowerment of employees in fostering innovation, as the founder's vision and preferences take precedence over inclusive leadership practices (Urbaníková et al. 2020). Furthermore, the emphasis on stability and preservation of vision in the first generation limits the perceived need for inclusive leadership behaviour that promotes openness and change. Next, the manufacturing industry may offer unique characteristics, such as a focus on operational efficiency and traditional hierarchical structures and it can potentially moderate the relationship between leadership and behaviour (Dong & Zhong 2021).

In addition, affective commitment is less influential on innovative behaviour in the sibling partnership group compared to the other groups in the study. Emphasis on familial ties and preservation of the business legacy during the sibling partnership stage leads to a strong sense of commitment among family members. However, affective commitment to the family and business may not necessarily translate directly into a focus on driving innovative behaviour. Familial and legacy-oriented priorities within family businesses place greater emphasis on maintaining existing practices and preserving the family's socioemotional wealth, potentially reducing the urgency or inclination to pursue innovative initiatives (Batmoolin et al. 2022; Durán et al. 2016).

Conclusion and implications

This study begins by investigating the challenges to sustaining and resistance to innovation found among family enterprises by testing the role of inclusive leadership on

innovative behaviour through the mediation of affective commitment and learning culture. The results of testing the proposed research model provide three important findings. Firstly, inclusive leadership has a direct influence on innovative behaviour in the service industry of family businesses during the sibling partnership stage. Secondly, affective commitment also contributes significantly, both directly and as a mediator, and is found to be the most important factor in improving innovative behaviour. Thirdly, although inclusive leadership builds a learning culture, but the learning culture does not directly effect innovative behaviour and fails to act as a mediator.

Therefore, this research offers two theoretical implications for family business-related studies. Firstly, it enriches the empirical study of inclusive leadership and innovativeness by using affective commitment and learning culture as intervening constructs. Secondly, it notes the importance of affective commitment in the manufacturing and service industries during the founder and sibling partnership stages.

Regarding managerial implications, this study recommends that family owners and managers adopt inclusive leadership to enhance innovative behaviour among employees by encouraging them to share their ideas (Dillon & Bourke 2016), creating workplace equity (Röd 2016) and including family and non-family members in decision-making (Yasin et al. 2023). Furthermore, family businesses should implement strategies to foster affective commitment by developing a positive work environment (Veli Korkmaz et al. 2022), providing opportunities for growth and development for all employees (Ur Rehman, Bhatti & Chaudhry 2019), recognising and rewarding employee involvement (Röd 2016), and promoting a sense of purpose (Yasin et al. 2023).

Finally, this work has several shortcomings that serve as opportunities for future research. The limited number of respondents is an issue that must be addressed in the next studies by including more companies from different generations and industries in family businesses. Considering the unique context of the manufacturing sector, future research can provide valuable insights into the relationship between leadership and innovativeness in this particular industry. Further studies can test different predictors, mediators and moderators to examine their roles in

influencing innovativeness in family firms. Additionally, implementing a variety of variable measurements may improve the robustness of this study.

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Author's contributions

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Data availability

The data that support the findings of this study are available from the corresponding author, L.M.K., upon reasonable request.

Disclaimer

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