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Transformational Leadership and Dynamic Managerial Capabilities in Public Sector Innovation

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Abstract: The study examines the role of transformational leadership and Dynamic Managerial Capabilities in public sector innovation, specifically in addressing the challenges of managing the livelihood eligibility of the community, including older people, in order to build an elderly-friendly community. The study focuses on the leadership of Jambi Mayor and Vice Mayor in employing innovation to realize Jambi as a Smart Living. This descriptive qualitative study aims to identify new information related to the transformational leadership and Dynamic Managerial Capabilities of the Jambi Government in innovating feasible urban living. The authors identified transformational leadership as a major style in carrying out innovation and dynamic managerial capabilities. The study found that Jambi City is continuously promoting the importance of creating smart living as one of the smart city indicators, especially in elderly-friendly cities, through the leadership of its mayor and vice mayor. Both initiated change by identifying challenges and opportunities, finding good examples of smart living, inspiring and implementing innovations, encouraging changes in how the bureaucracy works, and motivating civil servants to improve their attitudes and assumptions, especially toward health services for the elderly. The study concludes that leadership style and dynamic managerial ability to adapt to change contribute to the success of smart living innovation.

Keywords: Transformational Leadership; Smart City; Elderly-Friendly.

1. Introduction

Jambi City is committed to creating feasible urban living, including the aging community, through Jambi Smart City (Saadah, 2021). In 2017, the government of Indonesia launched the 100 Cities program for smart cities, with 25 cities selected as smart city pilot tests, one of which is the city of Jambi. As a form of this commitment, the Jambi City Government issued Regional Regulation No. 1 of 2019 on Smart City, passed on April 2, 2019. This regional regulation is a reference for all levels of Jambi city government to realize Jambi Smart City in six dimensions: smart mobility, smart people, smart living, smart governance, smart environment, and smart economy. A "smart city" concept is inextricably linked to technology, which facilitates convenience and speed. However, the primary objective underlying the transformation of cities into "smart cities" is enhancing the quality of life for their inhabitants. This goal is closely intertwined with the concept of "smart living" (Nikki Han & Kim, 2021). To achieve this, Jambi City must develop effective strategies.

At least two of the government's primary strategies reflect the concept of smart living in Jambi City. First, Jambi aspires to become an Elderly Friendly City, which is achieved through a range of initiatives. Second, Jambi City has pioneered urban area management with the Kampung BANTAR initiative, which is based on the acronym "Clean, Safe, and Smart."

First, the Jambi City government is under significant pressure to maintain the quality of life of the elderly. One of the primary challenges facing these governments is to support the healthy, active, and independent lifestyle that many older people prefer outside of institutional care settings. Additionally, it is essential for these governments to provide older individuals with key public services that align with their evolving needs. The goal is to ensure that people have a decent lifestyle and quality of health, especially the ageing community. Policymakers should focus on developing an elderly-friendly city (Verma & Huttunen, 2015).

Second, in implementing the principle of smart living, the Jambi city government is commanded by the mayor and vice mayor, with the health and spatial planning sectors being the main actors targeting this dimension. The health and spatial planning sector have made various innovations to change how people live and interact. Jambi City has implemented several infrastructures and programs to do so. The Kampung BANTAR program is a smart living pilot project expected to improve group-based communities' quality of life.

Furthermore, to enhance the well-being of the elderly community, the government has established green open spaces with facilities for them and a comprehensive, integrated service post that provides specific services to increase their independence. The Jambi City Government is dedicated to enhancing the well-being of the elderly in all development programs.

Both of these directly contribute to the implementation of smart living. However, the implementation of smart living requires more than just the ability to change; it requires the ability to change substantially. In elderly services, for example, infrastructure such as integrated health center services for the elderly is indeed very helpful, but changes in attitudes and treatment of health workers are no less important.

The Jambi City government also developed the BANTAR Village program with the dual objectives of constructing residential facilities, enhancing the quality of welfare, and increasing community economic activity. The activities summarized in Kampung

BANTAR include literacy villages, Quranic villages, proper sanitation, and community economic activities.

These changes necessitate more than just a budgetary allocation. Innovation must be formulated from the genuine challenges confronting the community and must result in solutions that address the root of the problem. The ability of leaders to identify the necessity for change and to engage all components of the bureaucracy in the implementation and promotion of innovation is a crucial aspect of the innovation process. Two theoretical frameworks that encapsulate this phenomenon are transformational leadership and dynamic managerial capabilities.

Based on initial observations, the mayor's transformational leadership practices were evident in the process of Jambi City becoming a Smart Living City. The mayor motivated civil servants in Jambi to change their attitudes and assumptions towards public health services and the well-being of community life. This article presents a summary of the role of transformational leadership and dynamic managerial capabilities in promoting public sector innovation to achieve the goal of creating a smart living community, especially for an ageing community.

The transformational leadership strategy is thought to be the best way to cultivate followers' attitudes when there is organizational change (Bakker et al., 2023). Compared to transactional leadership, transformational leadership has a greater impact on project success (Abbas & Ali, 2023). Over the years, a number of research findings have been reported on the relationship between particular leader behaviors and/or leadership styles and creativity in organizations (Gao et al., 2021; Guay & Choi, 2015; Mumford et al., 2002; Siangchokyo et al., 2020).

Leaders supported constructive problem-solving and followers' self-efficacy, and followers displayed higher levels of creativity (Krakowiak et al., 2017), especially in dynamic situations such as the pandemic era (Fitriati & Marsanty, 2023). Oldham and Cummings also found that employees produced more creative work when they were supervised in a supportive, non-controlling manner (Oldham & Cummings, 1996).

Furthermore, it is essential to identify the capabilities that are considered to be determinants for innovation in a highly dynamic environment, where not only technological trends are in flux but also the expectations and demands of key stakeholders, including citizens, businesses, and politicians, are undergoing change. What capabilities are required for the launch of initiatives and projects that promote modern, livable, and attractive cities? In the author's view, the theoretical lens of dynamic capabilities provides a unique perspective for exploring the managerial capabilities required for smart city transformation.

The theory of dynamic managerial capability addresses the overall ability of managers to identify opportunities and threats, anticipate external changes, and prevent organizational rigidity or inertia. This enables the organization to continuously learn, improve, and adapt, thereby becoming effective and innovative (Teece, 2016).

The term "dynamic managerial capability" is generally defined as the capacity of managers (leaders) to implement strategic activities in an entrepreneurial manner, to facilitate strategic and innovative change (Teece, 2016). The term "adaptive management" refers to the pivotal role of public and private sector managers in aligning internal and external activities, resources, technologies, and competencies with the evolving demands of the external environment (Adner & Helfat, 2003).

Dynamic managerial capabilities encompass the processes of scanning, learning, and interpretation. These include identifying changing customer needs and latent

demands, as well as observing the organizational environment and technological developments (sensing ability). Additionally, they encompass the strategic and business model decisions on how to create value for customers and the organization (seizing ability), as well as the reconfiguration of organizational capacity to ensure strategic renewal of the organization, as well as its resources and capabilities, so that it can continue to meet the needs and expectations of the changing environment (transforming ability) (Adner & Helfat, 2003; Teece, 2016).

To summarize, one of the most crucial aspects impacting the success or failure of public sector innovation is leadership and its capability to manage change. The concept and practice of DMC have been broadly studied. DMC discussions encompass a wide range of topics within business management studies. These include organizational management, its impact on business innovation and entrepreneurship, business development strategies, and coping with changes, especially in technological areas. Accordingly, it is imperative to conduct empirical studies of DMC in the public sector, which is distinguished by its unique organizational nature and characteristics.

In addition to the transformational leadership concept, which has been studied since 1993 (Bass & Avolio, 1994), this concept has been widely studied, especially in organizational behavior, particularly in relation to innovation, entrepreneurship, and change. Leadership is one of the fundamental ideas of public administration and is becoming increasingly popular among scholars and practitioners in public sector management (Sazzad et al., 2021). It is getting harder to keep track of the circumstances in which leadership in the public sector matters or does not matter due to the rising availability of research data. In the public sector, performance and other favorable outcomes are positively and reliably correlated with leadership, while unfavorable outcomes, including turnover, are adversely correlated (Wright & Pandey, 2010).

The private sector continues to be the primary focus of this study, but recent studies indicate an increase in transformational leadership research in the public sector. This paper contributes to understanding how this concept, in conjunction with the DMC, facilitates the adoption of changes in the smart living dimension through transformative programs.

The remainder of the article is structured as follows: The first section will discuss the background of the article. Section approaches will include information on methods such as search strategy, interview, and observation methods. Section results and discussion will present results and go through the findings as well as the discussion. Finally, there is a conclusion to this article.

2. Methods

This research focuses on the Jambi government's transformational leadership and dynamic managerial capabilities to innovate. The authors drew transformational leadership and dynamic managerial capabilities as significant in carrying out inventions. This research is a descriptive qualitative study conducted to identify new information related to how smart living is carried out. The authors collected the primary data through structured or unstructured interviews and observations. Data from various sources, such as news from the media, government regulations, awards, and assessments from related stakeholders, were taken to support primary data. These data were used as materials to support the research analysis.

3. Results and Discussion

3.1. Innovation From the Perspective of Transformational Leadership and Dynamic Managerial Capabilities

Law Number 23 of 2014 concerning local governments provides high rights and responsibilities of local governments in managing natural, human, and potential resources. The law also requires local governments to carry out these rights and responsibilities efficiently and effectively, so local government organizations must be able to make strategic and operational government policies efficiently and effectively based on the principles of good governance.

Local governments are doing many things to achieve these demands. The debate about regional development, especially with the use of information technology, ultimately leads to the concept of smart cities (Hollands, 2020). In the last few years, the concept of smart cities has gained popularity and certain attention from local governments around the world (Mohamed & Abdul Manaf, 2020), including in Indonesia.

As one of the pioneers in implementing smart city initiatives in Indonesia, the Jambi City government is accelerating various aspects of city development with an approach encompassing the dimensions of a smart city. Unsurprisingly, a smart city was chosen as the most appropriate approach to city development, given that it utilizes technological advances. This approach aligns with Cohen's smart city wheel, specifically the Smart Living dimension. Smart cities are considered a sophisticated approach that requires caution to achieve its principles despite the ease of technology.

The Jambi City Government employs technology to the fullest extent possible to become a smart city through innovation.

Governance innovation in Jambi City is realized in various stages, and the platform that becomes the umbrella of these changes is the “smart city” agenda in its various dimensions. The commitment of the City Government and all local government organizations is manifested in Regional Regulation Number 1.2019 concerning Smart City. This regulation was initiated by the Mayor of Jambi and subsequently compiled, agreed upon, and ratified by all government elements responsible for formulating laws and regulations, including both the executive and legislative branches.

Since then, innovation has been established as part of Jambi City’s work culture. The Jambi City government has launched various innovation competitions, including participation in the innovation program from the national government.

Innovation is regarded as a mechanism to accommodate the city’s need to change. The Jambi City Government anticipates that novel solutions to existing problems and the emergence of new problems will be required. These innovations will manifest in the form of additional knowledge, skills, management, and organizational changes, as well as improved service quality.

Innovation ultimately does not just happen, and in the context of the public sector, innovation requires various triggers. Innovation requires group and organizational environmental support, such as management support, decision-making participation, and team support for innovation. This research posits that all innovations within the smart city framework are contingent upon the capacity of city leaders to identify the needs and challenges of change and to allocate resources in a

timely manner to address them. Two distinct approaches have been identified that can facilitate the capture of this phenomenon.

Firstly, transformational leadership has a significant and fundamental impact on both the public and private sectors. Academics have long agreed that transformational leadership is a determining factor in ensuring effectiveness and innovation. Secondly, regional heads in Indonesia also act as leaders of the entire bureaucracy, in this case, the Regional Government Organization. Therefore, it is clear that the Regional Head requires managerial skills.

The role of the OPD compliance officer as a middle manager in local government, reporting to the regional head as a top-level manager, is distinctive in that the Head of OPD is directly elected by the Regional Head. These two aspects are described in a structured manner according to the type of program innovation in the Smart Living dimensional framework below.

3.2. Navigate Smart Living: Between Transformational Leadership and Dynamic Managerial Capabilities

The Jambi city government is confronted. There are several challenges in urban governance, particularly in relation to rapid population growth, the provision of services to the elderly community, and the development of unmanaged urban areas. In order to address these challenges, the Jambi City Government has initiated several innovative projects spearheaded by the health sector and the city planning sector.

For innovations to produce change and impact, the Regional Head must possess the requisite leadership and managerial capacity. This capacity is required to transform challenges into opportunities and mobilize all organization components to effect change. In addition, change in an organization requires the ability of leaders to manage resources, to adapt and even innovate. This ability is referred to as Dynamic Managerial Capacity.

First, transformational leaders engage with followers personally, going beyond merely exchanging contracts for desired performance (Gardner & Avolio, 1998). Second, transformational leaders encourage their followers to look “beyond the box” and to participate in creative and exploratory thought processes by offering intellectual stimulation. DMC covers managers' capabilities, from sensing both problems and potential solutions to seizing, innovating, and empowering capabilities. Both capacities should help the Jambi city government to promote change in the form of urban management innovation with smart living principles which are described below.

The Jambi City Regional Regulation No. 1 of 2019 on Smart City regulates the implementation of smart living principles. This policy has also been translated through various development plan documents. The Jambi City Government enacted a regulation that recognized the value of the Smart City platform. This demonstrated the capacity of transformative leaders by clearly stating the organization's vital vision and mission.

The regulation became an umbrella for innovations within the smart city framework, including smart living in Jambi City. The Mayor and Deputy Mayor of Jambi assisted bureaucrats in understanding the importance and values of Smart Living. The regulation explicitly states that smart living aims to create a livable, comfortable, and efficient living environment. Consequently, middle managers are

required to adjust their performance standards to achieve the desired outcome of smart living.

The bureaucratic performance contract, derived from the Key Performance Index, is aligned with the vision and mission of the Regional Head. At least three of the five missions of Jambi City are oriented towards the smart living dimension. These include the following: first, Jambi City has a mission to strengthen public comfort and order, strengthen the management of urban infrastructure and utilities and environmental arrangements, and improve the quality of urban communities.

The transformative aspect of this initiative has been demonstrated to enhance bureaucratic awareness of the values associated with the Jambi City mission, thereby facilitating the alignment of individual actions with organizational goals. This aligns with the concept that transformational leadership extends beyond the mere exchange of contracts for desired performance, instead engaging followers' personal value systems more actively. This capacity for rapid response to challenges also indicates the ability of city leaders to identify problems and envision potential solutions, particularly in a comprehensive framework. Furthermore, it demonstrates the extent to which the managerial capacity of the mayor and vice mayor is distributed throughout the entire governmental structure. This is an initial capacity that indicates a dynamic ability to accommodate change. All of these are believed to improve the quality of life, public satisfaction with government services, happiness, and community welfare (Saksono et al., 2023).

First, the complexity of urban communities necessitates that the government enhance its creativity in addressing the community's needs. The development of the Jambi area as an urban area requires modern solutions, not only in the provision of infrastructure and the use of technology as the core in smart cities but also in changes in attitudes and mindsets, especially in serving the elderly. As Jambi City has grown rapidly over the past decade, both in terms of economy and population, the Mayor immediately scanned the problems in the community. Based on copying studies and monitoring the resolution of similar problems in other cities, the city government initiated the implementation of smart living through a community empowerment program called the “kampung bantar” program.

This indicates the capacity for transformation exhibited by leaders, whereby leaders encourage their followers to consider alternative perspectives and engage in creative and exploratory thought processes through intellectual stimulation. This also demonstrates the capacity to seize opportunities, whereby the Mayor can implement policies to overcome problems with concrete programs.

In an interview, the active Jambi Mayor stated that one of the city's flagship smart living programs is Kampung BANTAR. This strategic decision was made through various considerations and input from relevant stakeholders. This demonstrates the Jambi City Regional Head's focus on strategic decisions.

In line with the argument of Wright et al. (2012), which states that transformational leadership pertains to leadership practices that prioritize strategic decision-making, adjust to changing environmental conditions, enhance levels of complexity and creativity, and continually satisfy evolving expectations.

The Kampung BANTAR program is an initiative to create a clean, safe, and smart village that aims to educate the community to become self-sufficient. Indicators of a clean village can be observed in several ways, including a clean environment, adequate environmental infrastructure, orderly settlements, and the avoidance of disasters such as floods, landslides, and others.

The indicator of a safe village is a village with a low crime rate and the absence of narcotics. The indicator of a smart village is a village that prioritizes community education, as evidenced by the existence of a community reading park and innovations in the economic sector, such as processing food or crafts with a selling value to increase community income.

Furthermore, the objective of the Bantar Village Program is to create a clean and healthy environment within the smallest neighborhood scope, with adequate sanitation facilities and environmental infrastructure. This should result in well-organized, safe, and orderly settlements that are conducive to a fair level of socio-economic life within the community. Additionally, the program aims to maintain the spirit of mutual cooperation, religious values, national solidarity, customs, and legal norms while promoting a more moral, customary, and cultured life.

The government asserts that implementing this program has a multifaceted impact, accelerating development and influencing other sectors. One such sector is environmental cleanliness. At the subdistrict level, the government is responsible for overseeing the location of Kampung Bantar, which will serve as a flagship project. This entails monitoring and evaluating the project throughout its duration and after its completion, as well as recording and reporting every month.

The implementation of innovative programs in Bantar Village is contingent upon the existence of political will. Programs that introduce significant changes are more likely to encounter challenges due to their disruptive nature (Satriawan & Syamsuri, 2023), particularly in communities that are the recipients of such programs (Tristanto et al., 2022). The Jambi mayor established a robust executive government at the grassroots level of the bureaucracy, ensuring that innovative programs with significant changes are well received by the community.

Second, Kampung Bantar program was created to accelerate development through the smallest scope, the village. From the perspective of the Jambi City Government, creating a community mindset is of greater importance than constructing infrastructure. Despite the proven benefits of infrastructure in improving the quality of life for communities (Saputra et al., 2023), the Jambi City Government places greater emphasis on the development of community values and attitudes.

Community acceptance is crucial because, in this program, the community is the primary actor responsible for conducting coaching activities in collaboration with the government. Kampung Bantar is implemented at the level of the smallest community unit, the Neighborhood Association. As the formal organization tasked with overseeing it, the Urban Village government is responsible for coordinating the concept development programs. For instance, in one Urban Village government in Jambi City, the implementation of Kampung Bantar involved introducing a household waste management system based on the concept of a Waste Bank. This initiative enabled residents to exchange their household waste for monetary compensation, with the funds saved and recorded in the Waste Bank account.

The innovation must be supported by all components of the bureaucracy, so the regional head, as the top-level manager, plays an important role in ensuring this happens. In the early stages of creating the Bantar village program, the initiation came from the regional head, who immediately became a development priority by various lines of government in Jambi City. This program is carried out in collaboration with other agencies such as the Jambi City Environment Office, the Jambi City Sanitary and Parks Office, the Civil Service Police Unit, and others, and most importantly, the community itself.

In its application, program innovation is highly dependent on the participation of governance components (Thahir, 2022; Utami et al., 2022; Widowati et al., 2023). In the latest discourse, Penta helix actors in governance consist of government, community, private sector, mass media, and academia. This ability to invite participation represents the ability to embrace dynamic management. The mayor engages in this process through both formal and informal channels. For instance, at social gatherings, the mayor emphasizes the significance of the Kampung Bantar program for developing urban residential areas. This narrative is occasionally conveyed in the form of a joke, to win a competition.

Third, transformational leadership is defined as a style of leadership that can adapt to environmental conditions. Given the limited government budget, the government needs to consider how the budget can be allocated in an optimal manner.

The Kampung Bantar program is not directly funded by the government but is used as a competition. Settlements that have undergone the Kampung Bantar transformation and meet certain criteria will receive a cash reward. According to Maulana, the value of the money given is insignificant, even exceeding the costs incurred by the community to develop the area according to the Bantar Village criteria. The development is not limited to physical infrastructure but also encompasses household lifestyle and societal behavior patterns.

The Jambi City community's enthusiasm for applying the principles of Kampung Bantar has led them to invest capital in advance, a sum that exceeds the potential rewards they may receive. The regional head's role undoubtedly encourages the community to embrace a bottom-up approach to regional development.

According to the research findings, transformational leadership has three key effects on implementing Kampung Bantar. First, the Jambi City Government shows flexibility and responsiveness to changes in urban areas and the problems they cause; change-oriented leadership enhances the capacity of the bureaucracy to implement kampung banter. Second, the Jambi City Regional Head focuses on fundamental changes, so he is able to recognize strategic innovations that are both profitable, forward-looking, and beneficial to the society of Jambi City. Third, the Jambi City bureaucracy from various lines actively contributed to the implementation of Kampung Bantar and supported the implementation of innovations promoted by the regional head.

Fourth, health is one of the urban problems besides welfare (Faturohim et al., 2023). The elderly, on the one hand, are a vulnerable group of people who require special attention, particularly regarding health. Health is an important aspect that supports the welfare of society. Although the elderly are no longer in the labor force and do not contribute significantly to the family economy, the health of the elderly will be one of the contributors to expenditure.

Innovation in the public health sector has recently piqued the curiosity of scholars and practitioners. Public sector innovation is becoming a political and administrative priority in many industrialized Western democracies, rapidly reaching less developed nations. By using innovation, public institutions can raise the level of quality and effectiveness of their services (Merlin-Brogniart et al., 2022). In order to attain effectiveness and efficiency in the utilization of resources and technology, governments rely greatly on successful innovation (Popova & Popovs, 2023).

National governments everywhere have been forced to create innovation policies in order to enhance public services due to the importance and advantages of public

sector innovation (Chen & Peng, 2017). Additionally, the Indonesian government promises to use a national regulatory framework to promote innovation in public service (Hilmawan et al., 2023). The local government is probably the most notable innovator in Indonesia's public sector. Jambi City stands out among other cities in terms of innovation in public services. 2015 saw the city of Jambi win the 'TOP 25 Innovation' award for an innovation about the Putri Ayu Health Center Senior Clinic (Putra et al., 2021).

The Jambi City Health Office designated the Putri Ayu Community Health Center as an age-friendly health facility in 2009. This ambitious innovation demonstrates the mayor's quick response to a problem among the elderly. Commitment to providing senior citizens with civility and compassion; patient complaints and discontent must be addressed immediately to enhance services. The age-friendly health center is a medical facility offering senior citizens preventive, curative, rehabilitative, and promotional services. The benefits are highlighted in terms of proactive elements, service process convenience, and civility in accordance with cross-sectoral cooperation standards.

In response, the director of the Putri Ayu Health Centre proposed the concept of a geriatric clinic, which would enable senior citizens to get many medical services simultaneously in one space and eliminate the need for them to stand in line. This demonstrates that top-down innovation launched by executive leadership and bottom-up innovation begun by civil servants are two ways transformational leadership in public sector innovation might manifest itself. In reaction to crises, especially when a big problem is involved, innovation is frequently "led by politicians." The present review delves into the difficulties faced by leaders and decision-makers and assesses the overall efficacy of the leadership position in fostering innovation throughout the Jambi development agenda.

Fifth, aside from that, the goal of transformational leadership is to encourage and inspire subordinates to surpass their expectations and realize their full potential. This strategy strongly emphasizes a leader's capacity to inspire and enable those under them to accept responsibility for their work, grow as individuals and as leaders, and take on leadership roles. Interviews at the Putri Ayu Elderly Clinic indicate that the facility opened in July 2014. In Jambi City that year, the Putri Ayu Health Centre was the sole medical facility featuring a specialized clinic for the elderly. However, as time goes on, in 2021, many health facilities—including the Health Centre and many others—will have more senior clinics.

The services provided at the elderly clinic are tailored to the specific needs of the elderly population, regardless of their presenting complaints or medical histories. In addition, the clinic is conveniently located on the ground floor, eliminating the need for elderly patients to navigate stairs, as was previously required due to the internal medicine clinic's location on the top floor. The elderly clinic employs a multidisciplinary team of healthcare professionals, including doctors, nurses, and medical records officers, who are dedicated to serving this population.

In order to save the elderly from having to climb stairs, services at the senior clinic are offered separately from counter services and pharmacy prescriptions; these are supplied in a single area on the ground floor. Six people work at the clinic: two physicians, two nurses, a medical records clerk, and a pharmacist. Elderly clinics are evolving beyond providing medical care in a single room. The clinic creates a range of senior group activities. Health professionals actively encourage and motivate senior citizens to use health services, such as the Friday exercise sessions for seniors in the Museum Field before the Community Health Centre. For the elderly, there is also an

Integrated Healthcare Centre, which provides consulting and counseling sessions for free each month.

This fact demonstrates that the mayor of Jambi is a visionary who can motivate and lead their team members toward a common vision and objectives to develop the city into an elderly-friendly community. Transformational leaders set a high standard for ethics and integrity, led by example, and show a sincere concern for the personal development of those under their direction. One of the restrooms at the Putri Ayu health facility was remodeled to become an exclusive senior citizen restroom. In order to allow elderly people to move freely, a handrail has been installed in the hallway adjacent to the health center entrance. Additionally, nutritional health workers are available to older patients so they can receive dietary advice and therapy support.

However, because older individuals are more susceptible to COVID-19, fewer activities outside the home are being conducted during the current epidemic to stop the virus from spreading. For the benefit of senior patients who wish to receive treatment, Putri Ayu Health Centre maintains and keeps up with updates for the senior clinic.

At the time, the Putri Ayu Elderly Clinic's innovation was progressing nicely. As a result, the Republic of Indonesia's Minister of Health personally presented the city of Jambi with an award from the central government for its accomplishments in establishing a Healthy City in 2017. Jambi City received various regional innovation awards thanks to the innovation of this elderly clinic.

The Jambi City Government is proud of this distinction, which it has received in particular for its support of health-related organizations and stakeholders, as well as for all residents of Jambi City who have helped the city become Indonesia's sixth most health-conscious city. All Jambi City government machinery members have demonstrated dedication, ingenuity, and hard work. This includes the Health Service, relevant stakeholders, the Healthy City Forum, and the community's and RT heads' roles across Jambi City. In addition to being a recognition of accomplishment, this award should inspire the organization's employees and other health sector participants to keep up their relentless efforts to offer the community's best healthcare services. Putri Ayu Health Center also played a role in the success of the simultaneous movement of vaccination week for the elderly throughout Jambi.

The Jambi Government accords elderly individuals a unique status and treats them with the utmost respect. The Mayor and Deputy Mayor exemplify the value of excellent service to the elderly by demonstrating how to treat the elderly with dignity and respect. During the mass vaccination campaign in Jambi City, the Mayor led the initiative by providing donations and other support to the elderly. This exemplifies the importance of both mindset and action at all levels of bureaucracy. This is in line with the study by [Srimulyani et al. \(2023\)](#) which shows that managers have an important role in strengthening organizational culture.

The Deputy Mayor of Maulana helped the Jambi City Government form the Elderly Regional Commission (Komda), which operated under the direction of the Jambi Province Elderly Regional Commission, as part of their ongoing efforts to make the city more senior-friendly. Komda is responsible for guaranteeing that the elderly will receive services and support in the economic sphere to maintain their independence and productivity. This is taking place because of the widespread belief that transformational leadership is a more powerful and long-lasting style of leadership.

The Jambi City Government also offers health services to the elderly, in particular through the organization of a program for seniors to monitor their physical fitness and by offering support to veterans and widows who pioneered independence in the form of house remodeling activities and nutrition fulfillment. The health center also has an aged clinic that offers outstanding and first-rate services to senior citizens. In order for elderly people to age with dignity and economic empowerment, the Jambi City Government also provides them with useful economic aid. This accomplishment is inextricably linked to the mayor's leadership in establishing Jambi as an age-friendly city via several ground-breaking and creative initiatives.

Thus, the authors posit that transformational leadership is conducive to realizing the smart living dimension within the context of the Kampung Bantar program and the elderly-friendly city.

Overall, transformational leadership is a powerful approach that can significantly improve organizational performance, team member engagement, and overall satisfaction. This capacity is supported by a dynamic managerial capacity, which encompasses the processes of scanning, learning, and interpretation.

4. Conclusion

Calling back to the motivation of this study, which is aimed to examine the role of transformational leadership and dynamic managerial capability in public sector innovation, specifically in addressing the challenges in managing urban society and older people health to meet the principle of Smart Living, some key important findings can be summarized. This paper presents five key findings regarding implementing smart living innovations with dynamic managerial capacity and transformational leadership in Jambi City.

The primary conclusion of this article is that through program innovation in the Smart Living platform, Jambi City regional leaders demonstrate managerial capacity that can accommodate changes by utilizing existing opportunities. This capacity is evidenced by sensitivity in identifying urban problems such as unhealthy and unsafe residential areas, which then take advantage of opportunities for the value of togetherness of the village community to create a community-based Bantar village program. This also demonstrates the mayor's capacity to implement the program strategically and to empower the community. Additionally, the mayor's sensitivity to the quality-of-life issues facing the aging community, particularly in relation to accessing health services, is evident. Local leaders can implement integrated service programs for the elderly, replicated at other health centers in Jambi City. The community played an active role in the program's implementation, and the government ensured this participation resulted in empowerment. More research in this area, particularly on transformational leadership as a source of innovation-leading models could be helpful.

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