The relationship between humble leadership and employee innovative behavior in Chinese Intangible Cultural Heritage (CICH) SMEs: Mediated-moderating effect of knowledge sharing and absorptive capacity

Jiang Ming Di, Nor Intan Adha Hafit, Suhaila Mohamed

Abstract This research focuses on small and medium-sized enterprises (SMEs) within China’s intangible cultural heritage (CICH) sector and investigates the relationships between employee innovative behavior (EIB), humble leadership (HL), knowledge sharing (KS) and absorptive capacity (AC). It examines how knowledge sharing, as a mediator, impacts EIB, considering the moderating role of AC. This study aims to address the knowledge gap regarding how leadership and knowledge management processes affect individual-level outcomes, such as creative behavior and problem-solving skills. This research is especially vital for the CICH sector in China, as it offers the first systematic exploration of employee innovative behavior in this area. By providing evidence-based management strategies, the study contributes to both theoretical understanding and practical application, supporting the innovation, sustainable growth, and international competitiveness of CICH SMEs. It also offers policymakers empirical insights to nurture the sector, ensuring the preservation and evolution of China’s intangible cultural heritage.

Keywords: Employee Innovative Behavior (EIB), Humble Leadership (HL), Knowledge Sharing (KS), Absorptive Capacity (AC), China’s Intangible Cultural Heritage (CICH) SMEs

1. Introduction

In recent years, creative intangible cultural heritage (CICH) products have garnered unprecedented amounts of attention in China. This surge in interest reflects not only the public’s respect for traditional culture but also the rapid growth of the creative industry in response to market demand (People’s Daily, 2023). In this dynamic environment, small and medium-sized enterprises (SMEs) have emerged as key players in the CICH industry (Arshad and Arshad 2018; Liu and Pan 2023). Given the close association of CICH products with regional cultures and their rich cultural content, they are not suited for mass production. Consequently, SMEs, leveraging their inherent flexibility and innovativeness, have successfully captured the market pulse, launching products that resonate with consumers and extending the influence of ICH across different regions (Arshad et al., 2023; Gudeta and Hailemariam, 2023). This has not only stimulated local economies and bolstered tourism but also enabled these businesses to establish unique brand identities and receive widespread consumer acclaim (Arcos-Pumarola et al., 2023).

The Chinese government’s steadfast support for the CICH industry is evident. Policy measures such as the Administration of the National Fund for the Protection of Intangible Cultural Heritage (Ministry of Finance, 2021) and the Circular on Promoting the High-Level Inheritance of Traditional Crafts (Meirun et al., 2022; Zhang et al., 2022) exemplify the government’s strong commitment. Furthermore, the successful introduction of “Chinese Traditional Tea-making Crafts and Related Practices” to UNESCO’s Representative List of the Intangible Cultural Heritage of Humanity has further bolstered the country’s international standing in this field (Zhang et al., 2022). The growth of digital platforms and the rise of e-commerce giants such as Taobao have also significantly propelled the dissemination of Chinese tea culture (China Tea Distribution Association, 2021). On Taobao, the number of stores focusing on creative intangible cultural heritage (CICH) reached 32,853, with a transaction value increase of 11.6% from 2020, indicating that the younger generation, particularly those born in the 1990s and 2000s, are spearheading this cultural trend (Zhang, 2022). With the ongoing expansion of tourism and post-epidemic recovery of the market, CICH products have found an even broader marketplace (Zhang et al 2022). The “Action Plan for ‘Three Products’ in theDigitally Enabled Consumer Goods Industry (2022-2025),” initiated by the Ministry of Industry
and Information Technology and other entities, is designed to harness the potential of China's cultural heritage and venerable brands (MIIT, 2022). Supported by 2,598 cultural and creative industry parks, a vibrant CICH industry ecosystem is now in place (China Cultural and Creative Industry Parks Market Analysis Report, 2022).

Despite the rapid development of the CICH industry, catalyzed by market forces, government support, and industry initiatives, it still faces challenges such as innovation deficits, disengagement from everyday life, insufficient brand recognition, restricted sales channels, and uneven governmental assistance (Khan et al., 2023; Wu et al., 2021). Central to these challenges is how SMEs can more effectively foster their employees' innovative behaviors (Arshad and Arshad, 2019). Employee innovation is pivotal for exploiting the potential of CICH products (Fu et al., 2021). Currently, there is a clear need for in-depth research into how innovative management strategies can encourage such behavior and how Chinese government policies can offer better support in this process (Dang et al., 2021; Santoro et al., 2020). These innovative endeavors enable firms to align with evolving market demands and to create unique products, ensuring sustained growth and success in a competitive marketplace. Consequently, it is particularly pressing for SME management to cultivate a corporate culture that encourages innovation and to implement management systems that incentivize employee creativity (Arshad et al., 2020; Moustaghfir et al., 2020). In summary, emphasizing the significance of employees' innovative behavior is not only beneficial for firm growth but also crucial for the advancement of the entire CICH industry.

2. Theoretical Foundation

In this study, three different theories were used: the servant leadership theory (SLT) (Greenleaf, 1979), the absorptive capacity theory (ACT) (Cohen and Levinthal 1990), and the self-determination theory (SDT) (Deci and Ryan 2012).

2.1. Servant leadership theory (SLT)

Servant leadership theory focuses on how leaders serve their team members rather than control them (Eva et al., 2019). This leadership style promotes power sharing and encourages the growth of team members, aligning with the concept of humble leadership (Ali et al., 2020). Within this theoretical framework, humble leadership acts as the independent variable, fostering team member growth through motivation and power sharing. The mediating variables include psychological empowerment and knowledge sharing. Psychological empowerment, as a mediating variable, manifests in leadership behaviors that enhance employees' sense of psychological empowerment, thereby stimulating innovation (Bin Saeed et al., 2019). On the other hand, knowledge sharing serves as a bridge between humble leadership and employees' innovative behavior. The dependent variable is employees' innovative behavior, which is the main outcome we aim to explain through humble leadership, psychological empowerment, and knowledge sharing.

2.2. Absorptive capacity theory (ACT)

According to absorptive capacity theory, the amount of knowledge a person has acquired in the past significantly enhances their ability to evaluate, integrate, and use new information (Sjödin et al., 2019). This information plays a crucial role in the creative process. The theory posits that enhanced organizational learning capabilities, along with effective communication and knowledge flow, are key drivers of employee innovative behavior (Battistelli et al., 2019). Within this framework, absorptive capacity acts as a moderating variable, assessing how employees receive, integrate, and utilize new knowledge. Consequently, employees with stronger absorptive capacity may benefit more from the positive organizational climate of knowledge sharing created by humble leaders, thus exhibiting greater innovativeness (Ye et al., 2022).

2.3. Self-Determination Theory (SDT)

Developed in the 1980s, self-determination theory (SDT) is an extension of the motivation theory proposed by Deci and Ryan. This theory explores the interplay between self-regulation, universal psychological needs, life goals, aspirations, and the influence of the social environment on motivation, emotion, behavior, and well-being (Hope et al., 2019). Within this framework, psychological resilience is seen as a moderating variable that affects the changes in the individual psychological characteristics of employees when they face innovation demands after psychological empowerment. Employees with higher levels of psychological resilience are likely to experience enhanced positive emotions and intrinsic motivation, which in turn fosters innovative behavior (Yu et al., 2019).

These three theoretical foundations collectively form a comprehensive model for examining and understanding the various factors that promote innovation in organizational settings. This model allows us to more thoroughly explore how leadership style, knowledge management, and individual ability contribute to fostering innovative behaviors among employees from diverse theoretical perspectives.

3. Literature Review and Hypothesis Development

3.1. The Effect of Humble Leadership on Employees' Innovative Behavior
Scholars propose that humility is a positive personal trait associated with virtue (Wright et al., 2017; Lavelock et al., 2014). Humility manifests as accurately recognizing one’s professional abilities based on true self-awareness, treating others with tolerance, and embracing mistakes and flaws (Ekanem, 2017; Nielsen et al., 2013). This quality is beneficial not only to individuals but also to teams, motivating them to pursue goals in a highly efficient state. As a result, humble leadership, as a nuanced manifestation of a leader’s management style, has begun to attract scholarly attention (Cortes and Herrmann, 2021; McDonald, 2016; Owens et al., 2013). Humility is seen as a component of top-down leadership behavior (khan et al., 2022; Qian et al., 2020) and is primarily characterized by self-efficacy, self-discipline, acknowledging others’ progress, reflecting on one’s own shortcomings, and taking responsibility for failures. Individuals with humble traits tend to pay more attention to and appreciate those around them, are adept at introspection, and objectively assess their strengths and weaknesses, thereby improving their behavior (Naseem et al., 2021; Owens and Hekman, 2012). Humble leaders act modestly, motivating followers with standards of inspiration rather than solely charisma, offering praise, and accepting responsibility for adverse outcomes (Matthews, 2018). Traits such as a leader’s self-awareness, the acceptability of values expressed to employees, and the transparency of aspirations and expectations are also essential elements of humility (Maldonado et al., 2022). Research has demonstrated that leaders’ humility behaviors contribute to positive organizational outcomes, primarily by influencing the psychological state of employees, which can lead to changes in their work behaviors (Liu et al., 2022; Ali et al., 2020; Owens and Hekman, 2012). Scholars have analyzed the positive and significant effects of psychological mediating variables, such as psychological capital, security, empowerment, and self-efficacy, on the relationship between humble leadership and employee performance and innovation (Al Wali et al., 2022; Ali et al., 2020; Gonçalves and Brandão, 2017).

Humble leaders who exhibit humility and concession, genuinely lower their stance, and accept employees’ innovative ideas can stimulate employees’ intrinsic motivation for innovation. This encouragement helps employees break free from conventional patterns and explore ‘extra’ and ‘unusual’ methods and content of work, thus promoting the development of innovative work behaviors (Van Dierendonck, 2010). This leadership style creates an open and relaxed overall environment, with employees working together for the benefit of the organization. Rapid technological changes, high levels of innovation competition, and shorter product life cycles have increased the pressure on improving organizational performance (Zhang and Bartol, 2010). Therefore, employees must be able to perform unconventional tasks that are beyond the unusual requirements of their team, group, or organization. They may develop new technologies, propose new ways to achieve goals, apply new processes, and investigate and ensure the availability of production resources to perform innovative work behaviors in a timely manner (Basu and Green, 1997). Leaders who specialize in problem structuring and problem solving support employees’ learning goals and self-development, facilitating the gradual emergence of their innovative capabilities (Mumford, 2003). An environment that supports innovation spreads innovative thinking and approaches but can be constrained by factors such as budget and manpower. Under humble leadership, free communication processes and autonomy in the work domain enhance employees’ self-identity and encourage them to overcome existing constraints and engage in innovative work (Krause, 2004). With the support of humble leadership, which creates an organizational environment that is more tolerant of mistakes, employees receive more trust-based, secure emotional support and more opportunities to express their innovative ideas, which motivates them to learn more professional knowledge, actively promote their projects, and venture into innovative work (Atitumpong and Badir, 2018). Based on the above analysis, this study proposes the following hypotheses:

**H1:** Humble leadership has a significant positive effect on employees’ innovative behavior.

3.2. The Effect of Humble Leadership on Psychological Empowerment and Knowledge Sharing

According to Deci and Ryan’s (1991) self-determination theory, individuals intrinsically seek psychological growth and integration, a process that is both natural and requires nurturing. Knowledge sharing is influenced by the developmental needs of individuals (Al-Busaidi and Offman 2017). Those who are willing to participate in knowledge-sharing activities are typically motivated to expand their knowledge horizons and proactively demonstrate their knowledge by exchanging skills and experiences in a collaborative environment, and they expect to receive guidance from others (Mohammad et al. 2018). As noted by Smirich and Morgan (1982), cues from others within the organization significantly shape individuals’ attitudes and behaviors.

Humble leadership, which is particularly effective at facilitating knowledge sharing, is influenced by both sociocultural (Song et al., 2015) and ethnocultural (Michailova and Hutchings, 2006) factors of information exchange. This is especially relevant in contexts such as China, where Confucian culture, which esteems humility as a traditional virtue, prevails (Li, 2016). Humble leaders, by acknowledging their limitations, help knowledge workers share knowledge beyond their personal interests, thereby enabling teams to acquire skills for collective goals (Wang et al. 2018) and cultivating a culture that supports knowledge sharing (Luu, 2021). These leaders set an example by encouraging knowledge workers to seek information, input, and support from their coworkers (Peng et al., 2020) and by providing them with feedback. They actively acknowledge the strengths of knowledge workers and value their contributions to the organization (Owens and Hekman,
2016), thus instilling a sense of significance in their input and encouraging them to share their knowledge (Detert and Burris, 2007). Through daily interactions, humble leaders not only help knowledge workers recognize their strengths but also assist them in identifying the unique contributions of others. Managers should establish organizational environments conducive to the exchange of both explicit and tacit knowledge. Humble leaders position organizations for growth by establishing policies and procedures that facilitate information sharing (Owens and Hekman, 2012). As a result, when knowledge workers are inclined to share, they tend to seek information about who can provide support (Davenport, 2005) and are more willing to interact with their coworkers. Based on the above analysis, this study proposes the following hypothesis:

H2: Humble leadership has a significant positive effect on knowledge sharing.

3.3. The Effect of Humble Leadership on Psychological Empowerment and Knowledge Sharing

In the context of rapid industrial and technological development, knowledge has emerged as one of the essential assets for firms to sustain operations. The knowledge-based view of the firm underscores the strategic value of information (Nickerson and Zenger, 2004). However, possessing knowledge resources does not necessarily guarantee business success (Hilsop et al., 2018; Hussein et al., 2016). Nonaka posits that “firms can achieve superior results when tacit and explicit information interact in a spiral, supported by effective knowledge management, sharing, and transfer” (Nonaka and Takeuchi, 1995). Knowledge sharing plays a pivotal role in knowledge management because it provides employees with the necessary information, ideas, expertise, and resources to achieve goals or specific tasks (Wang et al., 2014). The intentions and attitudes toward knowledge sharing (KS) are correlated with related behaviors (Yang, 2010). According to King and Marks (2008), knowledge sharing encompasses the exchange of information among individuals and teams within the workplace. Knowledge sharing activities involve both providing and accessing information between contributors and explorers (Kimmerle et al., 2007). These learning exchanges form a feedback loop structure (Kankanahalli et al., 2005b). The process of knowledge sharing can be effective and sustainable only when both elements coexist (Foss et al., 2010; Phang et al., 2009).

According to Janssen (2000), innovative behavior originates from a series of actions related to the generation of ideas, support of concepts, and execution of ideas. This process is multistep and involves facing dilemmas and then providing solutions through creativity and employee support (Kamp, 2016). Therefore, innovative behavior can be defined as the identification, development, and implementation of creative thinking within tasks (Akramp et al., 2018). Greater employee involvement in knowledge sharing leads to the internalization of new knowledge. Thus, knowledge sharing acts as a catalyst for companies to generate and transform knowledge into increased capabilities (Liebowitz, 2001). Darroch and McNaughton (2002) observed that increased knowledge sharing in companies leads to innovation, resulting in the creation of new strategies and work processes and the transformation of organizational growth and performance. Moreover, Qammach (2016) demonstrated that knowledge sharing influences innovation within organizations. Explicit knowledge directly impacts the speed of innovation, while tacit knowledge affects the quality of innovation. Woodman, Sawyer, and Griffin’s (1993) interactive model of organizational innovation indicates that social networks, knowledge, intrinsic motivation, and cognitive ability all contribute to individual creativity. Mittal and Dhar (2015) suggested that spreading knowledge more rapidly fosters the growth of critical and creative thinking. Research indicates that knowledge development and sharing are promoted through socialization, externalization, combination, and internalization (Huang and Wang, 2008; Nonaka and Toyama, 2003). According to Mom et al. (2007), top-down, bottom-up, and horizontal information flows all influence employees’ innovative behavior.

As organizational learning has continued to evolve, March (1991) introduced the concept of exploration versus exploitation, a distinction that is widely recognized and applied in the classification of innovation strategies. Exploration-based innovation relies on new information and capabilities and focuses on developing new products and services, entering new markets, and creating new distribution channels (Božič and Dimovski, 2019). In contrast, utilization-based innovation builds on existing knowledge and skills (Ferreira and Coelho, 2020), and its main goal is to improve existing technologies and products and to increase the efficiency of production and supply of mature products (Benzidia et al 2021). New knowledge is often disruptive and may conflict with employees’ existing knowledge, thus provoking anxiety (Akgün et al 2006).

The self-awareness behavior of humble leaders prompts employees to also recognize their own shortcomings, helping them to overcome anxiety and be more willing to try new knowledge in the innovation process (de Zulueta, 2015). The reconstruction of knowledge relies on the exchange of knowledge or ideas between individuals, and innovation often stems from the collision of ideas (Toffler, 2022). However, effective communication behaviors, such as knowledge sharing, constructive feedback, and learning activities, often face barriers (Razmerita et al., 2016; Rosen et al., 2007). For example, expressing a unique point of view may carry the risk of embarrassment, nonacceptance, or even ridicule; personal inadequacies may also be exposed during the communication process. Humble leaders are adept at accepting a wide range of feedback, responding with interest and listening (Scott, 2019) and giving positive feedback even in the face of challenging ideas. In addition, they guide employees to recognize their own shortcomings and encourage them to express ideas freely without the need to hide or self-depreciate them (Kim and Sahlstein Parcell, 2022; SHUHUI, 2012). Due to the limitations of
their job roles, employees are often hesitant to propose and try new ideas. The self-awareness of humble leaders, which is reflected in a tolerant attitude toward mistakes, is conducive to fostering critical thinking among employees, encouraging them to challenge traditional ideas, propose new ideas, explore unknown territories, and take risks, all of which are key to creative thinking (Wang et al., 2017; Owens and Hekman, 2012). Based on the above analysis, this study proposes the following hypotheses:

H3: Knowledge sharing has a positive impact on employee innovative behavior.
H4: Knowledge sharing mediates the relationship between humble leadership and employee innovative behavior.

3.4. Absorptive capacity moderates the relationship between knowledge sharing and employee innovative behavior

Absorptive capacity, as an important concept in knowledge management theory, has been a focal point of scholarly research (Grandinetti, 2016). Employees can utilize their absorptive capacity to acquire external knowledge and transform it into what is needed for their own innovation, thereby enhancing their innovative capabilities (Flor et al., 2018; Lichtenthaler-U and Lichtenthaler-E, 2009). Consequently, the relationship between absorptive capacity and innovation has emerged as a key research area.

Cohen and Levinthal (1990) were the first to introduce the concept of absorptive capacity, defining it as the ability to learn from external knowledge. They described absorptive capacity as the ability to recognize, evaluate, accumulate, and apply external knowledge in business practices. From a learning perspective, absorptive capacity is an employee's ability to learn and solve problems (Gebauer et al., 2012). From an organizational standpoint, it is the ability of employees to understand, learn, and apply new knowledge through the organization to achieve goals (Gold et al., 2001). As research on absorptive capacity has progressed, scholars, building on earlier studies, have proposed that absorptive capacity is a dynamic capability (Zahra and George, 2002), namely, the ability to identify, acquire, internalize, and apply new external knowledge (Camisón and Forés, 2010). Subsequently, Wang and Han (2011) incorporated the theory of knowledge value into the study of absorptive capacity, emphasizing the significant role of prior knowledge. Although there is no unified definition of absorptive capacity in the literature, scholars generally concur that absorptive capacity is a dynamic capability enabling a firm to proactively identify, acquire, digest, and utilize valuable external knowledge based on its existing knowledge base (Bayighomog Likoum et al., 2020; Martinkenaite and Breunig, 2016; Biedenbach and Müller, 2012). In this paper, absorptive capacity is defined as an organization’s dynamic ability to use its capabilities to identify and acquire valuable knowledge and information from external sources and to improve innovation performance by assimilating and applying this knowledge and information.

Regarding the relationship between absorptive capacity and innovation performance, existing studies largely agree that employees' absorptive capacity significantly impacts innovation output and performance (Zhao et al., 2021; Kostopoulos et al., 2011; Fosfuri and Tribó, 2008). Cohen and Levinthal (1990) were among the first scholars to test this relationship. Their research, from the perspective of prior knowledge, demonstrated that firms could integrate absorptive capacity with their existing knowledge to foster innovation performance. Some scholars have focused on the impact of absorptive capacity on product innovation and have found that it positively influences firms' product innovation (Ramayah et al., 2020; Kobarg et al., 2018; Ukpabio et al., 2016). Others have examined the facilitative effect of absorptive capacity on firm-level innovation (Lowik et al., 2017; Schildt et al., 2012). For instance, Scutto and Morelato, (2013) analyzed data from 215 knowledge-intensive and labor-intensive firms globally and discovered that leveraging absorptive capacity to assimilate knowledge shared by online communities can enhance firm innovation. Patterson and Ambrosini (2015) linked absorptive capacity with innovation, arguing that it involves a firm's process of searching for, acquiring, assimilating, transforming, and applying new external knowledge to augment its innovation capabilities. Luo and Qu (2023) found that absorptive capacity could propel the innovation quality of Chinese high-tech industries by analyzing industry data.

Absorptive capacity is employees' ability to recognize the value of new external information, assimilate it, and apply it to their work. The variance in employees' absorptive capacity levels directly influences their developmental extent (Lowik et al., 2017; Cohen and Levinthal, 1990). This ability is manifested in how employees transform acquired external knowledge into internal knowledge (Jansen et al., 2005). Therefore, the extent of this ability impacts the effectiveness of external knowledge search. High absorptive capacity enables employees to better identify useful innovation, market, and environmental knowledge from diverse external sources (Flor et al., 2018). By integrating this new knowledge with their existing resources and capabilities, they can improve the efficacy and efficiency of resource mobilization, coordination, and deployment, thereby enhancing innovation performance. Absorptive capacity theory highlights the importance of employees' flexibility in reallocating internal and external resources, emphasizing that their capacity to absorb various resources is crucial for both employee and enterprise development (Patel et al., 2012). In this context, absorptive capacity reflects employees' efficiency in utilizing external resources while advancing the enterprise's strategic goals.

Employees with high absorptive capacity are adept at effectively capturing diverse external organizational information and accurately identifying customer needs (Roberts et al., 2012). Through the development of utilized resources, these employees can better coordinate and deploy resource portfolios, thereby developing a competitive advantage and enhancing
the quality of resource development, which in turn promotes innovative performance (Patel et al., 2012). Mowery et al. (1996) demonstrated that such employees can process large amounts of data quickly and efficiently, deriving valuable resources and accurately identifying market trends and customer needs. Using this information, they can improve existing resource allocation and design resource combinations that surpass those of their competitors, thus enhancing resource development quality and further promoting innovation performance.

Moreover, employees with higher absorptive capacity can strengthen the integration efficiency of internal and external resources, thus promoting innovation performance through exploitative resource development (Crescenzi and Gagliardi, 2018; Malik et al., 2022). Nooteboom et al. (2007) showed that tightly integrating internal knowledge with external knowledge can effectively promote exploitative innovation. These employees are capable of organically integrating the organization's internal and external resources, accurately and efficiently matching resources with product or service improvements, and ensuring sustained innovation output. To fully leverage the innovation value of utilized resource development, it is essential to consider external knowledge in conjunction with current market conditions comprehensively. Through knowledge sharing, employees can absorb various types of external knowledge, deepen the existing knowledge base, and facilitate resource development (Kamaşak and Bulutlar, 2010). Some scholars have noted that employees' absorptive capacity is primarily reflected in their ability to respond to and evaluate information and knowledge, transforming it into innovative tools that influence innovation output (Mahmood and Mubarik, 2020; Lichtenhaler-U and Lichtenhaler-E, 2009). Their study also elaborated on the moderating effect of absorptive capacity on the relationship between knowledge acquisition and new service development performance, showing that higher absorptive capacity leads to greater contributions to innovative behavior development.

Finally, employees with a higher level of absorptive capacity can acquire and accumulate more tacit knowledge, which aids in exploratory resource development, resulting in increased innovative outputs (Engelman et al., 2017). Exploratory resource development is closely related to tacit knowledge. For new firms with strong absorptive capacities, the ability to transform external knowledge is enhanced, allowing them to accumulate more tacit knowledge about resource attributes and providing favorable conditions for employees to engage in exploratory resource development (Valentini et al., 2016). Based on this tacit knowledge, employees can enhance the quality of exploratory resource development through unconventional mobilization and deployment of resource portfolios, further promoting innovative behavior (Badir et al., 2020). Moreover, exploratory resource development may necessitate the reorganization and transformation of new knowledge with existing knowledge, fostering collisions between old and new resources to spark new ideas. Flor et al. (2018) verified the actual impact of employee absorptive capacity on the relationship between knowledge search and innovation behavior, indicating that when employee absorptive capacity is high, knowledge collection and sharing are more conducive to breakthrough innovation. A study by Ma et al. (2021) indicated that absorptive capacity, as a dynamic capability, significantly impacts the acquisition of both new and existing knowledge. Absorptive capacity, based on knowledge creation, can generate unique and renewed configurations in organizational practices, which, when combined with exploratory activities, can enhance innovation performance. Based on these analyses, the study hypothesizes the following:

**H5:** Absorptive capacity positively moderates the relationship between knowledge sharing and employee innovative behavior.

### 4. Conceptual Framework

In the context of China's Intangible Cultural Heritage (CICH) Site for Small and Medium Enterprises (SMEs), this research aims to ascertain whether employee innovative behavior (EIB), as a dependent variable, is significantly related to humble leadership (HL), psychological empowerment (PE), and knowledge sharing (KS) as mediators influencing the overall mechanism model, with absorptive capacity (AC) and psychological resilience (PR) playing moderating roles. The conceptual framework for this study is depicted in Figure 1.

### 5. Significance of the study

There is a knowledge gap regarding the interplay between employee innovative behavior (EIB) and Humble leadership (HL). In this mechanism, KS acts as a mediator, influencing the overall model, while AC plays a moderating role. Limited research has been conducted on how leadership influences individual-level outcomes such as creative behavior and problem-solving abilities through these knowledge management processes.

Second, this study can guide human resources staff, policymakers, and planners within SMEs to develop policies or workflows that bolster employee innovative behavior. The insights derived from this research aim to mitigate the risk of job loss or bankruptcy by equipping employers with a nuanced understanding of the positive and negative impacts of innovative behavior on employee performance. It can serve as a benchmark for SMEs developing strategies to enhance innovation and remain competitive. By pinpointing the factors most influential on employee innovative behavior and creating a conducive
environment for innovation, organizations can maintain competitiveness, thereby contributing to the growth of SMEs in China and the broader economic landscape.

Finally, the study is particularly crucial for SMEs in the CICH sector in China, as it is poised to be the first systematic investigation into employee innovative behavior within this field. By filling an existing research void and offering evidence-based management strategies, the study contributes to both theoretical and practical realms. It facilitates industry innovation and sustainable growth, providing CICH SMEs with strategies to compete internationally. Additionally, this study provides policymakers with empirical recommendations on how to nurture this sector, thereby ensuring the long-term sustainability and evolution of China’s intangible cultural heritage.

6. Final Considerations

This study explores the impact of humble leadership behavior, grounded in traditional Chinese cultural thought, on the innovative work behavior of knowledge-based employees within modern enterprise management. Utilizing traditional philosophical perspectives, both theoretical and empirical models are constructed to examine the relationship between humble leadership and employees' innovative work behaviors. The study focused on analyzing the mediating effects of psychological empowerment (PE) and knowledge sharing (KS), as well as the moderating effects of absorptive capacity (AC) and psychological resilience (PR). Furthermore, it offers insightful suggestions for selecting leadership styles, managing employees, and fostering innovative work behaviors in corporate management practices.

Recent research on leadership styles has concentrated on leaders' roles in supporting employee growth and unlocking their knowledge potential, alongside their contribution to achieving organizational goals (Abbas et al 2020; Mujeeb et al 2021; Salleh et al 2018). Humble leadership, particularly in employee-centric studies, has been recognized as an effective modern leadership style. This study notably addresses the processes and boundary conditions under which humble leadership yields positive outcomes, especially in the context of SMEs, where employees are key knowledge carriers. Delving into the impact of humble leadership within nonheritage cultural and creative industries, this study investigates this influence from the perspectives of employee self-development and psychological traits, integrating a deeply rooted humble culture.

The study reviewed servant leadership theory, absorptive capacity theory, and self-determination theory, subsequently constructing a theoretical model, and proposing eight hypotheses. SPSS and PLS statistical analysis software were subsequently used to process and analyze the data from Chinese nonheritage cultural and creative SMEs to validate the empirical model.

7. Future Research Directions

This study explores the impact of humble leadership behavior, grounded in traditional Chinese cultural thought, on the innovative work behavior of knowledge-based employees within modern enterprise management. Utilizing traditional philosophical perspectives, both theoretical and empirical models are constructed to examine the relationship between humble leadership and employees' innovative work behaviors. The study will focus on analyzing the mediating effects of knowledge sharing (KS) and the moderating effects of absorptive capacity (AC). Furthermore, it offers insightful suggestions for selecting leadership styles, managing employees, and fostering innovative work behaviors in corporate management practices.

Recent research on leadership styles has concentrated on leaders' roles in supporting employee growth and unlocking their knowledge potential. Humble leadership, particularly in employee-centric studies, has been recognized as an effective modern leadership style. This study notably addresses the processes and boundary conditions under which humble

---

**Figure 1** The Conceptual Research Framework.

*Source:* Developed for the research.
leadership yields positive outcomes, especially in the context of SMEs, where employees are key knowledge carriers. Delving into the impact of humble leadership within nonheritage cultural and creative industries, this study investigates this influence from the perspectives of employee self-development and psychological status, integrating a deeply rooted humble culture.

The study reviewed servant leadership theory, absorptive capacity theory, and self-determination theory, subsequently constructing a theoretical model, and proposing five hypotheses. SPSS and PLS statistical analysis software were subsequently used to process and analyze the data from Chinese nonheritage cultural and creative SMEs to validate the empirical model.

Moreover, the study employs a multidimensional structural equation model for model validation, exploring the intrinsic relationships among variables. Specifically, it will investigate how knowledge sharing and absorptive capacity interact and influence individual behavior. Future research will also focus on the impacts of explicit and tacit knowledge sharing on the formation of intellectual capital and how individuals use knowledge sharing to migrate intellectual capital and initiate innovative activities.

Acknowledgment

I appreciate the valuable guidance from the principal supervisor and co-supervisor, Dr. Intan, and Dr. Suhaila. They provided insightful discussions and feedback, which greatly facilitated the research.

Ethical considerations

Not applicable.

Conflict of Interest

The authors declare no conflicts of interest.

Funding

This research did not receive any financial support.

References


SHUHUI, A. N. (2012). **EATING THE HUMBLE PIE: A NON-DEFENSIVE RESPONSE TO FAILURES.**


