THE ROLE OF LEADERS IN DRIVING CHANGE AND INNOVATION IN THE GENERAL INSURANCE SECTOR: A LITERATURE REVIEW AND FUTURE RESEARCH DIRECTIONS

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ABSTRACT

This study examines the important role of leadership in driving change and innovation in the general insurance sector through a systematic literature review. By analyzing recent studies, we explore how leaders in the general insurance industry can effectively facilitate organizational transformation and foster a culture of innovation amid digital disruption and rapid market change. Through a systematic analysis of 43 scientific articles published between 2014-2024, the study identifies several key themes, namely visionary, adherent, and transformational leadership styles as catalysts for change, the importance of creating a culture of innovation, the use of technology and data analytics in product and service innovation, strategies for managing resistance to change, and developing organizational capabilities to innovate sustainably. We also examined the specific challenges insurance leaders face in managing change, such as technology disruptions, customer expectations, regulatory constraints and employee resistance. The findings show that leaders who successfully adopt a visionary, adaptive and transformational and human-centered leadership approach tend to be more effective in driving innovation and managing organizational change. The study provides insurance executives and policymakers with valuable insights into leadership strategies that can improve the competitiveness and sustainability of general insurers in the digital age. We also identify gaps in the existing literature and suggest directions for future research to better understand the dynamics of leadership in the context of innovation in the general insurance industry.

INTRODUCTION

In an ever-evolving global economic landscape, industries around the world are faced with an urgent need for change and innovation to remain competitive and relevant. Among all of them, the general insurance sector stands out as a field that constantly faces market demand dynamics, technological advancements, and regulatory changes that constantly challenge the status quo. The general insurance sector, characterized by its dynamic nature and vulnerability to global trends and technological advancements, requires effective leadership to control change and innovation. The role of leadership in this context has become particularly important, as leaders are saddled with the dual responsibility of navigating these changes and developing an environment where innovation can thrive.

Understanding the leadership objectives in driving change and innovation in the general insurance sector is essential to understanding how these organizations can adapt and evolve. Leaders are not just decision-makers; They are visionaries who inspire, motivate, and guide their teams through uncertainty. Their strategies, mindsets, and actions play a crucial role in setting the future direction of their company.

Highlighting the importance of leadership in this context, it is crucial given the unique challenges faced by the general insurance industry. From adapting to digital transformation, addressing changing consumer behavior, to complying with new regulations, leaders in the sector must be adept at managing change and cultivating an innovative culture to overcome these hurdles. A leader's capacity to influence and drive change can have a significant impact on an organization's ability to innovate and stay ahead of the curve.

As background information, the general insurance sector has historically been considered conservative and slow to change. However, the digital era has ushered in a period of rapid transformation. As such, more and more literature examines various aspects of leadership and their impact on organizational change and innovation. This literature review aims to synthesize the findings from these studies to provide insight into the role of leaders in the general insurance sector and seek to explain the multifaceted role that leaders play in fostering an organizational culture that is conducive to innovation and change, which ultimately improves competitiveness and customer satisfaction. By synthesizing various scientific perspectives and empirical findings, the study aims to provide a comprehensive understanding of the leadership strategies that have proven successful in steering the general insurance industry towards a more innovative future. Leaders in the insurance domain must adopt a transformative mindset, fostering an environment conducive to experimentation and agile response. Ultimately, embracing these changes is not only beneficial but essential for the survival of the sector and alignment with societal demands, ensuring that the industry remains relevant and resilient.

The research question at the heart of this review is: "How does leadership affect the capacity of general insurers to drive change and foster innovation?" To answer this question, this review will explore the theoretical foundations of leadership in the context of change and innovation management, particularly in the general insurance sector. Change and innovation are key elements in maintaining

the competitiveness and relevance of an organization in the digital era. In the general insurance sector, which is faced with regulatory changes, increased competition, and technological developments, the role of leaders is becoming increasingly crucial. Leaders have a central role in driving innovation, managing change, and creating an organizational culture that is adaptive to a dynamic environment.

The scope of this literature review is limited to empirical studies and theoretical analyses that are directly related to leadership, change management, and innovation in the general insurance industry. This scope includes examining the different leadership styles, organizational cultures that support innovation, and the strategies used by leaders to manage change.

By reviewing the relevant literature, this paper will highlight key findings and identify gaps in the current understanding of how leadership is influencing change and innovation in the general insurance sector. This review will critically analyze the various leadership approaches and their outcomes, and provide a comprehensive overview of the subject.

This approach or methodology of literature review involves a systematic search and analysis of existing research on the topic. It includes academic journals, industry reports, and case studies that offer insights into the dynamics of leadership in the general insurance sector.

The expected contribution of this paper is to provide a clearer understanding of the role of leadership in driving change and driving innovation in the general insurance industry. By synthesizing existing research, this review aims to offer valuable insights to practitioners in the field and contribute to academic discourse on leadership in the context of organizational change and innovation. In keeping clear and concise, this introduction has set the stage for a comprehensive literature review that explores the critical role of leaders in shaping the future of the general insurance sector through change and innovation.

RESEARCH METHOD

The focus of this research is to identify, analyze, and synthesize relevant literature to understand the role of leaders in driving change and innovation in the general insurance sector using the literature review method. This method allows researchers to systematically collect, analyze, and interpret secondary data from previous research, which offers a detailed understanding of how leaders play a role in driving change and innovation.

Literature reviews are conducted by identifying, analyzing, and synthesizing relevant and published studies related to leadership, organizational change, and innovation in the context of general insurance. Literature is selected from the indexed databases Scopus, Google Scholar, JSTOR, ProQuest, Emerald Insight, ScienceDirect and other publications with a span of the last 10 years (2014-2024) to obtain high-quality articles and current studies. The selected articles are relevant to the topic and have a valid and accountable research methodology. To find articles that fit the research topic, keywords such as "transformational leadership", "innovative leadership", "organizational change", "innovation", "insurance sector",

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"insurance digitalization" and "business transformation" to filter the data. The collected articles are then re-selected, especially in looking for the context of leaders in encouraging change and innovation and discarding articles related to changes from social contexts such as communities, society, or changes in certain issues that are not in the context of the organization.

The themes that emerge are drawn from various selected articles to develop a coherence review. In addition, the existing categories are then compiled to form a narrative review (Creswell & Creswell, 2017), including concepts related to leadership and innovation from the perspective of leaders in driving change and innovation in the general adaptation sector

The literature selection and analysis process is carried out with the following steps:

1. Stage 1: Initial Identification
    Perform an initial search with predefined keywords in the selected database.
2. Stage 2: Screening
    Filter search results by title and abstract to identify publications that are relevant to the inclusion criteria.
3. Stage 3: Complete Inspection
    Read all the publication texts that pass the screening stage to ensure their relevance and quality.
4. Stage 4: Data Extraction
    Extracting important information from selected publications, such as definitions, theories, models, research findings, and conclusions.
5. Stage 5: Synthesis and Analysis
    Analyze and synthesize the information that has been extracted to identify key themes, patterns, and gaps in the literature.

RESULT AND DISCUSSION

A total of 30 articles were analyzed for further processing. Furthermore, theories of leadership, change and innovation with an organizational context can be found in general organizations. From the selected scientific articles, several themes emerged. These themes include leadership, the role of leaders in managing organizational change, innovation, the role of leaders in innovation, leadership and change in the digital era, employee empowerment in change and innovation and challenges in driving change and innovation which will be discussed in the next section.

Various studies have highlighted the crucial role of leadership in addressing challenges in an era of rapid change. Nöthel et al. (2023) developed the Adaptive Leadership Behavior Scale, emphasizing the importance of adaptability in leadership effectiveness. Goniewicz & Hertelendy (2023) stressed the need for leadership that is responsive to emerging challenges, while Aridi (2022) highlighted the necessity of smart and adaptive leadership models in crisis management. Rawat et al. (2023) examined leadership competencies, including resilience and critical decision-making skills. Norman et al. (2024) and John et al. (2023) discussed the

significance of flexible and collaborative leadership in enhancing organizational resilience and addressing digitalization challenges. Grindle et al. (2024) demonstrated how the concept of shared value can increase a company's competitive advantage by linking profitability to social impact. Onimla & Asikhiya (2022) and Mughal et al. (2024) explored the influence of transformational leadership in organizations and education. Patiro & Damayanti (2024) and Parwati et al. (2024) examined the effects of organizational changes driven by the Fourth Industrial Revolution on employees' negative emotions and trust issues. Maqbool & Humayun (2023) and Skovgaard & Nielsen (2023) highlighted the role of strategic leadership in fostering innovation in education and organizations. Kupa et al. (2024) discussed how leadership and organizational change contribute to a culture that prioritizes safety and innovation. Chaman & Naliya (2023) emphasized the impact of employee involvement in strategic change on the performance of insurance companies. Meanwhile, several studies focused on innovation in the insurance industry, including digital transformation (O., O., Sosnovska, 2021; Omidi et al., 2017; Ostagar, 2018; Lanfranchi & Grassi, 2021; Liu et al., 2023). Other studies, such as those by Fayed et al. (2024), Alzoraiki et al. (2024), and Mozie & Mahadi (2024), explored transformational leadership in educational innovation and the development of innovative work behavior. Research on digital transformation was also conducted by Nawar et al. (2023), Price et al. (2023), Thamtarna & Soransaruhat (2024), Jowarder (2024), and Dey (2022), emphasizing the role of leadership in successful digital transformation. Sunari et al. (2024) and Altınöz & Çakıroğlu (2022) examined transformative management strategies and talent management in employee empowerment. Heim & Gierlich-Joas (2022) highlighted the integration of digital innovation with employee empowerment, while Mohammed et al. (2022) demonstrated how employee involvement enhances service innovation. Agbelie & Aliyu (2022) investigated the relationship between age, gender, and emotional intelligence in leadership. Studies by Koprivica (2018) and Cebulsky et al. (2018) addressed challenges in InsurTech and digitalization in the insurance sector. Additionally, research on resistance to change, including IOBLE et al. (2024), Darjan (2024), Taşkın et al. (2024), Nowak (2023), and Ghys (2023), highlighted how barriers to change can hinder innovation but also serve as a valuable feedback mechanism for organizations.

Adhesive and Transformational Leadership in the General Insurance Sector
1. Concept and Characteristics of Adatifial Leadership

Adaptive leadership is increasingly recognized as crucial in a dynamic and challenging environment, highlighting the need for leaders who are flexible, innovative, and able to navigate uncertainty. The development and validation of the Adaptive Leadership Behavior Scale (ALBS) by (Nöthel, Nübold, Uitdewilligen, Schepers, & Hülsheger, 2023) provides a practical instrument for measuring adaptive leadership behavior, emphasizing the importance of adaptability in leadership effectiveness. (Goniewicz & Hertelendy, 2023) emphasized the urgency for leaders to adopt a learning mindset and prioritize organizational learning and post-pandemic mental health, demonstrating that adaptive leadership involves continuous improvement and responsiveness to emerging challenges. (Aridi, 2022)

exploration into intelligent and adaptive leadership models in the government sector underscores the complexity of leadership in facing crises and the need for a comprehensive and effective development approach that embraces public management. (Rawat, Deshpande, Boe, & Piotrowski, 2023) discuss leadership competencies that are essential for overcoming challenges, including adaptive resilience and the ability to make important decisions amid uncertainty, which are critical for both military and non-military organizations. Finally, Norman's (2024) study on adaptive and flexible leadership in the era of digital transformation highlights the importance of such leadership styles in improving organizational resilience and performance, which further contributes to an understanding of the role of adaptive leadership in ensuring organizational sustainability. Together, these findings shed light on the defining characteristics and importance of adaptive leadership in a variety of contexts, including its critical role in navigating change, driving innovation, and enhancing organizational resilience.

Adaptive leadership in the general insurance sector is essential for navigating the complexities of digital transformation and improving organizational performance. This leadership style emphasizes the ability to identify adaptive challenges, create a safe environment, and foster self-leadership among employees. According to Odindo et al., (2023), adaptive leadership in the general insurance sector involves employees to overcome complex challenges through collaboration and experimentation, driving innovation to improve digital transformation and organizational resilience. Successful leadership in the general insurance sector is often characterized by the ability to integrate innovative practices while fostering collaboration among stakeholders. Furthermore, embracing the concept of shared values can increase a company's competitive advantage by directly linking profitability to social good, as emphasized in (Tate & Bals, 2018). Such strategic leadership not only drives economic growth but also addresses pressing social issues, thereby building trust with stakeholders. Ultimately, this case study reveals that adaptive and socially responsible leadership is essential to drive meaningful change and innovation in the insurance sector, ensuring sustainability and long-term success.

2. Concept and Characteristics of Transformational Leadership

An examination of transformational leadership in various sectors reveals important insights into its conceptual foundations and characteristics. In the work of Oniemola (2022), a comprehensive analysis is given to leadership theory, including transformational leadership, which highlights its significance in organizational effectiveness and response to challenges. The study underscores the role of transformational leadership in inspiring change and facilitating the achievement of goals through innovation and motivation. Meanwhile, (Mughal, Atta, Khan, & Zareen, 2024), focuses on the application of transformational leadership in educational settings, particularly among secondary school principals in Muzaffarabad. The findings demonstrate a moderate level of transformational leadership among school principals, which emphasizes the potential of approaches to improve educational outcomes through inspirational motivation and progressive change. These papers collectively contribute to understanding the concepts and

characteristics of transformational leadership, demonstrating their relevance in various domains, including the general insurance sector.

3. Research Gaps and Suggested Agendas

Despite a comprehensive exploration of transformational leadership in the education sector (Mughal, 2024) and a broad evaluation of leadership theories including transformational leadership (Oniemola, 2022), there is still a real gap in understanding how transformational leadership practices are manifested in the general insurance sector. This gap presents an important avenue for future research, particularly in understanding the specific challenges and opportunities for transformational leadership in this unique context. Therefore, the recommended research agenda includes:

a) An empirical investigation of the prevalence and impact of transformational leadership practices among leaders in the general insurance sector.
b) A comparative study that examines the effectiveness of transformational leadership in the general insurance sector versus other sectors, such as education or healthcare.
c) Identify and analyze sector-specific barriers to the implementation of transformational leadership practices in the general insurance industry.

The Role of Leaders in Managing Organizational Change

This chapter, which focuses on the research question "The Role of Leaders in Managing Organizational Change", provides a comprehensive overview of how leadership plays a critical role in navigating and facilitating organizational change. The research synthesis reveals that leaders play an important role in overcoming negative emotions among employees, such as trust issues and resistance to change, triggered by the transformation caused by the industrial revolution 4.0. Further, this chapter emphasizes the importance of leadership in building an adaptive organizational culture, fostering innovation, and engaging employees in strategic change to improve performance and competitive advantage across various sectors, including education, FMCG, and insurance. This underscores the importance of strategic leadership qualities and effective communication in ensuring the successful implementation of innovation and organizational change.

1. Strategies for Overcoming Employee Resistance to Change

Research by Patrio & Damayanti (2024), and (Patiro & Damayanti, 2024) collectively highlight that organizational change, driven by the industrial revolution 4.0, has led to significant negative emotions among employees, which in turn, manifests as a matter of trust in one instance and resistance to change in another. Both studies underscore the important role in addressing these negative emotions to reduce rejection and foster trust during organizational transitions.

2. Creating an Adaptive Organizational Culture

The studies reviewed collectively underscore the important role of leadership in facilitating organizational change and fostering an adaptive organizational culture. In (Maqbool & Humayun, 2023), this study highlights the strong relationship between strategic leadership and innovative performance of educational institutions in Pakistan, which shows that leadership quality directly contributes to long-term success through innovation. Similarly, (Skovgaard &

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Vestergaard Nielsen, 2023), emphasized the importance of implementation leadership in organizational innovation, noting that effective communication and stakeholder management are essential for the absorption of innovation at various speeds. Finally, (Kupa, Adanma, Ogunbiyi, & Solomon, 2024), investigated the FMCG sector, stating that leadership and organizational change are key to fostering a culture that prioritizes safety and innovation, thereby ensuring resilience and competitiveness. Together, these findings illustrate the critical role leaders play in managing organizational change and creating an environment conducive to adaptation and innovation.

3. Implementation of Changes in the Context of Insurance Regulation

Research by (Chummun & Nleya, 2023), highlights the significant impact of employee involvement in strategic change on the performance of insurance companies in Zimbabwe through participation in decision-making, teamwork, communication, creativity, and innovation. This emphasizes the need for leaders in the insurance industry to engage employees in strategic change initiatives to improve organizational performance and competitive advantage.

4. Research Gaps and Suggested Agendas

The studies reviewed highlight the important role of leadership in managing organizational change in various sectors. However, there is still a gap in understanding the mechanisms underlying leadership styles in influencing the outcome of change. More empirical research is needed that distinguishes between leadership styles (e.g., transformational vs. transactional) and their direct impact on employee engagement and innovation during the change process. Research can explore the role of leadership in reducing negative emotions and resistance in organizational change, especially in the context of rapidly evolving industries such as insurance and FMCG. Further research is needed to examine the integration of technological advances in change management strategies and how leadership can effectively utilize these tools to improve organizational resilience and innovation.

Driving Innovation in General Insurance Companies

1. Summary of Findings

Innovation has become one of the main factors in maintaining the sustainability and competitiveness of companies in various industries, including in the general insurance sector. In the midst of the rapid development of digital technology, insurance companies are facing pressure to innovate in their products, services, and operations. Innovation in insurance does not only focus on the insurance products offered, but also includes how companies interact with customers, claims processing processes, to the use of data and technology. Driving innovation in general insurance companies is essential to adapt to market changes and improve competitiveness. Key strategies include leveraging technology, fostering a culture of innovation, and exploring diverse financing options.

According to (Bin Shamsuddin, Gan, & Anh, 2025), the transformative digital technology in the insurance industry, highlights the opportunities and challenges on the path to innovation. Omidi et al (2017) underlined that creativity and innovation are essential for insurance companies to remain competitive in a rapidly changing market. Ostagar (2018), emphasized how technology is essential for the overall

evolution and growth of the insurance sector. This highlights that technological advancements are not only beneficial but essential for the future direction of the industry and adaptation to change. Technology can boost innovation in general insurers by streamlining processes, improving data analysis, and facilitating market research, ultimately driving growth and customer satisfaction. Lanfranchi and Grassi (2021), found that the ability to innovate through technology is a key determinant of success and competitiveness in the insurance industry, where innovation leads to the creation of new insurance products that better address current risks. Liu et al (2023), emphasized the importance of innovation in the insurance industry and the importance of InsurTech in driving innovation in the insurance industry, especially in the context of China's evolving market landscape.

2. Building a Work Environment that Supports Creativity

A synthesis of findings across the reviewed literature reveals that transformational and ethical leadership contribute significantly to fostering an environment that supports creativity and innovation in organizations. (Al Fahyed et al., 2024) highlights the role of transformational leadership in the educational environment, emphasizing the importance of transformational leadership in guiding and inspiring commitment to innovation. Similarly, (Yu & Jang, 2024) identified the positive impact of transformational leadership on the innovation ability of university teachers, emphasizing the need for visionary leadership focused on growth and change. (Uppathampracha & Liu, 2022), complemented these findings by showing how ethical leadership promotes innovative work behaviors through psychological safety and proactive personality encouragement among employees. Collectively, these papers demonstrate that a leadership style that values vision, support, and ethical principles is critical in building a work environment that supports creativity and innovation.

3. Research Gaps and Suggested Agendas

Despite the valuable insights provided regarding the role of leadership in driving innovation in educational and organizational settings, there is still a lack of research specifically focused on the general insurance sector. The identified research gaps and suggested future research agendas include:

a) The need to explore how transformational and ethical leadership styles can be specifically adapted and applied within the general insurance industry to drive innovation, taking into account the unique regulatory, risk management, and customer service challenges.

b) Investigate the role of psychological safety and proactive personalities among employees in the general insurance sector in encouraging innovative work behaviors, taking into account the fast-paced and competitive nature of the industry.

c) Develop tailored strategies to enhance employee innovation capabilities in the general insurance sector, by leveraging insights into leadership influences, organizational culture, and individual employee characteristics.

Leadership in the Era of Digital Transformation

This section, which focuses on research questions about leadership in the era of digital transformation, will uncover the critical role of leadership in guiding

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organizations through the complexities of digital transformation. The studies in this chapter collectively illustrate how effective leadership strategies, embracing digital technologies, and addressing organizational and customer-centric challenges can significantly improve organizational competitive advantage and performance across various sectors, including insurance, banking, and education. Key themes include the critical influence of digital adoption in the insurance industry, the challenges and motivations for digital technology adoption among education leaders, and the importance of strategic leadership and technology integration in navigating digital disruption across sectors. This synthesis underscores the critical role of leadership in effectively leveraging digital transformation for organizational success.

1. Technology Adoption and Its Impact on the Insurance Industry

The studies collected collectively underscore the transformative impact of digital adoption in the insurance industry, highlighting the importance of digital transformation technologies, governance mechanisms, and customer perceptions in improving service delivery and organizational performance. In (Abboud, 2023), this study identifies the important role of digital transformation in improving the competitiveness and efficiency of public insurance companies in Iraq through digital platforms. Meanwhile, (Mulyana, Rusu, & Perjons, 2023), shows how hybrid IT governance mechanisms moderately affect digital transformation, which in turn significantly improves organizational performance in Indonesia's banking and insurance sector. Lastly, (Thamtarana & Sornsaruht, 2024), explores the drivers behind digital insurance adoption among Thai customers, demonstrating that service quality, organizational image, and digital innovation technologies are key to adapting to disruptive changes in the insurance market. Together, these findings show that effectively leveraging digital technologies and governance strategies can lead to improved service offerings and organizational achievement within the insurance industry.

2. Development of Digital Competencies of Leaders and Employees

A study by (Okunlola, 2024), highlights the challenges and motivations for high school leaders in adopting digital technology. The main obstacles identified included inadequate training, resistance to change, and budget constraints. Instead, the motivation to engage with digital leadership practices comes from anticipated benefits such as improved communication, improved student learning outcomes, and future readiness. The findings underscore the importance of leadership in driving digital transformation in educational institutions, demonstrating that overcoming these barriers and harnessing drivers through continuous professional development and strategic planning is essential for developing digital competencies among leaders and staff.

3. Leadership Strategies for Facing Digital Disruption

In the era of digital transformation, strategic leadership and the integration of emerging technologies are critical to the success of organizations and navigating digital disruption. A paper by (Jowarder, 2024) underscores the importance of strategic management and agile organizational structures in financial services, emphasizing the role of leadership in driving innovation and aligning digital strategies with business goals for sustainable growth. (Badada, Delina, Krishnaraj,

& Thiruthuvanathan, 2025) highlights the critical role of technology leadership in driving organizational success, demonstrating how visionary thinking and strategic alignment with business goals can harness the power of digital transformation and emerging technologies such as those used by Amazon and Tesla for competitive advantage. Together, these studies provide a comprehensive view of leveraging leadership strategies to navigate and capitalize on digital disruption.

4. Research Gaps and Suggested Agendas

Existing literature shows a growing interest in the dynamics of digital transformation across various industries but highlights specific gaps in understanding the role of leadership in this paradigm shift. While acknowledging the importance of leadership in navigating digital transformation, insights into the specific leadership styles that are most effective in fostering a culture of innovation and adaptability in the face of rapid technological change are still limited. The interaction between technology leadership and organizational structure in driving successful digital transformation initiatives is still underexplored, particularly in how leaders can build and maintain an agile and digital-first organizational culture. Empirical research focused on the competencies and capabilities that define successful technology leaders in the digital age is needed, with a particular emphasis on how these leaders affect organizational performance and competitive advantage. This gap presents a rich agenda for future research aimed at deciphering the nuances of leadership in the digital age.

Employee Empowerment and Talent Development
1. Summary of Findings

Employee empowerment and talent development are essential to drive change and innovation within the organization. Empowerment increases employee involvement in decision-making, which is essential for driving service innovation and improving performance. Talent management practices, such as mentoring and leadership development, contribute significantly to employee empowerment, creating a competitive advantage in various sectors, including hospitality and education (Hamizar, 2023) (Altinöz & Çakıroğlu, 2022). In addition, integrating digital technologies can further enhance empowerment, facilitating innovative solutions such as employee-initiated AR/VR tools (Heim & Gierlich-Joas, 2022). Key aspects include: providing a sense of involvement in decision-making, leading to increased motivation and innovation (Alahbabi & Al-Dhaafri, 2022). Structural and psychological empowerment have a positive impact on innovation performance, with more influential structural empowerment (Masadeh et al., 2019) and talent identification effectively utilizing professional evaluation and training tools to improve skills (Hamizar, 2023). Sustainable talent management is essential for retaining skilled employees in a competitive market (Altinöz & Çakıroğlu, 2022). While the focus on empowerment and talent development is essential, some argue that overemphasis on these areas can lead to the neglect of other important organizational factors, such as resource allocation and strategic alignment, which are equally important for innovation and sustainable change.

2. The Role of Emotional Intelligence in Insurance Leadership

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Emotional intelligence (EI) is essential to the success of mid-level managers in Ghana's insurance industry, with gender influencing EI levels, unlike age which does not affect it significantly (Agbelie&Aliyu, 2022). A study by Agbelie&Aliyu (2023), found no difference in EI levels among mid-level managers based on age, which suggests that age is not a determinant of EI. In contrast, Agbelie & Aliyu (2023) show that gender affects EI levels, which suggests that it should be considered in the development of leadership skills in the industry.

3. Research Gaps and Suggested Agendas

While there is a significant understanding of emotional intelligence (EI) among mid-level managers in the Ghanaian insurance industry, there is still a gap in understanding its impact on employee empowerment and talent development. There is a lack of research examining how high EI from managers influences their strategies for employee empowerment and talent development in the industry. The current study does not examine the direct impact of managers' EI on organizational performance metrics, including employee satisfaction, retention, and productivity. The absence of qualitative studies that could provide more in-depth insights into how age- and gender-related differences in EI among managers affect their leadership styles and, ultimately, employee empowerment and talent development. Further research in this area can provide valuable strategies for utilizing EI in managerial roles to improve organizational outcomes.

Challenges in Driving Change and Innovation

The general insurance sector faces significant challenges in driving change and innovation, especially due to technological disruptions and evolving customer expectations. Traditional insurers often struggle to adapt to the rapid pace of digital transformation, which is essential for maintaining competitiveness. Key challenges include:

a. Technology Disruption

InsurTech companies are emerging as formidable competitors, leveraging technology to improve customer experience and streamline processes (Koprivica, 2018). Traditional insurance companies are often seen as technologically backward, hindering their ability to innovate (Koprivica, 2018).

b. Customer Expectations

The shift towards a customer-centric model requires a reorganization of the Company's culture and operations (Cebulsky et al., 2018). Insurers must navigate a complex ecosystem involving various stakeholders to meet diverse customer demands (Cebulsky et al., 2018).

c. Regulatory and Operational Hurdles

Established insurers face challenges in compliance and adapting to new business models, which can limit their agility (Koprivica, 2018) (Holland & John, 2021). The integration of advanced technologies such as AI and big data analytics requires new skills and capabilities, posing further operational challenges (ogilla Odindo, K'aol, & Njenga, 2023). Despite these challenges, the potential for innovation through partnerships between traditional insurers and InsurTech companies presents a path for growth and adaptation in the sector (Koprivica, 2018) . According to (Mustafina, Kaigorodova, Alyakina, Velichko, & Zainullina, 2020),

leaders in the sector must be able to navigate complex regulations while still encouraging innovation. This requires the ability to collaborate with regulators and ensure that innovations remain in line with existing legal requirements.

d. Resistance to Change and Innovation

Resistance to change and innovation is a challenge that is often faced by leaders. According to (Preet & Chahal, 2024) and (Darjan, 2024) the factors contributing to resistance are physiological barriers, in the form of fear of losing a job, skills obsolescence, and emotional reactions can significantly hinder the acceptance of new technologies. Cultural influences play an important role; Resistance negatively moderates the relationship between market culture and innovation performance (Taşkın et al., 2024). Systemic inertia where in rigid systems, such as traditional educational frameworks, centralized control fosters resistance, making it difficult to implement the necessary reforms (Darjan, 2024). In the general insurance sector, this resistance could hinder the adoption of new technologies and slow down digital transformation. Leaders must address this resistance through training, clear communication, and providing incentives that support change.

According to Preet & Chahal (2024), strategies to overcome resistance are effective communication, i.e. clear reporting and open dialogue can reduce fear and promote understanding of new technologies, and customized training programs can increase knowledge and reduce resistance by empowering employees. Involving employees in the change process and demonstrating a strong leadership commitment can foster a supportive environment for innovation (Preet & Chahal, 2024) (Nowak, 2023). While resistance to change is often viewed negatively, it can also serve as a critical feedback mechanism, prompting organizations to reassess their innovation strategies and ensure they align with the needs and values of all stakeholders (Tuur, 2023).

CONCLUSION

The literature review underscores the importance of leadership in driving change and innovation in the general insurance sector. Transformational leaders, by encouraging positive leader-member exchanges and supportive organizational culture, increase employee readiness for change, thereby facilitating job structuring behavior and innovation. Furthermore, the integration of advanced technology and strategic organizational capabilities play a crucial role in maintaining innovation and competitiveness. The role of leaders in driving change and innovation in the general insurance sector is crucial. Visionary, transformational, and adaptive leaders have the ability to create a culture of innovation that supports sustainable change. They serve as agents of change that not only drive technological innovation but also manage resistance to change and build an environment that supports risk-taking. Challenges such as internal resistance and regulatory complexity require leadership capable of delivering innovative solutions while maintaining a balance with legal compliance. With the right leadership, the general insurance sector can continue to grow and innovate amid existing challenges.

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However, the research gaps identified indicate the need for further investigation into the direct impact of leadership in leveraging technology for innovation, the scalability of emerging technologies, and the development of a comprehensive model that links leadership strategy to organizational innovation capabilities. Addressing this gap will play a key role in devising strategies that ensure the general insurance sector remains resilient and competitive in an ever-evolving landscape.

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