Unveiling the Hidden Curriculum of Transformational Leadership: A Novel Paradigm for Future Organisational Learning

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Abstract

This paper critiques traditional approaches to organisational learning and transformational change, which often rely heavily on past experiences and knowledge, overlooking today's environment dynamic, implicit, and evolving nature. These conventional methods fail to address challenges posed by the hidden curriculum of leadership, which significantly shapes organisational behaviour. In response, the paper introduces a conceptual model integrating organisational learning and transformational leadership within a future-driven learning framework. Drawing on interdisciplinary perspectives from organisational studies, leadership theories, systems theory, and cognitive science, it argues that the hidden curriculum of transformational leadership can provide a foundation for fostering future-oriented learning and transformational change practices. The study proposes a paradigm shift in organisational learning, where leaders' implicit values, behaviours, and practices drive sustainable change by learning from future potentials. By focusing on the hidden curriculum, this paper goes beyond the limitations of traditional, reactive learning approaches, illustrating how leaders' implicit lessons can shape a forward-thinking organisational culture. It offers new insights into how organisations can better adapt to emerging challenges by leveraging leadership's implicit teachings and embracing a more proactive, future-focused approach to learning and transformation.

Keywords: Hidden curriculum, Transformational leadership, Organisational learning, Future-oriented transformational change

Introduction

Our daily experiences—whether personal, economic, or organisational—reveal that we are living in an era marked by profound change and rapid transformation. The disruption of long-established socio-cultural and political patterns, values, and mindsets is widespread across every facet of life. The increase in complexity, speed, and uncertainty is unprecedented, and organisations must learn how to navigate these challenges to develop strategies for co-creating a flourishing future. In this context, organisations face the need to adapt their learning processes and leadership practices to thrive in such an environment.

Scholars like Schoemaker, Heaton, and Teece (2018) argue that organisations must develop new curricula in organisational learning (OL) and transformational leadership (TL) to cope with this evolving landscape. Transformational leadership, characterised by the 4Is—idealised influence, inspirational motivation, intellectual stimulation, and individual consideration—plays a key role in fostering the kind of leadership that can inspire change and innovation in complex and uncertain environments (Bass & Riggio, 2006). However, many organisations still operate in a reactive, standardised, and repetitive mode (Farjoun, 2010), despite their claims of embedding organisational learning and innovation in their cultures.

Rather than adopting proactive strategies for shaping the future, many organisations often rely on the hidden curriculum of transformational leadership, which tends to focus on past knowledge and risk-averse practices. This approach leads to incremental innovations or mere responses to market changes, technological advancements, or shifting user needs (Pettit and Balogun, 2023). There is often a reluctance to engage boldly with the unknown, limiting their ability to envision and co-create a thriving future. As (Chia, 2003) suggests that organisations should engage in a process of "world-making" with their environment, drawing on emerging and latent potentials to shape opportunities for the future.

To address these challenges, organisations must cultivate future-oriented capabilities in both organisational learning and leadership, enabling them to not only react to changes but to proactively shape their futures (Schoemaker, Heaton, and Teece, 2018). In this regard, the goal of this paper is to develop a novel future-oriented perspective on the link between organisational learning and the hidden curriculum of transformational leadership. First, it will be shown that organisational learning processes and transformational leadership share many aspects and functionalities, with the hidden curriculum (HC) of leadership positively influencing organisational learning through innovation activities. However, we will also explore the limitations of this connection, highlighting that organisational learning often follows a reactive culture, focusing on

internal knowledge and optimising existing knowledge, which does not sufficiently address the dynamic challenges of the external environment.

To address these limitations, this paper introduces a future-oriented approach that integrates organisational learning with the hidden curriculum. This approach considers HC as a capacity for unspoken or unwritten learning, derived from an organisation's leadership and its external environment, which allows novel knowledge to flow into the organisation. By unlocking novelty from future insights, this integrated approach aligns learning and transformational leadership with innovation processes, supporting a future-making practice of learning from emerging potentials. The paper concludes by discussing key findings and their implications for organisations seeking to thrive in an ever-changing world.

Organisational learning supporting innovation

Organisational learning (OL) and transformational leadership (TL), particularly through the lens of intellectual stimulation, are closely intertwined in fostering innovation within organisations (Abougazia, 2024). Intellectual stimulation, a core component of transformational leadership, encourages leaders to challenge existing assumptions and inspire innovation by fostering creativity and openness to innovative ideas (Kim and Cruz, 2022). This process of intellectual stimulation creates a fertile environment for the hidden curriculum (HC) of leadership to emerge. Hidden curriculum is the unspoken expectations and values that shape the innovation practices within an organisation (Cornbleth, 1984). Hidden curriculum acts as a subtle yet powerful driver of organisational learning, especially when it encourages employees to question established norms and explore new possibilities. Innovation, defined as the generation and successful implementation of creative ideas that address emerging human needs (Baregheh, Rowley, and Sambrook, 2009), requires a deep interplay between OL and TL, as both are fundamentally socio-epistemic processes (Vashdi, Levitats, and Grimland, 2019).

Both organisational learning and innovation can be considered social processes where new knowledge is generated, meaning is negotiated, and this knowledge is subsequently operationalised and embedded in concrete outputs such as products, services, and processes (Damanpour, 1996). As such, they share a symbiotic relationship: organisational learning fosters the creation and dissemination of new knowledge, while innovation brings this knowledge into tangible applications that can benefit the organisation and society. This relationship is critical in the modern knowledge economy, where organisations must continually adapt to complex and shifting environments (Samli, 2025).

Recent studies further highlight the significant role of organisational learning capabilities in driving innovation. Organisational learning is the process through which

an organisation develops new knowledge and insights based on the collective experiences of its members, thus enabling the organisation to improve performance and adapt to changing conditions (Jiménez-Jiménez and Sanz-Valle, 2011). As such, organisational learning is not merely about acquiring and storing knowledge but about embedding this knowledge into everyday practices that enhance organisational capabilities and foster innovation (Hedberg, 1981); (Calantone, Cavusgil, and Zhao, 2002).

The connection between OL and innovation is well-documented in contemporary research, with numerous studies demonstrating that OL capabilities positively influence innovation outcomes and overall organisational performance (Alegre and Chiva, 2008; Son, Phong, and Loan, 2020; Keskin, 2006). For example, Jiménez-Jiménez and Sanz-Valle (2011) emphasise that innovation is often the result of organisational learning processes, with these processes mediating the link between learning and improved performance. However, the successful integration of OL and innovation requires specific organisational capabilities and cultural attributes (Achdiat *et al*., 2023).

Key components of a successful integration include a strong culture of learning, commitment to knowledge sharing, and the ability to absorb and apply external knowledge (Alegre and Chiva, 2008; Peschl, 2020). Open-mindedness and a willingness to question existing assumptions and routines are essential, as is the capacity to make sense of and interpret new knowledge (Jiménez-Jiménez and Sanz-Valle, 2011). In addition, the balance between exploitation (utilising existing knowledge) and exploration (seeking novel insights) is crucial for fostering an innovative environment that is both adaptive and forward-looking (ÓReilly and Tushman, 2013; Raisch and Birkinshaw, 2008).

Moreover, the leadership dynamics within an organisation play a pivotal role in nurturing these capabilities. Transformational leaders, through their intellectual stimulation, can create a culture where learning is viewed as a continuous process that is intrinsically linked to the pursuit of innovation. The hidden curriculum of leadership becomes particularly important here, as it subtly shapes the organisational mindset towards embracing uncertainty and exploring new avenues for growth. Leaders who encourage questioning, curiosity, and bold thinking help unlock novel knowledge from future insights, driving the organisation toward innovative solutions that address both current and future human needs (Lawrence, Mhlaba, Stewart, Moletsane, Gaede, and Moshabela, 2018).

Organisational learning, hidden curriculum of transformational leadership, and innovation

Innovation is fundamentally linked to organisational learning capability, as evidenced by recent studies, including those by Alegre and Chiva (2008). They assert that innovation functions as a direct outcome of how effectively an organisation learns and adapts. This link is notably influenced by the *Hidden Curriculum* (HC) of transformational leadership, particularly through intellectual stimulation. Transformational leaders encourage innovation by challenging existing assumptions, fostering an environment where innovative ideas can thrive, and urging employees to question traditional ways of thinking (Bass and Riggio, 2006). This process is central to organisational learning, as it not only drives the generation of new knowledge but also shapes how this knowledge is applied to improve performance and foster innovation (Kim and Cruz, 2022).

Organisational learning is a process through which firms acquire, interpret, and apply new knowledge to address challenges in their changing environments (Alerasoul et al., 2022). The leadership that facilitates this learning, particularly transformational leadership, creates an atmosphere in which innovation can flourish. Intellectual stimulation, a key component of transformational leadership, prompts employees to reconsider established practices and think creatively, thus unlocking new knowledge and ideas (Abougazia, 2024). This leadership dynamic is what drives organisations to adapt to new opportunities and challenges, supporting both the development and the successful implementation of innovative ideas (Abougazia, 2025).

Recent research highlights that the ability of organisations to learn from their external environment plays a crucial role in their innovation capabilities. While traditional views often focus on internal knowledge creation and improvement, contemporary perspectives emphasise the importance of external learning and the need for organisations to engage with new knowledge from outside their boundaries (Jiménez-Jiménez and Sanz-Valle, 2011). The *Hidden Curriculum* of transformational leadership plays a key role in this external engagement, as leaders who stimulate intellectual curiosity within their teams encourage the exploration of new ideas and the integration of novel perspectives. This process is not about acquiring knowledge but about fostering a culture where new insights can be understood, challenged, and applied to practical outcomes (Bass and Avolio, 2014).

This dynamic between organisational learning and innovation is not solely based on the absorption of knowledge but rather on the active engagement and transformation of that knowledge into valuable, market-relevant innovations. Like the *Hidden Curriculum* in leadership, organisational learning processes must go beyond mere knowledge acquisition to include the transformation and application of insights in ways that generate value (Garcia and Calantone, 2002; Baregheh, Rowley, and Sambrook, 2009).

For innovation to materialise, new ideas must be successfully implemented and utilised, turning knowledge into tangible products, services, or processes that meet emerging needs.

The relationship between organisational learning and innovation involves four critical dimensions: knowledge acquisition, assimilation, transformation, and application. In the context of *Hidden Curriculum* and transformational leadership, these dimensions align with how leaders shape learning processes within their organisations. By challenging conventional wisdom and encouraging the exploration of novel ideas, transformational leaders create an environment where learning is continuously evolving, and where new knowledge can be harnessed for innovative purposes (Cornbleth, 1984). This dynamic creates a feedback loop in which innovation not only results from the application of new knowledge but also contributes to the learning process itself. Moreover, organisational learning is highly dependent on the integration of knowledge—both internal and external—and the ability to adapt to changing environments. Leaders who foster intellectual stimulation encourage this integration by promoting an open and flexible organisational culture that values learning from both successes and failures. This culture, shaped by transformational leadership, allows organisations to stay ahead of the curve by continuously adapting their strategies and processes in response to emerging opportunities (Peschl and Fundneider, 2017).

Challenges in linking organisational learning to transformational leadership innovation

Examining the relationship between organisational learning (OL) and transformational leadership (TL) innovation reveals critical limitations that must be addressed to maximise their potential impact. While the hidden curriculum of transformational leadership, particularly intellectual stimulation, fosters a culture of innovation, the effectiveness of this process depends significantly on the scope and direction of learning activities within the organisation. (Yip, 2007) highlights the risks of learning the wrong things, emphasising the need for a reflective and informed understanding of market dynamics and broader developments. Leaders must guide their organisations to avoid self-reinforcing knowledge patterns and ensure their strategies align with emerging opportunities (Lawrence *et al.*, 2018).

A distinction between incremental and radical innovation helps clarify these dynamics (Son, Phong, & Loan, 2020). Incremental innovation focuses on optimising and refining existing products or services, whereas radical innovation involves fundamentally new principles or knowledge that open long-term opportunities and new markets (Hopp, Antons, Kaminski, and Salge, 2018). While both forms of innovation are essential, organisations often overly emphasise incremental improvements due to entrenched knowledge and routines. This focus leads to self-reinforcing learning

processes, limiting the organisation's ability to sense and adapt to significant external changes (Son, Phong, and Loan, 2020).

Transformational leadership can mitigate these limitations through intellectual stimulation, a hidden curriculum that encourages employees to question established norms and explore novel solutions. However, organisations frequently become entrenched in their existing models and routines, creating organisational rigidity and blind spots (Yip, 2007). These entrenched patterns result in a failure to acknowledge emerging trends and external developments, potentially rendering current operating models obsolete. This rigidity can lead to groupthink, organisational inertia, and decision-making biases, stifling innovation (Van der Heijden, 2004).

Balancing explorative and exploitative modes of operation is critical for addressing these challenges. This balance, often referred to as organisational ambidexterity, ensures that both incremental and radical innovations are pursued in a mutually supportive manner (ÓReilly and Tushman, 2013; He and Wong, 2004). Transformational leaders play a pivotal role in achieving this balance by fostering a forward-looking organisational culture that values both reflection on past practices and openness to new possibilities (Abougazia, 2024).

Organisations also face challenges related to the reactive nature of their learning processes. (Son, Phong, and Loan, 2020) argue that most organisational learning activities focus on internal knowledge and improving existing processes, limiting their capacity to engage with external knowledge and future opportunities. This internal focus often results in organisational "predictive minds" (Grisold and Peschl, 2017) that rely heavily on pre-existing hypotheses about markets, users, and technologies. These predictive models, while useful, can constrain perceptions and lead to blind spots that stifle adaptability and innovation (Samli, 2025).

To overcome these limitations, organisations must shift towards proactive and explorative learning strategies. This involves engaging with external environments, shaping future scenarios, and fostering radical innovation (Son, Phong, and Loan, 2020). Transformational leaders can catalyse this shift by embedding intellectual stimulation into their leadership practices, encouraging teams to explore uncharted territories and embrace uncertainty as an opportunity for growth. While organisational learning and transformational leadership innovation are closely interconnected, their impact can be limited by reactive learning processes, an overreliance on past knowledge, and organisational rigidity (Garad and Gold, 2019). Addressing these challenges requires a deliberate focus on balancing incremental and radical innovation, fostering future-oriented learning, and leveraging the hidden curriculum of transformational leadership to stimulate intellectual growth and adaptability (Sterling, 2001).

Transformational leadership and the role of organisational learning in shaping innovation

As discussed previously, one of the key elements of the hidden curriculum (HC) within transformational leadership (TL) is the organisation's capability to engage in organisational learning (OL) and integrate novel external knowledge. This section will explore the nature of this knowledge and the role of transformational leadership in facilitating innovation through intellectual stimulation, without delving further into traditional concepts such as absorptive capacity. Specifically, we focus on how future-oriented learning processes can foster radical innovation and transform organisational behaviours.

While Berends and Antonacopoulou (2014) suggest that organisations should anticipate the future as part of their OL processes, much of the existing literature treats the future as an abstract concept, disconnected from the learning process. These authors highlight that the future is often embedded in the present, influencing both organisational learning and decision-making in the current moment. By considering the future as an active component in learning, organisations are better equipped to engage in processes that are emergent and capable of addressing the unknown (Samli, 2025).

Scenario planning is one such tool that organisations can use to anticipate future trends and developments in their respective industries. As noted by van der Heijden (2004), scenario planning provides organisations with a spectrum of potential future states, rather than a single predictive outcome. This multiplicity of perspectives encourages open dialogue and creative problem-solving, enabling organisations to explore various strategies in response to potential future challenges. Through intellectual stimulation, transformational leaders can guide their teams in using these scenarios to challenge existing assumptions and explore opportunities for innovation (Amer, Daim, and Jetter, 2012; Schoemaker, Heaton, and Teece, 2018).

Another approach within organisational learning is the focus on learning from unusual or unexpected experiences (Garud, Dunbar, and Bartel, 2011). Traditional learning methods often rely on pattern recognition, which leads to incremental innovations based on familiar knowledge. However, as organisations confront increasingly complex and unpredictable environments, the ability to learn from novel, unfamiliar situations becomes essential for fostering radical innovation. Intellectual stimulation, a core component of transformational leadership, can encourage organisations to embrace these atypical events as valuable sources of insight, paving the way for breakthroughs that may transform their operations or business models (Abougazia, 2024).

For transformational leadership to drive this shift, leaders must cultivate an organisational culture that is open to learning from the future, rather than simply

extrapolating from past experiences. This future-oriented approach requires organisations to adopt a mindset of being ready to learn from the future (Scharmer, 2016), whereby they proactively shape their future through the identification of emerging opportunities and the anticipation of market shifts. Such a mindset goes beyond traditional planning and instead emphasises the dynamic and adaptive nature of organisations, allowing them to innovate in response to new and unexpected challenges (Garad and Gold, 2019).

As Wenzel, Rowland, and Kubiak (2020) argue, the ability to make decisions today that influence tomorrow requires a novel approach to organisational learning. This approach involves moving away from the conventional practice of relying solely on past experiences and embracing a forward-thinking, future-making process. By encouraging employees to think beyond the current paradigm, transformational leaders can foster a culture where learning and innovation are driven by the possibilities of what is yet to come. This approach, which integrates both organisational learning and innovation, empowers organisations to anticipate and adapt to future trends and develop the resilience needed to thrive in an ever-changing environment. The role of transformational leadership in shaping future-oriented innovation lies in its ability to drive organisational learning that focuses not just on the past, but on future potential (Samli, 2025). Through intellectual stimulation, leaders encourage a shift towards the attitude to learn from the future—a process that involves seeking out new knowledge, exploring emerging opportunities, and fostering innovation that can transform organisations. By adopting this future-focused perspective, organisations are better equipped to navigate uncertainty and create value in an ever-evolving business landscape (Abougazia, 2024).

The hidden curriculum of transformational leadership: cultivating innovation from latent potentials.

When exploring the hidden curriculum (HC) within transformational leadership (TL), particularly through the lens of organisational learning (OL), the focus shifts towards engaging with latent potentials in the environment. Transformational leaders, leveraging intellectual stimulation, guide organisations to transcend traditional learning approaches, moving beyond existing knowledge towards recognising and cultivating future potential. This shift reframes the "object" of learning processes, positioning organisations to co-create sustainable and radical innovations (Garad and Gold, 2019).

Recognising latent potentials: The power of the "Not-Yet"

Unlike knowledge that already exists in a mature and observable form—such as tangible innovations or market-ready technologies—latent potentials refer to possibilities that remain unrealised but are embedded within the present. As scholars such as Felin, Kauffman, Koppl, & Longo (2014), Poli 2006), Poli (2017), and

Kauffman (2014) highlight, these potentials exist in a state of the power of not yet. They are trajectories waiting to be actualised as unrealised potentialities that are latent in the present and the signs and foreshadowing that indicate the tendency of the direction and movement of the present into the future. From this perspective, the environment, markets, and even organisational structures exist in a dynamic state of potentiality. The present moment, while tangible and real, is simultaneously an unrealised precursor to future states. Transformational leaders, by encouraging intellectual stimulation, play a pivotal role in recognising these latent potentials and guiding organisations to align their strategies and learning processes with what "wants" to emerge (Nourthouse, 2016).

Transformational leadership and the co-creation of future realities

Transformational leadership fosters an environment where organisations engage in co-creating and co-learning processes, enabling them to bridge the gap between the present and the unrealised future (Abougazia, 2024). By intellectually stimulating their teams, transformational leaders inspire a proactive stance towards uncovering and realising hidden potential within their environments. This involves recognising signals, trends, and nascent needs in the present that have the capacity to shape future innovations. Organisations, under the guidance of transformational leaders, become active participants in shaping the "becoming" of social, technological, and material realities. As (Peschl, 2019a; Peschl, 2020; and Krippendorff, 2011) suggest, this process involves cultivating latent possibilities and imbuing them with novel meanings. Through organisational learning, these potentials are not merely observed but actively transformed into innovations that respond to future needs.

The role of organisational learning in harnessing potential

To engage with latent potentials, organisations must adopt learning processes that transcend conventional paradigms focused on past knowledge. Traditional OL approaches often rely on incremental improvements based on existing patterns and experiences. However, in a complex and dynamic world, these methods fall short. Instead, organisations must embrace exploratory learning processes that prioritise novelty and adaptability. Absorptive capacity in this context extends beyond acquiring and assimilating existing knowledge to include the identification and realisation of latent potentials. This reorientation shifts organisational focus from the optimisation of the present to the proactive cultivation of future possibilities. Transformational leaders enable this by fostering intellectual curiosity, challenging established norms, and encouraging their teams to envision and co-create thriving future states (Garad & Gold, 2019).

Latent potentials as catalysts for radical innovation

Latent potentials, by their very nature, serve as a foundation for radical innovation. Unlike incremental improvements, which refine existing solutions, radical innovations arise from fundamentally new insights and approaches. By engaging with the "not-yet," organisations position themselves to redefine industries, create new markets, and address emerging societal and technological challenges. Transformational leaders, equipped with an understanding of the hidden curriculum, play a critical role in this transformation (Bass and Riggio, 2024). By stimulating intellectual engagement, they empower their organisations to explore uncharted territories and translate latent potential into meaningful innovations. This approach not only drives organisational success but also contributes to shaping a sustainable and thriving future (Garad and Gold, 2019).

The hidden curriculum of transformational leadership in future-oriented organisational learning and innovation

Transformational leadership (TL), through intellectual stimulation, plays a pivotal role in fostering future-oriented organisational learning (OL) and innovation (Bass and Riggio, 2006). In today's rapidly evolving landscape, organisations must move beyond traditional learning paradigms and adopt a mindset of anticipation—an approach that places greater emphasis on latent, not-yet-realised potentials rather than existing knowledge or incremental improvements (Abougazia, 2024). To successfully navigate this shift, organisations must cultivate specific principles, capacities, and skills that enable them to engage deeply with the emerging future (Garad and Gold, 2019).

The first principle for organisations aspiring to innovate in a future-oriented manner is to develop the ability to observe and perceive their environment in ways that go beyond familiar sources of knowledge or conventional markets. Traditional approaches such as user research, trend scouting, and learning from best practices often limit the scope of learning and innovation, focusing on past experiences rather than future opportunities. A future-oriented approach requires a willingness to explore unknown or analogous fields, enabling organisations to detect potential sources of innovation that might initially seem unrelated or irrelevant (Aspinwall, 2005).

However, the mere observation of new fields or areas of interest is not enough. Organisations must cultivate a deep understanding of these fields by shifting from a purely external observer role to one of active engagement. This requires transforming the standpoint from which organisations approach new knowledge, from observing from the outside to becoming immersed within the field itself (Scharmer, 2016). Through immersive engagement, organisations can gain intimate knowledge of the field's essence, deeply understanding the values, needs, and contexts that underpin it. This deeper connection to the environment allows organisations to uncover latent potentials

that may not be visible on the surface (Dorst, 2015; Peschl et al., 2010). This shift from external observation to internal immersion aligns with the work of transformational leaders who encourage intellectual stimulation among their teams, guiding them to rethink traditional organisational patterns of perception and thinking (Argyris, 1999; Tsoukas and Mylonopoulos, 2004). By reframing organisational mindsets and reducing biases in observation (Felin and Powell, 2016; Grisold and Peschl, 2017), transformational leaders open new avenues for discovering future potentials that drive radical innovations.

To truly harness the power of future potentials, organisations must go beyond understanding the present state of a field and instead, tune into its unfolding future. The challenge lies in recognising the emergent nature of future possibilities, as these potentials are not static but dynamic, co-evolving with the environment. As Peschl (2019a) notes, this requires organisations to adopt a co-creative stance, engaging with the future as it emerges, rather than adhering to rigid, predefined goals. The role of transformational leadership becomes crucial here, as leaders guide their teams through the uncertainty and ambiguity that come with engaging in this forward-thinking, co-creative process. The ability to identify and tap into latent potential is not a straightforward process; rather, it involves embracing a mindset that allows organisations to perceive the future as an unfolding phenomenon. This perspective is rooted in the understanding that the future is emergent, not predetermined, and that innovation arises from the intersection of multiple, sometimes contradictory, potentials (Peschl, 2020). In this sense, the goal of innovation is not to predict a singular future, but to facilitate the co-creation of a sustainable, innovative reality by combining and evolving various emerging potentials.

For organisations to successfully engage in such future-oriented innovation processes, they must adopt a mode of learning that is attuned to the emergence of the future. (Scharmer, 2016) introduces the concept of "learning from the future as it emerges," which involves recognising the latent possibilities in the present and enabling them to unfold into actionable innovations. This process of learning is not driven by past knowledge or predictions but by an openness to co-create the future through a continuous interaction with the environment.

Transformational leaders, by fostering intellectual stimulation, are instrumental in facilitating this shift in learning and innovation. They guide their teams to remain open to emerging possibilities, engage with the environment in deep and meaningful ways, and co-create the future alongside the rapidly evolving external context. This dynamic approach to organisational learning not only enhances the organisation's capacity for innovation but also prepares it to thrive in an uncertain and complex future (Garad and Gold, 2019).

Hidden curriculum of transformational leadership: fostering future-oriented organisational learning through wisdom, purpose, and innovation

Transformational leadership (TL) through intellectual stimulation has the potential to shape organisational learning (OL) and innovation in profound ways, especially when organisations are tasked with navigating the complexities of future-oriented challenges (Bass and Riggio, 2006). In this context, the concept of wisdom—combined with phronesis—emerges as a critical driver for guiding organisations toward sustainable innovation and purpose-driven action. By emphasising the long-term, intrinsic values over short-term gains, transformational leaders can help create a learning environment that fosters not only intellectual stimulation but also ethical, purpose-driven innovation.

Traditional knowledge, often defined as justified true belief, becomes increasingly irrelevant in a world characterised by rapid change and uncertainty. In contrast, wisdom offers a distinctive form of knowledge that transcends the limitations of short-lived facts and data. Wisdom provides orientation and stability in this ever-changing world, offering a deeper understanding of the essence and purpose of phenomena, human needs, and organisational goals (Nonaka and Takeuchi, 2019). This form of knowledge endures, remaining relevant over time by addressing the "why" behind actions, offering guidance on purpose, and framing the long-term vision of the organisation.

In the realm of organisational learning and leadership, this wisdom speaks to the importance of transcending immediate concerns in favour of a future-oriented, value-driven approach. Transformational leaders who encourage intellectual stimulation help employees to step beyond traditional paradigms, empowering them to think critically about the long-term implications of their decisions and actions (Abougazia, 2024). Through this lens, wisdom takes on a self-transcending quality, guiding individuals not just to act within their present context but also to envision and align their actions with future potentials (Scharmer, 2001; Kaiser & Peschl, 2020). Phronesis, the practical counterpart to wisdom, is concerned with translating these higher-order principles into actionable decisions. It bridges the gap between abstract knowledge and concrete action, enabling individuals and teams to make wise judgments that consider both the immediate context and the long-term impact. As (Nonaka and Takeuchi, 2019) suggest, phronesis connects everyday decision-making with deeper wisdom, aligning organisational actions with long-term values, purpose, and the future. In practice, this means focusing on innovation that addresses human needs, sustainability, and social justice, rather than merely pursuing profit maximisation at any cost. Transformational leaders who cultivate phronesis within their teams empower them to make decisions that are not only operationally sound but also ethically grounded and aligned with the broader purpose of the organisation.

This wisdom-driven approach to organisational learning and innovation also highlights the importance of recognising and creating new niches—spaces of possibility where innovation can emerge (Garad and Gold, 2019). Future-oriented innovation is not simply about extending the past or refining existing solutions but about creating entirely new possibilities in which novel ideas can take root and flourish (Felin, Kauffman, Koppl, and Longo, 2014; Kauffman, 2014). These niches are characterised by latent potentials, which cannot be fully predicted or predetermined. Instead, innovation emerges through a co-creative process involving organisations, creative minds, and the evolving dynamics of the external environment (Nonaka, Takeuchi, 2021). In this process, organisations act as facilitators of innovation rather than as sole creators, acknowledging the emergent and collaborative nature of future possibilities. An essential part of this approach is a shift in perspective regarding the role of the external environment in innovation. Traditional innovation models often emphasise control over the environment—whether that means markets, users, or technology—leading organisations to view their creative abilities as the primary source of innovation. However, from a future-oriented perspective, the key to innovation lies in recognising and engaging with the latent creativity within the external environment itself. As Scharmer (2016) suggests, organisations must learn to co-create with their environments, embracing the untapped potential that exists beyond their control. This humility in accepting that organisations cannot always control the forces that shape innovation is crucial for fostering an open, generative space for future-oriented learning and innovation.

By shifting the focus away from top-down control and towards a more emergent, co-creative approach, transformational leaders encourage their organisations to engage with the unknown and the untapped. This approach is grounded in a philosophy of learning from the future as it emerges—an ongoing process of adaptation, co-creation, and learning from the latent possibilities in the environment (Peschl, 2020). In this context, transformational leadership becomes a catalyst for change, guiding organisations not only to react to the present but also to proactively engage with the future in a way that aligns with both the organisation's core purpose and the greater good.

Discussion and Conclusion

This paper aimed to explore the connection between organisational learning (OL) and future-driven innovation, highlighting the importance of rethinking traditional approaches to knowledge, learning, and innovation. Traditional models of organisational learning tend to be rooted in past experiences and existing knowledge, often leading to incremental improvements or optimisations of existing products and services. While this approach is widely adopted, it is based on a paradigm of control and planning that is increasingly inadequate in dealing with the unpredictability of the future and the rapidly changing external environment (Wenzel, Rowland, & Kubiak, 2020). In contrast, future-oriented organisational learning seeks to move beyond this restrictive mindset and focuses on emerging possibilities and future potentials. This shift requires a redefinition of how learning and innovation processes are structured, with a particular emphasis on "learning from the future as it emerges" (Scharmer, 2016).

The concept of the *hidden curriculum* (HC) in transformational leadership (TL) is central to this reimagining of organisational learning. Transformational leaders, particularly through intellectual stimulation, foster a learning environment where knowledge flows from the external environment, embracing future potentials that are yet to be realised. Rather than simply assimilating existing knowledge, organisations must learn to engage with possibilities that are latent in the environment and co-create the future. This process of learning involves dealing with "potentials," which are not yet fully realised but contain the capacity to emerge into new forms, products, or services (Kauffman, 2014). Such potentials resist predictability, highlighting the importance of organisational skills such as openness, patience, and intuition, alongside a capacity for sensing and enabling the unfolding of the future (Peschl, 2020; Scharmer, 2016).

In this light, future-oriented organisational learning moves beyond a mechanistic, control-driven approach to one that embraces emergence, uncertainty, and co-creation. This requires a fundamental shift in mindset, replacing rigid routines with an enabling organisational culture. The cultivation of trust—both in the capabilities of employees and in the emerging realities of the external environment—is essential for fostering innovation that is both novel and beneficial for society. As (Baran and Woznyj, 2020) and (Ingold, 2013) suggest, the future is not something to be controlled but rather something to be co-created through a generative process of learning from what is yet to come.

In practical terms, this approach to innovation involves an inside-out process. Innovation begins at the core of the organisation, focusing on its deeper purpose and long-term vision. This "inside-out" approach extends beyond surface-level product features to explore the "why" behind the organisation's existence and the untapped potential within it. As Nonaka, Takeuchi (2021) argue that companies must align their

strategies with their core purpose to effectively engage with future possibilities. The process of co-creating new knowledge and innovations requires both the internal purpose of the organisation and the emerging external potentials to come together, bringing latent ideas to fruition.

While the insights presented in this paper represent a significant departure from traditional models of organisational learning and innovation, further research is needed to refine and operationalise these concepts. To learn from the future is an idea that has been discussed in various academic fields such as philosophy, systems science, and evolutionary theory (Kauffman, 2014; Scharmer, 2016), but much work remains to be done in integrating these ideas into practical organisational processes. Future research should also explore the role of the hidden curriculum in TL as it relates to the acquisition, transformation, and exploitation of future potentials. Additionally, the development of an epistemology of potentiality—understanding how organisations can effectively engage with and cultivate future potentials—would provide valuable insights for enhancing both learning and innovation capabilities. As organisations increasingly face complex, unpredictable challenges, it is crucial to develop capabilities for future-driven learning and innovation. By embracing the latent potentials in their environments and aligning their internal purpose with these emerging possibilities, organisations can cultivate a mindset of transformational learning that not only shapes their own futures but also contributes positively to society and the environment. The journey towards a more future-oriented approach to organisational learning and innovation is just beginning, and the development of these ideas promises to be a vital area of research and practice in the years to come.

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