

EFFECT OF TRANSFORMATIONAL LEADERSHIP ON EMPLOYEE CREATIVITY IN AN ORGANIZATION

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Abstract

Leadership is about working with people to do new things in a world which is increasingly complex and fast changing. We need organizations that are flexible and sustainable, and organizations are made up of individuals. Leadership is not necessarily linked to authority. The purpose of the study is to find the relationship of transformational leadership with employees of an organization and how transformational leadership affects employee performance in an organization. Depending upon the kind of followers we can take decision regarding the styles of leadership ranging from autocratic, democratic, laissez faire to Transformational Leadership.

The Transformational Leaders motivate their followers to surpass performance expectations by transforming their attitude, beliefs and behavior. Employees' reactions to organizational change are affected by transformational leaders, who help employees' to foster readiness for and commitment to change and motivate them to act in support of the change. Transformational leadership increases employees' work engagement and perceptions by attractive change consequences, subsequently evoking employee behaviour in support of change. It helps managers to decide how to positively influence employees during organizational change.

Keywords: Transformational leadership, employee creativity

1. INTRODUCTION

Leaders help others to do the right things. They set direction, build an inspiring vision, and create something new idea. Leadership is about mapping out where they need to go to "win" as a team or an organization.

The word "leadership" can bring to mind a variety of meanings. For example:

- A political leader, pursuing a passionate, personal cause.
- An explorer, cutting a path through the jungle for the rest of his group to follow.

“Leaders have a significant role in creating the state of mind that is benefit for the society. They can serve as symbols of moral unity of society. They can express the values that hold the society together.

According to the idea of transformational leadership, an effective leader is one who does the following:

- Creates an inspiring vision for the future.
- Motivates and inspires people to engage with that vision.
- Manages delivery of the vision.
- Coaches and builds a team, so that it is more effective at achieving the vision.

Some view leadership as a series of unique traits or characteristics. Others see it as comprised of certain skills and knowledge. And some, more included, think of leadership as a process. Leadership is a relationship that involves the mobilizing, influencing, and guiding of others toward desired goals of the organisation.

1.1. OBJECTIVE

To study the effect of transformational leadership style on the performance of employee and to analyse its influence. .

2. TRANSFORMATIONAL LEADERSHIP



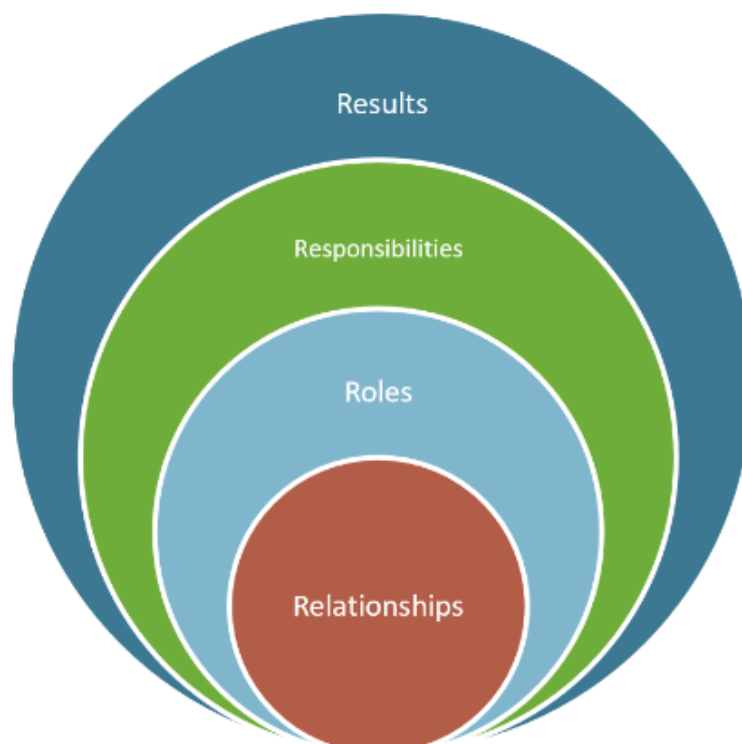
“Burns (1978) was the first author to introduce the concept of transforming leadership, and to contrast ‘transforming’ and ‘transactional’ leadership in his research on political leaders; but now this theory is widely used in psychology and management.” (Bass & Riggio, 2006 as cited in Muenjohn, 2012). Bass introduced the term "transformational" in place of "transforming". The theories and models of transformational leadership were given by Burns (1978) and Bass (1985). However, “Transformational and charismatic leaders existed before the theories were proposed, and these leaders will continue to exist in the future” (Antonakis & Day, 2012).

The extent, to which a leader is transformational, is measured first, in terms of his influence on the followers. The followers of such a leader feel trust, admiration, loyalty and respect for the leader and because of the qualities of the transformational leader are willing to work harder than originally expected. These outcomes occur because the transformational leader offers followers something more than just working for self-gain; they provide followers with an inspiring mission and vision and give them an identity.

Creating high-performance workforce has become increasingly important and to do so business leaders must be able to inspire organizational members to go beyond their task requirements. As a result, new concepts of leadership have emerged - transformational leadership being one of them. Transformational leaders inspire and motivate their workforce without micromanaging — they trust trained employees to take authority over decisions in their assigned jobs. It's a management style that's designed to give employees more room to be creative, look to the future and find new solutions to old problems.

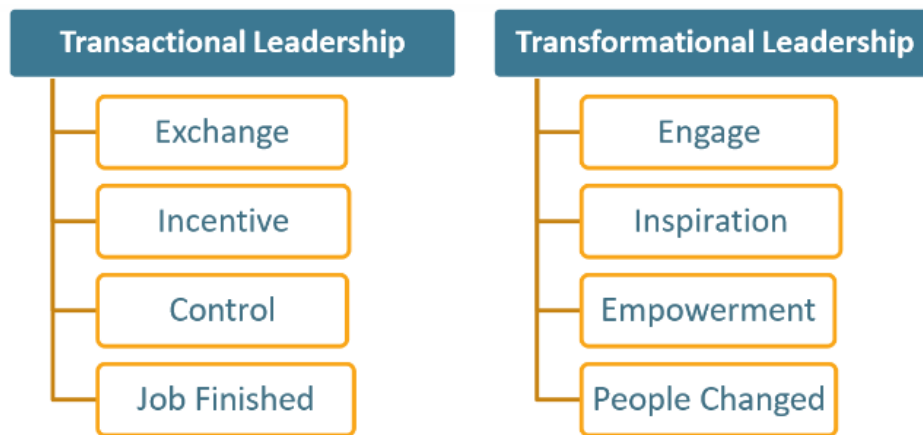
2.1 TRANSFORMATIONAL LEADERSHIP MODEL

The 4R Model of Transformational Leadership



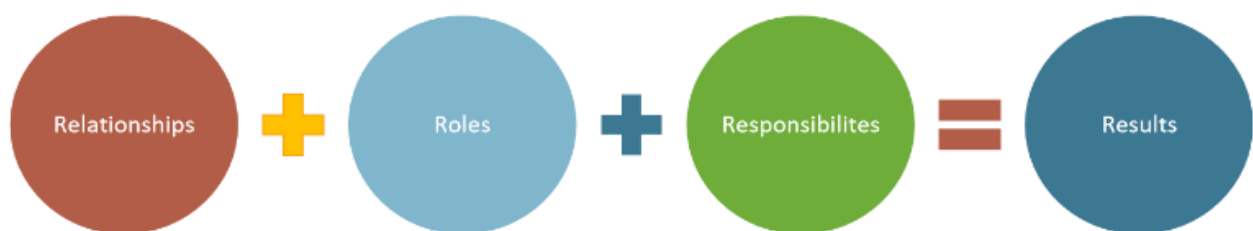
The concept of transformational leadership started with James V. Downton in 1973 and was expanded by James Burns in 1978. In 1985, researcher Bernard M. Bass further expanded the concept to include ways for measuring the success of transformational leadership. This model encourages leaders to demonstrate authentic, strong leadership with the idea that employees will be inspired to follow suit.

While Bass’ model dates to the ’70s, it’s still an effective leadership style practiced today — this style of authentic leadership never changes, just the environments it’s used in. It’s applicable across every industry, but it’s especially vital to the fast-paced tech industry where innovation and agility can make or break a company.



The 4R model depicts “the interplay of critical variables in the process of transformational leadership.” Transactional and Transformational Leadership styles of leadership are useful in certain environments, Transformational Leadership is necessary when addressing dilemmas. The Transformational leader gains the trust of their followers and clients based on shared interest in the future of the organization. They create and communicate a unifying vision and mission for a better future, empower and engage followers in the attainment of that vision.

Such leaders serve as a catalyst, helping followers recognize their innate assets and apply them to enhance the success of the organization. Transformational leaders embody the values and vision they promote, and sustain healthy organizations as they inspire and motivate others to achieve the desired results.



2.2 CRITICISMS OF TRANSFORMATIONAL LEADERSHIP THEORY

- Transformational leadership makes use of impression management and therefore lends itself without standard self-promotion by leaders.
- The theory is very difficult to be trained or taught because it is a combination of many leadership theories.
- Followers might be controlled by leaders so there are chances that they lose more than they gain.

2.3 IMPLICATIONS OF TRANSFORMATIONAL LEADERSHIP THEORY

The current environment characterized by uncertainty and organizational instability calls for transformational leadership to prevail at all levels of the organization. The followers of such leaders demonstrate high levels of job satisfaction and organizational commitment. With such a devoted workforce, it will definitely be useful to consider making efforts towards developing ways of transforming organization through leadership.

2.4 EXAMPLES OF TRANSFORMATIONAL LEADERSHIP

Extraordinary leadership is born in who leaders are, not merely in the summation of their learned strategies and tactics—no matter how well executed. The twenty-first century confronts us with markedly challenging times—times that call for extraordinary leadership at a global, national, organizational, and community level.

Steve Jobs and Tim Cook, Apple: Apple as an example of “dual transformation”: Jobs innovated on original Microsoft products while also building a software ecosystem. Cook has extended on Jobs’ vision, maintaining a focus on innovation, software and brand loyalty.

Satya Nadella, Microsoft: Nadella started at Microsoft in 1992 and worked his way up the corporate ladder, eventually running the business’ cloud computing efforts, which landed him the executive position.

2. EMPLOYEE CREATIVITY



Employee creativity is encouraged in order to obtain a competitive advantage and an innovative edge within organizations. Creativity refers to employees’ generation of novel and useful ideas concerning products, procedures, and processes at work. Understanding how individuals are affected by a team is important in ensuring optimal creativity within employees. The context of the team may alter individuals’ level of creativity by way of social influences, while it is understood that dispositions toward creativity also play a role. On the other hand, individuals may also be

influenced by external factors such as competing with others, acknowledgement, or avoiding criticism.

4. CONCLUSION

The result of this research shows that, transformational leadership gives effect on the performance of employee through empowerment, trust, and good relationship with the leaders. The employees can be encouraged to work towards the achievement of organizational goals through good leadership. It is the leadership style practiced determines the final results of the work performed.