Transformational Leadership and Organizational Creativity: The Mediating Role of Process Approach Empowerment

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ABSTRACT

Researchers unanimously agree that organizations are in urgent need for creativity because it has an important role in the survival and sustainability of organizations. Therefore, a number of studies have proposed various approaches to motivate organizational creativity. Administrative leadership is considered as one of the basic organizational variables that influence the creative capabilities of organizations. Accordingly, in this paper, we develop a conceptual model to examine how different theories (transformational leadership, empowerment) can influence creativity of organizations. We review different theories in the organization's transformational leadership, empowerment approaches, and organizational creativity. We examine the extent of the direct contribution of transformational leadership in creativity, the extent of their contribution to structural and psychological empowerment, the relationship between them and the extensive contribution of each of them in the organizational creativity. Finally, in our model, we investigate the empowerment process as a macro empowerment approach in the relationship and the influence between transformational leadership and creativity.

INTRODUCTION

Modern organizations operate in a complex and changing environment that requires capable and creative human resources to resolve to deal with it through an array of adopted strategies and methods to develop and support essential skills and abilities. Researchers and practitioners agree that organizations are in urgent need for creativity due to its important role in the renewal and survival of organizations. Organizational creativity is the outcome of individual and team creativity in organizations. Employee creativity has been demonstrated to be effective and innovative in the organization.1 In the literature, there is a consensus among researchers that the capabilities of creative subordinates in organizations are affected by a number of organizational variables, for example, administrative leadership and empowerment, which are the subject of this paper.

Leadership is one of the fundamental aspects affecting organizational creativity.2 So, top management can use several methods to encourage subordinates to participate in activities of the organization to influence their creative behavior and capabilities. Some of these methods include delegation, decision-making process, information sharing, and job
enrichment. Transformational leadership is one of the most prominent leadership theories and most influential in the organizational components and outputs. Transformational leadership theory at the theoretical basis supports creativity. However, the studies that we examined showed different results regarding the relationship between transformational leadership and creativity. Some studies have shown through continuous years of research the ability of transformational leadership in appropriate support for creativity to provide and enhance a positive impact on organizational creativity. For example, from (2001 to 2016) a large number of studies have been conducted that have shown a positive relationship between transformational leadership and creativity. Other studies have shown that transformational leadership may adversely affect the creative behavior of followers. Additionally, Wang & Rode, 2010, concluded that there is not much direct impact of transformational leadership on creativity. Jaussi and Dionne, 2003; Kollmann, et al., 2013 also did not find a positive and direct relationship between transformational leadership and creativity. As these correlational studies indicate, the relationship between transformational leadership and creative performance is still debatable and the relationship is more complex than it appears. These conflicting results require more research to examine the relationship between transformational leadership and organizational creativity in terms of direct and indirect relationship. In this regard, there are much moderating variables between them that must be studied. Therefore, in this paper, we propose and develop a conceptual framework to analyze and discusses the direct relationship and influence between transformational leadership and organizational creativity with an indirect relationship through an integrated approach of empowerment (process empowerment) as a mediator variable between transformational leadership and organizational creativity.

**Transformational leadership**

According to Avolio et al., 2009, transformational leadership is defined as "The leader’s behaviors that transform and inspire followers to perform beyond expectations and transcending self-interest for the good of the organization". The dimensions of the transformational leadership are idealized influence (idealized attributes, idealized behaviors), individualized consideration, inspiration, motivation, and intellectual stimulation. Inspirational motivation is linked to leader’s ability to express and use symbols and provide an attractive vision for the future and motivate followers to enhance their performance. Intellectual stimulation is encouragement to find new solutions and ideas to replace the assumptions, beliefs and ancient traditions. In addition, encouraging the followers to create their new ideas and not criticizing openly in front of their colleagues for their mistakes. Individual consideration refers to leaders showing interest in the feelings of followers and their needs and skills. Transformational leaders care about the developmental needs of their followers and urging them to participate and work in a manner that fosters and develops expertise. Idealized influence represents a set of attributes and behaviors that, under its umbrella, the leaders become a role model and an example to their subordinates. Moreover, they also enjoy their respect, appreciation from others.

**Structural Empowerment**

Structural empowerment refers to making amendments in each of the policies, procedures and organizational structures aimed to grant employees a high degree of autonomy in the organizational decision-making process. Through granting authority and
responsibility to employees from the top level to the lower level in order to achieve higher integration and with the participation of workers in the sources of power, knowledge, rewards and information.  

Psychological Empowerment

Psychological empowerment is a set of psychological conditions felt by the members of the organization which reflects their perceptions of power and control. Most of the researchers perceive psychological empowerment as a later stage linked to structural empowerment. Researchers and theorists of empowerment agree to classify it into four elements: Impact, competence, meaning and self-determination.  

The intent of meaning is to emphasize that the employee's task must be meaningful and valuable or compatible between business needs and personal values and beliefs of the worker.  

Competences refers to employees feeling that they have the capacity to perform functions successfully.  

Self-determination refers to the degree of freedom enjoyed by the individual in the performance of his/her work to have freedom in decision-making, methods of work performance and procedures. Finally, impact refers to the extent to which employees can affect the critical outcomes of their work.  

Process Approach Empowerment

The process approach empowerment as a macro approach focuses on empowerment as a function of the relationship between structural antecedents and resulting psychological states. This approach functions to integrate into a single model the constructs associated with both the structural and the psychological approach.  

Creativity

Creativity is defined as any production of new ideas in the form of processes, procedures, products, and services. It can lead to some interesting changes to the organization.  

Creativity is a new addition of value by individuals in the form of individual initiative or by a specific group in the organization that represents a social entity containing a set of elements (contextual factors). These elements interact together to adopt a network of complex relationships in the organization. Organizational creativity is creativity resulting from individuals and groups in the organization which is sponsored by the top management and represents a fundamental goal to them.  

THEORETICAL FRAMEWORK

In this section, we review and discuss the conceptual model of the study. We develop a model combining a set of variables as shown in figure (1). We examine the relationship and influence between transformational leadership, with an integrated approach of empowerment on organizational creativity. We examine the relationship between transformational leadership and structural empowerment; transformational leadership and psychological empowerment, and transformational leadership and creativity. Besides, we investigate how transformational leadership influences structural empowerment; and how structural empowerment influences psychological empowerment. Lastly, we examine the direct core relationships between transformational leadership and creativity and indirect relationship through process approach empowerment as mediating variable.
Figure 1. Conceptual model of the study.

**Transformational Leadership and Creativity**

Successful leadership is able to develop a vision that combines common goals of all stakeholders in the organization. Many scholars believe that transformational leadership works to achieve this goal by exerting influence on follower's behavior. The findings of some researchers show that the leadership, in general, has a significant influence on creativity (e.g. 19; 20). Transformational leaders have knowledge of hope and aspirations, visions, and values of the subordinate. Usually, the contribution of transformational leaders is to recognize good ideas and support those ideas. They are working with hiring supportive behaviors that create a safe environment that encourages the generation of new ideas and solutions to the problems. 21 The role of transformational leadership to encourage individual work is not limited; they encourage followers to work as a team. They encourage them to view the problems and propose solutions in accordance with the new ways of thinking and processing and propose innovative solutions. They also provide an opportunity for all organizational members to express their views and respect the views and discussions. This is achieved through the individualized consideration dimension. Transformational leadership stimulates the action team to confront the problems and challenge the reality by stimulating and increasing trust and provide equal opportunities for all team members and individual goals to harmonize with team objectives and organization.

**Transformational leadership and Structural empowerment**

Transformational leaders work to achieve their goals using a variety of methods and management tools that facilitate and support the principles based upon it. Among the most famous methods is empowering employees. Employee empowerment requires tremendous efforts in terms of restructuring the organization and its processes, systems and organizational climate to build empowerment and be able to achieve concrete outcomes. The transformational leadership is primarily dependent on teamwork to empower their followers to act and make decisions and give them the power that enable them to be creative in their work. Empowerment is one of the important methods and requirements used by transformational leaders to achieve participation and cooperation.
with their followers and to emphasize the strong commitment towards achieving the goals. Because they know that in today’s organizations, requires teamwork among all members of the organization and cannot be limited to cooperation with a small group of followers. They know that those who are expected to provide the best results should be given power. Organizational behavior schools emphasize the role of leadership behavior to influence empowering workers as a strategy which gives workers the powers and responsibilities and encourage them to participate and initiative to take decisions. They also give them the freedom and confidence to perform the work in a manner conducive to strengthening the relationship between the worker and management.

**Psychological Empowerment and Creativity**

Many studies have shown that individuals who feel empowered psychologically have confidence about themselves and feel that they are better able to understand different roles in the context of work. They are expected to achieve a positive performance and outcomes (e.g. Quinn & Spreitzer, 1997; Bisbe et al., 2007; Birdi et al., 2008; Seibert et al., 2011). Psychological empowerment also leads to increased commitment to the work and motivates employees to exert higher levels of performance, develop a way of thinking, abilities and raise the chances of creativity. When individuals feel they are able to influence their work, this increases their abilities to develop opportunities and achieve positive outcomes and suggest more creative ideas. Workers who realize the meaning of empowerment enhance their loyalty and develop intellectual capacities to help them show more practical ideas to improve service. Moreover, empirical studies have shown that individual creativity, problem-solving skills, and positive behaviors affecting the organization, is the outcome of psychological empowerment. Spreitzer cited the results of a case study of (Kanter 1993) conducted on entrepreneurial organizations and concluded that creativity and empowerment are linked and cannot be separated. And those workers who are empowered have more ability to revise the processes necessary to complete the work; they search for creative solutions to problems work. They are more committed to achieving success in situations that require challenging. Such situations are necessary, to help individuals to continue their creative efforts. Such situations are necessary to help individuals to continue their creative efforts. When a worker feels that his job has a meaning, value and utility, this would lead him to put more effort and try to be creative in his work and spend the time and effort required to identify and understand the problem thoroughly, look for a variety of sources of information widely, generate ideas and multiple solutions with different views.

**Transformational leadership, process empowerment and creativity**

Previous sections showed the role of transformational leadership and its relations with creativity, structural, psychological empowerment and the relationship of empowerment to creativity. In this section, we examine the mechanism of process empowerment and investigate its impact as a mediator in the relationship between transformational leadership and organizational creativity. The process approach empowerment focuses on empowerment as a function of the relationships between structural priorities and resulting psychological states. This approach works to integrate structural and psychological empowerment into a unified model. Both structural and psychological approaches play important roles in the development of the empowerment.
theory. Studies by Conger et al; Kanungo; Kanter; Block, show that jobs that have diversity in tasks and meanings to employees, appropriate level of autonomy, a low level of routine and regulations, it is possible promotes a sense of empowerment among workers. The support culture of democracy through organic regulation leads to the production of the highest levels of creative performance of employees, compared with hierarchical working structures. The psychological empowerment process begins by the interaction between the work environment and personal characteristics of the individual; this interaction leads to a perception of empowerment and stimulates the individual behavior. To complete the process of empowerment should combine the structural and psychological approaches, some studies support this trend. Structural or psychological empowerment alone is not enough to understand and explain the phenomenon of empowerment. For that, appeared orientation integrates the structural and psychological empowerment together and urges the leaders to increase attention to the structural and psychological empowerment together to improve the perceptions of employees towards empowerment. Such positive perceptions may encourage employees to participate in the creative process and promote self-motivation that may lead to more creative outcomes.

CONCLUSION
This paper contributes to the literature by explaining how a combination of theories can be integrated into a unified model and understands the relationship among them. Verification of relationship and influence between transformational leadership dimensions and structural empowerment, psychological empowerment, and creativity, study the mechanisms work of structural, psychological empowerment and the relationship between them. And the role of process approach empowerment as a mediating in the relationship and influence between transformational leadership and organizational creativity. Our research proposed an integrated approach to empowerment (process empowerment) future studies can empirically test the model we have developed and verifying of relationship and influence between model variables. Future research should investigate various modern Leadership theories and their relationship to empowerment and, creativity. Besides, it examines the influence of different organizational factors on organizational creativity.

REFERENCES


