

LEADING EMPLOYEE CREATIVITY: THE RELATIONSHIP BETWEEN LEADERSHIP STYLES AND EMPLOYEE CREATIVITY

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Abstract: Guided by creativity typology suggested by Unsworth (2001), this paper explores the relationship between various transactive leadership, transformational leadership, empowering leadership, and employee creativity. Three propositions are suggested through identifying and comparing mechanisms of different leadership styles to facilitate employee creativity, including that (1) transactional leadership enhances only responsive creativity, (2) transformational leadership enhances responsive creativity and contributory creativity, and (3) empowering leadership enhances every type of creativity.
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Introduction

As business environments become increasingly dynamic, uncertain, and competitive, today's organizations need to be innovative to maintain their competitive edge and to cope with ever-increasing demands of customers (West, 2002). Because innovative processes in organizations stem from their employee creativity (Amabile, 1988; West & Anderson, 1996) and the level and frequency of employee creativity is heavily influenced by organizational climate and management practices that are driven by managers' leadership behaviors (Amabile, 1996), scholars in management domain have suggested that leadership should play an

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important role in employee creativity. Indeed, past studies have shown that employees tend to engage in more rather than less creative behaviors when their managers exhibit certain leadership behaviors, including showing enthusiasm for new ideas and providing individualized coaching (i.e., transformational leadership; Shin & Zhou, 2003), encouraging participation in decision making and providing autonomy from bureaucratic constraints (i.e., empowering leadership, Zhang & Bartol, 2010), and clarifying expectations about work efforts and providing contingent rewards to them (i.e., transactive leadership; Eusemberger & Byron, 2011).

While the above findings help us understand the complex relationship between managers' leadership behaviors and employees' creative performance, they might not provide feasible suggestions to managers and practitioners who wish to facilitate and maintain employee creativity. It is because each leadership style has unique sets of behaviors, and sometimes, they are not compatible with behaviors of other leadership style. For example, leaders who display transformational leadership behaviors tend to be confident about their own visions and beliefs, and thus they expect subordinates to accept and internalize them. Therefore, when managers display transformational leadership behaviors, they may prevent employees from being empowered and generating and suggesting their own unique ideas (Kark, Shamir & Chen, 2003). Therefore, our current understanding of the relationship between employee creativity and leadership behaviors brings into another problem to managers – which is, managers need to choose and focus on certain types of leadership behaviors to facilitate employee creativity (rather than trying to display all the creativity-facilitating leadership behaviors.)

The primary purpose of this paper is to help managers solve this problem by providing insights of how to make the choice. In particular, by identifying different types of creativity and factors involved in each type, and exploring their relationships to various types of leadership styles known to be positively associated with creativity, I will suggest which leadership behaviors managers need to display according to their situation. By doing so, I will also theoretically compare the overall impact of each leadership styles so to identify the most facilitating leadership behaviors to employee creativity in general. Therefore, through integrating different theories of creativity and leadership, this paper provides both important theoretical and practical suggestions to scholars and managers.

Conceptualizing Creativity

People tend to associate creativity with the arts and to conceptualize it as the expression of novel and original ideas. However, in management, novelty and originality are not enough (Levitt, 1963). To be creative in organizations, an idea must also be useful and implementable so it can improve a product, service, and organizational process. Accordingly, many researchers have conceptualized creativity in organizations as a production of ideas, products, or procedures that are novel and original, and potentially useful to improve current performance (e.g., Amabile, 1996; Mumford & Gustafson, 1988; West, 2002).

Historically, creativity has been studied from primarily four different aspects, namely cognitive style, personality traits, developmental aspects, and social contexts (Simonton, 2000). Among them, some researchers who focus on the role of cognitive style, personality traits, and developmental aspects in employee creativity tend to conceptualize creativity as a kind of innate gift, and emphasize individual differences in it. Accordingly, they have theorized and demonstrated that employees with greater degrees of factual knowledge, technical skills, and special talents and/or greater tendency to process cognitive information in intuitive and flexible ways are likely to display higher frequency and levels of creativity (e.g., Newell & Simon, 1972; Stein, 1974). On the other hand, other researchers who focus on the impact of social contexts to employee creativity tend to assume that every employee has potential to display creativity, and the degree of creativity is determined by how much they are motivated to their task rather than their levels of task-related knowledge or intuitive and flexible cognitive style (e.g., Dweck, 1986; Madjar, Oldham, & Pratt, 2002).

To integrate these suggestions and findings, Amabile (1983) suggested the componential model of creativity which includes three factors such as task-specific knowledge, creative thinking style, and task motivation that contribute to employee creativity. Two important theoretical arguments of this model are first, employees need to have all of these three components to be creative, and second, task motivation is more important for employees to engage in creative processes than task-specific knowledge and creative thinking style. It is because while task-specific knowledge and creative thinking style may determine what an employee is capable of doing, task motivation determines what the employee actually will do.

Another important argument of this model is that managers can exert a powerful influence in employee creativity by impacting to, at least, two components of creativity, namely task-specific knowledge and task motivation. For instance, managers who provide more developing and training opportunities may help their employees acquire more task relevant skills and expertise, as well as explore more new ideas and thoughts for their task. Employees with heightened skills and knowledge are more likely to be successful in identifying organizational problems and preparing to solve them, so to exhibit creative performance (Amabile, 1983; Zhang & Bartol, 2010). In addition, managers who emphasize the meanings and purposes of the task more strongly may help their employees experience greater passion and enthusiasm about their task. Employees with these feelings are more likely to be successful in generating alternative responses and solutions, so to become highly creative (Amabile, 1983; Zhang & Bartol, 2010). Indeed, extant studies have shown that employees under managers with more supportive behaviors and encouragement tend to engage in greater degrees of creative behaviors (e.g., Amabile, Conti, Coon, Lazenby, & Herron, 1996; Madjar, Oldham, & Pratt, 2002).

Four Types of Creativity

The idea that creativity emerges through combination of task-specific knowledge, creative thinking style, and task motivation implies that creativity may not be a singular entity but it compasses types that are fundamentally different with unique outcomes. Consistently with this, Amabile (1996) identified eight different types of creativity from combinations of three components of creativity, and Sternberg (1999) identified four different types of creativity based on the outcomes of creative behaviors. Furthermore, Unsworth (2001) outlined four types of creativity including responsive creativity, expected creativity, contributory creativity, and proactive creativity, which are described in detail below:

(1) *Responsive creativity* refers to extrinsically motivated employees' generating creative ideas and solutions to problems that managers already identified. By being extrinsically motivated, I mean employees are motivated by external rewards such as salary, bonus, and recognition (Deci & Ryan, 1987). In this case, employees don't have to identify the problem because it is already specified, and because they are already motivated, intrinsic motivation, or motivation by passion and enthusiasm about their

task becomes less important for displaying creativity. Examples of responsive creativity in organizations include creativity in focus group members specifically assigned to solve particular problems, where new approaches are externally rewarded.

(2) *Expected creativity* refers to extrinsically motivated employees' generating creative ideas and solutions to problems that managers haven't specified but discovered by employees. One example of this type is what Getzels and Csikszentmihalyi (1976) assessed in their study; the participants' creativity was assessed by their way to paint a still life after selecting and arranging objects on a table. The problem itself was open, in that the arrangement of objects was not formulated, yet the driver for engagement was external. In an organization, examples of expected creativity can be found in quality circles and in total quality management practices where creative ideas and solutions are recognized and rewarded.

(3) *Contributory creativity* refers to intrinsically motivated employees' generating creative ideas and solutions to problems that managers already identified. By being intrinsically motivated, I mean employees are motivated by their own pleasant feelings, passion, and enthusiasm toward the task. This type of creativity is similar to responsive creativity in that the problem is already specified, but different in that employee motivation is not driven by external rewards. Examples of contributory creativity include an effort to assist problem solving using a creative solution, when employees are not directly involved to the problem. A similar type of creativity can be found from Eisenberger, Fasolo, and Davis-La Mastro's (1990) study that employee creativity was measured by their voluntary responses made to a specific open-ended question at the end of an employee survey. Contribution by non-project member can be a good example of this type in organizations.

(4) *Proactive creativity* refers to intrinsically motivated employees' generating creative ideas and solutions to problems that managers haven't specified but discovered by employees. This type of creativity is similar to expected creativity in that the problem is not yet specified, but different in that employee motivation is not driven by external rewards. Examples include employees' voluntary suggestions and unprompted proposals for improving manufacturing processes and developing new products. Since this type of creativity requires employees to identify the problem and participate to solve it by themselves, employees must demonstrate independency, wide-ranging curiosity, and high levels of passion and task engagement.

Importantly, while Amabile's (1996) and Sternberg's (1999) typologies are constructed by either components or outcomes of creativity while overlooking the possible impact of managers to organizational situation, Unsworth (2001) developed her typology with considering them together. In particular, by focusing on employees' initial engagement in creative behaviors, Unsworth (2001) identified two dimensions of creativity, including motivation type (whether the driver for engagement is external or internal) and problem type (whether the initial state of problem is formulated by managers before employees engage or not), which may bring different consequences. In this regard, Unsworth's (2001) typology seems to be the most appropriate to the purpose of this paper, which is to explore the relationship between managers' leadership behaviors and employee creativity.

Employee Creativity and Leadership

Given that managers' leadership behaviors shape work environment, and employee creativity is heavily influenced by work environment, scholars in the domain of creativity and leadership have agreed that managers' leadership behaviors should have a powerful influence on employee creativity (Amabile, 1983; Bass, 1985; Podsakoff&Todor, 1985; Shin & Zhou, 2003). Importantly, among various leadership behaviors, three leadership styles have been consistently found to be positively associated with employee creativity, namely transactive leadership behaviors (Eisenberger, Huntington, Hutchison, & Sowa, 1986; Eisenberger, Rhoades, & Cameron, 1999), transformational leadership behaviors (Bass, 1985), and empowering leadership (Zhang & Bartol, 2010). In this section, I will discuss the concept of each leadership behaviors and mechanisms how and why they may facilitate employee creativity in organizations based on the creativity typology discussed above.

(1) Transactional Leadership

Transactional leadership refers to the leadership model which focuses on the exchanges between managers and their employees (Burns, 1978). This type of leadership is characterized by the contingent reward, active management-by-exception, and passive management-by-exception (Bass & Avolio, 1994). Managers with transactive leadership behaviors tend to exchange things of values with employees to advance their own as well as their employees' goals (Kuhnert, 1994). Research said that transactive

leaders are effective because it is in the best interest of employees to do what the managers want (Kuhnert & Lewis, 1987).

Importantly, with regards to employee creativity, transformational leadership may have contradictory effects. While contingent reward may undermine employees' intrinsic motivation and autonomy (Deci & Ryan, 1987) which should hinder their creativity, it can also provide employees with externally driven motivation and ideas about what to achieve and how to do so (i.e., problem identification; Eisenberger, Huntington, Hutchison, & Sowa, 1986; Eisenberger, Rhoades, & Cameron, 1999), which should facilitate their engagement in creative processes. This seemingly apparent puzzle, however, can be solved and understood when considering employee creativity is not a singular entity; while transactional leadership behaviors may not lead employees to engage in behaviors beyond expected and required levels, and thus may not facilitate contributory and proactive creativity, they may lead employees to exhibit great levels of responsive creativity because managers with transactive leadership behaviors clarify the problems prior to asking employees to perform creatively. It is also because employees under transactive leaders may develop clear understanding about which behaviors and approaches are expected and linked with rewards. Therefore, transactive leadership behaviors should enhance employees' responsive creativity, but not contributory creativity, expected creativity, and proactive creativity.

(2) Transformational Leadership

Transformational leadership refers to the process whereby an individual engages with others and creates a connection that raises the level of motivation and morality in both the manager and the employee (Burns, 1978). Bass (1985) suggested that managers with transformational leadership behaviors influence employees through (1) charismatic influence, (2) communicating high expectations to followers and inspiring them to become committed to and a part of the shared vision in the organization, (3) stimulating them to be creative and innovative, and (4) providing a supportive climate, which in turn, leads followers' achievement beyond expectation. Accordingly, by definition, managers displaying transformational leadership behaviors should facilitate employee creativity (cf. Bass & Avolio, 1994; Shin & Zhou, 2003). In particular, because managers with transformational leadership behaviors tend to enhance employees' intrinsic motivation, help

employees to acquire sufficient knowledge and skills to their task, and enable them to approach their problems with new and appropriate ways, they should lead employees to engage in creative behaviors whenever they need to. In other words, when asked or expected, employees under transformational leader may successfully display creative performance, which include responsive creativity and contributory creativity.

However, since employees tend to perceive their transformational manager as an exceptional individual with extraordinary power and follow him or her as a role model (House, 1976), their behaviors and approaches may be limited and dependent on the leaders' behaviors and viewpoints. Indeed, past studies have shown that employees under transformational leaders have developed limited source of knowledge and skills, follow the leader's vision and value as "enthusiastic sheep" (Sims & Manz, 1996), and thus depend strongly on their leaders (Kark, Shamir, & Chen, 2003). Therefore, they may have difficulty in identifying and specifying organizational problems by themselves - which is crucial elements of both expected creativity and proactive creativity. Hence, transformational leadership should facilitate employees' responsive creativity and contributory creativity, but not expected creativity and proactive creativity.

(3) Empowering Leadership

Managers with empowering leadership behaviors emphasizes the development of employees' self-leadership or self-management (Manz & Sims, 1987; Zhang & Bartol, 2010). This type of manager has enough self-leadership skills, which facilitate employees' development of self-leadership skill. Through thus development, the empowered employees can enjoy feelings of independence and engage in spontaneous efforts to identify and solve problems; they become to exhibit strong intrinsic motivation and high levels of psychological empowerment by self-reinforcement, self-goal-setting, self-expectation, self-observation/evaluation, self-criticism, and rehearsal (Manz & Sims, 1987). In addition, as managers with empowering leadership behaviors tend to enhance employees' opportunistic thinking, employees hold have less difficulty in expressing their beliefs and ideas and conducting experiments. Taken together, managers with empowering leadership behaviors will promote employees' creativity very strongly and positively. In short, differently from transactional leadership and transformational leadership, managers with empowering leadership

behaviors can grant the employees (1) meaning and value in their tasks, (2) high competence or self-efficacy, (3) self-determination or autonomy, and (4) impact to the organizational process (Spreitzer, 1995), which enable the employees to identify problems beyond their role in the organization. Therefore managers with empowering leadership behaviors should facilitate all types of employee creativity, such as responsive creativity, contributory creativity, expected creativity, and proactive creativity, regardless of whether employees engage in creative processes with intrinsic or extrinsic motivation and whether the problem have been already defined or widely open.

Discussion

The primary question of the present study is how different leader behaviors affect employee creativity. While a number of leadership behaviors and styles have been proposed under different names (Bass, 1998; Conger & Kanungo, 1998; Manz & Sims, 1987; Sashkin, 1988; Zhang & Bartol, 2010), little efforts have been made to compare and integrate the effect of different leadership behaviors on employee creativity. Guided by theories in creativity and leadership domain, this paper attempts to fill this gap and explore the relationship between types of leadership behaviors and employee creativity. In short, this paper proposes that (1) transactional leadership behaviors will enhance responsive creativity, (2) transformational leadership behaviors will enhance responsive creativity and contributory creativity, and (3) empowering leadership behaviors will enhance responsive creativity, contributory creativity, expected creativity, and proactive creativity.

The above propositions suggest another important possibility that empowering leadership behaviors should be the most effective form to facilitate employee creativity. It is because empowering leadership behaviors can heighten all different types of employee creativity. More importantly, it is also because empowering leadership behaviors is the only leadership mechanism that lead employees to display proactive creativity, of which importance becomes larger and larger as business environments become more competitive, complicated and unpredictable; organizations becomes less capable to motivate employees via external rewards and organizational problems more difficult to be clearly specified. Consistently, past research has suggested that managers' providing support and autonomy to employees are two of the most important factors to their creativity (e.g.,

Enson, Cottam, & Band, 2001; Galluchi, Middleton, & Kline, 2000; Mumford, Scott, Gaddis, & Strange, 2002).

Integrating employee creativity with leadership behaviors in organizations is a challenging task. However, considering the importance of employee creativity in today's organizations, it is crucial to answer the question of how managers can facilitate it so the organizations can remain viable. This paper attempts to provide an answer to it by integrating current literature on creativity and leadership, and theoretically identify and compare mechanisms of different leadership behaviors to facilitate employee creativity.

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