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Transformational Leadership: A Catalyst for Innovation Creation in the Workplace

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Abstract:

Transformational leadership acts as an impetus for organisations to be innovative in their culture and approach. It has driven many organisations to success with its impacts seen across organisational functions, activities and processes. This paper provides a critical evaluation of the impact of transformational leadership on the creation of innovation in the work place by focusing on three aspects namely; the definition of vision and the establishment of an innovation culture, the support for organisational processes to drive innovation, and the establishment of relevant learning and training for organisations to support innovation culture and processes. The work also presents several examples of the role of transformational leadership on innovation to support the perspective that transformational leadership is a requirement for innovation creation in organisations.

Keywords: Transformational leadership, innovation, work place, learning and training

1. Introduction

Transformational leadership has driven many organisations to success with its impacts seen across organisational functions, activities and processes (Sharifirad, 2013). Transformational leadership has also been a factor in innovation in organisations as it is being increasingly considered as a critical requirement for innovation in these organisations (Sharifirad, 2013). This paper provides a critical evaluation of the impact of transformational leadership on the creation of innovation in the work place. The work also presents several examples of the role of transformational leadership on innovation to support the perspective that transformational leadership is a requirement for innovation creation in organisations. The next part of this essay introduces the role of transformational leadership on innovation and the impact that transformational leadership has on the innovation processes and development in organisations.

1.1. Impact on Innovation

There are many areas of the organisation that transformational leadership has an impact on in relation to innovation. However, before discussing in greater detail the impact of transformational leadership on innovation, it is important to have an understanding of the concept of transformational leadership and how this, in particular, differs from the other general type of leadership which is transactional leadership. Transformational leadership has several elements that are directly linked to the concept including inspiration and motivation from the leadership, collaboration among the organisational team members, and definition of a vision for the organisation to target (Bass & Riggio, 2005). In contrast, transactional leadership is a leadership style and concept that is linked to administration, monitoring for performance, and management and supervision of employees (Dartey-Baah, 2015). The focus of this paper is transformational leadership and how this style of leadership contributes and influences the creation of innovation in organisations.

1.2. Vision and Culture

An impact that transformational leadership has on innovation is the vision and culture that is defined for the organisation based on the transformational leadership style. In many organisations, the culture and the behaviour of employees and the work force are influenced significantly by the organisational leadership (Li et al, 2018). Transformational leadership can influence innovation considerably as the definition of the vision and implementation of activities to support the vision can lead to innovation in the organisation (Li et al, 2018). Specifically, the organisational culture is established through the innovation culture that has been set with the transformational leadership having the most influence on these developments (Li et al, 2018). It could thus be argued that transformational leadership has an impact on the foundations of innovation as the transformational leadership impacts the culture in organisation. In defining a clear vision for the organisation, transformational leadership including the CEO direction and vision for the organisation

sets up the culture that eventually influences organisational direction including the culture and behaviour of the employees (Sattayaraksa & Boon-itt, 2017). This is an important factor as the culture in the organisation potentially leads employees to always think of innovation in their processes and activities thereby leading to increased innovation in the organisation (Sattayaraksa & Boon-itt, 2017). In addition, the culture of innovation has an impact on the approach of employees with an innovative thinking culture being a driver of the resulting innovation of the organisation (Sattayaraksa & Boon-itt, 2017). In particular, the culture of innovation means that the organisation can develop an innovation climate in which innovation is a feature that is expected from the functions, teams and individuals thereby leading to an internal environment that expects innovation in the development of solutions for the organisation (Jaiswal & Dhar, 2015). The definition of an appropriate culture is only one step in the innovation of organisations and this, in itself, would not be enough in being able to have an innovative culture in organisations. This is a failure in some organisations which are able to define a vision and culture but are not able to execute and develop these properly and effectively in the organisations with the processes unable to support the innovation vision and culture (Awazu, 2007). This is an indication of the need of the next factor that transformational leadership has an impact on for innovation, which are the innovation processes in organisations.

1.3. Innovation Processes

One impact that transformational leadership has in relation to innovation is the influence on innovation processes in the organisation, with these considered as requirements in the development of the creation of innovation. This has even been referred to as transformational innovation as the processes that are increasingly defined in the organisations contribute to innovation across teams and individuals (Denning, 2005). While the previous factor of organisational vision creates a guide for the organisation on how to approach innovation, organisational processes are needed to support the creation of innovation in the organisation and ensure that the teams are functioning in support of the creation of innovation. The organisational processes are important for innovation as innovation does not happen in a vacuum and the support of different parts of the organisation is needed in the continued development and introduction of innovation in the organisation (Prasad & Junni, 2016). While an innovation idea may come from an individual or team, the eventual enhancement and development of the innovation idea requires the participation and contribution of different functions and teams in the organisation (Prasad & Junni, 2016). The role of other parts of the organisation in relation to innovation are in the enhancement of the innovation, the development of the execution initiatives to roll-out the innovation, and the definition of the performance parameters to understand the impacts and contribution of innovation in the organisational activities (Prasad & Junni, 2016). However, failure of organisations in the establishment of organisational processes in support of innovation is the belief that this is enough to be able to have an innovative organisation with teams and individuals having the required support to be innovative. Studies have shown that it is important for organisation to have internal and external support in the innovation processes for the organisation to have success internally in building an innovative culture (Gumusluoğlu & Ilsev, 2009). The innovation processes should be supported with appropriate learning and training for the teams and individuals in order to properly and effectively leverage the innovation processes that are established in organisations (Gumusluoğlu & Ilsev, 2009). The next section discusses the impact and role of learning and training on innovation skills and capabilities of teams and individuals in organisations.

1.4. Organisational Learning and Training

Transformational leadership also has an impact on the learning of the organisation and the personal development of individuals in the organisation. This feature is important in relation to innovation as transformational leadership creates the impetus for organisations to expand the skills and capabilities of the individuals in the aspect of innovation (Imran et al, 2016). The role of transformational leadership in this case is the establishment of the need for individuals and the organisation to have the skills and capabilities to be innovative (Imran et al, 2016). While it is possible for some individuals to already have the innate nature to be innovative, there is a need for the organisation to continue to encourage innovation and to provide the opportunities for individual employees to have the platform to be innovative in their everyday work activities. The organisational learning and the personal development of the employees can contribute to this development as the organisation establishes the learning processes that support innovation for the organisation (Imran et al, 2016). It is not just the establishment of processes for organisational and individual learning that forms the requirement for organisations to be innovative. The actual learning content and the focus of the right type of skills and capabilities are needed for this approach to be effective in enhancing the skills and capabilities of the organisation and individuals in innovation (García-Morales, Jiménez-Barrionuevo & Gutiérrez-Gutiérrez, 2012). This is an aspect that many organisations fail to incorporate thereby leading to a weakness in innovation as the focus and content of organisational learning do not align with the requirements of the organisation in relation to learning to be innovative in their approach and daily activities.

2. Summary of Factors

With the different factors that transformational leadership impacts in relation to innovation, it is important to see how these factors actually contribute to innovation in organisations with actual, practical examples. This will ensure that there is an understanding of how these factors impact innovation in organisations. The next part of this paper focuses on the examples of innovation that relate to the factors that have been discussed in this part of the essay in the influence of transformational leadership on innovation in organisations.

3. Recent Examples of Impact of Transformational Leadership on Innovation

3.1. Face Book

There are many examples of innovation as developments continue to pervade in the market place. In terms of the impact of vision on innovation, an example is FaceBook with the initial vision of the founder, Mark Zuckerberg, arguably providing the steps needed in order of FaceBook to develop into the social media platform that it has become. However, there is a continual need to redefine a vision to keep organisations innovating for the future. Zuckerberg defined FaceBook's vision, when it first started, as a way to connect friends and families (Zipkin, 2017). FaceBook has become a pre-eminent example of the growth of social media and the social media platform has become a large channel in which friends and families connect seamlessly to share news, stories and photos (Zipkin, 2017). Recently, with the success of FaceBook and how it has connected the world, Zuckerberg has changed his company's vision to "develop the social infrastructure for community - for supporting people, for keeping people safe, for informing people, for civic engagement and for inclusion of all" (Zipkin, 2017, np). This highlights how it is important for organisations to continue to have relevant vision in order to expand the innovation in organisations. With the new vision, it is expected that FaceBook will have new developments that would lead to innovation in the social media platform that would help the organisation achieve its vision. Zuckerberg could be argued to be a transformational leader who has provided a clear vision for the organisation that will drive FaceBook to continue to be innovative in the market place.

3.2. Amazon

Another aspect of the way transformational leaders are influencing organisational processes for innovation. An example for this is how Amazon has continually invested in and revised its delivery processes to expand and enhance customer service. Jeff Bezos, as Amazon founder, has pushed Amazon's processes to continually be innovative even as it already has become a driver of innovation and has been a disruptive force in retail delivery (Feinberg, 2018). The processes in place in Amazon are designed to lead to new ideas on the improvement of retail delivery thereby providing a different experience for the customers of Amazon (Feinberg, 2018). The innovative delivery strategy of Amazon redefining the processes, supporting the organisational strengths, are designed to presenting a great experience for its customers (Feinberg, 2018). This example shows how organisational processes are impacted by the transformational leadership influence, and how this leads to an innovative organisation.

3.3. Apple

The final example is in the role of transformational leadership in influencing organisational learning and training in relation to innovation. The example for this is Apple which has recently designed an Apple Park which is envisioned to be a work space "to maximize opportunities for creativity and collaboration and to capture founder Steve Jobs' complex vision for the space" (Hess, 2017). Apple Park will be at the centre of the learning of individuals and teams, and this provides a view on how organisational learning can enhance and is required for innovation development among individuals and teams.

4. Conclusion

The discussions presented in this paper show how important transformational leadership is for organisations. While transformational leadership has impacts on many different aspects of organisational activities, transformational leadership, in this essay, was presented as a requirement for organisations to be successful in innovation. There were three aspects that the essay focused on in the role of transformational leadership for innovation which were in the definition of vision and the establishment of an innovation culture, the support for organisational processes to drive innovation, and the establishment of relevant learning and training for organisations to support innovation culture and processes. Each of these three elements are critical for organisations to be innovative and to remain innovative in the market place, and against competitors. This is not an exhaustive list but forms key elements that are helpful in the creation of innovation in the organisation. The issues in relation to these relevant and required elements for organisational innovation are in the lack of supporting processes for the innovation vision and culture, the lack of supporting training and learning for teams and individuals, and the poor alignment of learning content and focus to support innovation learning.

5. Recommendations

The examples presented in this work showed how these elements are critical for innovation, and how these elements are acted on by organisations to be innovative in the market place. The general recommendations for organisations are to define an appropriate vision that would lead to an innovation culture, establish relevant processes that would support the innovation in the organisation, and develop relevant focus and content that would support overall innovation learning in the organisation. These recommendations are expected to provide the necessary activities that would align with the transformational leadership in place which acts as an impetus for organisations to be innovative in their culture and approach.

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