

The Macrotheme Review

A multidisciplinary journal of global macro trends

Full Range Leadership Model: Does it promote or hinder creativity?

İlge Kurt

Niğantaşı University, Turkey

Abstract

Organizational Creativity has become a relatively new and emerging research area within the field of organizational behavior. Hence, the aim of this study is to explore the role of transformational and transactional leadership in creative work involvement. The sample used in the analysis (N=370) is composed of Turkish service sector employees. The results reveal that transformational leadership and contingent reward dimension of transactional leadership are positively related with creative work involvement. This study intends to provide further contribution to the business literature by pointing out managerial implications of the research concepts, and the relationships among them.

Keywords: Transformational Leadership, Transactional Leadership, Creative Work Involvement

1. Introduction

Today, creativity has become an important factor for the success and competitive advantage of organizations and a strong economy (Woodman et al., 1993), because organizations face a dynamic environment which is surrounded by rapid technological changes, shortened product life cycles and globalization. Researchers have claimed that in order to deal with the environmental pressures, and to enhance the innovativeness of organizations, the creative performance of the employees need to be improved, because creativity is considered as the starting point of all innovations (Amabile et al., 1996; Shalley, 1995). In service sector, jobs are complex, demanding, and requires high challenge and autonomy. Therefore service sector employees should focus their attention to consider different alternatives and creative outcomes (Shalley and Gilson, 2004). Thus, more than ever before, organizations strive for creativity and innovation (Zhou, 1998) in order to survive and compete. Therefore, enhancing creative involvement of employees has rapidly become a key goal of many organizations (Mumford et al., 2002; Atwater and Carmeli, 2009). In a knowledge based economy, organizations face rising needs to increase creative work involvement of their employees.

Carmeli and Schaubroeck (2007) argued that “*although outcomes of the creative process are often studied (p.36), one of the key questions in creativity research relates to individuals’ motivation to become and remain creatively engaged at work*” (Amabile, 1998; Janssen et al., 2004; Scott and Bruce, 1984 as cited in Kark and Carmeli, 2009, p.787). Creative work involvement has vital importance for creative achievements and innovation (Carmeli and Schaubroeck, 2007; Keller, 1997; Mumford et al., 2002 as cited in Atwater and Carmeli, 2009). As a result, how and why individuals are motivated to become involved in creative work needs

further research. The study of individual involvement in creative work is still in its infancy (Atwater and Carmeli, 2009).

There also exists a major leadership challenge as managers seek ways to foster and maintain creativity at work (Atwater and Carmeli, 2009). Tierney (2008) states that contemporary leadership has to comprise the capacity to foster employee creativity. Those leaders work with their employees to generate creative solutions to complex problems, and help them to handle the developments and changes (Bass et al., 2003). At both individual and organizational level, supervisory support and leadership are considered to be important concepts related to creativity (Smith and Shalley, 2003). The approach of leaders towards members of the organization may play a vital role in promoting creative involvement in organizations. When the studies examining the relationship between leadership and creativity are analyzed, findings point to transformational leadership (Shin and Zhou, 2003; Jung et al., 2003; Mumford et al., 2002; Rasulzada and Dackert, 2009).

In a turbulent environment such as Turkey's economic and social environment, creativity becomes imperative for the future development of organizations and innovation. Moreover, organizations are confronted with a challenge how to motivate their employees to engage in creative work tasks. Thus, it can be said that, it is important for Turkish organizations to determine the role of appropriate leadership styles (Tierney et al., 1999; Oldham and Cummings, 1996) to foster creativity. Studies examining employee creativity in non US settings are rare (Farmer et al., 2003). As this study investigates the concepts of creative work involvement and leadership in Turkey, which is a developing country; it is expected to contribute to the literature as a research conducted in a setting other than United States, Japan or Europe with advanced economies. The aim of the study is to investigate how leadership styles might be related with creative work involvement, in order to provide guidance on the managerial level positions who might be recruited for situations where creativity is required, and on the type of organizational leadership styles which may foster creativity. The study attempts to explore the following research question:

RQ: Is there a relationship between creative work involvement and leadership styles of transformational and transactional leadership?

2. Literature Review

2.1. Creativity and Creative Work Involvement

Drazin et al. (1999) defined creativity "*as the engagement of an individual in a creative act*". Creative engagement is seen as "*a process in which an individual behaviorally, cognitively, and emotionally attempts to produce creative outcomes*" (p.290). Creativity involves the production of novel and useful ideas and it can be identified as the seed of all innovation and psychological perceptions of innovation (Amabile et al, 1996). Unsworth (2001) questioned the definition of creativity as a unitary construct, which was defined as novel ideas appropriate for the situation, and focused on the processes leading up to idea generation.

Creativity is also often described as individuals feeling motivated to perform their work, such that they are actively engaged in their work (Amabile et al., 1996). Smith and Shalley (2003) claimed that individuals can be creative in their work, by generating new ways to perform their work, by coming up with novel procedures and innovative ideas, and by adapting known approaches to new alternatives. Therefore it can be suggested that creativity does not have to exist only on special types of projects, but it can occur in various work situations in which an employee

performs. Zhou (2003) stated that while engaging in creative activities, employees needed to identify problems, generate, evaluate, and refine ideas. Drazin et al. (1999) discussed that creativity as a process is concerned with the journey toward producing creative outcomes or improving overall performance through the engagement in creative acts. They argued that creativity was a choice made by an individual to engage in producing novel ideas.

Creative work involvement refers to an employee's engagement (in terms of time and effort) in creative processes associated with work (Carmeli and Schaubroeck, 2007). It comprises a person's subjective assessment of the degree to which he or she is engaged in creative tasks (Kark and Carmeli, 2009). Gilson and Shalley (2004) discussed that engagement in creative processes involved employees behaviorally, cognitively, and emotionally attempting new things or ways regarding their work. Therefore creative work involvement can be conceptualized as the first step or pre-condition for creative outcomes, performance, and as a required input for eventual innovation. That makes creative work involvement a critical component for individual and organizational success.

Although researchers have long been interested in the antecedents and consequences of job involvement (Carmeli, 2005; Dubin, 1956; Kanungo, 1982; Rabinowitz and Hall, 1977 as cited in Atwater and Carmeli, 2009), relatively little is known about involvement in creative work, i.e., *“the extent to which an employee engages his or her time and effort resources in creative processes associated with work”* (Carmeli and Schaubroeck, 2007 as cited in Atwater and Carmeli, 2009, p.264).

2.2. Full Range Leadership Theory

A historical review of the theoretical and empirical literature dealing with the concept of leadership puts forward a variety of approaches that have developed over the years. Bryman (1992) summarizes the historical trends in leadership theory in three stages. Up to late 1940s, the main approach was trait approach, which focused on the theme that leaders are born with an innate ability to leadership. From late 1940s to late 1960s, the main approach was behavioral approach, which focused on what leaders do and how they behave. From late 1960s to early 1980s the main approach was contingency approach, which claimed that effectiveness of leadership is affected by the situation and context. Since early 1980s new leadership approaches such as charismatic and transformational leadership are introduced, which concentrate on vision, loyalty and emotional attachment.

Bass (1985) argued that the existing theories of leadership primarily were limited to focusing on basic exchanges between leaders and followers such as role and goal clarification, rewarding or punishing behavior and underlined the necessity to understand how leaders could influence followers to transcend their self interest for greater goals of organizations in order to achieve optimal levels of performance. Being aware of that necessity, Bass and Avolio (1995) developed a full range model of leadership, including transformational and transactional leadership.

2.2.1. Transactional and Transformational Leadership

Transactional leadership consists of an exchange between leaders and followers in which followers receive certain values and outcomes, when their leader's wishes are fulfilled (Burns, 1978). Transactional leader also concentrates on how current need of followers can be fulfilled. Therefore, according to Bass (1985) transactional leadership can be conceptualized as a transactional or cost-benefit exchange process. Bass and Avolio (1995) defined the transactional

leadership style as being based on traditional bureaucratic authority and legitimacy. They are considered to be the leaders who try to stimulate the followers through reward and discipline, actively spot deviance from standards or passively wait for followers to do something wrong. The dimensions of transactional leadership can be stated as contingent reward, management by exceptions (active), management by exceptions (passive), and laissez faire (Table 1).

Table 1. Dimensions of Transactional Leadership

Dimension	Definition
Contingent Reward	Leaders provide followers with material and psychological rewards contingent on contractual obligations, and attainment of the specified performance level. They also clarify task and role requirements (Den Hartog and Koopman, 2001). According to Bass et al. (2003), followers agree with and comply with the leader in exchange for rewards or the avoidance of disciplinary action.
Management by Exception (Active)	The leader actively seeks deviations from standard procedures, and ensures that standards are met. They enforce rules to avoid mistakes (Bass, 1997). This style of leadership requires clarification of objectives, closely monitoring for deviances, and taking corrective action (Bass et al., 2003).
Management by Exception (Passive)	The leader only intervenes if deviations from the standard procedures and irregularities take place. They wait to take action until problems become serious (Bass, 1997). Leaders avoid giving directions if the old ways work, and allow followers to continue doing their jobs (Den Hartog et al., 1997).
Laissez Faire	It can be considered as a nonleadership dimension. The leader avoids making decisions, accepting responsibilities, doesn't use authority and abdicates responsibilities.

Burns (1978), as a political scientist, was the first person to introduce the concept of transformational leadership in his book 'Leadership'. Burns (1978) focused on political leadership, later Bass (1985) as a management scholar carried the transformational leadership concept to organizations to describe the leaders engaged in transforming organizational changes, and motivating followers. Transformational leadership was used to describe leaders involved in organizational change efforts, who appealed to higher order goals, and actively set out to empower their subordinates (Conger and Kanungo, 1994). Therefore, it can be said that, the transformational leadership theory, which has generated the most research was integrated to business world by Bass (1985, 1990). According to Burns (1978) and Bass (1985) transformational leaders are leaders who stimulate their followers to adapt their values, beliefs, motives so that the followers' own goals become congruent with the vision of the organization. The transformational leadership dimensions can be stated as idealized influence, inspirational motivation, intellectual stimulation, individualized consideration (Table 2). Idealized Influence is

analyzed under two subdimensions, which are idealized influence (attributed) and idealized influence (behavior).

Table 2. Dimensions of Transformational Leadership

Dimension	Definition
Idealized Influence	This dimension is also referred as charisma. Through charisma, the leader provides vision, sense of mission, pride, respect, trust, and optimism by exciting and inspiring their followers (Den Hartog and Koopman, 2001).
a) Idealized influence (attributed)	It refers to the social charisma of the leader and the attribution the followers give to the leader. It is related with whether the leader is perceived as confident, powerful and focused on higher-order ideals and ethics (Antonakis et al, 2003).
b) Idealized influence (behavior):	It consisted of charismatic actions of the leader which are centered on values, beliefs and a sense of mission (Antonakis et al., 2003).
Inspirational motivation	It refers to the ways leaders energize and motivate their followers. Leaders act as a model for their followers by projecting an idealized vision, communicating that the vision is achievable, stressing ambitious goals, viewing future with optimism, providing encouragement for what needs to be done, and using symbols to focus efforts (Den Hartog and Koopman, 2001; Bass, 1997).
Intellectual Stimulation	It refers to the leader actions which challenge followers to think creatively and find solutions to difficult problems (Antonakis et al, 2003). That can be achieved by providing subordinates a flow of challenging new ideas, stimulating modification of old ways of doing things, questioning old assumptions, tradition, and beliefs, arousing the awareness of the problems, recognizing their beliefs and values, encouraging the expression of ideas and new perspectives (Den Hartog and Koopman, 2001; Bass, 1997).
Individualized Consideration	Followers are treated as individuals, not just members of the group (Dionne et al., 2004). The leader concentrates on the individualization and development of followers, by coaching, mentoring, providing feedback, listening attentively, helping them develop to their strengths, and paying attention to the individual needs of followers. Individualized consideration dimension of transformational leadership helps followers to further their development, and achieve their full potential (Bass, 1997).

3. Proposed Model of the Study and Hypotheses

Leadership is found to have influence on creativity in organizations (Mumford and Connelly, 1999; Oldham and Cummings, 1996; Redmond et al. 1993; Scott and Bruce, 1994 as cited in Rasulzada and Dackert, 2009). Amabile et al. (2004) in their study claimed that leadership could be considered as a key feature in organizations, and was positively related to creativity of employees working on creative projects. Leader behaviors had an effect on the flexibility, fluency and originality of the employees' approach to their work.

Atwater and Carmeli (2009) examined how leaders create the driving force for creativity at work. The employees' perception of the quality of their relationship with their leader was found to be related to a high level of involvement in creative work. Carmeli and Schaubroeck (2007) in their study examined the leaders' expectations for followers to engage in creative work and how those beliefs influenced their involvement in work related creativity and claimed that perceived leader expectations for creativity had a relationship with creative work involvement. In a recent study, Carmeli et al. (2010) investigated, and demonstrated the influence of leadership to employee involvement in creative work. They stated that leaders could influence the motivation of employees to engage in creative work by setting expectations for creative performance, increasing intrinsic motivation, and channeling their energy to engage in creative work.

Applied to creativity, findings point to transformational leadership. Transformational leadership is found to have a positive relationship with creativity (Bass and Avolio, 1994 as cited in Rasulzada and Dackert, 2009). Transformational leaders are charismatic, inspiring, and motivating to their employees, providing them with intellectual stimulation and high individual consideration (Bass, 1995), and thus support employee creativity. Shin and Zhou (2003) suggested that transformational leadership is related to follower creativity through its impact on intrinsic motivation. Transformational leadership behaviors closely match the determinants of innovation and creativity at the workplace (Elkins and Keller, 2003). Transformational leadership behaviors of vision, support for innovation, autonomy, encouragement, recognition, and challenge act as "*creativity enhancing forces*" (Gümüşlüoğlu and İlsev, 2009; p.462). According to Shin and Zhou (2003), transformational leadership dimensions with emphasis on intellectual stimulation, vision articulation, role modeling, and transcendence of self interest, help to progress creative behavior at both micro and macro levels of the organization. Those dimensions energize and encourage employees to attempt to handle the tasks and problem solving in novel ways that challenge the status quo. Another feature that affected the relationship between transformational leadership and creativity was found to be the motivational effect of transformational leadership on creativity. Shin and Zhou (2003) in their field study found that employees working with transformational leaders reported a greater level of intrinsic motivation, which increased their creative performance.

Zhou (2003) suggested that supervisor behaviors that were controlling, inhibited intrinsic motivation and creativity. He claimed that for the presence of creative workers to have a positive relationship with creativity, supervisors should not exert close monitoring. Transactional leadership was found to have negative relationship with employee creativity (Howell and Avolio, 1993; Jung, 2000).

In line with the literature review, the following hypotheses are proposed.

Hypothesis 1: Higher the perception of Transformational Leadership, higher will be the creative work involvement.

Hypothesis 2: Higher the perception of Transactional Leadership, lower will be the creative work involvement.

4. Methodology

The sample is randomly selected from the companies operating in service sector in İstanbul, Ankara, and İzmir. A total of 370 respondents is included in the sample from 20 different companies, operating in service sector business. A quantitative research method is used for the study. The nature of the research design is correlational, and it is cross-sectional. The data collection method of this research study is based on surveys and conceptual modeling (Meredith et al., 1989).

For measuring leadership, Bass and Avolio's (1995) Multifactor Leadership Questionnaire (MLQ Form 5X) was used. It is a 45 item (36 leadership items and 9 outcome items), five-point Likert type, self scoring questionnaire. Transformational leadership covers 4 components named as; Idealized Attributes, Idealized Behaviors, Inspirational Motivation, Intellectual Stimulation, Individual Consideration. Transactional leadership covers components named as; Contingent Reward, Management-by-Exception:Active, Management-by-Exception:Passive. Laissez-faire leadership is composed of itself; named as; Laissez-Faire. Finally there are 3 components of perceived success named as; Extra Effort, Effectiveness, Satisfaction with the Leadership. The three items related with perceived success of leader and laissez-faire leadership were taken out, because they were not related with the research concepts of the study.

For measuring creative work involvement, Carmeli and Schaubroeck's (2007) scale for assessing employee involvement in creative work is used. This scale is based on a nine-item measure of employee creativity developed and used by Tierney et al. (1999). Tierney and colleagues developed a nine item scale in which supervisors rated the creativity of their employees from the perspective of idea generation and implementation. Carmeli and Schaubroeck (2007) modified the scale to measure employee's own perception in creative work involvement. Five-point Likert-type scale was used.

5. RESEARCH FINDINGS

The data was analyzed using SPSS 16.0. The results of the descriptive statistics are presented in Table 3.

Table 3. Frequencies of the Demographic Variables ($n=370$)

Variable	Frequency	Percentage
Gender		
Male	205	55.4
Female	165	44.6
Age		
18-20	6	1.6
21-25	39	10.5
26-30	104	28.1
31-35	85	23.0
36-40	64	17.3
41+	72	19.5
Education		
High School	64	17.3
College	198	53.5
Graduate	84	22.7
PhD	24	16.5
Position		
Manager	56	15.1
Non Manager	33	8.9
Specialist	86	23.2
Administrative	31	8.4
Technical staff	108	29.2
Other	56	15.1
Tenure at current company		
0-1 years	75	20.3
1-2 years	74	20
2-4 years	66	17.8
5- years	155	41.9
Total work tenure		
0-1 years	18	4.9
1-2 years	33	8.9
2-5 years	56	15.1
5-10 years	82	22.2
10- years	181	48.9

The factor analysis of creative work involvement results were satisfactory with 0.903 KMO and significant Barlett’s test result. Furthermore, no items were needed to be extracted from the study for further analysis. Factor analysis results revealed two factors. It was observed that the items that formed the first factor represented involvement items related with idea generation, whereas the items that formed the second factor was about idea implementation Explained variance by the first factor was 42.016%, whereas it was 25.399% variance of the scale for the second factor. In total, they explained 67.415% of the variance. Cronbach’s alpha for the factors were 0.889 and 0.794 respectively.

The factor analysis of transformational leadership was satisfactory with 0.938 KMO and significant Barlett’s test result. Factor analysis results revealed three factors. The factors of transformational leadership did not represent the original categorization, but the grouping of items under each factor was found to be meaningful. The items originally belonging to the same dimensions were generally grouped under the same factor. The items that formed the first factor represented items related with idealized influence attributes and intellectual stimulation, the second factor included items related with idealized influence behavior and inspirational motivation, whereas the items that formed the third factor was about individual consideration. Explained variance by the first factor was 23.046%, whereas it was 22.299% and 15.789% variance of the scale for the second and third factor. In total, they explained 61.134% of the variance. Cronbach’s alpha for the factors were 0.906, 0.874 and 0.805 respectively.

The factor analysis for transactional leadership revealed that the composition of the items matched the original dimensions in the transactional leadership theory. The first factor, which was the contingent reward dimension, explained 38.93% of the variance, whereas management by exception explained 31.43% of the variance in transactional leadership. The KMO measure of sampling adequacy revealed a value of 0.676. The reliability of the factors were found to be 0.73 and 0.69 respectively, and acceptable (Hair et al., 2006).

To test the relationship between transformational leadership and creative work involvement Pearson’s correlation analysis (Table 4) was performed. The analysis results show that there is a significant, positive and moderate relationship (Sipahi et al, 2006) between transformational leadership and creative work involvement (r: 0.309, p: 0.00). The variables were also put into regression analysis and the regression model was also found to be significant (F: 38.820, p: 0.00). Therefore, it can be said that Hypothesis 1 is supported.

Table 4. Pearson’s Correlation Analysis

		Creative Work Involvement (Total)	Involvement related with Idea Generation (Factor 1)	Involvement related with Idea Implementation (Factor 2)
Transformational Leadership	r	.309**	.274**	.287**
	p	.000	.000	.000
Contingent Reward Factor of Transactional Leadership	r	.203**	.184**	.187**
	p	.000	.000	.000

** : p < 0.01

To test the relationship between transactional leadership and creative work involvement, Pearson's correlation analysis was performed. The analysis results showed that there is a significant, positive and moderate relation (Sipahi et al, 2006) between transactional leadership and creative work involvement ($r: 0.230$, $p: 0.00$). In the hypothesis the relationship was estimated to be negative. Therefore, it can be said that Hypothesis 2 is not supported. In order to spot which factor of transactional leadership explained the positive and significant relationship between transactional leadership and creative work involvement, an additional Pearson's correlation analysis was conducted between two factors of transactional leadership and creative work involvement. The correlation of coefficient (r) was 0.203 for contingent reward, whereas the relationship was not significant for management by exceptions factor. The variables were also put into regression analysis and the regression model was also found to be significant ($F: 15.825$, $p: 0.00$).

The relationship between demographic variables and the study concepts were analyzed by applying either t or ANOVA tests. For the gender variable which was composed of two groups, t test was applied to find the statistical significance of the difference between two sample means of the dependent variables. For the other variables such as age, education, position, tenure, total work experience, the ANOVA test was used. The majority of the relations were found to be insignificant, except for gender.

Table 5 exhibits the results for gender. As can be seen in the table, t test was initially done to observe if gender makes a difference on the perception of creative work involvement. Later the test was further continued to see whether the results change according to involvement dimension related with idea generation (factor 1) and idea implementation (factor 2). The results indicated that mean values of the respondents from both genders were different when creative work involvement dependent variable was considered ($t(370): 2.914$, $p: 0.004$). When the mean values of respondents with respect to genders were compared, the mean values of male respondents were found higher than mean values of female respondents ($\mu_{\text{male}}: 3.2244$, $sd: 0.72760$; $\mu_{\text{female}}: 2.9953$, $sd: 0.78042$). The results indicated that mean values of the respondents from both genders were different when involvement related with idea generation (factor 1) was considered ($t(370): 2.561$, $p: 0.001$). When the mean values of respondents with respect to genders were compared, the mean values of male respondents were found higher than mean values of female respondents ($\mu_{\text{male}}: 3.4065$, $sd: 0.82219$; $\mu_{\text{female}}: 3.1859$, $sd: 0.82586$). The results indicated that mean values of the respondents from both genders were different when involvement related with idea implementation (factor 2) was considered ($t(370): 2.716$, $p: 0.007$). When the mean values of respondents with respect to genders were compared, the mean values of male respondents were found higher than mean values of female respondents ($\mu_{\text{male}}: 3.1333$, $sd: 0.79886$; $\mu_{\text{female}}: 2.9000$, $sd: 0.84880$).

Table 5. T test results between Creative Work Involvement and Gender

	Gender	N	Mean	Std.Dev.	t value	p value
Creative Work Involvement (centered)	Male	205	3.2244	.72760	2.914	.004
	Female	165	2.9953	.78042		
	Gender	N	Mean	Std.Dev.	t value	p value
Creative Work Involvement (Factor 1 / Idea Generation)	Male	205	3.4065	.82219	2.561	.001
	Female	165	3.1859	.82586		
	Gender	N	Mean	Std.Dev.	t value	p value
Creative Work Involvement (Factor 2/ Idea Implementation)	Male	205	3.1333	.79886	2.716	.007
	Female	165	2.9000	.84880		

6. Conclusion

Transformational leadership dimensions and contingent reward dimension of transactional leadership were found to be related with creative work involvement. Overall the results about the positive and significant relationship between transformational leadership and creative work involvement support the hypothesized relationship. Yet, no support was found for the hypothesized negative relationship between transactional leadership and creativity. The results supported the positive and significant relationship between contingent reward and creative work involvement. A considerable amount of literature (Woodman et al, 1993; Amabile et al., 1996; Zhou, 2003) is related with the relationship between intrinsic motivation and creativity. The results of the study contributes to literature by offering a different research agenda of examining the effect of external drivers on creativity. In this study, contingent reward dimension is found to be an extrinsic drive, that leaders may use to foster creativity.

The main research question of this study was to explore whether or not transformational and transactional leadership types predict creative work involvement. As expected, higher perception of transformational leadership predicted higher creative work involvement. This finding can be considered valuable based on two reasons. First, in line with the findings of some researchers (Shin and Zhou, 2003; Jung et al., 2003; Mumford et al., 2002), this study also found a positive relationship between transformational leadership and followers' perceived creativity. Transformational leader behaviors with emphasis on intellectual stimulation, vision articulation, role modeling, and transcendence of self interest, were found to be related with creative work involvement. Second, transformational leadership is more likely to emerge in collectivist cultures than in the individualist cultures of the West and it is claimed that collectivists perform better under transformational leadership (Bass, 1990; Gümüşlüoğlu and İlsev, 2009). Turkey is

considered as a country with a collectivist culture (Hofstede, 1991) and the results of this study supported the researches (Jung and Yammarino, 2001) in literature reporting the positive effect of transformational leadership on the creative performance of collectivists.

In this study, it was expected that higher perceptions of the transactional leadership, would predict lower creative work involvement. However, the findings of the analysis revealed the importance of the contingent reward dimension of transactional leadership on creativity. Literature review mainly draws attention on the effect of intrinsic motivation on creativity (Woodman et al, 1993; Oliver and Anderson, 1994; Amabile et al, 1996; Zhou, 2003; Rice, 2006; Carmeli et al, 2010). On the contrary, there are also discussions about the possible extrinsic motivation and creativity relationship (Fairbank and Williams, 2001; Van Dijk and Van den Ende, 2002 as cited in Baer et al, 2003). Amabile et al. (1996) drew attention to the usage of reward, and claimed that extrinsic motivation could both hinder and enhance intrinsic motivation depending on the usage of the rewards and motivators. Amabile and Muller (2008) claimed that intrinsic motivation might even enhance with rewards which were given objectively according to the creative competence by enabling employees to become involved in their work. Furthermore, Eisenberger and Rhoades (2001) explored the incremental effects of reward on creativity. The findings of their study provide an explanation and rationalization for the results of this study, regarding the explanatory power of contingent reward provided by the leader, on creative work involvement. They found that rewards contingent on creativity might enhance extrinsic motivation. Reward for working hard at being creative was found to produce a generalized increase in creativity. Leaders may use rewards closely linked with creativity to modify creativity related employee behaviors. Furthermore, in another research (Eisenberger and Cameron, 1996) it was suggested that reward for high creativity in one task enhanced subsequent creativity in another task. Eisenber and Rhoades (2001) also discussed that “*expected reward for high performance might increase creativity by enhancing perceived self determination and intrinsic task interest*” (p.728) which in turn increase creative suggestions offered at work. It is also claimed that “*reward strengthens divergent thinking*” as a milestone for idea generation (Eisenberger and Cameron, 1996, p. 1160).

Tierney (2008) found that leader’s tendency to recognize and provide rewards for creative efforts, enhanced employees’ “*confidence in their creative capacity leading to creative performance*” (p.111). Accordingly, leaders who offer extrinsic inducements that validate or support employee confidence may trigger a deeper involvement in creative work content or process, and provide support for innovative work, which should positively impact creativity through motivational means. In line of the foregoing arguments, the positive relationship between creative work involvement and contingent reward dimension of transactional leadership can be considered as acceptable.

Although it is not one of the research questions of the study, the relationship between demographic variables and the study concepts were also explored. The majority of the relations were found to be insignificant. Creative work involvement both in terms of idea generation and idea implementation was found to differ according to the gender in favor of male employees. Runco (2004) pointed out that gender differences in assessments of creativity might originate from bias and favoritism and claimed that male employees might have more options available when solving problems and they might enjoy more flexibility. That may be one explanation for the gender differences in terms of creative work involvement perception in Turkish service sector employees. Furthermore, according to gender empowerment measure (GEM), Turkish women’s participation in economic and political life is very low. The male entrepreneurial activity rates (13.45%) are 3.6 times higher than that for females (3.67%). Although there is a slight increase in

the number of women active as early- stage entrepreneurs in 2010, Turkey has the 4th highest male/female ratio among the GEM participating countries.

The results of this study serve some suggestions for managerial implications as well. The role of transformational leadership in fostering creativity can not be disregarded. Leadership training programs may foster creative work involvement in service organizations. The belief that reward generally decreases creativity is not compatible with the findings of this study conducted in Turkish service sector. That puts forward the importance of the usage of rewards contingent on high creative performance and creative work involvement for Turkish service sector employees.

References

- Amabile T.M., Conti R., Coon H., Lazenby J., Herron M. (1996). Assessing the Work Environment for Creativity. *The Academy of Management Journal*. Vol. 39, No. 5, pp. 1154-1184.
- Amabile, T. M., Mueller, J. S. (2008). Studying creativity, its processes and its antecedents: An exploration of the componential theory of creativity. In C.E. Shalley, J. Zhou, (Eds). *Handbook of Organizational Creativity*. Taylor and Francis Group, N.Y. pp. 33-64.
- Amabile, T. M., Schatzel, E. A., Moneta, G. B., Kramer, S. J. (2004). Leader behaviors and the work environment for creativity: Perceived leader support. *The Leadership Quarterly*. Vol. 15, No. 1. pp. 5-32.
- Antonakis, J., Avolio, B.J., Sivasubramaniam, N. (2003). Context and leadership: an examination of the nine-factor full-range leadership theory using the Multifactor Leadership Questionnaire. *The Leadership Quarterly*. Vol. 14, pp. 261-295.
- Atwater, L. , Carmeli, A. (2009). Leader-member exchange, feelings of energy and involvement in creative work. *The Leadership Quarterly*. Vol. 20, No. 3, pp. 264-275.
- Baer, M., Oldham, G. R., Cummings, A. (2003). Rewarding creativity:When does it really matter?. *The Leadership Quarterly*. Vol. 14, pp. 569-586.
- Bass, B. M. (1985). *Leadership and Performance*, N.Y. Free Press.
- Bass, B. M. (1990). From transactional to transformational leadership: learning to share vision. *Organizational Dynamics*. Vol. 18, No. 3, pp. 19-31.
- Bass, B. M. (1997). Does the transactional-transformational leadership paradigm transcend organizational and national boundaries?. *American Psychologist*. Vol. 52, No. 2. pp. 130-139.
- Bass, B.M., Avolio, B. (1995). *MLQ Multifactor leadership questionnaire*. Redwood City, CA: Mind Garden.
- Bass, B. M., Avolio, B. J., Jung, D. L., Berson, Y. (2003). Predicting Unit Performance by Assessing Transformational and Transactional Leadership. *Journal of Applied Psychology*. Vol. 88, No. 2, pp. 207-218.
- Burns, J. M. (1978). *Leadership*. Harper & Row. New York.
- Bryman, A. (1992). *Charisma and Leadership in organizations*. London:Sage.
- Carmeli, A., Schaubroeck, J. (2007). The influence of leaders' and other referents' normative expectations on individual involvement in creative work. *The Leadership Quarterly*. Vol. 18, No.1, pp. 35-48.
- Carmeli, A. , Palmon, R. R. , Ziv, E. (2010). Inclusive Leadership and Employee Involvement in Creative Tasks in the Work Place: the mediating role of psychological safety. *Creativity Research Journal*. Vol. 22, No. 3, pp. 250-260.
- Conger, J. A. , Kanungo, R. N. (1994). Charismatic Leadership in Organizations: Perceived Behavioral Attributes and Their Measurement. *Journal of Organizational Behavior*. Vol. 15, No. 5, pp. 439-452.
- Den Hartog, D. N., Koopman, P. L. (2001). *Leadership in Organizations*. In N. Anderson, D. S. Ones, H.K. Sinangil & C. Viswesvaran (Eds.), *Handbook of Industrial, work & Organizational Psychology*. Volume 2, Organizational Psychology. Sage Publications.

- Den Hartog, D. N., Van Muijen, J., Koopman, P. (1997). Transactional versus transformational leadership: An analysis of the MLQ. *Journal of Occupational and Organizational Psychology*. Vol. 70, No. 1, pp. 19-34.
- Dionne, S. D., Yammarino, F. J., Atwater, L. E., Spangler, W. D. (2004). Transformational Leadership and Team Performance. *Journal of Organizational Change Management*, Vol. 17, No. 2, pp. 177-193.
- Drazin, R. , Glynn, M. A. , Kazanjian, R. K. (1999). Multilevel theorizing about creativity in organizations: a sense making perspective. *Academy of Management Review*. Vol. 24, No. 2. pp. 286-307.
- Eisenberger, R. ,Cameron, J. (1996). Detrimental effects of reward: Reality or myth?. *American Psychologist*, Vol. 51, No. 11, pp. 1153-1166.
- Eisenberger, R. , Rhoades, L. (2001). Incremental effects of reward on creativity. *Journal of Personality and Social Psychology*.Vol. 81, No. 4, pp. 728-741.
- Elkins, T. , Keller, R. T. (2003). Leadership in Research and Development Organizations: A Literature Review and Conceptual Framework. *The Leadership Quarterly*. No. 14, pp. 587-606.
- Farmer S. M. , Tierney P. , Mcintyre K. K. (2003). Employee Creativity in Taiwan: An Application of Role Identity Theory. *Academy of Management Journal*. Vol. 46, No. 5, pp. 618-630.
- Gilson, L. L.,Shalley, C. E. (2004). A Little Creativity goes a long way: An examination of Teams' Engagement in Creative Processes. *Journal of Management*. Vol. 30, No. 4, pp. 453-470.
- Gümüşlüoğlu, L., İlsev, A. (2009). Transformational Leadership, creativity and organizational innovation. *Journal of Business Research*. Vol. 62, No. 4, pp. 461-473.
- Hair, J. F., Anderson, R. E., Tatham, R. L., Black, W. C. (2006). *Multivariate Data Analysis (Sixth Edition)*. Upper Saddle River, NJ: Prentice-Hall, Inc.
- Hofstede, G. (1991). *Cultures and organizations: Software of the mind*. London: McGraw-Hill UK.
- Howell J. M. and Avolio, B. J. (1993). Transformational leadership, transactional leadership, locus of control, and support for innovation: key predictors of consolidated business unit performance. *Journal of Applied Psychology*. Vol.78, No. 6, pp. 891-902.
- Jung, D. I. (2001). Transformational and transactional leadership and their effects on creativity in groups. *Creativity Research Journal*. Vol. 13, No. 2, pp. 185-195.
- Jung, D. I., Chow, C. , Wu, A. (2003). The role of transformational leadership in enhancing organizational innovation: Hypotheses and some preliminary findings. *The Leadership Quarterly*, Vol. 14, No. 4-5, pp.525-544.
- Jung, D. I. , Yammarino, F. J. (2001). Perceptions of transformational leadership among Asian Americans and Caucasian Americans: a level of analysis perspective. *The Journal of Leadership Studies* .Vol. 8, No. 1, pp. 3-21.
- Kark, R. , Carmeli, A. (2009). Alive and creating: the mediating role of vitality and aliveness in the relationship between psychological safety and creative work involvement. *Journal of Organizational Behavior*. Vol. 30, No. 6, pp. 785-804.
- Meredith, J. R., Raturi, A. , Amoako-Gyampah, K., Kaplan, B. (1989), Alternative research paradigms in operations. *Journal of Operations Management*. Vol. 8, No. 4, pp. 297-326.
- Mumford, M. D., Scott, G. M., Gaddis, B. H., Strange, J. M. (2002). Leading creative people: Orchestrating expertise and relationships. *Leadership Quarterly*. Vol. 13, pp. 705-750.
- Oldham, G., Cummings, A. (1996), Employee Creativity: Personal And.Contextual Factors At Work, *Academy Of Management Journal*. Vol. 39, No. 3, pp. 607-634.
- Oliver, R. L., Anderson, E. (1994). An Empirical Test of the Consequences of Behavior and Outcome based Sales Control Systems. *Journal of Marketing*. Vol. 58, No. 4, pp. 53-67.
- Rasulzada, F. , Dackert, I. (2009). Organizational Creativity and Innovation in Relation to Psychological Well-Being and Organizational Factors. *Creativity Research Journal*. Vol. 21, No. 2, pp. 191 -198.
- Rice, G.(2006). Individual Values, Organizational Context and Self Perceptions of Employee Creativity: Evidence from Egyptian Organizations. *Journal of Business Research*, Vol. 59, No. 2, pp. 233-241.
- Runco, M. A. (2004). Creativity. *Annual Review of Psychology*, Vol 55, No. 1, pp. 657-87.

- Shalley, C. E. (1995). Effects of coaction, expected evaluation and goal setting on creativity and productivity. *Academy of Management Journal*, Vol. 38, No. 2, pp. 483-503.
- Shalley, C. E., Gilson, L. L. (2004). What leaders need to know: A review of social and contextual factors that can foster or hinder creativity. *The Leadership Quarterly*. Vol. 15, No.1, pp. 33-53.
- Shin, S. J., Zhou, J. (2003). Transformational leadership, conservation, and creativity: Evidence from Korea. *Academy of Management Journal*. Vol. 46, pp. 703–714.
- Sipahi, B., Yurtkoru, E. S., Çinko, M. (2006). *Sosyal Bilimlerde SPSS'le Veri Analizi*. First Edition, Beta Publications.
- Smith J. P. ,Shalley J. E. (2003). The social side of creativity: a static and dynamic social network perspective. *Academy of Management Review*. Vol. 28, No. 1, pp. 89-106.
- Tierney, P. , Farmer, S. M. , Graen, G. B. (1999). An examination of Leadership and Employee Creativity: The relevance of Traits and Relationships. *Personnel Psychology*, Vol. 52, No. 3, pp. 591-620.
- Tierney, P. (2008). Leadership and Employee Creativity. In C.E. Shalley, J. Zhou, (Eds). *Handbook of Organizational Creativity*. Taylor and Francis Group, N.Y. pp. 95-124.
- Unsworth, K. (2001). Unpacking creativity. *The Academy of Management Review*, Vol. 26, No. 2, pp. 289-297.
- Woodman, R. W. , Sawyer, J. E., Griffin, R. W. (1993). Toward a theory of organizational creativity, *The Academy of Management Review*. Vol. 18, No. 2, pp. 293-321.
- Zhou, J. (1998). Feedback valence, feedback style, task autonomy, and achievement orientation: interactive effects on creative performance. *Journal of Applied Psychology*. Vol. 83, No. 2, pp. 261-276.
- Zhou, J. (2003). When the presence of creative coworkers is related to creativity:role of supervisor close monitoring, developmental feedback and creative personality. *Journal of Applied Psychology*. Vol. 88, No. 3, pp. 413-422.

Note: This paper is based on a certain part of a thesis submitted in partial fulfillment of the requirements for the degree of Doctor of Philosophy at Yeditepe University, Istanbul, Graduate Institute of Social Sciences, but the present study comprises new statistical tests.