

Impact of Innovative and Creative leadership on Employee morale: A study in Bank Muscat

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DOI: <https://doi.org/10.5281/zenodo.6613865>

Published Date: 04-June-2022

Abstract: The aim of this study is to investigate the impact of innovative and creative leadership on employee morale in Bank Muscat. Innovation leadership is a method and concept that combines a variety of leadership approaches to motivate and inspire people to produce new products, services, and ideas. People that are creative are innovators who can come up with new ideas that serve as the foundation for innovation. Job satisfaction, employee attitude, employee thoughts about his or her health, and happiness during his or her time at work are all examples of employee morale. The objectives includes identifying the various characteristics of innovative and creative leadership influencing employee morale and exploring how innovative and creative leadership effecting employee morale. Type of Research is quantitative method. Exploratory research was conducted. The research Respondent was 105 employees from the main branch of Bank Muscat. Sampling Procedure is Convenience Sampling. This paper examines the effect of creative and innovative leadership on employee morale, as well as the characteristics that influence leadership and employee morale of Bank Muscat workers.

Keywords: Bank Muscat, Creative leadership, Employee morale, Innovative leadership, Job Satisfaction, Multiple Regression analysis.

I. INTRODUCTION

Employee Morale means job satisfaction, employees attitude, his/her feelings about his health, contentment during his/her time in the place of work (Mallik & Keerthi., 2019). Morale is usually classified as high or low morale. An employee is said to have high morale if he is contented with the work and have an optimistic outlook at work. The consequences of high employee morale usually involve cooperating willingly, loyalty towards organization and leaders, have high degrees of initiative and interest for doing the job (Nur,F. et al.,2021).

Majority of the employees who experience low morale criticize their managers due to their leadership aptitudes such as communication and how they develop their teams (Shculer,2004). According to Millett (2010), low morale slowly wrecks employees' responsibility, negatively influence the product or services they sell, and also distance their customers and the clients from the business.

Innovative leadership, according to Sen & Eren, (2021), entails offering a brand-new method, product, service, technique, or idea to meet people's demands and provide solutions to existing and future challenges. Thus, innovation leadership is a technique and philosophy that integrates many leadership styles to inspire and drive employees to create goods, services, and innovative ideas (Horth & Buchner, 2014). The creative leader plays a critical role in the practice of innovation leadership. When it comes to organizational growth, innovative leadership is thought to help a group or organization achieve its vision and goal. Employee morale is significant for any organization because of many reasons, when staff morale is good, management will be able to make fact-based policy decisions, and high employee's moral will allow management to identify the actual irritants. They act as a communication system between management and employees,

increasing goodwill and cooperation. Workers with high morale will work with all their skill and initiative to further the success of the enterprise. Supervision will be lessened and force will be replaced by collective ingenuity and thought. In short, morale surveys improve personnel methods and give satisfaction to the workers. (Gangrade, 1954). According to David (2009), one of the importance of employee morale is performance. This term relates to both individual and organizational performance. Morale appears to be substantially correlated with, and driving performance, according to a growing body of evidence. Nandhini,(2015) in her article has mentioned that employee morale is an individual's or a group's mental attitude that enables an employee to see that the maximum satisfaction of his drives coincides with the achievement of the company's objectives, and that he subordinates his own desires to those of the company. Critical changes in the globe have resulted from technical dominance and globalization, resulting in uncertainty and ambiguity about the future. (Nanus, 1990) claimed that the demand for creative leadership is to embrace this uncertainty since it offers up new possibilities and chances as a result of these expressions of concern. Creative leaders can better position themselves to steer organizations in a more desirable path by understanding these dynamics. Sisk (2013), Creative leadership is really about bringing people together, and it is a type of leadership style in which all the leader's job is to bring various people, ideas, and ways to think together. Leaders help their coworkers improve their skills and co-create and co-sense organizational difficulties.

Objectives of the study

The aim of this study is to investigate the impact of innovative and creative leadership on employee morale in Bank Muscat.

1. To identify the various characteristics of innovative and creative leadership influencing employee morale.
2. To explore how innovative and creative leadership effecting employee morale.

Research Questions

1. What are the characteristics of innovative and creative leadership influencing employee morale?
2. How innovative and creative leadership affects employee morale?

II. REVIEW OF LITERATURE

Innovation leadership is a technique and philosophy that integrates many leadership styles to inspire and drive employees to create goods, services, and innovative ideas (Horth & Buchner, 2014). Only creative people can be innovators. Without creativity, there is no innovation. Thus, creativity and innovation goes hand in hand. According to Poonam and Arvind (2014), creative people are innovators capable of developing fresh ideas that serve as the cornerstone for innovation. Because there is rarely a clear road forward, the Innovator's job is arduous. Some leaders have managed to keep a team interested and moving forward despite an apparent constant set of obstacles and setbacks. Numerous streams of organizational research have looked into the relationship between creativity and leadership, called "creative leadership," "leading for creativity and innovation," and "managing creative," among other words. Charalampos, Ronit, and Olga (2015) examined and combined this diverse knowledge base into the global idea of creative leadership, which entails guiding others to a creative outcome. Innovativeness is one of the primary qualities in the modern corporate environment, according to a contemporary perspective, and it is also linked to leadership, according to Ayranc, and Ayranc.(2015). Others, however, disagree with some scholars who believe that innovation should be an element of almost every type of leadership. A common conclusion obtained is that business owners appreciate innovation, and their appraisals of their own leadership attributes are influenced in part by their innovativeness. In the words of Bass and Avolios' (1994) transformational leadership has proven a more positive and significant creativity and innovation than other leadership models. Vaccaro et al. (2012) established that transformational leadership was more efficient in stimulating innovation in big corporations. Creative leadership, according to Bader (2021), includes and influences a diverse variety of tactics, situations, abilities, attitudes, competencies, and personality qualities. On the other side, innovation is the use of techniques or ideas that make it easier to develop new products or improve the delivery of services and goods.As per Rahman(2016), innovation is about coming up with new and unusual ideas. The introduction of new products and services, as well as the process of upgrading old ones, demonstrate this. Discovering new ways to do things entails a process as well. This can take the form of new ideas or improvements to an existing process or product. The goal, as per Yordanova (2015), is to develop a model that measures the company's innovative leadership. The

construction of such a model is necessitated by the lack of any kind of assessment mechanism that may enable businesses evaluate their own efforts, performance, and talents in terms of innovation. Enterprise-related innovation activities account for a significant portion of a country's innovation performance, but still no plan for boosting and accurately analyzing enterprises' innovation performance and potential has yet to be developed. Therefore, the study begins by developing a methodology for measuring corporate leadership in order to distinguish between company leadership and innovative leadership. Then, a model for corporate innovative leadership is presented. Using this method, both models may be used to evaluate a company's leadership in terms of its innovative leadership. The method can also be used to produce a list of some of the company's most innovative leadership practices.

The role of innovation leadership is studied in terms of nurturing a firm's strategic fit with its environment, according to Carmeli, et al. (2010). The study investigates how innovation leadership may assist businesses in adapting to their environment and improving their performance. Additionally, different economic, relational, and product performance outcomes are being improved. According to Christopher Zatzick (2011), the study evaluates whether firms that pay more attention to employee morale and wellbeing during the downsizing process have higher labor productivity. Furthermore, it is anticipated that High-Performance Work Systems that depends on human capital for competitive advantage will place a high value on employee morale and welfare because downsizing reduces human capital and disrupts an organization's social exchange relationships. They tested the hypothesis with a sample of reduced enterprises using survey data and secondary data. The findings back up the hypothesis that firms with a more extensive High-Performance Work System can minimize productivity losses from downsizing by prioritizing on employee morale and welfare. Industry, corporate, the military, and the government have all long been interested in leadership behavior, according to Randolph-Robinson and Vickie (2007). Overall, studies show that focusing on social aspects like morale, group discussion, and supporting contacts has a positive effect on productivity and performance. According to Ngambi (2011)'s study, there is a link between leadership and morale, and leadership abilities like communication, developing trust, and team building provide a clear path for the employees morale impact. Agreeing with Ngambi (2011), findings of Noor (2019) also supports participative leadership technique. It is advantageous because it promotes collective accountability and teamwork. Staff will be able to express their creativity and ideas while also enjoying professional development chances. This method is referred to as power sharing, for example, when a leader's behavior is negative, the staff's morale suffers first, and employees become dissatisfied and discouraged, which leads to poor performance at work. As a result, morale and leadership behavior have an impact on performance.

III. METHODOLOGY

This study utilizes exploratory research, which is examining and discussing the impact of creative and innovative leadership on employee morale. The study also used to describe characteristics of the variables. An online questionnaire will used to collect the needed data. Furthermore, the results that were required were produced using the instruments that were chosen. The researchers delegated the questionnaires to Bank Muscat employees in the Al-Seeb, main branch. 105 responses were collected and Multiple Regression analysis is used to analyze the data.

IV. DATA ANALYSIS AND INTERPRETATION

Table I: Demographic profile of Respondents

		Frequency	Percent
1) Gender:	Female	56	53.3
	Male	49	46.7
	Total	105	100.0
2) Age:	Less than 25	27	25.7
	Between 26 and 35	34	32.4
	36 to 45	44	41.9
	Total	105	100.0
3) Work experience:	Less than 5 years	40	38.1
	Between 5 and 10 years	38	36.2
	More than 10 years	27	25.7
	Total	105	100.0

Source: Primary data (Questionnaire)

Table I shows the demographic profile about age, gender and work experience. The total number of respondents who responded to the questionnaire is 105. Out of 105 respondents, female are 56, and while male are 49. The largest age group that responded to the questionnaire belong to the age group of 36 to 45 with a response of 44, 34 respondents in the age group of 26 to 35, and 27 responded in the age group of less than 25. Forty responses were received from employees who had work experience of less than 5 years, 38 responses from employees who have work experience between 5 and 10 years, and 27 responses from employees who have more than 10 years of experience.

Reliability test

Reliability test shows the degree of consistency and stability of the questionnaire items in measuring what is proposed to measure. According to Robinson (2009), Cronbach's Alpha is the most suitable measure when using likert scales. Cut-off points for reliability is given by Hilton et.al.(2004). According to Hilton et al.(2004), a Cronbach Alpha of 0.90 and above is considered excellent, 0.7 to 0.9 is considered to have high reliability, 0.5 to less than 0.7 as moderate reliability and less than 0.5 is considered to be less reliable.

Table II: Reliability Statistics

Reliability Statistics	
Cronbach's Alpha	N of Items
.929	21

Source: Primary data (Questionnaire)

Table II shows that Cronbach's Alpha value is 0.929, which shows that the reliability of questionnaire items are excellent.

Multiple Regression Analysis

According to Sykes (1993), regression analysis is a statistical method for determining the relationship between two or more variables. To investigate such concerns, the investigator Typically, the researcher is looking for the causal influence of one variable on another, such as the effect of a price rise on demand or the effect of changes in the money supply on the inflation rate. gathers data on the underlying factors of interest and uses regression to determine the causal variables' quantitative effect on the variable that they influence. In most cases, the investigator additionally evaluates the estimated relationships' "statistical significance," or the degree of confidence that the genuine relationship is similar to the estimated relationship.

Table III: Model summary of Multiple Regression

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.641 ^a	0.411	0.398	7.55137

a. Predictors: (Constant), PROBLEM_SOLVING, COMMUNICATION

Source: Primary data (Questionnaire)

According to Ratner (2009), values between 0.5 and 0.7 imply a moderate linear relationship. The table III shows that R-value is more than 0.5 but less than 0.7 which indicates moderate relationship between employee morale and innovative/creative leadership. The table also shows R square value, which explains the influence of innovative and creative leadership on employee morale as 41%.

Table IV- ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3583.522	2	1791.761	31.422	<0.001*
	Residual	5132.090	90	57.023		
	Total	8715.613	92			

a. Dependent Variable: EMP_MORALE

b. Predictors: (Constant), PROBLEM_SOLVING, COMMUNICATION

Source: Primary data (Questionnaire)

*- indicates significance at 1% level

Table 4 shows the overall impact of innovative/creative leadership on employee morale. As the significance value is less than 0.05 it indicates that innovative/creative leadership has an impact on employee morale.

Table V: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	16.051	4.228		3.796	<0.001*
	COMMUNICATION	0.329	0.401	0.092	0.820	0.414
	PROBLEM_SOLVING	2.097	0.409	0.574	5.128	<0.001*

a. Dependent Variable: EMP_MORALE

Source: Primary data (Questionnaire)

*- indicates significance at 1% level

Table V is shows the co-efficient of two variables of innovative/creative leadership which is communication and problem solving. As the communication of leadership skill's significance value is more than 0.05, it means that it is not influencing employee morale. On the other hand the significance value of problem-solving of leadership skill is less than 0.05 that means it is influencing employee morale.

V. CONCLUSION

The research was conducted to find the impact of innovation/creative leadership on employee morale in bank Muscat. The past studies indicated that innovative and creative leadership is influencing employee morale. This study results also confirm that it is correct because innovative/creative has an impact on employee morale. It was found that communication and problem solving skills of leadership have an impact on employee morale such as skills, welfare, productivity and satisfaction.

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