

UNIVERSITY OF EDUCATION, WINNEBA

THE EMPLOYEES' PERCEPTION OF THE EFFECT OF
TRANSFORMATIONAL LEADERSHIP ON INSTITUTIONAL INNOVATION -
THE CASE OF SOUTH SUNTRESO HOSPITAL



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Education and Communication Sciences, Submitted to the School of Graduate
Studies, University of Education, Winneba, in partial fulfilment of the
requirements for award of the Master of Arts (Educational Leadership) degree**

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DECLARATION

STUDENT'S DECLARATION

I, MAMUDU MUSAH, declare that this Project Report, with the exception of quotations and references contained in the published works which have all been identified and duly acknowledged, is entirely my own original work, and it has not been submitted, either in part or whole, for another degree elsewhere.

SIGNATURE

DATE

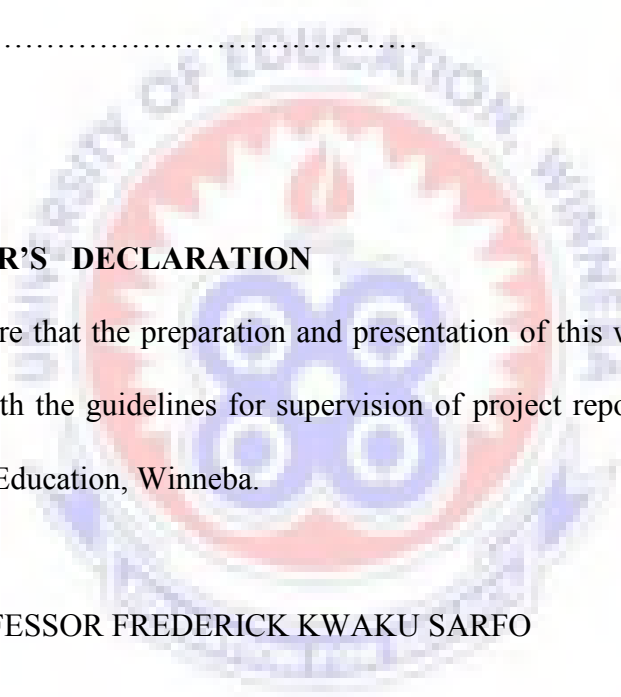
SUPERVISOR'S DECLARATION

I hereby declare that the preparation and presentation of this work was supervised in accordance with the guidelines for supervision of project report as laid down by the University of Education, Winneba.

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DATE



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For how far the Lord has brought me is by his countless mercy and provision. I owe Professor Frederick Kwaku Sarfo my supervisor debt. of gratitude for his guidance with respect to the completion of this project report. I thank all the lecturers of the University of Education, Winneba-Kumasi campus for their diverse contributions. May Allah bless anyone who assisted me physically, emotionally and spiritually.



DEDICATION

To my wife Nafisatu Mamudu.



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ABSTRACT

The health care industry in Ghana involves the continual introduction of new clinical interventions and technologies designed to improve patient and business outcomes, which require a transformational behavior of leadership. The research was carried out with the intention of examining the employee's perception of the effect of transformational leadership on institutional innovation. The research adopted descriptive survey design. The target population was 400 comprising all the employees at the South Suntreso Hospital. The data was collected from 50 respondents which was made up of thirty two (32) females and eighteen (18) males. A questionnaires as tested by Cronbach's alpha recorded the value of 0.703 was used to collect the data. Descriptive statistics such as frequencies and percentages was used to analyse the data. The study revealed that majority (71.9%) of the respondents either agree or strongly agree that transformational leadership behaviours affect the employees' perception of leadership effectiveness. In addition, most respondents (71.9%) either agree or strongly agree that transformational leadership has influence on innovations. Moreover, majority (59.5%) either agree or strongly agree that there are challenges of transformational leadership on innovations. To this end, the study recommend that institutional heads should develop strategies and make decisions to increase their employees' job satisfaction and increase their enthusiasm to work. In addition a wider range of samples from different types of organizations across various industries should be used to test the proposed model and generalized the findings. Thus, the study contributes to the existing pool of knowledge on Transformational leadership.

CHAPTER ONE

INTRODUCTION

1.0 Background to the Study

The world apparently is growing and gradually becoming global in nature with its attendant sophistication. It is to say that the era where things were manually controlled are diminishing and giving way to technological advancement. It is however, undisputable that the ways of doing things are believed to have assumed a fast moving trend. This believably has afforded leaders to be transformational enough in their actions to bring about innovation in their organisations. The need for change has therefore become inevitable because the demand for innovation to bring about accelerated development in organisations has also become critical means for organizations to gain competitive advantage over their equals (McClean, 2008). It is for this reason that Rosing (2011) put forward that there is the need for the deliberate introduction and application of innovativeness within groups, organization of ideas, processes, products or procedures, new to the relevant unit for adoption to significantly benefit the individual, the group, organization or wider society.

The fact that leadership is regarded as the practice that brings about affirmative influence, growth and development on both individuals and groups for a collective purpose (Edward, 2009) an innovative approach to leadership will bring new thinking and different actions to how leaders can lead, manage, and go about their work. It is in line with this that, Birasnav (2011) observes the success of an organization to be depended upon its ability to create innovative ideas, new information and innovations. This is because knowledge is deemed an important and valuable resource of an organization as it embodies creative processes, intangible assets and routines that cannot be imitated easily (Birasnav, 2011).

Deducing from the foregoing, it stands to agree that, the impact of leadership on innovation has been topical in academic literature because it is always argued that leadership represents one of the most influential predictors for innovation (Mumfort, et al. 2007). Leadership has been suggested to be an important factor affecting innovation. A number of studies have shown that transformational leadership positively influences organisational innovation. However, there is a lack of studies examining the contextual condition under which this effect occurs or is augmented.

In viewing leadership from the perspective of the exchange of power and its utilization to secure outcomes, leaders are situational, transactional or transformational. Understanding these differences can provide a platform for discussion that can lead to meaningful, desired results. It bears nothing that not all leaders are created equal, and leadership quality may vary enormously across industries or simply within an organisation.

1.1 Statement of the Problem

In today's competitive and knowledge-based world, leadership plays a key role in influencing organisational culture to bring about innovational economic transformation. In this direction Mumfort et al. (2007) believe it is a must for leaders to learn how to create an organizational climate where others apply innovative thinking to solve problems and develop new products and services.

The need for leadership with innovative acumen has become necessary because according to the Daily Graphic (2014), IMANI Ghana identified worst public sector leaders in the country among which are; the National Health Insurance Authority (NHIA), the Environmental Protection Agency (EPA) the Registrar General Department, the Ghana Shippers Authority. Which other institutions such as the

Chief of Staff's Office, the Controller and Accountant General Department (CAGD), the National Service Secretariat, the Commission on Human Rights and Administrative Justice (CHRAJ), the Auditor General, the Bank of Ghana, the Ministry of Youth and Sports, the National Pension Regulatory Authority and the Social Security and National Insurance Trust were named as the top worst performers. Following from the foregoing, Curt (1999) posits that leaders in most institutions are not drastic enough in issues regarding innovation. On this score, it can be opined that, most leaders in our institutions are not innovative enough to bring changes that will make followers proactive and creative for modern challenges. This argument is backed by the fact that over 93 percent of innovations are not significantly innovative from the standpoint of Curt (1999). Therefore the question goes that, if leaders consider innovation a priority, how well have they used transformational leadership style to bring about innovations? Among the most popular leadership styles positively contributing to innovation is transformational leadership behaviour (Bucic, 2010). A transformational leader has been described as one who articulates a shared vision of the future, intellectually stimulates subordinates, provides a great deal of support to subordinates, recognizes individual differences, and sets high expectations (Lowe, 2001). In the context of innovation, transformational leadership was found to be particularly crucial to stimulate followers to challenge institutional learning as well as to adopt generative and explorative thinking processes (Sosik, Avolio & Kahai, 1997). Upon these, this study is undertaken to assess transformational leadership behaviours that affect employees' perception of leadership effectiveness, determine the influence of transformational leadership on innovations and how to examine the challenges of transformational leadership on innovation in organisations.

1.2 Purpose of the Study

The main purpose of this research was to assess the employees' perception of the effect of transformational leadership on institutional innovation.

1.3 Objectives of the Study

Specifically the study sought to achieve the following objectives:

1. To assess the transformational leadership behaviours and the perception of leadership effectiveness
2. To find out the influence of transformational leadership on innovations
3. To examine the challenges of transformational leadership on innovation in organisations

1.4 Research Question

1. What transformational leadership behaviours affect employees' perception of leadership effectiveness in your institution?
2. What is the influence of transformational leadership on innovations in your institution?
3. What are the challenges of transformational leadership on innovation in your institution?

1.5 Significance of the Study

The outcome of the study will be beneficial to users. The findings of the research study will draw attention to the importance of innovative leadership. This will help generate the culture of innovation in organisations. To avoid deterioration of creativity and innovativeness at the workplace, the findings of the study will help bring to the fore the various challenges facing organizations. By this way the lack of

leadership needed to build a congenial environment for employees to be innovative. Following from the foregoing, the study expects to prompt the need to establish a tradition within the leadership of organizations that is equipped enough to make the development of employees a major priority, knowing that employees constitute a major force of human resource who are expected to bring innovation.

This research is perceived be a significant contribution to the literature wherein empirical evidence and findings can be created for academic and management inference purposes. It is hoped that the present study may provide the basis for further exploration in other areas of transformational leadership and organizational innovation. Therefore With the findings, sufficient and useful literatures will be provided for future studies and references.

1.6 Delimitation / Scope of the Study

The research was carried out in South Suntreso Hospital, in Kumasi of Ashanti region on the topic: to evaluate the employee's perception of the effect of transformational leadership on institutional innovation. The study was centred on three main objectives as stated above. The population mainly was centered on the employees in the departments, in the dispensary, nursing staff, finance, medical unit.

1.7 Limitations of the Study

The study did not cover all aspects of transformational leadership. It is hoped that the present study may provide the basis for further exploration in other areas of transformational leadership and organizational innovation. A wider range of samples from different types of organizations across various industries should be used to test the proposed model and generalize the findings.

1.8 Organisation of the Study

The study comprise of five chapters. Chapter one, is the introduction. It deals with background to the study, statement of the problem, purpose of the study, objective of the study, research questions, significance of the study, delimitation or scope of the study and limitations of the study.

Chapter Two of the study is concerned with review of related literature. It explains the employees' perceptions of the effect of transformational leadership on institutional innovation which is the theoretical framework within which the study is situated. The chapter also discuss concept such as aspects of innovation, measuring innovation, transformational leadership behaviours and the perception of leadership effectiveness, the influence of transformational leadership on innovations, and the challenges of transformational leadership on innovations.

Chapter Three, deals with methodology employed in the study. It examines research design, populations, sample and sampling technique, instrument, validity and reliability, procedure for data collection, and data analysis.

Chapter Four is devoted to the presentation and discussion of results whereas the last chapter look at the summaries of the study and findings and draws conclusions for the study. Recommendations have also been made based on the findings of the study. Finally, areas for further studies have been suggested.

CHAPTER TWO

LITERATURE REVIEW

This chapter reviews the already existing literatures on transformational leadership and innovation that are applicable to the study. Moreover the review is done to correspond to the set objectives of the study.

2.0 Institution

An institution is an organization, establishment, foundation, society, or the like, devoted to the promotion of a particular cause or program, especially one of a public, educational, or charitable character (Sansom & Reid, 1994).

2.1 The Organization

The term organization is a very broad term and can be described in multiple ways. Traditionally an organization is intentionally designed social unit that consists of a team or a group of people that work together for the benefits of an organization on a continuous basis to get the organizational targets and goals. For example the manufacturing and service firms are organizations, and so are schools, hospitals, churches, military units, retail stores, police departments, volunteer organizations, start-ups, and local, state and federal government agencies.

2.1.1 Change

The word change is taken as a result normally. Sansom and Reid (1994) define the change as to become a different. Van der Merwe tells that the word change is obtained from the Latin word to better (Van Wart, 2003).

In general the word change means is to alter, to make something different or better or transformation of any existing thing by adding some values or giving up for something else or to make the form, nature, content, future course, etc., of something different from what it is or from what it would be if left alone(Salifu, 2014).

2.1.2 Innovation

Innovation in simple words can be defined as to change in ways of doing things in order to create useful new stuff (McClellan, 2003). It can also be viewed as change in product or services that involves the evolution of features and capabilities as well as introduction of ‘new-to-the-world’ (Tushman, 2004). It is an act or process of introducing new ideas, devices, or methods, and properties (Vallacher & Nowak, 2008). Synchronization is achieved as individual adjust internal states in response to another agent. Relationships are forged based on Kauffman’s (1993) ideas about need satisfaction of agents depending on other agents, which creates interdependency between agents. Relationships can also exist outside of agent-to-agent interaction, as relationships can be formed with resources and with the structure that an agent is part of (McClellan, 2008). Enabling conditions allow relationships to form without overt administrative function, which means that opportunity for interaction and interdependency is created and the relationships form as a result of opportunity, not mandate. Enabling conditions allow for the creation of relationships to improve the network’s diversity and capabilities, not just to foster and promote a leader’s vision or goal.

2.2 Transformational Leadership in Perspective

Transformational leadership is associated with stimulating and inspiring followers to deliver extraordinary results while developing their own leadership abilities (Bass & Riggio, 2006). The leadership style has often been contrasted with transactional leadership which is associated with exchange of efforts on the part of the subordinate for rewards from the leader (Bass & Riggio, 2006). As a higher order construct, transformational leadership comprises several components.

Among the most popular leadership styles positively contributing to innovation is transformational leadership behaviour. A transformational leader has been described as one who articulates a shared vision of the future, intellectually stimulates subordinates, provides a great deal of support to subordinates, recognizes individual differences, and sets high expectations” (Kirkman, et al. 2004). In the context of innovation, transformational leadership was found to be particularly crucial to stimulate followers to challenge institutional learning as well as to adopt generative and explorative thinking processes (Sosik, et al., 2005). Therefore, a transformational leader is claimed to have a significant impact on enhancing exploration (Jansen, 2009) as well as on adopting generative thinking and pursuing explorative innovation (Jansen, 2008). Similarly, Vera (2004) found that transformational leadership positively contributes to the achievement of organizational ambidexterity directly or indirectly through the establishment of a learning culture.

Leadership could by virtue of their position, influence and access to resources impact significantly on an organisation’s decision whether to pursue a particular innovation or not.

Leadership could also influence innovation and improve performance by acknowledging the differences in the problem solving approach of individual

members of their team and integrating their efforts toward innovation (Basadur, 2004). Particularly, transformational leadership has been known not only to have a positive influence on innovation outcomes but also on organisational performance in general (García-Morales, 2008).

However, researchers do not uniformly agree about the positive impact of transformational leadership on innovative outcome. Among others, in their critical assessment of charismatic-transformational leadership, Van Knippenberg and Sitkin (2013) claim that the concept lacks a conceptual definition and is therefore imprecise about which dimensional conceptualizations are to be included and which are not. Besides, they state that the causal relation between transformational leadership and team outcome ignores the effect of moderating and mediating factors. All in all, they found that the use of the higher-order label charismatic–transformational leadership is actually inappropriate (Van Knippenberg & Sitkin, 2013).

2.2.1 Theoretical Elaborations on Transformational Leadership

Transformational leadership theory has been formulated by Bass and his colleagues (Bass, 1996). Bass (1996) and later his colleague Avolio (Bass & Avolio, 1994) fundamentally built upon Burns' notion of “transformational leadership” with a similar model for organizational leaders. Bass and Avolio (1994) definition of transformational leadership primarily focuses on the leader's effect on followers and the behaviour used to achieve this effect. Followers of transformational leaders feel trust, admiration, loyalty, and respect toward the leader; most importantly, they do more than they are expected to do.

Three principal leadership processes are involved to achieve these outcomes (Bass, 1996):

- (1) These leaders heighten followers' awareness about the importance and value of designated goals and the means to achieve them;
- (2) They induce followers to transcend their own interests for the sake of the organization; and
- (3) They stimulate and meet their followers' higher order needs through leadership, the leadership process, and the mission.

Transformational leadership involves different behaviours that are measured with the Multifactor Leadership Questionnaire (MLQ). The MLQ is usually administered to followers who rate how frequently their leader uses each type of behaviour. More recently, Felde (2006) developed a German version of the original MLQ (Bass & Avolio, 1995) which demonstrated support for the overall validation of the transformational leadership scales. Transformational leadership is composed of four dimensions: intellectual stimulation, individualized consideration, individualized influence, and inspirational motivation (Bass & Avolio, 1997). Intellectual stimulation involves challenging followers to re-examine some of their assumptions about the status-quo, encouraging problem reformulation, imagination, intellectual curiosity, and novel approaches. Individualized consideration focuses on followers' development. It involves showing respect and concern about their personal feelings, needs, initiatives, and viewpoints. Idealized influence involves setting an example or acting as a role model for employees to follow. It can be regarded in terms of behaviours and attributions (Avolio & Bass, 1990). Inspirational motivation refers to identifying new opportunities and developing, articulating, and inspiring in followers a vision of the future.

2.3 Organisational Innovation in Perspective

At its core, innovation is a form of change (Tidd & Bessant, 2011). This change can refer to an organization's offerings such as goods or services (often called product innovation), or the way these offerings are created and delivered (often called process innovation). Innovation also occurs in the introduction of change to the organizational structure and its routines, policies, and methods. The changes resulting from innovation can have different degrees of novelty. Incremental innovations typically involve small changes (e.g., improvements) to an organization's offerings (or processes) that build on existing knowledge and capabilities. In contrast, radical innovations are fundamental changes to an organization's offerings that often prod the organization to take a new technological trajectory (Tushman, 1996).

Tidd and Bessant (2011) described four phases of a general innovation process. First, organizations must scan their environments to identify opportunities for innovation. For example, these opportunities may be new or changed customer needs, new technologies that stem from research activities, or pressures to conform to new legislation. This first phase, while vital, is often neglected by large organizations that would rather spend their resources on developing existing technology and catering to existing customers. As Christensen pointed out in his aptly named book: *The Innovator's Dilemma* (1997), organizations that focus solely on refining their current offerings (through incremental innovation) may find themselves at a dead end when markets change or new markets emerge with very different needs and expectations. In those cases, smaller organizations that focus solely on offerings that cater to new markets may best the old competitors (Tidd & Bessant, 2005).

The second and third phases of the innovation process involve selection of the options that are most likely to produce a competitive edge and to the resourcing of

those options. Here, resourcing refers to the acquisition of knowledge resources through Research and Development (R&D) efforts, to their purchase, or to their collaborative development with others (often called “open innovation”).

The fourth phase is the implementation of the innovation, which often begins with an idea that develops through different stages toward a tangible outcome. As discussed above, outcomes can be a new goods or services (for sale to customers) or new processes or methods for the organization.

2.4 Aspects of Innovation

The various defined as aspects of innovation are, product versus process, incremental versus radical and technological versus market

2.4.1 Product versus Process

There are two main types of innovation, thus, product and process, also called external and internal innovation. Product innovations are the new products and services that are developed by the firm. Process innovations, on the other hand are new processes within an organization, e.g., activity based accounting, new business practices, relationship marketing, organizational structures, virtual teams, and manufacturing processes. Internal process innovations are not intended for sale to other companies or customers but for internal use within the company (Bender, 2000; Jung, 2003). Internal process innovations may come from marketing, manufacturing, distribution, and customer service or anywhere else in the company.

In the organizational innovation literature, the prevailing distinction is between product and process innovation where product innovations pertain to products and

services, and process innovations involve such things as internal administrative processes, manufacturing processes, and organizational structures.

2.4.2 Incremental versus Radical

The second aspect refers to the degree of novelty involved or the extent to which change is perceived (Tidd, 2005). In this regard, innovation is the generation and/or acceptance of ideas, processes, products, or services that the relevant adopting unit perceives as new (Garcia & Calantone, 2002). It can be new to either the firm or the firm's customers. The extent of perceived change may be perceived as incremental, at one extreme, or discontinuous or radical, at the other. Incremental or continuous change means minor changes to existing products, services, or processes, and often leads to innovation that is based on the exploitation of existing products and processes. On the other hand, discontinuous or radical change is described as sweeping away much of the existing investment in technical skills, knowledge, designs, production technique, plant and equipment, and leads to the complete disruption in technological process or product. Incremental are typically considered to involve exploitative oriented innovation activities, while radical innovations are typically considered to involve explorative oriented innovation activities.

2.4.3 Technological versus Market

The third aspect pertains to the degree to which technological innovation differs from existing technology and the degree to which it departs from the existing market segment (Tushman, 1996). The first type, which was defined as "technology-based innovations" adopts new and advanced technologies and improves customer benefits relative to existing products for customers in existing markets. The second

type, which was defined as "market-based innovations," departs from serving existing, mainstream markets. Market-based innovations involve new and different technologies and create a set of fringe, and usually new, customer values for emerging markets (Tushman, 1996). Tech- and market-based innovations differ along both the technology and the market dimensions.

On the technology side, though both employ new technologies, the former usually represent state-of-the-art technological advances (Tushman, 1996). On the other hand, market-based innovations are not necessarily technologically advanced.

Instead they often use simpler new technology, e.g., personal computers versus minicomputers, and sometimes can be new ideas about business operations, e.g., E-business versus traditional business operation (Tushman, 1996).

On the market side, tech-based innovations address the needs of existing markets and provide greater customer benefits than do existing products. On the other hand, market-based innovations are designed for new or emerging markets and offer benefits that the new segments value and their performance along traditional dimensions often may be worse than that of existing products (Christensen, 1997). In other words, they disrupt the existing customer-preference structure by introducing new benefit dimensions. Therefore, market-based innovations are often perceived as highly different, and they require current mainstream customers to undergo major changes in thinking and behaviour (Tushman, 1996). Mainstream customers may not easily recognize or appreciate the new benefits, and market-based innovations may be initially difficult for mainstream customers to adopt or use (Adner, 2002).

Both tech-and market-based innovations are highly risky to pursue. A tech-based innovation is technologically risky because developing state-of-the-art technology is extremely expensive and requires substantial investment.

However, because it addresses the well-understood needs of mainstream customers, the perceived market risk is low. On the other hand, a market-based innovation may be technologically straightforward, but it is extremely risky on the market side because the customers do not yet exist (Tushman, 2011). Therefore, companies often are reluctant to invest in either type of innovation. In turn, it is important to understand what drives a firm's willingness to undertake risky activities and to introduce breakthroughs to achieve a sustainable competitive advantage.

2.5 Innovation and the fate of organizations

Innovation is assumed to be an integral factor that contributes to organizational results such as long-term growth and profit. Many firms that are regarded as highly innovative are also market leaders. Examples include Apple, Google, Proctor & Gamble, The 3M Company, and Bosch (Tidd, 2011). One should keep in mind that innovation is not easy. The process of developing innovations is inherently uncertain and involves considerable risk. For instance, ideas fail, new technologies emerge, and markets change (Tidd & Bessant, 2011).

Furthermore, innovation projects experience delays because of their novelty, complexity, and unpredictability (Mumford & Ilies, 2007). Ideas are the raw material for innovation in organizations. Initial ideas, however, rarely lead to tangible outcomes that create value for organizations. For example, Stevens and Burley (1997), in their literature survey of new product development in many different markets, reached a striking conclusion. They found that of 300 ideas for new offerings (goods or services) proposed to management; only about 125 of them actually resulted in new projects. Of these 125 projects, nine developed into larger projects, four

resulted in major development efforts, and two resulted in new products. Of the new products launched, only one was profitable.

They also found that approximately 90 to 95 percent of all U.S. patents lack any market relevance, and only 1 percent is profitable. Other estimates indicate that approximately 30 to 95 percent of the ideas for new offerings are unsuccessful (Tidd, Bessant, & Pavitt, 2005).

Given these odds, Getz and Robinson (2003) suggest companies might well be better off putting their money in the lottery. However, companies rarely have the option of not innovating, especially in today's turbulent and fast-paced business environment. Christensen (1997) and others (Tidd & Bessant, 2009) remind us that unless companies renew their offerings on a continual basis, their chances for survival are severely reduced. There are numerous examples of firms that failed to innovate in time. IBM received plenty of warning in the 1990s that technology had shifted from large mainframe computers into more decentralized networked computing. However, IBM reacted too late to this shift in technology and nearly missed the opportunity as a result. Another example is Polaroid Company that failed to recognize the developing digital imaging technology, and ultimately went into bankruptcy (Isaksen & Tidd, 2006).

According to Tidd and Bessant (2009), innovation, which results in a number of strategic advantages, allows organizations to stay ahead of their competition. For example, the complexity of an offering (microchips that competitors have difficulties copying) and the possibilities for legal protection increase these advantages. Another advantage that innovation can provide relates to the more efficient processes that can shorten production time. In all, innovation creates strategic advantages related to

timing, such as first-mover advantages, which allow a company to be the first in a new market.

2.5.1 Measuring innovation

Innovation has traditionally been conceptualized and measured in the technology-based domains such as manufacturing. Other measures of innovation are the numbers of invention disclosures and research reports, the number and effectiveness of implemented innovations, and the number of scientific publications (Keller, 2012).

2.5.2 Dark Innovation

There is a danger in conceptualizing and measuring innovation using only broad measures such as patents and products. Many activities that could be characterized as innovative are missed if such measures are used (although some researchers, such as Archibugi and Pianta (1996), argue that large shares of firms' inventions are patented). Martin (2012) labels these activities as "dark innovation" because they are overlooked by the searchlight of "conventional" innovation measures. Some dark innovation examples are activities (1) that are incremental accomplishments too small to be correctly measured using typical innovation indicators. (2) that are rarely patented. A challenge for the future conceptualization and measurement of innovation is how such dark innovations should be identified and measured.

2.5.3 Innovative work Behaviour

This confronts the dark innovation challenge in its attempt to measure and validate one crucial aspect of dark innovation, namely the specific behaviours of team

members. An implicit assumption of this method for measuring innovation is that a higher frequency of a specific type of behaviour promotes innovative outcomes in organizations.

A number of conceptualizations and scales have been suggested as ways to measure those behaviours (Janssen, 2000). described four types of innovative work behaviours that they theoretically identified and empirically validated:

- i. Opportunity exploration,
- ii. Idea generation,
- iii. Championing, that is, rallying support for one's ideas, and
- iv. Implementation

Behavioural scales can be used in the context of the individual (Atwater & Carmeli, 2009), the team, the supervisor or leader, peer reports (Amabile, 2004), and expert or external assessments. Furthermore, innovative work behaviour scales have been positively related to innovation measures such as invention disclosures and the number and effectiveness of implemented innovations.

Innovative work behaviour may be a promising construct for measuring dark innovations in organizations. The behavioural measure is statistically related to the more conventional innovation measures (products and patents) and additionally may cover aspects of organizational innovation related to more informal and incremental activities. Yet considerable challenges remain before we can conclusively accept behavioural data as proxies for innovation. First, behavioural reports depend on human judgments, and are thus more open to biases than measures of tangible innovation outcomes. Second, the collection of independent (i.e., leadership assessments) and dependent variables from the same individuals invites statistical and methodological biases such as the common method bias. This bias refers to the

situation when the covariance between variables is attributable to the measurement method rather than to the constructs the measures represent (Podsakoff, & MacKenzie, 2003). As a consequence, the bias may inflate relationships between variables. Third, it is still a challenge to show conclusively that a high prevalence of innovative work behaviours at organizations is related to innovation outcomes.

2.6 Determinants of Innovation at the Organizational Level

2.6.1 Organizational structure

Burns and Stalker (1961), in their seminal work, described the difference between mechanistic and organic organizational structures. Mechanistic organizations typically rely on a high degree of formalization (using rules and procedures) and centralization (concentration of decision-making at upper management levels). Furthermore, mechanistic organizations tend to have a lower degree of complexity (differentiation of functions) compared to organic organizations.

Organic organizations, on the other hand, have more areas of expertise and thus a broader knowledge base (specialization), as well as a greater tendency for employees to engage in cross-functional collaboration. Organic organizations also tend to engage in more internal and external communication. Internal communication within the organization spreads knowledge and ideas. External communication outside the organization promotes scanning the environment for opportunities, forming cooperative alliances with other organizations, and absorbing knowledge.

Damanpour (2012) tested the relationships between innovation and organizational characteristics (formalization, centralization, specialization, internal and external communication, and attitudes toward change) in a meta-analysis. Damanpour and Aravind (2012) re-tested these characteristics using a sample of studies published

between 1991 and 2009. These two meta-analyses resulted in a similar pattern of correlations between the organizational characteristics and innovation, which suggests robustness of the relationships. Four characteristics that demonstrated good effect sizes in both meta-analyses were the following: specialization, complexity, external communication, and the degree of available technical knowledge resources. In addition, three characteristics that had positive effects in the 1991 meta-analysis also had positive correlations in a majority of the characteristics in the 2012 sample: professionalism (the degree of education and experience of organizational members), internal communication, and managerial attitude towards change. In summary, innovation appear to occur more naturally in decentralized, organic, and flexible contexts than in mechanistic and rigid organizational contexts (Kanter, 1996; Mumford et al., 2002; Jung, 2002).

2.6.2 Organizational culture

The culture of an organization, specifically its degree of organizational support, also influences innovation (Pirola-Merlo, 2006). A number of studies have shown that support for innovation is positively related to team innovation (Pirola-Merlo, 2002). When teams and individuals are supported, they feel they can test new ideas and methods aimed at achieving their goals or completing their tasks (Pirola-Merlo, 2002).

Pirola-Merlo (2002) suggested dividing organizational support into three forms. The first form is organizational encouragement of innovation, that is, the extent to which individuals perceive various types of support such as idea encouragement, trust, emotional safety, and acceptance of risk-taking. The second form is access to needed resources such as time, materials, expertise, and information.

The third form is empowerment, that is, the extent to which individuals feel autonomous as they undertake tasks. Such organizational support may lead to actual advances in innovation.

In a questionnaire study among hospital management groups, West and Anderson (1996) found that organizational support for innovation was the strongest predictive factor of innovation, (i.e., the implementation of organizational changes). In particular, autonomy, or the freedom to pursue ideas, has consistently been linked to innovation (Hunter, 2007). Granting autonomy, which is a signal of trust, can empower teams and individuals who, as a result, experience a sense of ownership and control (Pirola-Merlo, 2006).

2.7 Transformational Leadership, Climate for Innovation and Project

Performance

Bass and Riggio (2006) suggested that transformational leadership positively affects performance irrespective of whether performance was conceptualised in terms of subjective or objective measures. Yang (2010) highlighted the importance of leadership on project performance suggesting it has been one of the major issues for both research and practice.

Pint (1998) suggested that transformational leadership particularly is relevant in the project-based environment as its application enables managers to transform their project teams and ultimately impact their project performance. Transformational leadership could influence performance in a number of ways. It could have a direct impact on project performance in line with research that has shown that transformational leadership behaviour of managers influences employees' work attitude and organisational citizenship behaviour (Podsakoff, 1990) which in turn

induces enhanced performance (Jung, 2003). Transformational leadership has also been associated with motivation of followers in pursuit of organisational goals (Jung, 2008) and can also enhance their performance directly by influencing their behaviour and by providing guidance and support. In the project environment, enhanced individual efforts and performance are expected to reflect in project performance. Transformational leadership behaviour could therefore have a positive and direct influence on project performance.

Climate has been defined as a characteristic ethos or atmosphere within an organisation at a given point in time which is reflected in the way the members perceive experience and react to the organisational context. The study of organisational climate is relevant because employees draw conclusions on what is important to their leaders based on their observations and align their own behaviour accordingly. Questions, however, remain as to whether organisational climate and culture are different ways of studying the same phenomenon or two completely different constructs as portrayed by James (2006). While some culture researchers have queried the importance of the climate construct, others have acknowledged its importance in organisational studies (Schneider, 2006). Culture research has historically focused on the evolution of social systems over time while climate research is more concerned with what impact such systems have on the individuals and groups in an organisation. Schneider (2000) sought to distinguish between the two constructs by referring to the terms employees use to describe their organisational settings as climate and what happens to them or around them in the work place is considered the stimuli that create the climate. The author further indicated that the stories, myths and other attributes of culture come to light when employees try to

explain why they think things happen the way they do. This study agrees with Schneider's (2006) view of climate and focuses on climate for innovation.

Podsakoff (1996) suggested that besides influencing their direct subordinates, leaders can impact performance indirectly by shaping the context within which they operate. Climate for innovation is created where the work context is shaped in such a manner that project managers and team members willingly explore innovative approaches to delivering projects. Transformational leadership has been linked with creativity and innovation in the workplace by helping to establish an environment that encourages staff to seek new approaches to addressing old problems without being too concerned with recrimination in event of a negative outcome (Gumusluoglu & Ilsev, 2009). Project team members and project managers constantly receive signals from the organisation and their managers regarding their expectation and that plays a significant role in either promoting or inhibiting innovation and performance in general. Jung (2003) found a significantly positive relationship between transformational leadership and organisational climate supportive of innovation. According to Gumusluoglu and Ilsev (2009), leadership can influence followers' or teams' perceptions of a climate supportive of innovation and thereby affect their creative behaviour. Although the general expectation was that the transformational dimension of intellectual stimulation could help create a climate for innovation (Bass & Avolio, 1999), it was rather articulating vision or visionary leadership reflected in the provision of adequate resources that found to have the strongest relationship with climate for innovation.

Similarly, supervisors who are supportive and non-controlling help to create an environment conducive to employees' creativity (Shalley & Gilson, 2004). It could therefore be deduced that transformational leaders could influence perceptions of

climate for innovation through their support for innovation and provision of the necessary resources.

Supports for innovation together with resource supply were both identified as the key dimensions of climate for innovation. These were found to impact on project performance indirectly through the level of innovation on projects (Damanpour, 2009). Damanpour (2009) further identified a number of factors which may constitute a supportive organisational climate; tolerance of risk, failure and mistakes, suggesting these could engender more effort from project teams to improve performance. Scott and Bruce (1994) suggested employees' perceptions of the extent to which innovation is encouraged in the work place and the resources that are made available will impact on their tendency to take risks and adopt innovative approaches to their work. This could ultimately influence project outcomes.

2.8 Transformational Leadership and Organizational Innovation

Innovation processes are not managed hierarchically as innovation depend on knowledge that is exchanged among individuals at their free will, but for Employee Creativity and Organizational Innovation to happen, organizations need leadership and management responsibilities. Transformational Leadership style is different from traditional leadership, because it put emphasis on change and visualizing (Avolio, 1994) than just to focus on monitoring, control and supervision. Therefore, theory of Transformational Leadership is considered as enhancing innovation (García-Morales, 2008). Transformational leaders support and re-enforce the creative and innovative self-concept of followers (Zhang, 2011). Employees sharing their vision with leaders are probably more creative and employees having transformational leader are the one who put emphasis on positive outcomes and innovation. Social learning theory

(Bandura, 1998), prescribes that followers are expected to follow a transformational leader and involve themselves in creative behaviour, so ultimately lead toward the organizational innovation.

Success of an organization depends upon its ability to create innovative ideas, new information and innovations because many researchers proved that knowledge is an important and valuable resource of an organization as it embodies creative processes, intangible assets and routines that cannot be imitated easily (Birasnav, 2011). An emerging concept about creativity is that it's not only required in R and D units but in every day jobs as well, if company wants to be competitive in this dynamic environment (Shalley and Gilson, 2004). These days creativity is an important part of an organization, because changes occur so rapidly that managers and organizations have no choice but to find new and innovative ways so that they could acclimate with global changes easily. Organizations need fresh and innovative thoughts for their survival, as one of the contemporary demands in organizations is to create new information, ideas and innovations. However, impact of transformational leadership on creativity of employees and innovation; have received minute attention (Gumusluoglu and Ilsev, 2009; Birasnav, 2011).

So, organizations need to invoke to fresh thoughts, innovative ideas and ways to preserve their current customers, to prevent themselves from losing market share, to meet needs of customers and to achieve their targets (Birasnav, 2011). Now a day's employee creativity and organizational innovation is considered as a competitive arena for products developing organizations and employees are expected to be creative and innovative in addition to their needed education (Kudrowitz, 2010).

If employees are motivated by their leaders, their creativity is enhanced (Wu, 2010). Many researchers found a positive relation between employee creativity and

transformational leadership (Wu, 2010; Zhang., 2011). If employees engage themselves more in creative processes then possibility of creative and innovative outcomes is more there (Zhang & Bartol, 2010). However, some studies in literature exhibit a negative relation between leadership and employee creativity. If leaders adopt the behaviour of monitoring and controlling, employee creativity is reduced (Wu, 2010).

Transformational leadership emphasizes longer term and vision-based motivational processes, and the importance of the relationship of the leader and follower/subordinate in fostering innovation (Bass & Avolio, 1997). These researchers suggest that transformational leadership has the potential to positively impact on innovation in transforming a clear vision and support for creativity into creative efforts by followers in an organization (Jung., 2008). An articulated vision provides an indication of the importance of innovation; and increasing the follower understands of the vision's importance leads to desired outcomes. Keller (1992), suggested that transformational leadership positively influenced the performance of research and development project teams in a large organization by inspiring employees to transcend their self-interest to achieve the work of the team's project. They suggested that it was the leader's articulation of a compelling vision of the innovation's potential for the organization, the expression of confidence in others to participate in the initiative, and the display of innovative actions to achieve goals that explained this relationship. Scott and Bruce (1994) found that the role expectations of a supervisor had a positive influence on subordinates' innovative behaviour, and that the quality of the relationship between a supervisor and a subordinate is related to innovativeness. Taken together, this research suggests that leaders have the ability to modify an individual's behaviour based on the expectations for that behaviour

received from another. Recent researches (Jung, 2003) further examined the role of transformational leadership on organizational innovations as measured by patents.

Still other research has found that leaders, who set clear objectives and induce higher levels of participation than would otherwise be the case, create a greater likelihood of commitment to excellence and to innovation performance (Chen, 2002). In a self-managed team, e.g., the team leader has the potential to influence a variety of factors, including team skills, creativity, knowledge, and processes, efforts, strategies and resources that contribute to innovation (Chen, 2002). Thus a critical role of the team leader is to help team members become clear about their roles in the innovation task and to encourage participation which allows information and decision-making to be shared within the team, thus resulting in high levels of interaction among team members. This, in turn, enables the nurturing of competing perspectives and by managing these perspectives the leader can encourage commitment to excellence so as to encourage the generation of creativity and innovation and greater innovation performance.

Lastly, other researchers have found that leaders who used a bounded delegation style, wherein subordinates were given clear task goals, but wide latitude to achieve the goals (McClean, 2003), and who communicated a clear business strategy and provided support and time to their followers (McClean, 2003) achieved high-performance product innovation. Innovation requires the leader to allow followers considerable freedom and tolerance to try new ideas and approaches, on the one hand, while requiring a certain amount of control in order to ensure that ideas and approaches actually result in outcomes, i.e., innovations, on the other. To lead successful innovation demands that the leader bridge both ideation and business needs, including the exploitation activity for existing knowledge and capabilities and

the exploration activity for new knowledge and the development of new capabilities. Thus, a leader's job is to provide clear task goals either incremental improvement in process or the extension to current product or radically change, while at the same time allowing wide latitude to achieve those goals. The wide latitude to achieve the goals involves providing support, as well as time and freedom for thinking. In this way, the leader's creative initiatives and strategy choice for innovating serve to facilitate innovation by assisting subordinates to perform at higher levels (Jung, 2003).

2.8.1 Individual creativity and organizational innovation

Creativity is necessary for an organization's survival and long term development as, according to Amabile (2004) creativity is the base of Organizational Innovation and makes organizations to cope with change. Amabile (2004) proposed that creative employees offer useful and new ideas about products, procedures and practices of an organization. He suggested that new ideas of creative employees can be transferred to other people in organization for their use and growth. Subsequently, this individual level creativity becomes cause of Organizational Innovation by developing innovative products. So Employee Creativity positively affect organizational innovation. As, many researchers proved that creativity is to think in innovative way about solving problems and bringing innovations in organizations. Literature suggests that organizational innovation can be achieved by improving employee's creative performance (Lowe et al. 2001). Many researchers focused on relationship between leadership style and creativity, as Redmond (1993) examined relationship between behaviour of leaders and creativity and motivational effect on creativity.

2.9 Transformational Leadership Behaviors and Leadership Effectiveness

The transformational leadership paradigm concentrates more on what the leader achieves, rather than his or her personal characteristics. In chaotic environments, transformational leaders are likely to be more effective because they look for new ways of working, for opportunities in the face of risk, for effective answers to questions, and are less likely to maintain the status quo. For that reason, they may respond positively to changes in the external environment (Lowe, & Sivasubramaniam, 2005). Conger (1989) renders behaviors undertaken by effective leaders as actions of perceiving opportunity and generating vision, allowing others to accomplish the vision (intellectual stimulation), communicating a vision that arouses (charisma), endorsing commitment in followers (individualized consideration), and constructing trust through individual commitment (inspirational motivation).

A. Idealized Influence

The term —idealized influence means simply being influential over ideals. At the highest level of morality, leaders and their followers may dedicate themselves to the best ideals. If someone serves his or her country to the best of his or her abilities, that can be a great motivator to followers (Bass, 1999). It can be stated that transformational leaders demonstrate superior levels of ethical and moral conduct while serving as role models for their supporters. They elevate the importance of common values and beliefs, emphasize the significance of a strong sense of purpose, and underline the worth of achieving a collective sense of the organization's mission (Bass & Avolio, 2004; Gozubenli, 2009).

Leaders with idealized influence pose their worries about a problem and the need for its resolution. They progress by generating a —sense of becomingl in the

organization. Those followers who identify with the leader move to share the leader's concerns and increase readiness to recognize the problem as their own (Bass & Avolio, 1994). Barling, Slater, and Kelloway (2000) articulate why individuals who are superior in emotional intelligence would be more likely to utilize transformational leadership behaviors. These are leaders who recognize and are able to manage their own emotions, demonstrate self-control and delayed gratification, and inspire trust and respect in their followers. Emotional intelligence also makes leaders more effective in pursuing organizational goals and is consistent with the notion of idealized influence.

B. Intellectual Stimulation

Transformational leaders encourage followers' ideas and assess their efforts to be more creative in solving problems by questioning assumptions, re-describing problems, and redefining old situations in new ways. This stimulation occurs mainly through empowering followers to take the initiative (Riggio & Orr, 2004).

Leaders also challenge followers to generate new ideas which are not completely different from the strategies and ideas of the leaders' own. They hearten their followers to confront old values, traditions, and beliefs that may be obsolete for today's problems, articulate threats that the organization may encounter, and offer opportunities for improvement. These leaders posit challenging expectations and support new ideas so followers will accomplish higher performance levels, and simultaneously show compassion in regard to past mistakes. Finally, leaders who intellectually stimulate their followers do not condemn them for having diverse ideas and support them in taking necessary risks (Bass & Avolio, 2004).

Bass and Avolio (1997) also state that these types of leaders may shift perspectives or unearth hidden assumptions to expose alternative causes that alter the agency's direction. Redmond. (1993) specifies that when leader behavior increases follower self-efficacy, it results in a higher level of follower creativity in problem-solving situations. Therefore, leader-follower cooperation gains in importance as followers' desires increase to find mutual solutions to problems. Once this takes place, followers will have increased trust in and attachment to both their leaders and their organization.

C. Inspirational Motivation

Inspirational motivation represents the utilization of vision by transformational leaders (Bass & Avolio, 1990). Conger (1991) mentions that effective leaders are the ingenious craftsmen of their organization's mission. They communicate their missions in ways that create great fundamental demand. Vision is a key leadership behavior for increasing workforce support in organizational augmentation and development. Inspirational motivation measures vision by tracing the rate at which leaders utilize symbols, metaphors, and basic emotional demands to raise awareness and understanding of commonly desired goals (Conger, 1991; Densten, 2002).

Motivation and inspiration are two common values of transformational leaders. Transformational leaders provide significant and challenging work, clearly explain their vision, and communicate the importance of the organization's mission and objectives to their followers. They speak positively and passionately about the future and express confidence that organizational goals will be achieved. Transformational leaders also stimulate team spirit, generating hope and passion among followers (Bass & Avolio, 2004).

Leaders display inspirational motivation when they encourage employees to do their best and achieve beyond expectations. For that reason, utilization of inspirational motivation helps to increase employees' feelings of self-reliance, enabling them to optimally carry out their jobs (Snyder & Lopez, 2002).

2.9.1 Leadership Effectiveness in Perspective

According to Hogan (1994), the literature on leadership effectiveness can be categorized into five categories. In the first category, leaders are evaluated on the true performance of their team or organizational unit. In the second, assessments from supervisor subordinates, or peers, are used to evaluate leaders. Third, the effectiveness of leaders is evaluated through interviews, simulations, assessment centers, or leaderless group discussions. Fourth, evaluative criteria by leaders' own self ratings can be used, and lastly, effectiveness can be determined by the low end of a period. If a person is promoted or demoted, it reflects his or her performance.

Leadership effectiveness can also be evaluated in regard to the perceptions of followers. Effective leaders should accomplish four criteria: (a) understand the job related needs of followers; (b) express those needs to top managers; (c) achieve overall group success; and (d) be conducive to organizational performance (Bass & Avolio, 2004). Researchers have suggested that followers respect, admire, and are confident with their leaders when they perceive them to be effective (Bass & Avolio, 2004).

In organizations, effective leadership offers higher quality and more proficient goods and services; it also offers a sense of cohesiveness, personal development, and higher levels of satisfaction among workers. Furthermore, effective leadership provides a sense of direction, a configuration with the environment, a vigorous

mechanism for innovation and creativity, and a means of energizing the organizational culture (Van Wart, 2003).

Conger (1989) presents the behaviors of effective leaders as perceiving opportunity and generating vision, allocating others to accomplish this vision (intellectual stimulation), communicating a vision that arouses (charisma), supporting commitment in followers, and building trust through individual commitment (inspirational motivation).

2.9.2 How Transformation leadership influence individual innovation

Innovation, from an individual perspective, has both cognitive and motivational aspects (Ford, 1992). For instance, to generate ideas, individuals need to reorganize and combine knowledge, which is a cognitive process (Soriano de Alencar, 2012). Innovative work is also typically riddled with setbacks and problems (Ilies, 2004). People's intrinsic motivation will partly determine how much effort they invest in trying to overcome these difficulties (Puccio & Cabra, 2012). Leaders can influence both these cognitive and motivational aspects (Mumford, 2007).

2.9.2.1 Creative problem-solving

The problems of innovative work are exceptional because they are often new to the person who encounters them, ill-defined because they are ambiguous and difficult to understand, and complex because they may have several different solutions (Mumford, Peterson, & Robledo, 2013). The problem-solver must therefore begin by structuring (or making sense of) a problem and by identifying the goals, conflicts, procedures, restrictions, and data required to understand and solve it (Mumford, et al. 2002). In some cases, problem construction is a relatively

straightforward and quick process, after which the problem-solver can collect data and generate ideas. In other cases, however, the problems are so difficult that successful problem construction is essential for finding innovative solutions. Several studies have shown that when people spend more time constructing a problem, they generate better and more original solutions (Redmond.,1993). Leaders can assist in this process by offering their expertise. In fact, leaders' expertise (i.e., their domain-related knowledge and experience) is a strong predictor of innovation in R&D (Mumford et al., 2002).

2.9.2.2 Support

Although leader support is not a clearly defined concept (Rosing, 2011), it is thought that leaders who recognize the team members' good work, support them emotionally, involve them in important decisions, and monitor their progress fairly are instrumental in promoting innovative work. Less supportive leaders give employees ambiguous task assignments, fail to resolve important problems, and fail to monitor progress adequately (Amabile et al., 2004). Leaders typically support those team members with whom they have high quality work relationships. Leader support may also be important when the workload is high.

Janssen (2000) demonstrated that job demands were positively related to team members' innovative work behaviours only when team members perceived that leaders fairly rewarded their work.

Using their technical expertise, leaders can guide team members in selecting those ideas that are most likely to meet an objective or solve a problem. Leaders can help their team members construct and understand a problem (Mumford, et al. 2007). Leaders with high expertise may also contribute knowledge and ideas useful in

solving novel problems. Furthermore, R&D leaders may stimulate their team members' intellectual development in a way that leads to an accumulation of knowledge and expertise (Rosing, 2011).

2.9.2.3 Other leadership behaviours.

Other leader behaviours and leadership styles are less frequently examined in relation to innovation (Rosing, 2011). Somech (2010) found that participative leadership is related to innovation at the individual level.

Participative leaders share decision-making with their team members. Other studies have found that leaders should not monitor the innovative work by their employees too closely. Zhou (2001) showed that close monitoring was negatively related with employee creativity. Oldham and Cummings (1996) found that non-controlling leadership was positively related to industrial workers' individual creativity as assessed by supervisors (but not with patents, which are more related to innovation).

2.10 Challenges to Process of Innovation

2.10.1 Internal Process Innovation

While there are a huge number of studies focusing on the measurement of technological product innovation, there has been little attention paid to understanding the measures of internal process innovation (Garcia & Calantone, 2002). Although internal process innovation has attracted the attention of researchers of organizational behaviour, engineering, and strategic management, their work has often been overlooked because of the type of innovation that they studied (Garcia & Calantone, 2002).

However, an organization is a collection of people who follow either formal or informal processes in order to get their work done within the organization. Internal process innovation is a phenomenon affecting the processes, work flows, organization structures of a company (Bender, 2000), and ways of working together to accomplish a company's objectives. Internal process innovation, as such, is an essential factor to an organization's ability to change the way it works and moving it forward (Bender, 2000). Without effective process innovation, an organization will stagnate and rapidly lose its competitive advantage (Bender, 2000). Bender, (2000) identified several success factors for process innovations including team stability, a shared vision, clear information processing and deadlines being among the most important ones.

In the organizational innovation literature, process innovations involving internal administrative processes and organizational structure, may come from marketing, manufacturing, distribution, and customer service, or anywhere else in the company. For example, in the financial management industry, a computerized bookkeeping system is an example of a process innovation. In this study, in line with Bender (2000), internal process innovations are defined as new processes that represent better ways of doing things. Internal process innovations are not intended for sale to other companies. Instead, they are intended for use internally by the supervisory business units (SBU) to help it to work more effectively.

2.10.2 Organizational Culture

Ever since, the seminal work of Peters and Waterman (1982), and Kotter (1996), organizational culture has been recognized as being a major factor for corporate success. Since these attempts to investigate culture at the organizational level, the field progressed by developing a more thorough idea of what organizational

culture actually means and how it affects company processes and performance. Still, there is relatively fewer articles have contributed towards organizational culture and performance research. One reason for this was the difficulty in operationalizing the organizational culture construct.

Organizational culture represents a complex pattern of beliefs, expectations, ideas, values, attitudes, and behaviours shared by the members of an organization that evolve over time. None of these components individually represents the culture of organization, but taken together they reflect and give meaning to the concept of organizational culture. At the organizational level, cultural differences are reflected in the different symbols, heroes and rituals that dominate the organization. The prevailing culture has a major influence on current strategies and future changes, and any decision to make major strategic changes may require a change in the culture. Thus, organizational culture is a vital element in both strategy creation and strategy implementation. This is unlike national cultures, which tend to differ mainly based on the deeper “values” of cultural elements. Jung (2003) further pointed out different organizations within the same country can maintain very different practices while holding similar deep-seated values. In this study, organizational culture is treated as an internal variable, and is defined as the basic beliefs commonly-held and learned by a group, that govern the group members’ perception, thoughts, feelings and actions and that are typical for the group as a whole (Jung, 2003).

Whereas organizational culture is a critical component for creating and implementing firm’s strategies, a growing body of empirical studies has addressed the links among organizational strategies, organizational culture and performance (Jung, 2003). The results of these links are almost as diverse as conceptions about culture (Jung, 2003). These different concepts of culture and organization lead researchers

from various perspectives to examine the contributions of organizational culture. It also resulted in different definitions of culture in organizations and leading different ways of assessing organizational culture (Jung, 2003). Thus, we discuss these different concepts and perspectives to identify an appropriate instrument for our measuring organizational culture.

2.10.3 Culture

Culture is associated with more traditional studies of leadership; the notion of changing the culture is a character trait of a heroic leader. The notion of strong, unified, and singular vision of culture created by one visionary leader is at odds with complexity leadership theory and enabling conditions. Instead of this vision of culture, enabling conditions and complexity leadership theory suggest that cultures that are overly strong when the conditions demand adaptation block adaptive culture and hurt organizational performance (Schreiber, & Carley, 2008). Schreiber and Carley (2008) argue that “quick adaptive patterns” are “stimulated by conditions such as decentralized decision making and strong learning cultures”. The conditions that exist within an organization are the context within which formulation and implementation of strategies occur (Schreiber & Carley, 2008). Culture can also be built around expectations, with “a climate that expects agents to interact, that embraces heterogeneity, where agents are expected to work through process-related conflicts, to be creative, to learn, to be adaptable, and so on” (Manion, 2002).

2.10.4 Resources

Enabling leadership can rely on resources to encourage interaction and interdependency; by limiting or providing access to particular resources, agents

will interact and perhaps from these interactions, potentially innovation can occur (Uhl-Bien, 2007). Resources can be motivators for agents by creating competition among agents and within the system, which can be a driving force for innovation since agents may need to develop more efficient ways of using a resource, and by encouraging cooperation, which can also drive innovation by creating interaction and interdependency between agents who otherwise may have not been drawn together or have had only superficial interaction. Resource allocation can be used to break up the formation of cliques and to encourage acceptance of new members within the network (Uhl-Bien, 2008). Resource allocation can be a particularly good place for middle managers to engage in enabling leadership because of their direct access to resources (Uhl-Bien, 2008). Since resources are by nature limited, decisions about resource allocation, providing too much or too little, can dramatically affect a system (Hazy, 2008).

2.10.5 Interactions

Interaction is simply agents communicating with each other in a system. While interaction is obviously an important part of a network and the collective processes of complexity dynamics, it must too be moderated. Based on Senge's (1990) ideas about learning organization, Manion (2002) noted that "faster is slower" since "a complex system can develop only so fast" (p. 324). Interaction can be mandated by the administrative function, which is formal interaction, but enabling conditions are more interested in informal interactions that are not prescribed by administration (Schreiber & Carley, 2008). Interaction can be part of positive or negative feedback: "positive feedback refers to the amplification of one component's effects on another (or itself), negative feedback refers to an opposite dampening of such effects" (Uhl-Bien, 2007).

Interaction between agents is not equal; not all agents are equally influential to other agents or to the network (Uhl-Bien, 2007). Further, complex dynamics, like innovation, come from interactions between non-alike agents since heterogeneity between nodes encourages learning instead of stasis.

2.10.6 Relationships

The type of relationships created in enabling conditions is important as “enduring relationships must be forged” since growth and maturity is a network dynamic rather than an individual dynamic (Manion, 2007). Relationships between agents can be characterized by synchronization, with the interaction between agents creating its own “higher order system” with “dynamic properties (Uhl-Bien, 2008). Synchronization is achieved as individual adjust internal states in response to another agent. Relationships are forged based on Kauffman’s (1993) ideas about need satisfaction of agents depending on other agents, which creates interdependency between agents. Relationships can also exist outside of agent-to-agent interaction, as relationships can be formed with resources (Uhl-Bien, 2008) and with the structure that an agent is part of. Enabling conditions allow relationships to form without overt administrative function, which means that opportunity for interaction and interdependency is created and the relationships form as a result of opportunity, not mandate. Enabling conditions allow for the creation of relationships to improve the network’s diversity and capabilities, not just to foster and promote a leader’s vision or goal.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

The study sought to investigate the perception of transformational leadership effect on institutional innovation. This chapter therefore describes the details methods needed to achieve the objectives of the study. The methodology applied here covers the research design, population of the study, sample size, sampling techniques, instruments, and procedure for data collections, data analyses used to explore the three research questions posed in Chapter One.

3.1 Research Design

The study adopted descriptive survey method. Cohen, Manion and Morrison (2000) in their views opined that, survey research involves collecting data to answer questions concerning the issues under study and also used to describe the nature of the existing conditions, identify standards against which existing conditions can be compared or investigate the relationship that exist between events. The use of this design has become relevant because, with this kind of a research design, questionnaires can be used. (Ghuri & Grønhaug, 2005).

The study mainly focused on the case study approach as a research strategy. The case study approach refers to an in-depth study or investigation of a contemporary phenomenon using multiple sources of evidence within its real-life context (Yin, 2005). According to Yin (2003), case research is particularly useful when the phenomenon of interest is of a broad and complex nature like the need to determine impact of training and development on organizational performance. Hence,

is best studied within the context in which it occurs. Yin (2003) also notes that using multiple cases is a powerful source of information.

3.2 Population

From the perspective of Saunders (2009) population of a study constitutes the full set of cases from the sample. Thus, population amounts to the totality of individuals from which some sample is drawn.

The population mainly was centered on workers of the South Suntreso Hospital. The departments considered were chosen from, the dispensary, nursing staff, finance, medical unit, information communication (IT) unit. The study also considered literature on transformational leadership and innovation that are applicable to the study. The target population (N=400) comprised all the employees' at the South Suntreso Hospital. This population is made up of 260 (65%) females and 140 (35%) males.

3.3 Sample Size and Sampling Technique

A sample is always selected from a population with the eventual characteristics to define the qualities of the population. A sample size of fifty (50) respondents was considered for the study, comprising 18 males and 32 females. For a descriptive research, it is suggested that researchers select 10 to 20 percent of the population for the sample (Ary, 2006). A sample of 14 percent of the population was therefore considered enough to generate confidence in the data collected.

Careful selection of respondents was an important issue, especially in descriptive survey research, therefore random sampling methods was employed because it best suits this characteristic. Bryman and Bell (2007) identify this

technique as a non-probability form of sampling where the researcher seeks to sample research participants so that the selection is relevant to the research questions.

3.4 Instrument

The instrument used for data collection was questionnaire which was developed by the researcher after reviewing the related literature. The researcher chose the questionnaire as an instrument for data collection because; the participants were all literate and therefore could read and respond to the items. Closed-ended questionnaire can be answered more easily and quickly by respondents (Ary, 2006).

Data collected through this instrument are easily analyzed compared to interview and observation. Also participants feel more comfortable responding to pre-determined responses than items that require them to express their views and feelings.

The questionnaire was made up of two sections (A and B). Section A focuses on the demographic data such as gender and age. Section B is made up of three parts, part I focuses on research question one (what transformational leadership behaviors affect employees perceptions of leadership effectiveness?). it consisted of nine (9) items (e.g. how satisfied are you with the information you receive from management on what's going on in your organization?) and were measured on five (5) points Likert scale ranging from 1 strongly agree, 2 agree, 3 neutral, 4 disagree, and 5 strongly disagree.

Part II emphasizes on the research question two (2) (what is the influence of transformational leadership on innovations in your institution?). It consist of seven (7) items generated from literature in chapter two (2). Five (5) point Likert scale ranging from 1 strongly agree, 2 agree, 3 neutral, 4 disagree, and 5 strongly disagree. Furthermore, part III encompass research question 3 (what are the challenges of

transformational leadership on innovations in your institution?). It consists of six (6) items generated from literature in chapter 2. Five (5) point Likert scale ranging from 1 strongly agree, 2 agree, 3 neutral, 4 disagree, and 5 strongly disagree.

3.5 Validity and Reliability

Validity refers to the degree to which an instrument measures what it is supposed to measure, and consequently permits appropriate interpretation of scores (Gay, 1996). The researcher took the following steps in order to ensure the content validity of the questionnaire's items:

1. The related literature was reviewed to ensure that the questionnaire reflects the representative themes.
2. Experts who were knowledgeable and experienced in instructional research reviewed the content and items of the questionnaires.
3. The supervisor reviewed the items of the questionnaire for better understanding.

Reliability on the other hand refers to the degree to which the instrument measures a phenomenon in a consistent manner (Gay, 1996). A pilot study was carried out by administering the instrument (questionnaire) among employees of the South Suntreso Hospital. This therefore showed that, the instrument used was consistent and reliable. The reliability of the questionnaire as tested by Cronbach's alpha recorded the value of 0.703.

3.6 Procedure for Data Collection

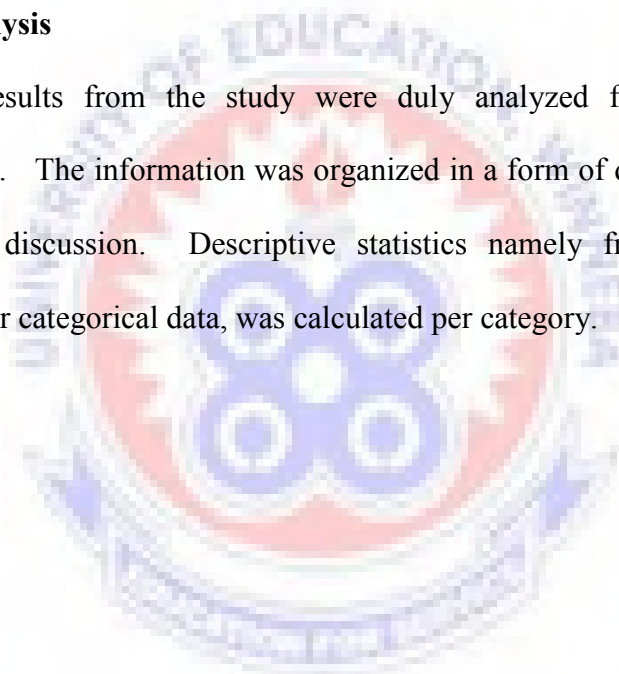
After receiving the approval to conduct this study from the Department of Educational Leadership at the University of Education-Winneba, the researcher

contacted the administration of South Suntreso Hospital in Kumasi, Ashanti Region, to facilitate the administration of the survey. In the process of distributing the questionnaires, the researcher asked the respondents for their consent.

The questionnaires were distributed to the sample base on their characteristics as employees of the hospital. Items in the questionnaires which were not clear were explained to the respondents before completing them. The administration of the survey was under the supervision of the researcher.

3.7 Data Analysis

The results from the study were duly analyzed from carefully worded questionnaires. The information was organized in a form of descriptive statistics for analysis and discussion. Descriptive statistics namely frequencies as well as percentages for categorical data, was calculated per category.



CHAPTER FOUR

PRESENTATION AND DISCUSSION OF RESULTS

4.0 Introduction

The purpose of the study was to investigate The Employees' Perception of the Effect of Transformational Leadership on Institutional Innovation at the South Suntreso Hospital in the city of Kumasi in the Ashanti Region; this chapter presents the results drawn from the instruments used in the data collection.

4.1 Demographical Characteristics of Respondents

Table 4.1 shows the demographic characteristics of the respondents, there was 64% representation of females as compared to 36% males. There were majority 77.5% respondent who were 33 years and young, 5% indicated that they are 34 to 41 years old and with only 6% were 42 years and older.

Table 4.1: Demographic Characteristics of Respondents

Variable	Frequency (N)	Percentage (%)
Gender		
Male	18	36
Female	32	64
Age		
Less than 18 years	1	2.0
19 – 25 years	17	34.7
26 - 33	20	40.8
34 - 41	5	10.2
42 and above	6	12.2

N = 50

Research Question One: What transformational leadership behaviours affect employees' perception on leadership effectiveness in your institution?.

This research question therefore sought to elicit from respondents, the effect of transformational leadership behaviours on employees' perceptions of leadership effectiveness in the South Suntreso Hospital. Frequencies and percentages of responses are presented in table 4.1.

Table 4.2: Transformational leadership behaviours and leadership effectiveness

To what extent do you agree or disagree to the following as leadership behaviours that affect employees perception of leadership effectiveness.	SD	D	N	A	SA	Ave. Mean	±SD
	F(%)	F(%)	F(%)	F(%)	F(%)		
How satisfied are you with the information you receive from management on what's going on in your organization?	1(2.0)	-	5(10.0)	16(32.0)	28(56.0)	4.40	.833
Discussion with my supervisor/team leader about my performance is worthwhile.	-	-	5(10.0)	28(58.3)	15(31.2)	4.21	.617
Supervisor / team leader in my work unit support employees development.	5(10.0)	-	5(10.0)	20(40.0)	20(40.0)	4.20	.881
Managers review and evaluate the organization's progress toward meeting its goals and objectives in my institution.	-	-	1(2.0)	44(88.0)	5(10.0)	4.08	.340
Employees have a feeling of personal empowerment with respect to work processes in my institution.	-	5(10.0)	-	34(68.0)	5(10.0)	3.89	.754
How satisfied are you with your opportunity to get a better job in your organization?	-	-	15(30.0)	29(58.0)	5(10.0)	3.80	.612
How satisfied are you with the recognition you receive for doing a good job in your institution?	2(4.0)	4(8.0)	15(30.0)	24(48.0)	5(10.0)	3.52	.931

In my organization, leaders generate high level of motivation and communication in the workforce.	2(4.0)	-	29(58.0)	9(18.0)	10(20.0)	3.50	.953
Creativity and innovation are rewarded in my institution.	-	20(40.0)	10(20.0)	15(30.0)	5(10.0)	3.04	1.087
Average Frequency (f)	1.1	3.2	9.4	24.8	10		
Average Percentage (%)	2.2	6.4	18.9	50.0	21.9	3.8	

Source: Field survey, 2016* SD= Strongly disagree D=Disagree N=Neutral A=Agree SA=Strongly agree.

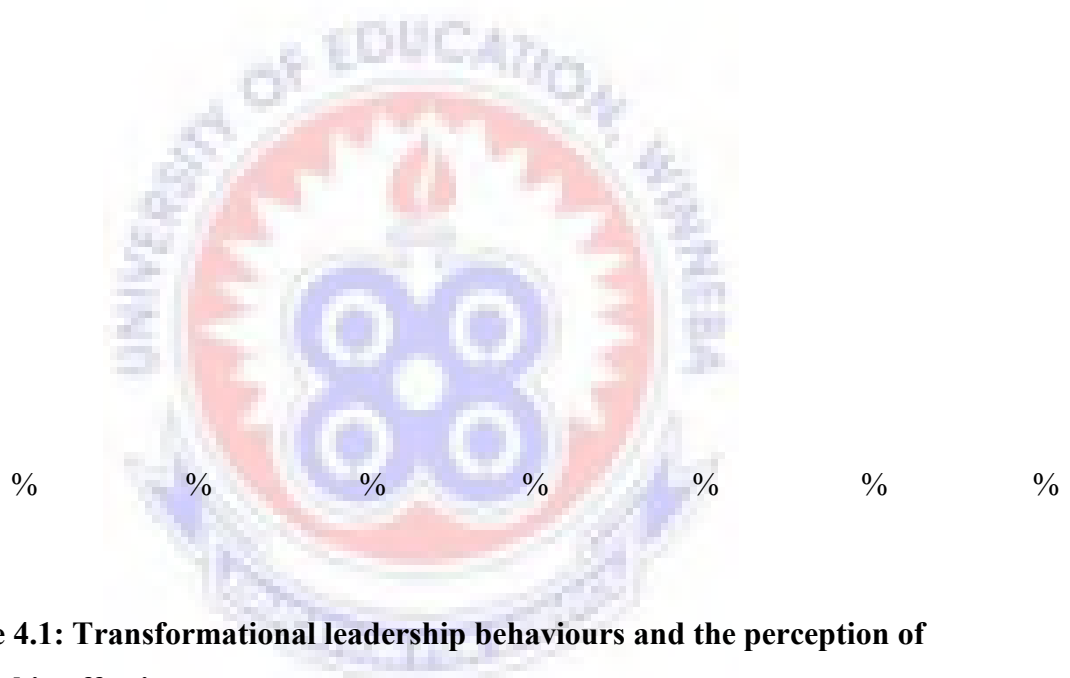


Figure 4.1: Transformational leadership behaviours and the perception of leadership effectiveness

From Table 4.1,1 (2%) of the respondents strongly disagree that they are not satisfied with the information they receive from management on what is going on in their institution, 5 (10%) were neutral, and 44(88%) agree and strongly agree to the said item. 5(10.0%) represent respondents who were uncertain if discussion with their supervisors or team leaders about their performance are worthwhile but 28 and 15 with an average percentage of 58.3% and 31.2% agree and strongly agree respectively that discussion with their supervisors or team leaders about their performance are

worthwhile. 5(10%) strongly disagree, 5(10%) were neutral and 40(80%) agree and strongly agree that supervisors or team leaders in their work unit support employees development.

Also, as indicated in Table 4.1, 1(2%) was neutral and 49(98%) agree and strongly agree that managers review and evaluate the organizations progress toward meeting it's goals and objectives. 5(10%) disagree, then 39(78%) agree and strongly agree that employees have a feeling of personal empowerment with respect to work processes at the South Suntreso Hospital. 15(30%) of the respondents were neutral and 34(68%) agree and strongly agree that they are satisfied with their opportunity to get a better job in that institution.

However, 6(12%) strongly disagree and disagree, 15(30%) were neutral and 29(58%) agree and strongly agree that they are satisfied with the recognition they receive for doing a good job at the Hospital. 2(4%) strongly disagree, 29(58%) were uncertain and 19(38%) agree and strongly agree that in their organization, leaders generate high level of motivation and communication in the workforce. 20(40%) disagree, 10(20%) were neutral and 20(40%) agree and strongly agree that creativity and innovation are rewarded at the South Suntreso Hospital.

In summary, it was realized that transformational leadership behaviours and the perception of leadership effectiveness as perceived by majority (71.9%) agree and strongly agree to what transformational leadership behaviours affect the employees' perception on leadership effectiveness in your institution?. With the mean value of ($M = 3.8$). To support this, the research items with the highest mean value in this question are: How satisfied are you with the information you receive from management on what's going on in your organization? Discussion with my supervisor / team leader about my performance is worthwhile. Supervisor / team leader in my work unit

support employees' development. Management review and evaluate the organization's progress towards meeting its goals and objectives in my institution, in descending order.

This result is in line with similar findings in literature and affirms the studies conducted by (Lowe et al. 2001; Conger, 1989; Barling, et al. 2000). In this regard, Lowe et al. (2001) reported that in chaotic environment, transformational leaders are likely to be more effective, because they look for new ways of working, for opportunities in the face of risk, for effective answers to questions, and are less likely to maintain the status quo. Likewise, Conger (1989), reported that renders behaviours undertaken by effective leaders as actions perceiving opportunities and generating vision, intellectual stimulation, charisma, individual consideration and inspirational motivation. Barling et al (2000), Articulate why individuals who are superior in emotional intelligence would be more likely to utilize transformational leadership behaviours.

The possible reasons for the findings are that, first, as a result of how employees' perceive leadership effectiveness in terms of certain leadership behaviours, secondly, as a result of their experiences on the job.

Research Question Two: What is the influence of transformational leadership on innovation in your institution?

The research question therefore sought to elicit from respondents, the influence of transformational leadership on innovation at the South Suntreso Hospital. Frequencies and percentages of respondents are presented in table 4.2.

4.2 Influence of transformational leadership on innovations

In order to know the views of the respondents, a five point likert scale on influence of transformational leadership on innovations. Where 5= Strongly Agree, 4=Agree, 3= Neutral,2= Disagree and 1= Strongly disagree.

Table 4. 3: Shows Statistical scores on the influence of transformational leadership on innovations at the hospital.

Influence	SD	D	N	A	SA	Ave. Mean	±SD
	F(%)	F(%)	F(%)	F(%)	F(%)		
Transformational leaders make compelling presentation on innovations to inspire follower in my institution	1(2.0)	2(4.0)	5(10.0)	24(48.0)	18(36.0)	4.12	.895
Transformational leaders easily scan their environment to identify opportunities for innovation in my institution.	2(4.0)	1(2.0)	10(20.0)	19(38.0)	18(36.0)	4.00	1.010
Transformational leader directs workers efforts toward innovation in my institution.	2(4.0)	2(4.0)	5(10.0)	29(59.6)	11(22.4)	3.92	.932
Transformational leaders allow varied views from others to achieve innovations in my institution	3(6.0)	3(6.0)	6(12.0)	22(44.0)	16(32.0)	3.90	1.111
Transformational leaders permits explorative thinking processes toward innovation in my institution.	2(4.0)	3(6.0)	6(12.0)	22(54.0)	16(24.0)	3.88	.982
Transformational leaders influence a team to optimize performance in my institution.	2(4.0)	1(2.0)	11(22.0)	27(54.0)	9(18.0)	3.80	.904

Transformational leaders do not acknowledge the differences in the problem solve approach of individual members in my institution.	3(6.0)	15(30.0)	13(26.0)	16(32.0)	3(6.0)	3.02	1.059
Average Frequency (f)	4.2	3.8	8	22.7	13		3.8
Average Percentage (%)	4.3	7.1	16.0	47.0	24.9		

Source: Field survey, 2016* SD= Strongly disagree D=Disagree N=Neutral A=Agree SA=Strongly agree.

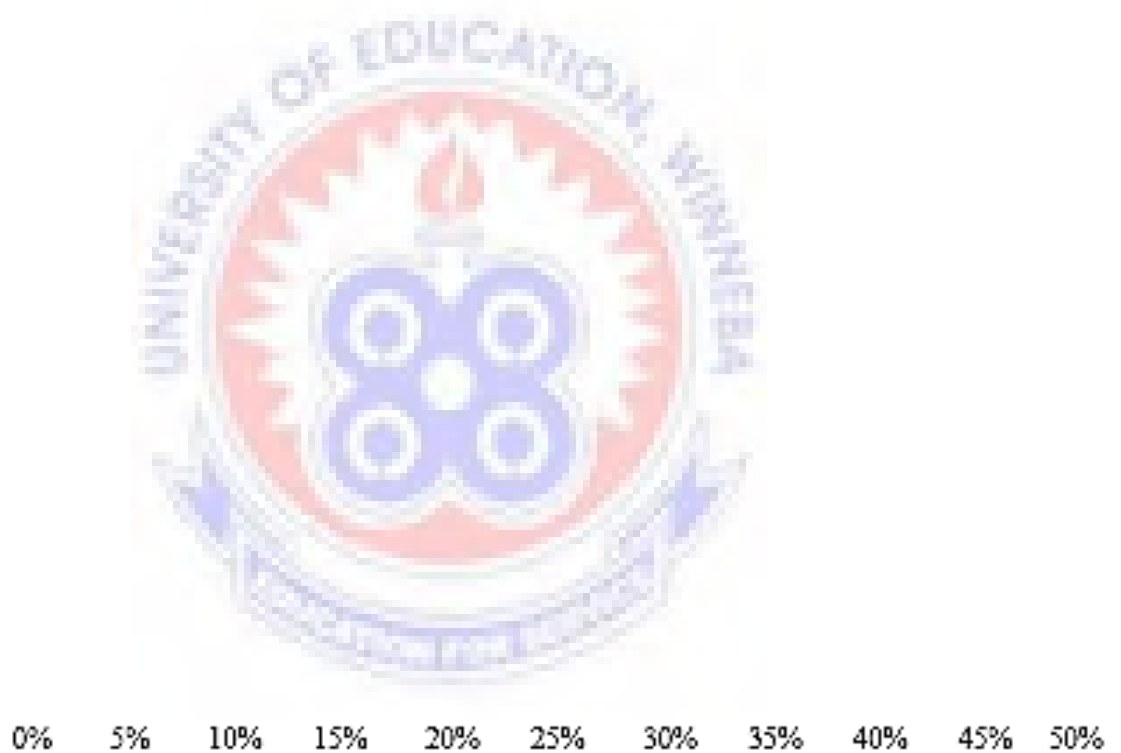


Figure 4.2: Influence of transformational leadership on innovations

From Table 4.3, 3(6%) strongly disagree and disagree, 5(10%) were neutral and 42(84%) agree and strongly agree that transformational leaders make compelling presentation on innovations to inspire followers at the hospital. 3(6%) strongly disagree and disagree, 10(20%) of the respondents remain neutral, while 37(74%) agree and strongly agree that transformational leaders easily scan their environment to identify opportunities for innovation at the institution. 4(8%) strongly disagree and disagree, 5(10%) were undecided, but 40(81.6%) agree and strongly agree that transformational leaders direct workers effort towards innovation at the institution.

Also, as indicated in table 4.2, 6(12%) strongly disagree and disagree, 6(12%) were neutral, 38(76%) agree and strongly agree that transformational leaders allow varied views from others to achieve innovation at the hospital. 5(10%) strongly disagree and disagree, 6(12%) were undecided, 38(76%) agree and strongly agree that transformational leaders permits explorative thinking process towards innovation in that institution. 3(6%) strongly disagree and disagree, 11(22%) were neutral, and 36(72%) agree and strongly agree that transformational leaders influence a team to optimize performance at the South Suntreso Hospital. 18(36%) strongly disagree and disagree, 13(26%) were uncertain, 19(38%) agree and strongly agree that transformational leaders do not acknowledge the differences in the problem solving approach of individual members in that institution.

In summary, the statistics shows that 71.9% of the respondents agree and strongly agree on the influence of transformational leadership on innovation with the mean value of (M=3.8) to answer research question 2 (what is the influence of transformational leadership on innovation in your institution?).

The result of the research question 2 is in line with similar findings in literature and affirms the studies conducted by (Mumford, 2002; Rosing, 2011, Puccio & Cabra,

2012). In this regard, Mumford (2002), reported that leaders can influence both cognitive and motivational aspect of innovation. Rosing (2011), reported same. Puccio and Cabra (2012), also reported that, people's intrinsic motivation will partly determine how much effort they invest in trying to overcome setbacks and problems. Possible reasons for the findings are that, first, as a result of how the administration inspires employees' at the hospital, secondly, as a result of the employees' understanding of the hospital administration orientation.

Research Question Three: What are the challenges of transformational leadership on innovation in your institution?

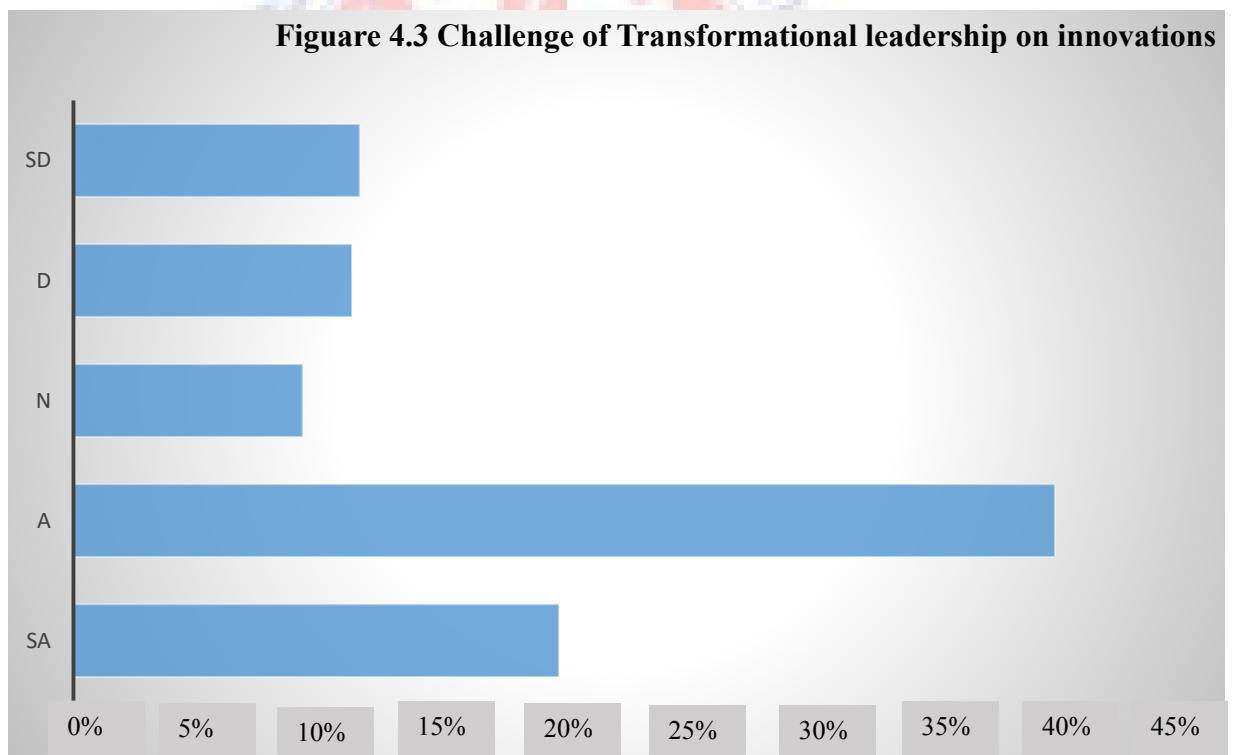
The research question therefore sought to elicit from respondents, the challenges of transformational leadership on innovation at the South Suntreso Hospital. Frequencies and percentages of responses are presented in table 4.3.

Table 4.4: Show the Statistical on the challenges of Transformational leadership on innovation at the South Suntreso Hospital.

To what extent do you agree or disagree to the following as the Challenges in Transformational Leadership on innovation in your organisations.	SA (f)%	A (f)%	N (f)%	D (f)%	SD (f)%	Ave. Mean(\pm SD)
Lack of proper resource allocation in my institution.	13(26.0)	19(38.0)	8(16.0)	4(8.0)	6(12.0)	3.58(1.295)
Poor interpersonal relationship in my institution.	15(30.0)	18(36.0)	5(10.0)	5(10.0)	7(14.0)	3.58(1.386)
The prevailing culture in my institution.	7(14.3)	23(46.9)	11(22.4)	5(10.2)	3(6.1)	3.53(1.063)
Poor interactions among						

employees in my institution.	12(24.0)	18(36.0)	7(14.0)	5(10.0)	8(16.0)	3.42(1.386)
poor financial standing of my institution	6(12.0)	22(44.0)	11(22.0)	6(12.0)	5(10.0)	3.36(1.156)
Having a poor shared vision and information processing in my institution	6(12.0)	19(38.0)	10(20.0)	9(18.0)	6(12.0)	3.20(1.229)
Average Frequency (f)	9.8	19.8	8.6	5.6	5.8	3.45
Average Percentage (%)	19.7	39.8	9.3	11.3	11.6	

Source: Fieldwork, 2016, SA=Strongly agree, A= Agree, N=Neutral, D = Disagree, SD= Strongly Disagree



From Table 4.3, 32(64%) of the respondents strongly agree and agree, 8(16%) were undecided, 10(20%) disagree and strongly disagree to lack of proper resource allocation at the hospital as a challenge. 33(66%) strongly agree and agree, 5(10%)

remain uncertain, 12(24%) disagree and strongly disagree to poor interpersonal relationship as a challenge at the hospital. 30(61.2%) strongly agree and agree, 11(22.4%) were neutral, 8(16.4%) disagree and strongly disagree that the prevailing cultural at the institution as a challenge. Also, 30(60%) strongly agree and agree, 7(14%) remain neutral, 13(26%) disagree and strongly disagree that poor interaction among employees as a challenge at the South Suntreso Hospital. 28(56%) strongly agree and agree, 11(22%) were uncertain, 11(22%) disagree and strongly disagree to the fact that poor financial standing at the hospital is a challenge. 25(50%) strongly agree and agree, 10(20%) were neutral, 15(30%) disagree and strongly disagree that having a poor shared vision and information processing at the hospital as a challenge. This section summary shows that 59.5% of the respondents strongly agree and agree on the items of what are the challenges of transformational leadership on innovation at the South Suntreso Hospital in Kumasi, to answer research question 3 with the mean value of (M=3.45). To support this, the research items with the highest mean values in this question are: Lack of proper resource allocation in my institution. Poor interpersonal relationship in my institution. The prevailing culture in my institution, in descending order.

The result of the research question 3 is in line with similar findings in literature and affirms the studies conducted by (Garcia & Calantone, 2002; Lee & Yu, 2004; Schreiber & Carley, 2008). In this regard, Garcia & Calantone (2002), reported that, there are huge number of studies focusing on the measurement of technological product innovation, there has been little attention paid to understanding the measures of internal process innovation. Lee and Yu. (2004), reported that, relatively fewer articles have contributed towards organizational culture and performance research. Schreiber and Carley (2008), reported that the conditions that exist within the

organization “are the context within which formulation and implementation of strategies occur.”

Possible reasons for the findings are that, first as a results of the employees’ appreciation of the availability of resources at the South Suntreso Hospital, secondly, as a result of the employees’ interactions with the administration, and thirdly as a result of the prevailing culture at the hospital.



CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This chapter deals with summary of research findings, draws conclusion and provides recommendation for future researchers on the employees perceptions of the effects of transformational leadership on institutional innovation.

5.1 Summary of the Research Process.

The purpose of this study is to assess the employees perception of the effect of transformational leadership on institutional innovation. The study adopted descriptive survey design, and therefore random sampling method was employed. A sample size of fifty (50) respondents was considered for the study. The instrument used for the data collection was questionnaire. This study has found that transformational leadership behaviors; idealized influence, intellectual stimulation, interpersonal relationships and inspirational motivation, all have a significant relationship with perceived leadership effectiveness. Each dimension of transformational leadership has a positive effect on employees' perceptions of leadership effectiveness, with intellectual stimulation having the highest effect to achieve corporate objectives.

5.2 Summary of Findings

The study of the effect of transformational leadership on institutional innovation: The case of South Suntreso Hospital finds out that:

1. Transformational leadership behaviors affect the employees' perception of leadership effectiveness.
2. Transformational leadership influence innovation at the South Suntreso Hospital.

3. There are challenges of transformational leadership on innovation at the Hospital.

5.3 Conclusion

The results have shown that transformational leadership behaviours affects the employees' perception on leadership effectiveness. Also, transformational leadership is more strongly affecting institutional innovation. Finally, there are challenges of transformational leadership on innovation at the South Suntreso Hospital.

5.4 Recommendations

Based on the results of this study managers and corporate institutional heads:

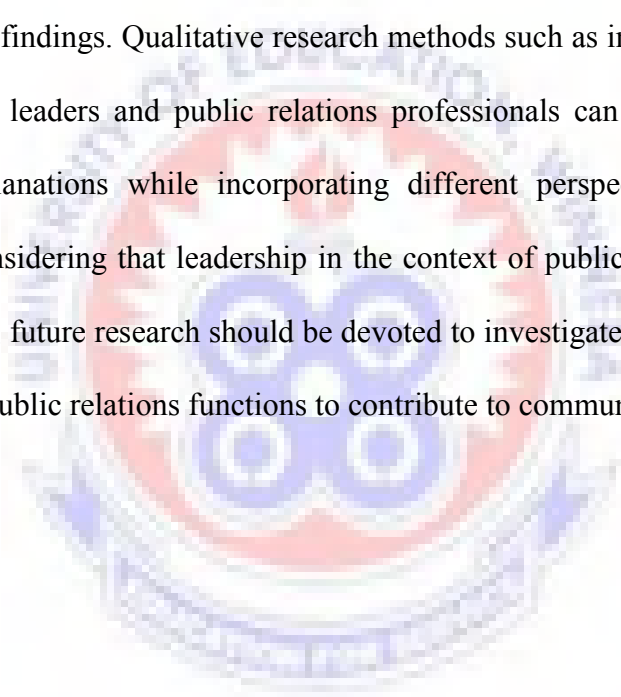
1. Should develop strategies and make decisions to increase their employees' job satisfaction and increase their enthusiasm to work.
2. The employees' are very sensitive to the role of their leader and when the leader provide the vision, motivate, communicate openly, recognize the individual contribution then ultimately the employees' level of job satisfaction will also increase.
3. Enhancing employees' psychological empowerment perception by giving them autonomy, independence, feeling of meaning and enhancing their competencies would increase the employees' job satisfaction and ultimately the organizational overall productivity.

5.5 Suggestions for Further Studies

This study did not cover all aspects of transformational leadership. It is therefore suggested that, future researchers should investigate into the following that is, when is it appropriate to use transformational leadership to enhance institutional operational processes to achieve corporate goals.

Future studies may also see the impact of transformational leadership control variables such as gender, race, location of work, supervisory status, pay categories, etc. In addition, future research may include follow-up studies to conduct large-scale research on the disposition and effects of leadership in state and local governments, and explore some of the main situational characteristics of leadership in public settings.

In future research, a wider range of samples from different types of organizations across various industries should be used to test the proposed model and generalize the findings. Qualitative research methods such as in-depth interviews with organizational leaders and public relations professionals can be applied to provide thorough explanations while incorporating different perspectives to the research problems. Considering that leadership in the context of public relations has not been fully explored, future research should be devoted to investigate how leadership factors interact with public relations functions to contribute to communication effectiveness.



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APPENDIX A

UNIVERSITY OF EDUCATION-WINNEBA, KUMASI CAMPUS

TOPIC

**THE EMPLOYEES PERCEPTION OF THE EFFECT OF
TRANSFORMATIONAL LEADERSHIP ON INSTITUTIONAL
INNOVATION**

QUESTIONNAIRE FOR RESPONDENTS

RESPONDENT'S CONSENT NOTE

This information is purely for academic purposes and therefore your confidentiality is highly guaranteed. Kindly provide accurate answers to these questions with your objective opinion. Your cooperation and support will be appreciated.

SECTION A

Respondent's Socio-Demographic Characteristics

1. Gender: Male () b. Female ()
2. Age: a. less than 18 () b. 18-25 () b. 26-33 () c. 34-41 () d. 42 and above ()

SECTION B

PART 1: Transformational Leadership Behaviors and the Perception of Leadership Effectiveness

To what extent do you agree or disagree to the following as leadership behaviours that affect employees perception of leadership effectiveness		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1.	Managers review and evaluate the organization's progress toward meeting its goals and objectives in my institution.					
2.	Discussions with my supervisor/team leader about my performance is worthwhile in my institution.					
3.	Supervisors/team leaders in my work unit support employee development.					
4.	Creativity and innovation are rewarded in my institution.					
5.	In my organization, leaders generate high levels of motivation and commitment in the workforce.					
6.	Employees have a feeling of personal empowerment with respect to work processes in my institution.					
7.	How satisfied are you with the information you receive from management on what's going on in your organization?					
8.	How satisfied are you with your opportunity to get a better job in your organization ?					
9.	How satisfied are you with the recognition you receive for doing a good job in your organization?					

PART II: Influence of Transformational Leadership on Innovations

Please tick (✓) accordingly where applicable)

To what extent do you agree or disagree to the following as influence of transformational leadership on innovations		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	Transformational leaders make compelling presentations on innovations to inspire followers in my institution.					
2	Transformational leaders easily scan their environments to identify opportunities for innovation in my institution.					
3.	Transformational leaders do not acknowledge the differences in the problem solving approach of individual members for innovation in my institution.					
4.	Transformational leaders direct workers efforts toward innovation in my institution.					
5.	Transformational leaders allow varied views from others to achieve innovations in my institution.					
6.	Transformational leaders permit explorative thinking processes toward innovation in my institution.					
7	Transformational leaders influence a team in an organization to optimize performance in my institution.					

PART III: Challenges of Transformational Leadership on Innovation

Please tick (✓) accordingly where applicable)

To what extent do you agree or disagree to the following as the Challenges in Leadership innovation on organisations		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1.	Poor interactions among employees in an organisation in my institution.					
2.	Having a poor shared vision and information processing in my institution.					
3.	Poor financial standing of organisations in my institution.					
4.	The prevailing culture of organisations in my institution.					
5.	Lack of proper resource allocations in my institution.					
6.	Poor interpersonal relationship in an organisation in my institution.					