Managers can boost creativity by 'empowering leadership' and earning employees' trust

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Managers can promote creativity in employees by "empowering leadership" and earning employees' trust, according to a new study by Rice University and American University.

The researchers investigated, for the first time, the complex effect of the interaction among empowering leadership, uncertainty avoidance and trust on creativity. They collected supervisors' ratings of employee creativity in two separate studies in China: one with employees of an energy-saving light bulb design and manufacturing company and the other with the employees of a nonferrous metals manufacturing company.

"Our results reveal an interesting phenomenon," said Jing Zhou, the Houston Endowment Professor of Management at Rice's Jones Graduate School of Business.

"Empowering leadership may be especially effective at promoting creativity for those who have high levels of both uncertainty avoidance and trust in their supervisors. In addition, we also found that creative self-efficacy (the degree to which the employees themselves believed they are capable of being creative) was a psychological mechanism that explained the three-way interaction's effect on creativity."

Zhou co-authored the paper with Xiaomeng Zhang, an associate professor of management at American University's Kogod School of Business. The paper was published in the journal Organizational Behavior and Human Decision Processes.

Zhou said managers might empower leadership by giving an employee the autonomy and freedom to carry out his or her job in the way that the employee deems to be the best way to achieve the company's goals and objective, or by getting an employee involved in decision-making processes. This approach worked well with employees who avoid "high uncertainty." They need and value detailed and consistent rules, directives and expectations.

The authors define creativity as "the generation of novel and useful ideas concerning products, services and work methods." They measure creativity using a scale that tracks a manager's rating of an employee's behaviors at work and the extent to which the employee has exhibited certain behaviors – for example, the employee "comes up with new and practical ideas to improve performance," "comes up with creative solutions to problems" or "suggests new ways of performing work tasks."

Zhou and Zhang define empowering leadership as the extent to which supervisors express confidence in their employees' abilities, emphasize the
significance of their employees' work, involve their employees in decision-making and reduce or remove bureaucratic constraints on their employees.

The authors focused on affect-based trust, which is trust that reflects genuine concern, care and emotional bonds between employees and their supervisors, based on the employees' perceptions of the supervisor's motives.

The authors said the results have timely implications for management practice.

"To effectively encourage employee creativity, managers need to be aware that their own leadership behavior plays a key role in eliciting creativity from employees with different characteristics," Zhou said. "Our results suggest that to set the stage for enhancing creativity in their employees, managers first need to establish whether they can demonstrate empowering leadership behavior."

The authors suggested that managers participate in a diagnostic survey; those who have yet to be able to demonstrate empowering leadership can then participate in training programs to authentically develop their empowering leadership behaviors.

Managers should also give their employees opportunities to develop affect-based trust in them, the authors said. Once these two conditions are met, the managers may identify employees with high levels of uncertainty avoidance and then empower them. For employees with low levels of uncertainty avoidance, developing affect-based trust should be a higher priority for managers than empowering leadership, the researchers said.

Zhou said this trust is critical. "If my supervisor demonstrates empowering leadership, but I don't feel it's genuine, I'm not going to take the risk to be creative," she said.

Creativity seldom happens overnight, and it often takes time for employees to generate new ideas that are also feasible and potentially add value to the organization, Zhou said. "As a psychological state, creative self-efficacy usually precedes the behavioral outcome that is creativity."

She said the results suggest that one way for managers to monitor whether their empowering leadership will ultimately enhance employee creativity is to keep track of their employees' creative self-efficacy. "If they observe increased creative self-efficacy in their employees, the managers should be reasonably confident that there is a good chance that actual creativity will follow," the authors concluded.


For a new Jones Journal article on Zhou's research in creativity and innovation, "Beyond the Myths of Creativity in the Workplace," see business.rice.edu/Creativity

Provided by Rice University