MSc in Project Management

Dissertation

Leadership and Innovation In Government organization in The UAE

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1.0 Abstract

This dissertation investigates how leadership styles can effect innovation in Work organizations. The findings of this paper show that there is more than one factor vital for innovative leadership; however, key features are found to be teamwork and collaboration between team players also individual support, which would result in higher innovation rates among employees. Intellectual stimulation is a significant aspect in influencing employees to innovate at their jobs. It looks into various hypotheses relevant to stimulating innovation at workplace within the UAE context. The role of effective leadership and follower-empowerment in stimulating innovation is emphasized. Innovation is investigated through parameters such as team participation, managerial support and role modeling in determining their independent outcomes.

A field study is conducted three government departments in United Arab Emirates to investigate the relationship between transformational leadership and innovation. Supportive innovation is evaluated to the extent to which line managers ensure that an enabling working environment promotes group interaction as well as stimulates exchange of ideas for innovation. Questionnaires are distributed to the entire staff of the three government departments. Workers are evaluated through their work group facilitated by line managers to complete the survey voluntarily. Data obtained from the survey is analyzed independently. Variables are measured through a scale that allows for comparison of various scores, which correlate with the stated hypotheses.
Chapter 1: Paper Overview
2.0 Introduction

Innovation is a useful tool for organizations that seek to adapt the dynamic nature of change towards increasing their competitiveness. Leadership facilitates creation of innovative among followers through intellectual stimulation, team participation and delegated authority Avery (2004).

Empowerment is one of the most important pillars of transformational leadership and creative performance. Empowered followers are self-driven in discharging their duties without unnecessary supervision from their leaders. Through empowerment, followers are promoted to stakeholder status where they work stimulating their intrinsic capacity for the development of the organization. This dissertation investigates different leadership styles and their applicability to varying business situations for the purpose of understanding the best approach for creating innovation.

Change is quite inevitable in the modern competitive business environment,

Consequently, the dissertation looks into the different challenges those organizations in UAE, the Middle East and the rest of the world encounter and how appropriate leadership styles could be applied to generate ideas that provide solutions, which are specific to the underlying problem. Hypotheses are derived around the role of a leader and team member participation could apply in creating innovative responses to change. The study aims at investigating the role of teamwork and transformational leadership in generating innovative ideas and the best way to plan and implement them. The significance of the study is to assist manager’s adept change appropriately within their organizations by exploiting the human resource potential of employees through empowerment for the goal of stimulating innovation.
2.1 Problem of the study

The longitudinal study was carried out to investigate the underlying factors conducive for stimulating innovation in three government departments. Emphasis was put on the “importance of transformational leadership and morale to work group innovation”. The government sector is continuously exposed to challenges, which demand for a progressive update of procedures and technologies towards improved customer care and profitability. The study was formulated in support of the role work groups play in generation of ideas and team implementation as well as development of relevant leadership competencies that enhance innovation at workplace. The study conducted in three government departments in the UAE revealed that transformational leadership style was instrumental enough to generate work group innovation. The study of 270 work groups at the government departments provided empirical evidence that transformational leadership style enhanced employees’ morale resulting in measurable benefits to patients.

The work groups were members of the different teams at the government departments consisting of” the administration, engineering, customer services, communication and filed works”. Each of these work groups were investigated through a filed study using the technique of questionnaires. Innovations in the different portfolios at government departments, whether administrative or technological, are necessary for a perfect outcome in government sectors provision. Technological innovation is primarily achieved through research and development programs that focus on quality improvement through a structured process. However, administration innovation is developed through cultural changes, which integrate appropriate leadership style and devolved work responsibilities. This paper argues in favor a combined strategy incorporating transformational leadership style in promoting administrative innovation.
2.2 Aim and objectives of the study

The field study was conducted to determine the impact of transformational modes of leadership in promoting performance of workers within three government department’s environment. Transformational leadership style is conceptualized as charismatic and motivating in communicating organizational vision and goals to followers successfully. It encourages follower autonomy, self-confidence and teamwork guided through the altruistic traits of the leader. Leaders’ concerted approach in decision making further enhances work groups to exchange ideas harmoniously promoting innovation in organizations.

Since the government sector environment presents dynamic demands and expectations for customer services, innovation is necessary to ensure that best practices are in alignment with current methodologies and techniques in government departments worldwide. Innovative groups should therefore exist within the government department’s setup in order to respond appropriately to dynamic changes in the field of services and customer care.

Work group performance is a subject of the prevailing leader-follower relations. Transformational leadership style ensures that interactions at work between leaders and followers are quality enough to stimulate innovative ideas among them. Leaders focus on helping followers accepts the changes, which must be applied in order to not only improve follower performance but also enhance profit margins in the organization.

Teamwork is an integral part of innovative organizations. The three government departments under study are funded by the government in order to enhance customer care and increased admissions.
Promotion of leadership capacity among different administrators through a robust organizational culture ensures that both team and individual performance is successfully sustained. The underlying objective of this paper is streamline human resource interventions within government departments in accordance with a dynamic organizational culture that promotes innovation. Both leadership and innovation are considered as important utilities relevant for a robust organizational culture, which promotes innovation. Leadership is evaluated as an independent entity with a view of understanding the applicability of different leadership styles in different phases of innovation.

2.3 Rationale of the study

The study was conducted to explore the best approach available in government departments in UAE context as far as leadership and innovation are concerned. The various work groups were therefore investigated through a field study that looked into their performance in three government departments. The three government departments located in a metropolitan area was extensively differentiated in order to meet public needs of the surrounding community and the larger society. Data obtained from the survey was analyzed and compared between innovations obtained for each work group. The rationale for comparative rating of the innovation data was based on ongoing upgrade of the organizational structure and culture with a view improving costumer care.

Transformational leadership style was measured through defined sub-styles which include; “Inspirational motivation, Intellectual stimulation, Attributed Charisma, Idealized Influence and Individualized Consideration”. The degree to which morale and team spirit was achieved in the three government departments was investigated through these different leadership styles and their relevance with respect to different work groups.
The scale used to study team climate conducive for innovation followed such paradigms as team orientation and support for creation of new ideas and focus on common objectives.

Actual innovations were recorded based on the feedback obtained from each team as regards to “new practices, processes, services, procedures and activities” which could have been developed by work groups in the respective areas of work. Anonymous reports were thereafter prepared for accurate documentation of innovations for each work group. The reports were subject to verification by the respective teams for confirmation purposes and distribution. The study was therefore differentiated in accordance with the respective work groups in the three government departments and results audited comprehensively in order to determine actual innovations.

2.4 Work system in UAE government organizations versus private sector.

The federal government of the United Arab Emirates utilizes a transformation strategy meant to develop public services in accordance with strategic targets by 2010. A three thousand-performance indicator automated system is used to evaluate reports of the different government entities in the Prime Minister’s office. The automated allows for just four analysts to review the data comprehensively instead numerous workers doing it manually. The federal government therefore manages ministries and state authorities like a private company. Once reports are reviewed, recommendations are made and feedback given to improve the performance of the respective sectors appropriately.

The UAE has one of the fastest growing economies in the Middle East courtesy of its business-friendly policies and the incumbent’s private sector values.
The economy is not entirely dependent on the oil-rich reserves but extends into the vibrant construction industry, manufacturing and trade portfolios.

The public administration system in use in UAE is such that the economic wellbeing of its citizens is equally achieved. The federal government system is efficiently managed as a private company through relevant ministerial goals. Ministries are expected to enhance strategic planning and designing of policies through a structured approach. Implementation of policies and projects is guided through a timeline perspective in order to speed up the process. The ministries are also expected to ensure that the federal and local authorities are connected and engaged in policy making and implementation in order to ensure conformity. For purposes of transparency and accountability, the federal government defines roles and responsibilities of the respective ministries. This enhances clarity and certainty in designing and implementation of the strategic goals and plans within the defined time frames.

The Prime Minster office is responsible for evaluating progress of the different projects through its performance department. Technology was therefore handy in ensuring that strategic plans are operational and effectively monitored for each entity.

Key performance indicators are used to evaluate each entity yearly against the established quality standards. Customer and financial revenue is part of the parameters evaluated under key performance indicators. The annual review is an aggregate of reviews done quarterly on reports for the respective entities. At the end of the year, ministries and local authorities update their strategic and operational plans based on the annual reviews and the subsequent recommendations. The automated system allows for users to input and analyze performance results from the various government departments against the established scorecard.
Analysis is done based on the key performance indicators and the trends available in the portal. The application provides tools for manipulating the data by the click of the mouse. User interface was enabled by a customized system, which reflects the branding protocol of the federal government in order to create features for dashboards and scorecards against each entity. The system is therefore structured such that home pages are designed to reflect information for each ministry and/or local authority and assessment for various parameters provided by the key performance indicators. Efficiency of the respective ministries and authorities with respect to the key performance indicators is evaluated through a user-interface that creates adequate phases for a comprehensive review to be made.

2.5 Women’s participation in the labor industry

Women are increasingly getting engaged in the labor force and private business in the UAE against the tradition in the past where their place was reserved in the kitchen and household chores. The position of a woman in the UAE labor market is a product of the socio-cultural and political factors in the society since this play a major role on what jobs women participate in. As a result of the changing economic situation in UAE, the government has been compelled to engage more citizens in the labor industry while reducing the number of foreign nationals working in professional positions. Women have equally been considered seriously in these new developments overcoming the socio-cultural barriers that exist in the conservative Muslim society. Emirati women are therefore accessing job opportunities at an increasing rate courtesy of higher educational levels, changing attitudes and economic changes within the region.

Traditionally, Emirati women and girls were socialized to take up roles in marriage as mothers and wives. As attitudes shift from these traditional roles, women are
being encouraged to develop their careers through higher education before getting married. However, the strong Muslim culture dictates careers which Emiratis in general and women in particular can participate in. There is a general dislike for jobs in hotel and catering industry as well as careers considered feminine such as nursing and hairdressing. These jobs have long been reserved for foreign nationalities. Emiratis may also find it difficult to accept jobs in non-Muslim settings. Emirati men are culturally empowered to develop their careers more than women. Men can participate in higher education as well as join the military while women are restricted. The demands of marriage and childbearing make it difficult for women to participate in higher education and career development satisfactorily.

2.6 Public versus private sector

Both male and female Emiratis prefer to work in the Public sector rather than private sector. This is attributed to the fact that the public sector offers better salaries, flexible working hours and incentives as compared to the private sector. The private sector operates on a ten-hour working day for six days in a week coupled to a split shift. On the other hand, the public sector operates on “a five-day-week work system, eight working hours and on a single shift”. The government has equally addressed the issue of creating more jobs in the public sector for Emiratis while replacing expatriates with nationals. The public sector is however getting saturated leaving the private sector as the only alternative for employment. Employers in the private sector have deep-seated reservations in employing Emiratis since they consider them less productive than foreign workers. The private firms also find it a burden to employ nationals since the law demands that they are remunerated at higher rates than foreigners, which translates into extra costs. The perception of lower wages and benefits in the private sector among Emiratis complicates
the whole picture. Apart from these economic inequalities, religious connotations present more difficulties in terms of demands for flexible working schedules. In addition, family restrictions and the social roles that women play in the family make it even more difficult to consider Emiratis in general for private sector employment.

Essentially, the private sector is made up of two: paid employment and self-employment. Emirati women are more involved in the private sector than those employed by the federal government. This group of women comprises of less educated women, younger and exhibit lesser work experience as compared to their counterparts in the public sector.

Due to the complex socio-cultural environment in UAE, women engaged in private sector employment constitute a minority of the labor force whose work benefits and remuneration is less favorable to colleagues in the public sector. They are also expected to work longer than the government eight-hour per day working schedule. Female Emiratis are therefore less satisfied working in the private sector as compared to those employed in the public sector. Generally, the total number of Emiratis involved in private sector employment is less than five percent of the entire labor force in private sector.

This translates to more than ninety five percent of non-Nationals working in the private sector in UAE. The private sector is therefore a mix of nationalities while the public sector is predominantly Emirati-oriented.

The private sector is therefore a second option for Emiratis incase one fails to secure a public sector job. It is apparent that salary is a strong motivator for Emiratis
seeking for employment. UAE nationals working in the private sector are less retained in their jobs since they consider private sector wages poor.

Apart from the comprehensive performance evaluation in the public sector outlined earlier, the private sector is equally stringent enough in verifying job performance for rewards. The recruitment salary for entry into private employment could be lower than the same in the public sector but increases in proportion with experience and performance.

The private sector is therefore concerned with productivity levels and performance targets when reviewing salaries in line with profit margins. Private sector incentives are therefore aligned with performance standards for workers and career development in the long-term.

Apart from the perceived lower private sector wages, Emiratis dislike private sector jobs due to prolonged working hours and the split-shift schedule. Since private sector employers are keen on increasing productivity, they expect workers to remain on duty longer than it is the norm in the public sector. Other benefits such as paid study and maternity leave appear missing in the private sector while they are legally mandatory in the public sector.

Working in the private sector is also a matter of contracts, which makes job tenure unpredictable. Emiratis therefore prefer to work in the public sector because it offers job security, a single shift and better on-job incentives than the private sector.

Emirati women, however, are forced to work under any circumstances since they are less educated and may therefore not find lucrative jobs in the government.
On the other hand, Emirati men who may not succeed to pursue higher education satisfactorily to obtain a highly paying job in the public sector have equal options in the military and police service.

The private sector can therefore invest in Emirati women’s education and training since they have long been marginalized by the incumbent society.

If women can be empowered enough to develop their careers through financial incentives for pursuing higher education, then the private sector shall grow.

It is evident that Emirati men are much more privileged and strategically positioned to benefit from both the economy and the labor industry than women.

In order for the private sector to compete more favorably in such a culturally complex society, they need to invest in Emirati women’s higher education so as to raise the prospects of retaining a more learned and experienced labor force.
Chapter 2: Literature Review
3.0 Literature Review

3.1 Introduction to leadership and innovation in United Arab Emirates

United Arab Emirates (UAE) grown to become a strong economy. Twenty years ago, the country’s heavily depended on oil. However, the country has been able to develop other areas of its economy to become one of the strongest economies in Middle East. The country has attracted many other types of businesses, attracted more investors, telecommunication companies and service based companies. To succeed in business, UAE has explored new ways to manage its organizations. Business managements in UAE companies are looking at ways to strengthen teamwork in their organizations.

There has been increased interest on the role of teamwork in organizational management and performance. Many organizations emphasize working teams in implementing innovation. Employees are expected cooperate in their roles in an organization and move together as a team towards the organization’s goals. Working teams are emerging as an important tool in innovation management in the country. Innovation cannot be achieved without leadership. To provide leadership in processing ideas, leaders the use different leadership styles. There are many literatures that explore on leadership, innovation and teamwork. This literature review explores different opinions from various scholars on leadership style.
3.1 Leadership theory

Leadership plays an important role in society and business. Leadership can be defined in different contexts. Various scholars and individuals have tried to define leadership depending on how they understood the roles of leaders.

According to Stogdill (1974), leadership has been defined in quite different ways by various authors. Individuals understand the role of leaders differently and try to derive the definition of leadership from their understanding of the role of leaders. According to Chemers (1997), “leadership is the process through which an individual influences support of other individuals toward attaining a common goal”. The role of followers in leadership also influences the definition of leadership.

According to Avery (2004), leadership is the process that creates ways through which other individuals can contribute the solution of a problem. According to the author, leadership should be distinguished from related aspects such as posturing.

According to him, leadership involves playing a major role to the achievement of a particular goal. Over time, historical figures have tried to understand leadership on the benefits that are obtained from leadership. Napoleon Bonaparte understood a leader as a person that instills hope towards a specific goal. According to him, a leader should help his or her followers to overcome challenges to their common goals. A leader would create and share a vision that he or she would like to be achieved.

According to West (1996), there are various controversies over the definitions of leadership. However, according to him, the various definitions of leadership are important in understanding the challenges that experienced in conceptualizing and practicing leadership.
According to Stogdill (1974), use of the term leadership was aimed at differentiating it from headship. According to him, “leadership was opposed to headship which was based on usurpation, inheritance or appointment”. The new definition of leadership expanded its use in different areas of life. According to Emirates Center for Strategic Studies and Research, leadership in various areas such as health, education, business management and other areas share similarities that influence its definition in a particular area.

According to the author, leadership in the modern days differs significantly with leadership in earlier day. According to the author, leadership in modern days does not include the direct influence of a leader but also indirect influence that a leader can have to attainment of a specific goal.

There has been increased interest in teamwork in recent past. According to Larson, Frank and LaFasto (1998), success in organizations that encourage teamwork has raised interest on teamwork in organizations. According to West (1996), the major concern for teamwork is how people can cooperate and combine effort towards a certain goal. According to him, the various challenges that are faced in the modern society call for cooperation between individuals.

According to Larson, Frank and LaFasto (1998), the combined effort in teams is capable of achieving almost anything. However, according to them, teamwork is faces many challenges. According to them, people seem to lack the ability to work together without conflicts. According to West (1996), the challenges that are faced in teamwork can be overcome by using immense and powerful human capabilities.
According to him a simple answer to teamwork challenges is not possible since there is variation from one organization to another.

According to West (1996), there are two main there are many definitions of leadership dimensions and functioning of a team, the task to be performed and the social factors in the teams. Work teams in organizations are created with expectation that they would lead to better performance than when employees work as individuals.

It is hoped that, teamwork would lead to easier attainment of an organization’s objectives. According to Larson, Frank and LaFasto (1998), composition of a working group is dictated by the tasks assigned to a team.

Teams are important tools in modern organizational management. According to Nurmi (1996), teamwork has become important managing human resource in organizations. He argues that working teams can help to improve performance. According to him, teamwork in organizations enables different individual to cooperate, minimizing their weakness while maximizing their strength.

Definitions of teams differ depending on where the term is used. According to Nurmi (1996), a team has higher meaning than just a group of people that come together in pursuit of certain goals. Salas et al (2001), argues posits that the commonly accepted meaning of teamwork is collections of individuals that work together to attain a common goal. Salas et al (2001) assert that the structure of a team differs from one team to another. The teams can have a rigid structure with well-defined roles and hierarchical chain of command.

On the other hand, a team can have a flexible structure where individuals in the teams have similar capabilities and tasks since teams are allocated to the best available
member. In the flexible teams, none of the team members is responsible for all the decisions are made through consensus.

According to Salas et al (2001), some teams are formed transiently while others work together for an extended period of time.

According to Salas et al (2001), the element of shared goal is important to teamwork. They argue that the notion of common goal is what bind the team together and make them cooperate rather than acting in mere self-interest.

Conti and Kleiner (1997), claim that team member do not aim at achieving their personal goals at the expense of other members. Instead, the members aim at achieving synergy where the team’s goals are placed before individual goals.

Salas et al (2001), argues that team players aim making contributions that can benefit other members of the team and lead to efficient achievement of the team’s goals. In addition, according to Conti and Kleiner (1997), team member are motivated toward cooperating with each other and avoid interfering with other members of their teams. The team members have a sense of common responsibility to their teams. Salas et al (2001), argues that team players are willing to step for another member and are also ready to take responsibility on behalf of their other members.

Conti and Kleiner (1997), claim that the willingness to step in for other team members leads to fault tolerance in teams.

Leadership is important in teamwork. A team is viewed as a unit in an organization. As leadership affect performance in an organization, it affects performance of a working team. The different leadership styles can be used in team management.
However, according to Klein and Pierce (2001), the kind of leadership style affects the performance in a team and the organization at large. The concept, common goal, is important to teamwork.

According to Klein and Pierce (2001), the common goals are what unites the team members together and enable them to achieve their common objectives. To have the necessary cohesion required in teamwork, leadership is required. According to Rouse et al (1992), teamwork relies heavily on the notion of mutual awareness. He argues that mutual awareness does not depend on shared goals alone but also on other characteristics of a team. He posits that static information such as the structure of a team can affect cohesion and performance of a team. The mission objectives, plan and dynamic information, such as present tasks, intermediate goals and achievement status also affect performance of a team.

According to Rouse et al (1992), leadership in teamwork help to achieve shared mental model of a team.

3.2 Leadership styles

There are various leadership styles that are used in leadership. According to Goldman (2000), leaders use leadership styles that they find to be more effective with them. Some leadership styles are natural to some people but others have to be learnt. Goldman argues that the biggest mistake made by managers is to assume that leadership style is determined by personality rather than strategic choice. He claims that leaders can choose a leadership style that is more effective to their situation. He says that research has confirmed that successful leaders have strengths in self-awareness, motivation, self-regulation, motivation and social skill. Goldman also claims that the basic leadership
styles use emotional intelligence but in different combination. He argues that good leader
do not use only on leadership style but they are skilled in several leadership styles, which
ythey switch to depending on situation.

Leadership and leadership styles are widely discussed in literatures. The most
dominant styles acknowledged by most literatures are transformational and transactional
leadership styles. According to Beck and Yeager (2001), transformational and
translational leadership provides the true broad ways of categorizing leadership style.
However, they argue that other leadership styles exist in between the two categories.

Leaders in working teams use various leadership styles that fall in between the two
major categories. In some cases a leader may use more than one leadership style
depending on different situations.

Burns identifies “transformational and transactional styles of leadership as the
most applicable in modern management”. He developed theories to differential and
explain the two leadership styles.

Using translational theory of leadership, burn explained that leader and followers
use an invisible contract to guide their relationship (J.Burns, 1978).

In this style, the leader aim at exchanging something valuable for performance by
the subordinates. The subordinate are motivated by the promises made by the leader.
According to Burns (1978), the factors that motivate the subordinates include reward,
praise, and other promises. However the subordinates are corrected by reproof
disciplinary actions or punishment. Transformational leadership style has different
characteristic as translational leadership style. Burns (1978), argue that transformational
leadership has four components: charisma, individual consideration, intellectual
stimulation and inspirational motivation. According to Burns, transformational leadership styles one, which allows both the leader and subordinate to motivate each other. In this style the followers consider themselves to share in the values of their leader.

The review focuses on broader view of leadership styles other than the two broad categories. In their four-factor leadership model, Sims and Manz (1991), identified four categories of leadership styles. The categorize leadership style into Strongman, Transformational, Translational and empowering leadership styles. Strongman or Directive leadership style constitutes a leadership style that is characterized by a highly directive or even dictatorial style of leadership. Manz and Sims (1991), say that individuals that are associated with this style use their position to put forth power to their subordinate. They add that the individuals using this style of leadership to make decisions in an organization without consulting other individuals in the organization. Despite of making decisions without consulting other stakeholders, the leader expects his subordinates to comply with the decision without asking questions. According to Pearce and Sims (2002), Directive leaders are leaders who take up situations and give directives without consulting other individuals.

These leaders believe that they are best skilled or informed to make decisions and thus fail to consult other individuals. According to Pearce (2002), the Directive leader would use some form of punishment against the subordinates if their directives were not followed. Manz and Sims (1991), claims that some form of directive leadership involves intimidation, assigned goals, fear based compliance and contingent reprimand.

Transactional leadership is viewed as conventional leadership style where a leader rewards the subordinate for completing tasks or compliance. According to Hartog and
Van Muujen (1997), translation leaders and their followers exist in a mutual contract where each side promises its responsibility.

They argue that the followers in a translational leadership are aware of their leaders’ expectation. Thus, the followers strive to fulfill what is expected of them in order to receive their rewards. The leadership style is framed on a rational exchange approach. Hartog and Muujen (1997), argue that the main focus of the style is the goals.

The followers are evaluated and rewarded depending on their ability to meet the expected goals, the power of the leaders in transactional leadership result from their ability to provide or deny rewards. According to Manz and Sims (1991), transactional leader’s conduct incorporates personal recognition, individual reward, material reward as well as interactive goal setting. Bass and Avolio (1987), point at rewards and incentives, close monitoring and taking corrective measures as the area that are most important in transactional leadership.

Unlike transactional leadership, transformational leaders inspire the followers towards the organizations goals.

The followers are so motivated that they work to the good of an organization. Pearce and Sims (2002) indentify view, charismatic leadership, intellectual stimulation, idealized attributes, inspirational motivation and idealized behavior as the main dimension of transformational leadership. Transformational leaders create an image of the future in the followers. Motivated by the articulated vision, the followers are motivated and dedicate all their energy towards achieving the articulated vision. In controversial situations, transformational leaders are able to take a firm stand and, consequently, motivated the followers to take similar stands and work towards them. According to Bass
and Avolio (1989), transformational leaders provide their followers with intellectual stimulation to be able to view challenges from different perspective and be able to come up with solutions. They argue that transformational leaders emphasize on values, morals, belief and trust rather than goals only. Godard and Lenhardt (2002), refer to leaders who are followed by their followers because of the confidence that they demonstrate as having idealized attributes.

The attributes of the leaders are able to motivate the followers towards certain organizational goals. Manz and Sims (1991), argue that, a transformational leader gives his/her vision, inspires and persuades his/her followers while taxing the status quo.

Arnold et al (2001), refer to empowering leadership style as a style of leadership that inspires the followers to lead themselves. They argue that Empowering leaders are not content with leading other individuals but want to create leadership traits in the followers.

By creating self-leadership in the followers, empowering leaders can trust their followers in decision-making. According to Manz and Sims (1991), this leadership style is not common. After empowering followers, they no longer require a leader since they are capable of leading themselves. Salam et al (1997) maintain that, distinctive leaders portray positive empowering behaviors and demonstrate self-leadership while developing it by giving incentives as well as constructive correction.

The success of Super leaders is evaluated by their ability to maximize contributions from other individuals by empowering them to lead themselves. Unlike the Directive leaders, Empowering leader do not try to bend their followers wills by use of authority but inspire them to make better decisions by themselves.
3.4 Factor Affecting Choice of Leadership Style

Leadership style differs from place to another and from one individual to the other. Some authors associate leadership style with the personality of an individual. However, some scholars maintain that leaders consider various factors before choosing a leadership style. Tannenbaum and Schmiasdt (1958) claimed that three forces do affect the leadership style that is preferred.

They identified the three forces as, the leader himself, followers and situation.

Yulk (1994), on the other hand identifies level in hierarchy, size of organization unit, and function of a unit, characteristic of tasks, crisis situation, lateral interdependence, follower’s competence and organization’s lifecycle as the factors that affect choice of a leadership style.

On the other hand, Herbert (1981), argues that choice of leadership style is determined by need for participation, distance of leadership and result of commitment. Maheshwari (1980), argues that decision making process in an organization depend of a number of factors including characteristic of an organization, context, nature of decision, and preference of decision makers.

The level of difficulty of a task also affects the style of leadership that is assumed by a leader. On the other hand, Whyte (1988), argues that nature of a task; experience and skill of subordinate, power available to a leader; organization factor, leader’s personality, time and leadership style preferred by the subordinates are the main factors that determine choice of a leadership style.
3.5 Relationship between leadership and the team performance

Many organizations in the world have been linked with how they can improve their performance. According to Herbert (1981), many organizations look for ways that can improve their performance and make them more competitive in their areas. Leadership is an important factor in the performance of organizations. Various scholars believe that there is a strong relationship between an organization’s performance and leadership. Various scholars in management have addressed the relationship between organizations performance and leadership styles. Research studies of relationship between performance and leadership styles have been focused on the major leadership styles.

Relationships between performance and leadership style have been observed in transformational and transactional leadership styles. In differentiating transformational and transactional leadership styles, Bass (1985), identifies various relationships between leadership style and performance. According to him, transactional and transformational leadership style has different effect of performance depending on the situation where they are applied.

Bryman and Avery (1992), assert that leadership styles can be viewed depending on social, economical or cultural background. Their observations imply that leadership styles can affect performance differently. This brings the need to consider the context under which a leadership style is applied when evaluating its effect on performance.

To comprehend the effect of leadership styles in solidarity, one has to appreciate the connection involving leadership style and performance. Effective leadership in teams is viewed as an important factor in gaining competitive advantage in the modern business environment. According to Harper & Row, (1985), transactional leadership style in a team
helps an organization to link rewards to individual or team performance. A visionary leader in a working team creates the vision and motives other team members to work towards the created vision. Zhu et al (2005), argues that transformational leadership style can lead to higher level of cohesion, trust, commitment and motivation within a working team. In consequence this can lead to higher individual and group performance. Effect of leadership is vital to the overall performance of an organization. According to Mehra et al (2000), many organizations focus on ways to improve leadership performance when trying to gain competitive advantage over other organizations. They argue that this is because of the fact that team leaders play an important role determining collective norms. In consequence this help teams to cope with their environment and help to coordinate the collective team actions. According to Guzzo and Dickson (1996), leader-centered perspective of leadership gives insight into the relationship between leadership style and performance in a team.

3.5 Leadership Styles in Middle East

There is limited literature on human resource management from the Middle East. However, a number of studies have addressed leadership and teamwork in Middle East. Ali et al (1997), in a study on decision styles of United Arab Emirates’, managers observed that most managers used consultative style of decision-making. In another study on decision-making styles on Arab countries, Ali observed that consultative decision-making style was predominant

Other studies also point to consultative style of decision making among Arab Executives. In a study on decision styles used by Jordanian managers, Ali et al (1997), observed that most of the top managers used authoritative style of leadership.
Similar observations had been observed among managers in Middle East. Directive leadership style was observed on managers from India. Employees in the studies had behaviors that suggest that consultative style was used. The employee had high commitment to their organizations, higher level of satisfaction, and higher performance. These indicated that consultative style was being used. A number of studies also show that leadership in Middle East encouraged consultation and participation. Ali et al (1997) observed that consultation was common with Arab leaders. Their study and indicated that leadership style in Arab countries were highly influenced by religion and culture.

3.7 Leadership and innovation in United Arab Emirates

There is less literature on leadership and teamwork in United Arab Emirates. According to Inkson and Clinton (2004), the main factor in management in UAE is managing diversity. They suggest that leadership style should be able to adapt to various situations. They say that cultural diversity is a major leadership factor in United Arab Emirates. To be a good leader in UAE, they advise that leaders should have cultural intelligence. According to them, leadership style in United Arab Emirates is highly influenced by religion and culture. They say that Islam has influenced leadership and teamwork in UAE. Leadership position in the country is predominantly occupied by males. Ali et al (1997) argue that Islam and culture influence leadership in UAE. They say that business leaders in the region feel the responsibility to nurture and protect their employees. The resulting leadership style is one that is characterized by personal autocracy. According to Clinton and Inkson (2004), the leadership style is characterized by high conformity that is motivated by respect for the leaders. However, they argue that leadership styles and teamwork in UAE is in constant change.
Multinational companies and constant interaction with other cultures has brought other leadership styles.

The most appropriate leadership style and management in the UAE non-western culturally complex society is based on consultations. The context of this cultural diversity is determined by leader traits and follower attributes which range from gender differences, age and nationalities. Education, experience and marital status of the leader and subordinates in any organization define the relationship that exists among them. Age is however not a principle factor in leadership styles and organizational activity but a robust national culture with strong Muslim fundamentals inspires motivation and innovation. B Bass, B Avolio, & L Goodheim, (1987).

Leader-follower relations in the UAE multicultural organizations determine the quality of exchanges they develop towards innovative perspectives. Leader’s charisma complemented by employee work experience provides the right environment for innovation to develop. Employees are satisfied and motivated towards achieving organizational goals if leaders are focused on developing the working environment with cutting edge technologies and innovation. A multicultural organization develops innovation through proper leadership styles and employee commitment.

The leader-follower relation determines transformational leadership and contingent reward. Active exception and autocratic leadership undermined the quality of exchanges at the organizational level in most companies in UAE. Passive avoidant leadership for instance hampers the quality of service in hospitals. Socio-cultural implications of the indigenous styles of leadership in the hospitality industry are a product of Muslim and Arab culture.
Islamic hospitality and tourism has been developed by the capacity of human resources and innovative approaches in industrial product development and education. Industry skills are benchmarked on nationalization of employment. In addition, the hospitality industry is developed through management practices that take into account dynamic customer expectations and global market trends. Islamic cultural approaches provide the foundation for product development, innovation and career progression of UAE nationals and employees. Transformational leadership is strategically applied nationalization of Islamic culture and practices for purposes of integration of other cultures in mainstream society.

Local hospitality managers are the main leaders while foreign capital is employed to support the industry in areas where local citizens are not professionally deficient. Marketing and advertising has exploited popular causes in athletics and sports for product endorsement and development. Ethnic and religious attributes of the mainstream Muslim culture are integrated into professional ethics.

Integration of foreign nations working in UAE through naming, language, dressing and eating culture of the host society is used to promote socialization. The cultural approach in hospitality industry is a product of competing cultures, which meet at the point of intersection in organizational management. The value of Islamic and Arab based management is emphasized in career development and product endorsement. The service sector is nationalized through operations that recognize local culture towards developing indigenous workforce through Islamic principles and traditions. National culture, organizational culture and innovation are integrated through multilevel leadership approaches, which appreciate managerial expertise and soft skills development (T Inkson, & D Clinton, 2004).
An ideal organizational culture is developed through a concerted approach and mechanisms that appreciate local talent and international expertise. Product endorsement by athletes of international repute is a form of marketing, which focuses on positioning UAE as a tourist destination of choice as well as promotes Islamic hospitality. Such innovative skills are complemented through information and communication technologies. Dubai being the business hub of the Islamic republic of UAE is extensively networked through modern Internet infrastructure, which positions the hospitality industry on the global competitive market. Products and human capital are not only indigenized but also strategically developed in the international market in order to create a competitive advantage and reputation. Participation of UAE athletes in international competitions strengthens the position of UAE hospitals and hospitality industry above competitors. Innovation is still being developed on gender and strict Muslim traditions, which undermined internalization of organization culture.

The leader’s personal attributes should be harmonized with follower talent, which improves the wellbeing of teams and organization’s activity across cultures. Manager-subordinate relations are instrumental in the consultative leadership approaches. The national language being Arab limits the level of interaction between foreign employees particularly in hospitals and the local managers. Group member wellbeing is only enhanced the proper communication and exchanges relevant to the objectives of the different organizations. Infrastructural development and technological innovation supports product development and industrial revolution. However, the value of human capital is directly proportional to the degree of interaction and exchanges between managers and subordinates. Communication systems developed through state of art technologies can be properly utilized if leader-follower relations are sustainable.
Communications’ through electronic media is properly developed through multilevel leadership and cultural practices that conform to international organizational cultures. For instance, marketing across borders requires a proper appreciation of the socio-political environment in different host markets. A thorough understanding of the foreign country laws and regional treaties is instrumental in global marketing strategies of the UAE hospitality industry away from the local market. Internalization of the UAE pharmaceutical industry through the establishment of the Dubai Healthcare City and elaborate outpatient private facilities is a plus in healthcare revolution. There is also the element of healthcare conferencing which seeks to showcase health products and pharmaceuticals for both the local and international market. The esteemed Dubai Healthcare City has been developed as the modern center of excellence in the medical field and pharmaceutical industry. It is equally the nation’s hub of medical research and education where students from various health institutions are referred for development of hands-on experience. Laboratories, hospitals and research facilities in at the Dubai Healthcare facility are thoroughly equipped with modern facilities meant to position the UAE healthcare industry as a reputable destination in Middle East and the rest of the world. Access to healthcare is facilitated through a “functional national health insurance scheme”.

This enables the poor to afford healthcare in the most accredited medical facilities. The pharmaceutical industry is equally properly managed through elaborate means of information management and feedback. Medication errors arising from adverse drug reactions are processed through proper procedures that seek to prevent blunders. Innovation is education is required in order to streamline the pharmaceutical on
international safety standards and product development. UAE is therefore developing in all sectors of the economy through innovation and adaptation to technology.

The hospitality industry, sports, real estate and engineering are some of the developing industries with touch on international standards. The balance of trade is therefore achieved through the surplus of exports over imports. Pharmaceutical products are exported to neighboring gulf nations and into international market through subsidized customs policy. An elaborate government policy facilitates exports and an import through UAE borders is internalized. Products from different parts of the world take advantage of the developed infrastructure and flexible trading policies. Investment is therefore increased and employment opportunities ever expanding. Management is however localized to a great extent. Innovation has been achieved through flexible trading practices and government policies. The UAE is therefore the transit point of goods from different parts of the world. (G Avery, 2004)

Continuing education in medical and pharmaceutical industry is being developed for purposes of increasing the quality of product development and sustainability of the service industry. By and large, Islamic culture identifies and describes national policies and institutionalization of organizational culture. The integrity and identity of national policies, service industry and product development is therefore secured. The UAE brand and product identity is synchronized with managerial expertise based in local context. The management profile of these organizations is the property of a multicultural framework with high degree of Muslim attributes and global technologies.
3.8 Gauging Leadership into innovation

There are several discrepancies in the leadership styles employed by different individuals. Avery (2004), identified four dimensions of leadership: classical, visionary, transactional and organic.

Avery (2004) argues that the four leadership styles can be differentiated by use of the thirteen indices. The indices that are included in this review include decision making, power distance between a leader and the followers, range of staff power, key player of the team, team members responsibility, there are differences between one leadership styles to another. Avery identified thirteen factors to differentiate her four paradigms source of team member commitment, situation of management and leadership in the working teams, control in the organization and the situation diversity in the working teams. The nine criteria are considered to be more relevant in measuring leadership styles than the other four Avery's criteria. Classical leadership is considered to be the oldest paradigm of leadership. The leadership style originated for the antiquity but it is still being used in contemporary organizations. The leadership style is characterized by a dominant individual or elite group. The leadership is either cohesive or benevolent, or in some cases, a mixture of both. The style has its benefits as well as limitations. According to Avery (2004), the style leads to faster decisions. However, the leader may not be able to sustain his or her dominance for a long time leading to conflicts. Using the nine criteria, leaders under classical paradigm usually use an autocratic style in decision making, followers are either limitedly or never involved in decision making; these leaders do not empower their follower but aim at having an dominance presence. The classical leaders tend to be more directives leaving the followers with no power in their teams.
The main source of the followers’ commitment is either respect of fear of their leaders (R House, and R Aditya, 1997).

The operations in the organizations or teams tend to be more predictable and technical systems are more regulating. According to Avery (2004), the organizations or working teams under classical leadership style are highly controlled by the dominant leaders. According to House and Mitchell (1974), exchange process is the criterion used in transactional leadership. The relationship between the leaders and the followers is based on exchange between the two parties. Piccolo and Judge (2004) argue that transactional leadership has three dimensions: management exception-active, contingent reward and management by exception-passive. The contingent reward is the case where a leader sets the exchanges with the followers. In exception-active, the leaders their expectations from their followers and establish rewards for meeting the expectations. According to Howell and Avolio (1993), active transactional leaders anticipate problems take corrective steps before the problem occur while passive leaders react accordingly to problems after they happened. Rewards become the main criterion to guide the relationship between leaders and the followers. According to Avery (2004), transactional leaders use a consultative style of decision-making. He posits that a transactional leaders can be indentified by how consult when making decisions. He says that transactional leaders are involved in different levels of consultation with the followers. However he argues that despite of the consultations the leader remains the final decision maker. Transaction leaders do not often empower their followers. According to Avery (2004), followers do not have much power in the organizations. The only thing that the employees can do is to withdraw from an organization or contribute more to the organization. Avery argues that the sources of followers’ commitment result from the agreement, reward and
expectations that are negotiated before the leader and followers come into contract. The technical system of the organization is more regulating and followers do not have freedom to as they wish. He argues that operations in organizations using transactional leadership are mainly routine and predictable. He says that the operations in an organization or teams are highly controlled by the leaders. Avery also argues that the followers in a transactional leadership are highly knowledgeable than those in a classical leadership. In most cases the followers are individuals who are skilled on specific tasks. Visionary or transformational leadership is highly spoken of in the recent past. According to Bass (2004), visionary leadership is based on belief that leaders can extend their vision to the followers and motivate them to certain goals. Bass et al (1987) argues that the followers are expected to respond to the leaders’ vision with enthusiasm and be committed to their leaders’ objective. According to Avery (2004), transformational leaders can be differentiated from the other leadership styles. He says that visionary leaders use more collaborative style of decision-making where the followers are involved in making decisions. He argues that visionary leaders share problems with their subordinates and allow them to participate in making decisions. The followers in a visionary leadership are much more empowered than in classical or transactional leadership. Avery argues that visionary leaders require sufficient power for them to work autonomously towards a common vision. He posits that the source of the followers’ commitment result from the leaders charisma and common goal (G Avery, 2004). The technical system in a visionary leadership is more complex while the operations are more unpredictable and uncertain. Unlike in transactional leadership, Avery argues, the organization is controlled jointly by the leaders and the followers. He adds that visionary leadership requires knowledgeable and skilled follows that are able to share in the leaders’ vision.
Organic leadership style is a relatively new leadership style. According to Drath (2001), the new leadership style is likely to eliminate the formal distinction between leaders and followers.

According to Raelin (2003), the new leadership style relies on mutual actions. In this type of leadership the team members cooperate independent of their position or power. Employees in this form of leadership become like partner where they determine the actions to be made in teamwork. According to Avery (2004), organic leadership allow individual with different expertise to be accepted as leaders. Avery argues that under organic leadership there could be no formal leaders while interaction of all team members act as leadership. The team members are held together by their shared vision common values or culture. Since there is no formal leader, Avery argues that an integrator role may appear to link the many parts of an organization. According to Avery, organic leadership style uses a mutual agreement style of decision making. Although decisions may not be unanimously agreed, they are based on consensus between the members. Members in this form of leadership have a high level of power resulting from shared leadership. All members share in responsibility and accountability.

Avery argues that shared values, visions and culture are the main source of commitment in this style of leadership. The operations in this style of leadership are highly self-organizing and unpredictable. According to Avery, control in this style of leadership result from shared value and vision, peer pressure and group dynamics. According to Raelin (2003), organic leadership is appropriate for knowledgeable workers and professionals.
3.9 Innovation theory

3.9.1 Leadership and innovation

Effective leadership is an important ingredient of innovative organizations. Effective leaders possess a developed style of corporate communication when making presentations on the strategic importance of innovation to organization. Leaders are judged by their deeds and not just words since innovation demands for substantial commitment and consistence. Innovation is therefore achieved a resilient organizational culture. This culture is characterized by values and behaviors, which are consistent with the objectives of the organization in the long term. Sincerity and honesty are therefore at the very core of successful leadership and innovation, Avery (2004).

Supportive innovation is about the sharing of ideas guided by the vision outlined by the leader.

The leader is therefore expected to inspire followers towards focusing on the vision and also defines the most appropriate language for deconstruction of the diverse ideas. The vision provides the roadmap for assigning of roles and tasks in tandem with the objectives of organizations. The leader ensures that the point of focus in these relevant processes and structures are put in place for the envisaged visions to be materialized. The task of fulfilling a leader’s vision is not the preserve of the leader alone but can only be achieved through exchange of ideas and appropriate processing of the different levels of innovation. Teamwork is very important for developing synergy of common purpose and processing of leadership discourses.
The leader ensures that followers’ ideas are processed from the organization’s perspective, challenges and goals.

It is the role of the leader to organize a structure where different ideas from each and every employee are captured and developed through established processes. Leader also processes submitted ideas and conveys feedback appropriately and in a timely manner. Feedback should be communicated to employees openly for further processing of the final decision. It is vision that is used as a yardstick for benchmarking decision-making processes of the various ideas from employees. Ideas which are not consistent with the established vision are discarded for purposes of proper management of resources. To this end, leaders should be outgoing enough to encourage employees to express their ideas freely.

Leaders are also assertive enough to seek for alternative ideas outside their organizations in support of the vision agenda. Exciting ideas are therefore collected from all the stakeholders interested in realization of the vision. (Larson, C. & M LaFasto 1998)

According to the complexity theory, the greater number of participant interactions, the greater is the magnitude of the outcomes from ideas and opinions. Innovation is developed from an elaborate process of deconstructing diverse ideas based on the vision agenda. The leader should therefore develop supportive communication tools that emphasize the vision and his/her commitment to the vision. The innovative leader is quite categorical on the selection criterion for ideas whether incremental or radical in support of the vision.
Ideas are therefore processed through an established standard selection criterion with respect to innovation. The manner in which communication of ideas is conveyed should influence positive decision making by management. Presentation of ideas should be concise to the point and in tandem with vision.

Leadership and innovation should exploit all the preferences concerned. Traditionally, management may be more comfortable with preservation of the status quo with a bias for incremental innovation. Radical innovation is perceived as uncertain and ambiguous however logical and rational it could be. Internal management could therefore subscribe to incremental innovation that supports the traditional structures and policies of the organization. As much as the complexity of ideas is a contributing factor of innovation, the radical perspective can only be achieved through passionate thinking in decision making and processing of ideas. (E Salas, C Bowers, & E Edens, 2003).

The numbers do not adequately support radical innovation over incremental innovation except if successful entrepreneurs are brought on board from outside the organization. In essence, challenge and opportunity for innovation are cultivated by open-minded people with a risk preference and passion for entrepreneurship.

### 3.9.2 Implementing innovation

Organizations utilize different yardsticks in selecting and measuring structures for the implementation of radical innovation. The conditions that support radical innovation are peculiar to those that ensure smooth operations and facilitation of incremental innovation. Leaders utilize alternative systems such as the “hothouses, venturing units and spin-outs” to facilitate the successful implementation of radical innovation. Great ideas should be appreciated and properly processed despite of the hostile environment created.
by people who are reluctant to accept change. Planning is important from the onset of strategizing innovation in order to ensure that great ideas however radical they are integrated into the mainstream operations and decision making structures of an organization.

The process of implementing radical innovation demands that the leader is effectively facilitated or sponsored to protect vision from being squandered. Radical innovation should be protected by conservative ideas which are resistant to change. Great ideas are new products which require innovation to design systems, structures and plans for their successful implementation. The processes of implementing new and great ideas demand flexible and learning mindsets which suppress fear of the unknown.

3.9.3 Different leadership skills for different innovation strategies

The public and private sectors experience challenges which can only be addressed through innovative thinking away from traditional methods of doing things. This requires a proper application of leadership skills with respect to the prevailing circumstances. Managers need to apply different leadership styles at workplace in order to address satisfactorily the variation in needs and potentialities of workers. The public sector which is quite conservative in adopting change can be stimulated through innovative strategies meant to align the sector on the global front in technology and management practices. Transformational leadership is the most appropriate typology in integrating diversity of ideas into a concerted solution to problems in organizations. Collaborative leadership also fosters team participation and empowerment of followers towards innovative thinking.

Stimulating innovation requires that charismatic, determined, vision-oriented leaders are employed to facilitate the innovation process (B Conti, & B Kleiner 1979).
The qualities of an innovative talented leader should match with the mission of the organization and the different innovations being pursued. Innovation occurs in various forms which include “new product development, new business model, improved product or improved customer relations among others”. Each of these innovations requires different leadership styles for their successful implementation. The strategies commonly applied in innovation leadership place emphasis on four main areas which include the “enabling process, organizational mechanism, cultural trait and people profile”. The challenge of implementing innovation also demands that leaders in charge of strategy are experienced enough in various departments of the organization such as marketing, production and research and development.

Each generic type of innovation requires different leadership styles and strategies which contribute towards the broad objectives of the organization. Leadership qualities which lead to innovation are based on creativity, discipline, courage, talent and open-mindedness. An innovative leader therefore steers the winning team towards adopting an innovation culture by coaching suitable persons with necessary skills for implementation of the vision of the organization. The general traits of innovative leaders categorize them into front-end and back-end classes (P Harris, & K Harris, 1996).

The front-end innovative leader constitutes those that explore new opportunities from great ideas that address the problems of their organizations. Organizational creativity determines behavioral characteristics of the front-end leadership. Back-end leaders ensure that products and services developed innovatively are properly marketed. Both ends work towards innovative processes through appropriate leadership styles and organizational discipline. Objectivity and creativity guide the process of implementing
innovation into the policies, strategies and decisions of organizations (P Harris, & K Harris, 1996).

Leadership and teamwork is some of the major drivers in success of an organization. The 21st century has come with various challenges that require new ways of managing organizations. There have been unprecedented changes in the environment which organizations operate. The changes in the business environment call for organizations to structure themselves in a way that allow them to be more competitive in the new business environment. It is the leadership of an organization that is given the responsibility to deal with change (B Rouse, J Cannon-Bowers, and E Salas, 1992).

Leaders have to come up with techniques that make their organization more competitive in their areas. However, business environment is becoming more competitive. Technological advancement and globalization has led to rapid changes in the business environment. Globalization has called for the organizations being able to deal with diversity.

Working in a team is a common phenomenon for majority of people. Teamwork has become one of the techniques that are widely used to gain competitive advantage over other organizations. However the main challenge that is faced by majority of organizations is how to strengthen working teams and avoid negative behavior in working teams. Multicultural working environment has led to more challenges in team management. Innovation management has to ensure that there is effective cooperation between team members despite of cultural diversity. Leadership is very important in innovation management. Leaders in working teams have to ensure that there is harmony between team members and the vision is attained.
Chapter 3: Research methodologies
4.0 Research methodologies

4.1 Introduction

Determining the factors favorable for innovation is important for achieving greater working relations and profits in organizations. Innovation is an important component in the government sector. Staffs are therefore required to adapt to the new ways of management as well as create alternative new approaches in providing services. This paper takes a review of the existing literature about leadership and its role in innovation from which a number of hypotheses emerge. Innovations occur frequently in different sectors of the economy and are a significant feature of productivity in the government sector.

Innovations in the government sector range from those that deal with quality improvement, department research and development. Administrative innovations within government sector environment are the focus of this paper. Administrative innovations are concerned with managerial and cultural changes in organizations through development of leadership capacities and devolution of responsibilities from senior authorities down to teams for the purpose of stimulating innovation. The application of either change works in tandem within an overall strategy for greater innovation within an organization.
4.2 Leadership and innovation

Leadership styles which result in greater inspiration of the workforce are most appropriate for stimulating innovation. These include transformational and charismatic oriented styles of leadership. Transformational leadership style is conceived to have significant impact on followers resulting in enhanced motivated and greater performance among workers. It is also attributed for sustainable social relations between managers and their followers.

According to charismatic leadership theories, transformational leadership style is characterized by a leader’s altruistic behavior, which promotes creativity among followers through enhanced independence and self-leadership.

Characteristics of a transformational leader include the hands-off approach in communicating vision, which causes intellectual stimulation among followers. They are also charismatic, self-confident and passionate about the welfare and needs of team members. In addition, they are capable of conceiving with adequate precision needs of other people and generate quick responses. Leadership is therefore important since it determines the extent to which change is accepted, performance improved and quality of projects enhanced. Different leadership styles apply for different innovative responses depending on the extent to which self-direction has been achieved by subordinates. Transformational leadership is generally perceived to mediate innovation by promoting team performance. Group innovation is therefore created through transformational leadership since it induces enthusiasm in team causing excitement and high levels of morale among followers. High levels of morale result in greater cohesion among team members, which directs their concerted energies and talents towards a common goal.
Transformational leadership is therefore the mediating factor for opportunistic thinking and creativity among groups. The government sector is characterized by work teams that operate in highly charged environments where quick decisions must be made. The management structure of a government department is therefore hierarchical in nature taking into consideration professional experience and training. Since these departments operate under high demand for specific results, morale and motivation are important in ensuring that goals are achieved. Transformational leaders are therefore skillful in stimulating the commitment of workers towards achieving a common vision.

4.3 Innovation perspective

Innovation involves creation of new ideas or process within an organization. Innovation can be categorized into the process approach or the situational approach. The situational approach is concerned with “identifying facilitators and inhibitors of innovation.” The process approach is “a qualitative study of the sequence of events that constitute innovation.” This study focused on the antecedent/situational approach in innovation because the objective of the research was to find out how effective innovation is being implemented in the department work teams. This is based on the understanding that groups innovate differently depending on their specialties (e.g. engineers, architects, customer care and social work e.tc).

Situational antecedents are responsible for stimulation innovation in diverse ways ranging from “collaborative decision making, autonomy, intellectual stimulation and role clarity among others”. Transformational leaders facilitate and support work teams towards accomplishing challenging assignments. The leader in this perspective motivates followers to innovate by providing supportive resources while creating an enabling group environment where members can interact productively.
4.4 Hypotheses

After looking at the literature review this paper will examine the relation between leadership and innovation (group goals, individual support, appropriate role model and intellectual stimulation.

To prove these relations, five hypotheses were chosen, and they are:

\textit{H1}. Leadership in an organization would influence employees’ innovation.

\textit{H2}. Increased levels of teamwork and collaboration between team members would deliver higher levels of innovation.

\textit{H3}. Individuals with supportive line managers would innovate in measures proportional to the extent of the support given.

\textit{H4}. There is significant relation between innovation and appropriate role model.

\textit{H5}. Employees will respond to Intellectual stimulation by innovating at their job.

Now we will shed more light on each chosen hypotheses.

\textit{H1. Leadership in an organization would influence employees’ innovation}

Innovation thrives in an environment where the workplace leadership believes in empowerment of the workforce on matters of research and adapting change appropriately. Companies which expect innovative solutions to be created beyond the boardroom deliberations must embrace a transforming shift from the traditional hierarchies in management to an empowered team model. Empowerment is defined as the cognitive recognition of team member’s contribution in activities that develop efficiency and output of organizations. In essence, there is flexibility between managers and employees through greater participation in shared decision making. Empowered teams are applied in
decentralized decision making processes through enhanced collaboration between the leader and the workforce in an organization. Employees are therefore not mere followers of their leaders but an integral part of an empowered team.

Empowerment can be done through assigning followers responsibilities that match with their professional expertise to enable them work independently. Empowered employees are constantly engaged in the development agenda of organizations in order to exploit their talents, abilities and expertise fully.

The management does not merely impose decisions on followers but exploits a participatory approach for purposes of motivating employees achieve self-efficacy and high performance ratings on assignments. Through a critical independent approach, employees become empowered to work towards organizational objectives as stakeholders. The relationship between transformational leadership and follower empowerment is enhanced through a concerted approach in making decisions.

Self-leadership and efficacy initiates creation of new ideas and thoughts among team members in mutual goal setting and problem solving. Empowered leaders therefore derive solutions from the pool of resources inherent in the thoughts and ideas of empowered followers.

**H2. Increased levels of teamwork and collaboration between team members would deliver higher levels of innovation.**

Innovation is achieved through a systematic process of generating and developing ideas and plans which can be implemented within the established organizational structure. The process follows defined stages that ensure that individual and team contributions are incorporated in a comprehensive plan that addresses the core issues under investigation in
an organization. The initial stage is problem recognition which is then followed by
generation of ideas as potential solutions. Ideas are best generated through contributions
from team members. Leaders provide supportive supervision of the team during this
process in order to ensure that ideas are in alignment with the structures established in a
particular organization. This ensures that relevant ideas and thoughts are derived as
solutions which can also be effectively implemented.

The core objective of team participation in solving organizational problems and
decision making is based on the understanding that empowered team are better placed to
implement their ideas for the mutual benefit. Innovation is achieved through the
application of novel ideas from stakeholders in an organization that incorporates a
positive managerial attitude which appreciates individual contributions. Transformational
leadership guides the process by offering support and coordination in alignment with
organizational culture. In essence innovation is realized through adoption of team
member’s ideas for effective implementation to take place. Supervisors and subordinates
are privileged to relate in an environment where autonomy and trust characterize their
interactions.

Supervisor does not control subordinate behaviors but monitors areas of strength
and weaknesses on individual team members for further review towards creative
performance and improvement. Employee behavior which promotes the effective
achievement of organizational objectives becomes reinforced through reward schemes
that recognize individual effort. Negative behaviors are dissuaded without direct attack on
the personality and character of the employee but through support and empowerment.
Leaders therefore coordinate the process of improving team member welfare for the
purpose of sustaining creative performance and intrinsic motivation.
H3. Individuals with supportive line managers would innovate in measures proportional to the extent of the support given.

Innovation is realized through a managerial attitude that promotes an empowered supervisor-subordinate relationship. Individuals who receive substantial mentorship through their direct line managers eventually motivated and empowered. Supportive line managers foster creativity among subordinates through exchange of ideas and sharing of experiences that foster self-efficaciousness of team members. Innovative behavior is created through a healthy interaction between support line managers and their respective followers without fear of reprisals. Specialization of tasks along different lines and departments mediates constructive discourses to take place based on the ideas of empowered followers. The positive relationship that exists between followers and their line managers facilitates exploration of creative ideas through consultations that mediate innovation in virgin land. Individuals also become empowered to develop self-leadership skills and discipline through delegated responsibilities.

Line managers assign tasks to individual followers which correlate with their areas of interest without unnecessary supervision or intervention. Individuals perform their respective duties with utmost autonomy and intrinsic motivation. As a consequence, innovation is realized through flexibility in team activities which inspires creative behaviors through self-management. Through empowerment, transformational line managers enhance innovative behavior by inspiring autonomy and self-leadership among team members. Individuals are therefore stimulated to generate innovative ideas intellectually by adapting behaviors and attitudes which facilitate integration of ideas and thoughts consistent with change. Supportive line managers create an environment where opportunistic thinking is encouraged. Innovative ideas are generated in proportion with
the amount of support provided to individuals by their leaders as a moderator to solving the underlying problems.

H4. There is significant relation between innovation and appropriate role model.

Role modeling is important in achieving innovation. Leaders should exhibit a thorough understanding of the organizational culture and structures when explaining organizational objectives to followers. Leaders should basically guide the process of creating innovative among team members as a point of reference on the issues under investigation. Basically, innovation is a factor of ideas and thoughts generated with relevance to the problems in an organization. Relevant ideas are therefore created in alignment with identified problems and properly synthesized. Role modeling involves exchanging practical ideas and experiences among teams for the purpose of dissecting appropriate lines of thinking. Leaders are therefore expected to guide followers in giving suggestions towards solving identified problems as well as providing support to followers in order to develop creativity.

The leader is at the core of the interaction proposing topics of discussions while taking charge of the brainstorming sessions. It is important that team members are honest enough to not only give suggestions but also give feedback on the subject matter in order to streamline the course of their discussions in line with the prevailing circumstances. The current situation in the organization should be highlighted before and during team interactions for the purpose of directing discussions appropriately. Priority should be given to the most pressing issues first in order to adapt change in an organization in a systematic process. The leader is therefore better placed to explain to followers the prevailing circumstances, the problem under investigation and the next line of action.
Leaders are therefore under obligation to account for their respective teams and the extent to which ideas are implemented in line with the problems at hand.

H5. *Employees will respond to Intellectual stimulation by innovating at their job*

Opportunistic thinking for innovation is developed at workplace through transformational leadership and empowerment of followers. Leaders are capable of stimulating opportunistic thinking at workplace by empowering followers through delegated responsibilities and autonomy. When empowered, employees will respond to intellectual stimulation appropriately at workplace since they are part and parcel of the innovative ideas. Employees are therefore actively engaged in creating, planning and implementation of ideas which they have participated in creating. Through creative thinking, employees’ opinions and ideas are designed to solve the problem. The problem creates an opportunity for intellectual exchange of ideas among team members. Through empowerment, employees are assigned tasks which provoke their minds to create ideas and thoughts which promote innovation in organizations. Innovation therefore becomes a product of cumulative ideas which address the problem as opportunity to solve it as well as improve work team output.
4.5 Study Techniques

A self-administrative questionnaire was conducted to assess the role of transformational leadership on work group innovations in the government sector.

The three government sectors are located in Abu Dhabi and Al Ain and are funded by the federal budget and they mainly provide public services. Being service oriented departments, these government sectors are affiliated with several originations in both the private and public sectors.

4.6 Study Participants

Three hundred questionnaires were distributed over three governmental organizations in the UAE in Abu Dhabi and Al Ain these governments sectors are mainly public services oriented with over one thousand five hundred employees.

The employees who were selected were from different nationalities and job levels. From the distributed three hundred questionnaires only two hundred and seventy were collected, with a response rate of 81%. All the collected questionnaires were found to be suitable for data analyses.

4.7 Study Measures

Demographic and career variables. Gender, marital status, age and education were measured using a two-point scale (gender, marital status and nationality) and a six-point scale (age, education).

Leadership was measured using a scale of 22-items adopted from Podsakoff, P.M., MacKenzie, S.B., Moorman, R.H., & Fetter, R. (1990)

Innovation was measured using a ten-item scale adopted from Suliman (2003)
4.8 Transformational leadership

The Multifactor Leadership Inventory was used to derive the scale for evaluating the scores. Scores were recorded from an average of five leadership sub-styles measured across four independent items. The sub-styles include “Attributed charisma, Idealized influence, Inspirational motivation, and Intellectual Stimulation as well as Individualized consideration.” The final scale was an aggregate score of the four sub-styles.

Innovation

Procedure

Questionnaires were given to every person in all the work teams through line managers since they were perceived as strategic to achieving innovation. Line managers were therefore accountable for creating an enabling environment through which exchange of ideas could take place. The survey was conducted with utmost confidentiality apart from being voluntary. Participants were asked to fill the questionnaires privately, and finally drop them in designated box.

4.9 The Description of the study sample

The study sample in Table I show that the majority of the people who answered the survey were males between the ages of 25-46 years with a college degree. The table also shows that the majorities of the participants were UAE national. They are of a middle level at work and have been working at the same position for 2-7 years, and in the same organization for 8-13 years.
Chapter 4: Findings and Discussion
5.0 Findings and Discussion

Findings of this research indicates that the level of innovation is influenced by higher levels of leadership and members of the team reveal that transformational leadership promoted morale among workers resulting in greater benefits for customers.

Leadership stimulated innovation indirectly through increased motivation among employees. Supervisory support and role modeling by leaders resulted in intellectual stimulation among work groups. Line managers provided an enabling environment for greater performance and creativity by delegating responsibilities and encouraging exchange of ideas among team members. Group interaction was therefore enhanced through greater cohesion and socialization.

Climate for innovation was however not a factor of leadership but was found to be dependent on the organizational culture at the three government departments. The female workforce was largely concerned with matters of productivity. Promoting cohesion and synergy among different work groups was fundamentally based on the individual participation and orientation of employees to organizational objectives.

The fifth hypotheses, which stated that employees respond to intellectual stimulation by innovating at their jobs, were therefore ascertained.
5.1 Table I shows the study sample distribution according to the demographic and career factors.

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<th>Org. Tenure</th>
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<td><strong>270</strong></td>
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<td><strong>270</strong></td>
<td><strong>270</strong></td>
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Table I
Table II presents the rustles for the reliability test, as the table shows we can see the reliability for the leadership and its factors ranged from 0.823 to 0.875 which means that the scale that was used in the study is reliable, given that any result equals 0.6 or above means that they are acceptable.

From table III we can see that the relationship between innovation and leadership is highly significant (.806**) which means that higher levels of leadership contribute to higher innovation levels. Looking at Group Goals we can see that the correlation test result was 0.808** which means that there’s a high significant relationship between group goals and innovation.

Both individualized support and Intellectual stimulation has highly significant relationship with innovation as well, with results of 0.764** and 0.725**. On the other hand, however, Table III shows that there’s no significant relationship between innovation and appropriate role model (0.076).

5.2 Table II shows reliability for the leadership and its factors.

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<td>Group goals</td>
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<td>Individualized Support</td>
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<td>Appropriate Role Model</td>
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<tr>
<td>Intellectual Stimulation</td>
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</table>

Table II Reliability Test
To examine H1, which is (Strong leadership in an organization would influence employees’ innovation.) both correlation and multiple regression test were applied, and from table III it shows that the relationship between leadership and innovation is highly significant with a value of 806**. This result was supported in the multiple regression tests in table IV where you can see that the Multiple R is highly significant and equals the value in the correlation test (.806) the adjusted R square value is .534 which means that 53% of innovation is explained by leadership. And because the value is positive, it implies that higher level of innovation is influenced by higher levels of leadership. From the findings discussed above, H1 is established.

5.3 Table III, correlation Test

<table>
<thead>
<tr>
<th></th>
<th>Leadership</th>
<th>Group Goals</th>
<th>Individualized</th>
<th>Appropriate</th>
<th>Intellectual</th>
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<td>Support</td>
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<td>Stimulation</td>
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<td>Innovation</td>
<td>0.806**</td>
<td>0.808**</td>
<td>0.764**</td>
<td>0.076</td>
<td>0.725**</td>
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</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Similarly, H2 was examined using SPSS software and from the findings in the correlation test in table III, we can see that the relationship between group goals and innovation is highly significant at (.808**) and the same finding was supported in table IV in the multiple regression tests. We can also see in this table that the value of multiple R is .808 and the adjusted R square value is .536 which means that 53% of innovation was explained by group goals. Given that all the values are positive and significant proves that the higher the rate of teamwork and collaboration between team players the higher levels
of innovation they would achieve. This means that H2 is explained. From H1 and H2 we can see that leadership plays a big role towards supporting both group goals and innovation.

Furthermore, table III and IV results show that individual support is positively and significantly related to innovation. Nevertheless the adjusted R square value is weak i.e. 0.033 which indicates that individual support is able to explain only 3.3% of innovation and the remaining 97.7% is unexplained. Given all these evidence we can say that H3 is acceptable.

5.4 Table IV, Multiple R, Regression ANOVA and Correlation Test

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<th>R square</th>
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<th>Beta</th>
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<td>.500</td>
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<td>.033</td>
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<tr>
<td>Intellectual Stimulation</td>
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<td>.277</td>
<td>.758</td>
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</table>

Table IV

Results of multiple R, Regression ANOVA and Correlation
The test of the fourth hypotheses shows that there’s no significant relationship between appropriate role model and innovation, this finding was supported by the correlation and multiple regression tests. Therefore H4 is rejected.

Finally we can see from table III and IV that the relationship between intellectual stimulation and innovation is highly significant at 0.725**, and this value is supported in the multiple regression test. This means that high level of intellectual stimulation would result on high innovation level. Also looking at table IV we can see that the adjusted R square value is 0.758 which means that 75% of innovation is explained by intellectual stimulation. Thus H5 is established.

5.5 Future research

It is also important that managers integrate approaches that promote innovate among work groups as well as those that strengthen leadership capacity.

Relevant leadership style and capacity cannot be developed entirely from an evaluation of subordinate performance. The executive management should therefore reinforce interventions for equipping leaders’ capacity to innovate in an organizational context where enlightened followers inspire leaders’ innovation. Leaders and followers should therefore work as team in a comprehensive organizational structure that ensures an all-round innovation process is synthesized.
6.0 Conclusion and Recommendations

Leadership and innovation, though separate entities are integrated as revealed through the literature review and the field study. Leadership is conceptualized to have a great impact on innovative outcomes through the character of managers. Transformational leadership is isolated as being relevant for enhancing morale among teams at workplace and support for common objectives. The findings of the study reveal that morale and transformational leadership directly support innovative outcomes. The leadership theory on the different aspects of transformational leadership, such as intellectual stimulation, individualized consideration and inspirational motivation; reveal that high morale was realized among the work groups at the government departments. The culturally complex society in UAE and its dynamic labor market provide a link to the relationship between transformational leadership and group innovation beyond the three government sectors case study.

The methodology used for the study is sound since variables obtained from feedback from independent teams were verified. Information was also collected with utmost confidentiality and professionalism. The context through which data was collected and analyzed should however not be generalized even the findings are quite convincing. The data aggregation technique could also be replaced with team consensus technique since the latter is a superior predictor of team outcomes. It is also theoretically more appropriate for obtaining and verifying data from groups than the aggregation technique. A combination of both techniques is advisable for a more robust methodology for evaluating data for group innovation.
A significant relationship has also been made regarding the role of leadership in stimulating innovation among work teams especially in government sector management. Transformational leadership is recognized as the most appropriate in stimulating innovation since it is all-inclusive and appreciates team performance. The study also illustrates the role of line managers in enhancing group performance through promotion of morale and motivation among workers. Workers respond positively to intellectual stimulation since they are empowered to perceive themselves as stakeholders in their organizations while addressing problems, which arise as opportunities for creativity.

Decision making and problem solving is therefore done through collaboration of leaders and followers. This concerted approach in organizational planning and management facilitates effective generation and implementation of innovative ideas. Problems are shared through teams that are supervised by line managers that ensure the course of discussions does not deviate from the objectives of the organization. Team leaders subscribe to higher responsibility by exhibiting role modeling through exercising innovative behavior and focus on the problem under investigation.

Leadership and innovation are very important in organization management. In the increasingly competitive business environment, leadership and innovation can be used to gain competitive advantage. Leadership and innovation has become an important consideration as United Arab Emirates grow economically. The literature review identified various leadership styles. Visionary, transactional, classical and organic leadership styles are identified as the main paradigm of leadership. However, from the review it is observed that the leadership styles are not clearly partitioned. To choose leadership styles, the leaders consider various factors.
Leadership is very important in innovation management. Leadership style used in innovation can either promote or inhibit performance. In the literature review, a strong relationship between leadership style and performance has been established. Leadership would have similar effect on organizations’ innovation. The literature review provides an important theoretical framework to the study on Leadership styles and innovation in UAE. Innovation has been developed through robust infrastructural development and enhancement of communicational technologies in addition to state of art of medical research. Exchange of ideas on innovation discourses enlightens the path for acquisition of vision and mission through consultative leadership.

In order for managers to be innovative they should plan and follow their plans in ways that encourages a culture of innovation in their organization and help support individual goals and innovation.

Managers must be aware of number of factors such as culture, passion of the leader to bring change, workforce training, and readiness to change as the most crucial aspects for innovation. Managers should adopt different leadership styles to suit the needs of their organizations. Managers should be aware of transformational management styles and innovative organizational practices so they can be equipped with the right tools to motivate their staff and thus reach higher levels of innovation.
7.0 Bibliography


Godard, A. and Lenhardt, V. *Transformational leadership: Shared dreams to succeed*. Palgrave, New York, 2000, Pg.30


Maheshwari, B. *Decision Styles and Organizational Effectiveness*. Vikas Publishing, New Delhi, 1980, Pg. 35


### 8.0 Appendix

**PART ONE: GENERAL INFORMATION**

Please tick one box for each question:

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<td>2) Fosters collaboration among work groups</td>
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<tr>
<td>3) Develops a team attitude and spirit among his/her employees</td>
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<tr>
<td>4) Gets the group to work together for the same goal</td>
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<td>5) Treats me without considering my personal feelings (R)</td>
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<td>6) Acts without considering my feelings (R)</td>
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<tr>
<td>7) Shows respect for my personal feelings</td>
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<tr>
<td>8) Behaves in a manner that is thoughtful of my personal needs</td>
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<tr>
<td>9) Leads by “doing” rather than simply by “telling”</td>
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<td>10) Leads by example</td>
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<td>11) Provides a good model to follow</td>
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<tr>
<td>12) Has ideas that have forced me to rethink some of my own ideas</td>
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<td>13) Has provided me with new ways of</td>
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</table>
looking at things that used to be a puzzle for me

14) Has stimulated me to think about old problems in new ways

15) Insists on only the best performance

16) Will not settle for second best

17) Shows us that he/she expects a lot from us

18) Is always seeking new opportunities for the unit/department/organization

19) Paints an interesting picture of the future for our group

20) Is able to get others committed to his/her dream of the future

21) Has a clear understanding of where we are going

22) Inspires others with his/her plans for the future

PART TWO: INNOVATION

Please tick one box for each question:

<table>
<thead>
<tr>
<th>Statement</th>
<th>S.A.</th>
<th>A.</th>
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<tbody>
<tr>
<td>1) I seek innovational ways to perform the work</td>
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<td>2) I try to update my knowledge about</td>
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<td>innovation and innovative methods to solve problem</td>
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<td>3)</td>
<td>I use previous methods to solve old problems which occur in the present</td>
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<td>4)</td>
<td>I try to use new methods to new problems.</td>
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<td>5)</td>
<td>My supervisor always encourages me to be independent in my thinking and to search for the best way to perform the work.</td>
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<td>6)</td>
<td>My organization tends to offer rewards for the employees who suggest new and innovative ideas at work.</td>
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<td>7)</td>
<td>I have full support from the higher management to initiate an innovative idea and execute it</td>
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<td>8)</td>
<td>I’m committed to the rules and work policies when I do my work</td>
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<td>9)</td>
<td>I create and experiment new ideas in my work</td>
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<td>10)</td>
<td>I criticize old inherited norms to perform the work</td>
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