

# The Impact of Perceived Transformational Leadership on Perceived Employee Creativity in Orchid Farming in Nakhon Pathom Province

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## Abstract

The objective of this research was 1) to study perceived transformational leadership level, 2) to study perceived employee creativity level, and 3) to study the impact of perceived transformational leadership on perceived employee creativity in orchid farming in Nakhon Pathom province. The sample were 249 entrepreneurs in orchid farming. The Questionnaire was used as the tool for data collection. The data was analyzed in term of frequency, percentage, means, standard deviation, Pearson Correlation Coefficient, and Regression Analysis. The results from this research indicated as follows: the mean score of perceived transformational leadership was at 3.98 (S.D. = 0.39). The mean score of employee creativity was at 3.95 (S.D. = 0.41). In addition, perceived transformational leadership positively affected to perceived employee creativity in orchid farming in Nakhon Pathom province ( $p < .01$ ).

**Keywords:** perceived transformational leadership, perceived employee creativity, entrepreneur

## 1. Introduction

Production factors which include land, labor, capital and entrepreneurship are not only factors to drive economic growth at present. As a result of the digital economy, information is rapidly spreading so creativity or innovation is essential. Creative product and service will add economic value or emotional value. Knowledge is not enough to develop this economy. Therefore, leadership and creativity will enhance the creative economy [1].

Leadership is an essential role in encouraging creativity, and performance of employees. Transformational leadership support employee creativity in dynamic environment [2]. There are many studies in the perceived transformational leadership and perceived creativity (e.g., [3];[4];[5];[6];[7]). Few studies are investigated in orchid farming context. Therefore, we investigate the impact of perceived transformational leadership on perceived employee creativity in orchid farming in Nakhon Pathom province.

## 2. Objectives

1. To study perceived transformational leadership level.
2. To study perceived employee creativity level.
3. To study the impact of perceived transformational leadership on perceived employee creativity in orchid farming in Nakhon Pathom province.

## 3. Review literature

Perceived transformational leadership refers to the perception of leader characteristics that develop full potential followers, meet the needs of followers, have ethics, and motivation. The developmental motivation helps followers to concentrate on the benefits of the organization over their own interests. Perceived transformational leadership consists of four components including idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration [4];[5].

Perceived employee creativity refers to the perception of followers abilities that think new ideas, innovation creation, and problem solving. Three components of perceived employee creativity include thinking ability, creating Innovation and problem solving [5];[8];[9];[10].

Perceived transformational leadership has a positive effect on perceived employee creativity [2];[3];[4];[5];[6];[7].

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#### 4. Methods

##### The population and sample

The population were 653 entrepreneurs in orchid farming in 2015 [11].

The sample were 249 entrepreneurs in orchid farming by using Yamane formula [12].

##### Research tool

The questionnaire was used as the tool for data collection. It was self-rating. Perceived transformational leadership was adapted from [4];[5], using a 5-point Likert scale (1=strongly disagree, 5=strongly agree). There were four factors including twenty one items. [4] and [5] indicated that Cronbach Alpha scores were between 0.70-0.87. Perceived employee creativity was adapted from [8];[9], using a 5-point Likert scale (1=strongly disagree, 5=strongly agree). There were three factors including eleven items. [8] reported that Cronbach Alpha scores were 0.79 and [9] showed that Composite Reliability was 0.88.

Three experts evaluated the questionnaire for content validity. Item of objective congruence index were more than 0.5. For reliability test, Cronbach alpha scores were calculated from t30 respondents and the scores were more than 0.70 [13]. In addition, Item-total correlation were more than 0.4 [14] from discrimination power analysis and factor loading were more than 0.4 [15]. Discrimination power and reliability test are shown in Table 1.

##### Data analysis

The data was analyzed in terms of frequency, percentage, means, standard deviation, Pearson Correlation Coefficient, and Regression Analysis.

**Table 1** Discrimination power and reliability test

Variable	Corrected item-total correlation	Cronbach alpha scores	Factor loadings
Perceived transformational leadership	0.453-0.909	0.95	0.439- 0.693
Perceived employee creativity	0.481-0.657	0.87	0.544- 0.706

#### 5. Results

The results are presented in three parts as followings: demographic characteristics, descriptive statistics of the variables and regression analysis.

##### Demographic characteristics

The majority of respondents in the research, 125 (50.20%) were female, 118 (47.40%) were between the ages of 30-39 years, and 160 (64.30%) were lower than bachelor degree. 83 (33.30%) of respondents had income per month between 15,000 – 20,000 Baht and 102 (41%) of respondents had business experience between 5 – 10 years. Demographic characteristics are shown in Table 2.

**Table 2** Demographic characteristics

Descriptions	Frequency	Percentage
<b>Gender</b>		
Female	125	50.20
Male	124	49.80
<b>Age</b>		
20-29 years	33	13.30
30-39 years	118	47.40
40 years and over	98	39.40
<b>Education Level</b>		
Lower than bachelor degree	160	64.30
Bachelor degree	71	28.50
Upper than bachelor degree	18	7.20
<b>Income per month</b>		
Less than 15,000 Baht	56	22.50
15,000 – 20,000 Baht	83	33.30
20,001 – 25,000 Baht	73	29.30
More than 25,000 Baht	37	14.90

**Table 2** Demographic characteristics (continued)

<b>Business Experience</b>		
Less than 5 years	49	19.70
5 – 10 years	102	41.00
11-15 years	88	35.30
More than 15 years	10	4.00

**Descriptive statistics of the variables**

The mean score of perceived transformational leadership was at 3.98 (S.D.=0.39). The highest mean score of perceived transformational leadership components was intellectual stimulation (Mean=4.00, S.D.=0.48). The mean score of perceived employee creativity was at 3.95 (S.D.=0.41). Thinking ability was the highest mean score of The mean score of perceived employee creativity (Mean=3.97, S.D.=0.43). Descriptive statistics of the variables are shown in Table 3.

**Table 3** Descriptive statistics of the variables

<b>Variables</b>	<b>Mean</b>	<b>S.D.</b>
<b>Perceived transformational leadership</b>	<b>3.98</b>	<b>0.39</b>
Idealized influence	3.94	0.51
Inspirational motivation	3.99	0.42
Intellectual stimulation	4.00	0.48
Individualized consideration	3.97	0.44
<b>Perceived employee creativity</b>	<b>3.95</b>	<b>0.41</b>
Thinking ability	3.97	0.43
Creating innovation	3.93	0.53
Problem solving	3.95	0.45

Correlation between perceived transformational leadership and perceived employee creativity

Perceived transformational leadership was positively related to perceived employee creativity ( $r = .585, p < .01$ ) (Table 4).

**Table 4** Correlation between perceived transformational leadership and perceived employee creativity

<b>Variables</b>	<b>Perceived transformational leadership</b>
Perceived transformational leadership	1
Perceived employee creativity	0.585**

\*\*p-value<0.01

Regression analysis

Perceived transformational leadership explained 36.2% of the variance in perceived employee creativity (Table 5).

**Table 5** Regression analysis

<b>Variable</b>	<b>B</b>	<b>SE</b>	<b>Beta (<math>\beta</math>)</b>	<b>t</b>	<b>Sig</b>
Constant	-0.001	0.051		-0.012	0.991
Perceived transformational leadership	0.603	0.051	0.602	11.819**	0.000
R <sup>2</sup>	0.362				
Adjust R <sup>2</sup>	0.360				

\*\* p<0.01

**6. Discussion**

In this research, the mean score of perceived transformational leadership was at 3.98 which was in line with the previous research [4];[7]. The mean score of perceived employee creativity was at 3.95 which was in line with the previous research [7];[9]. In addition, perceived transformational leadership positively affected to perceived employee creativity in orchid farming in Nakhon Pathom province. The previous studies confirmed that perceived transformational leadership had a positive effect on perceived employee creativity [2]; [3];[4];[5];[6];[7].

## 7. Conclusions

The results from this research indicated that the mean score of perceived transformational leadership was at 3.98 (S.D.=0.39). The mean score of employee creativity was at 3.95 (S.D.=0.41). In addition, perceived transformational leadership positively affected to perceived employee creativity in orchid farming in Nakhon Pathom province. Therefore, entrepreneurs should develop transformational leadership for increasing employee creativity. Entrepreneurs should focus on individualized consideration such as recognition about the differences in employee and fairness. For intellectual stimulation, entrepreneurs should support employee to think new things. Moreover, entrepreneurs should be idealized influence by being a role model. Entrepreneurs should be inspire followers such as communication, challenge, and reward.

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