

Trust in Leader, Organisational Culture, and Employee Creativity: Understanding the Interplay

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Abstract

Organisations in today's neck-breaking competitive environment are continuously marching towards attaining a sustainable competitive advantage. Creativity is one such component that can increase the probability of the organisation in staying ahead. The importance of creativity is significantly evident by the available literature on creativity. This paper aims to explore the relationship between employees' trust in the leader and employee creativity, and the influence of organisational culture on this relationship, based on the review of the literature. This study explores the moderating effect of different dimensions of organisational culture on the relationship between trust in the leader and employee creativity. By integrating literature on trust, organisational culture, and creativity, this paper aims at advancing our understanding of creativity, considering the employees' trust in the leader and culture within the organisation. Based on the review of literature, propositions have been stated in this study, which can be empirically tested in further studies.

Keywords: Trust in Leader, Organisational Culture, Employee Creativity

Introduction

In today's dynamic environment, where burgeoning competition and technological change are attaining the limelight, organisations face immense pressure to enhance creativity. Employee creativity has been consistently shown as the salient component of every successful organisation. Creativity not only contributes to

the organisation's capabilities, it also provides employees with satisfaction and the opportunity to stand out with their ideas and suggestions. With the accelerating interest of researchers in this area, there have been numerous attempts to study how different factors affect employee creativity. There has been a considerable shift in focus from analysing personality characteristics as the only influencing factors of creativity to analysing contextual factors as well. The significance of trust in enhancing employee creativity has long been advocated by researchers (Chen et al., 2020; Lee et al., 2019; Javed et al., 2018; Mainemelis et al., 2015). Various studies have also suggested that employees tend to take risky alternatives when a trust-based relationship exists in their organisation (Schoorman et al., 2007), which, in turn, contributes to creative ideas. Succinctly, it can be stated that trust in the leader acts as a catalyst for employees to undertake a risky venture; thus, employees who trust their leaders are highly likely to exhibit creative behaviour. Employees engage in creativity where open discussion and debate is favoured by the culture of an organisation (Yu et al., 2018), since organisational culture can facilitate, as well as impede, employee creativity (Amabile et al., 1997, 1996). Despite an increase in the consideration of the organisational context in studying creativity (Krishnakumar, 2017; Martins & Terblanche, 2003), there is a dearth of research examining individual creativity through contextual factors (Agars et al., 2012). Despite significant literature on the effect of trust on creativity, where the trustworthiness has achieved considerable attention, there is a paucity of research on trust, considering behaviours exhibiting trust, which entails actual risk-taking. The purpose of this study is to explore and provide a more nuanced understanding

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