

Influence of Transformational Leadership on Organizational Innovativeness in Mobile Telecommunication Firms in Kakamega County, Kenya

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Abstract: Leadership has been suggested to be an important factor affecting innovation. A number of studies have shown that transformational leadership positively influences organizational innovation. However, there is lack of studies examining the contextual conditions under which this effect occurs or is augmented. Therefore, this study aimed to investigate the effect of transformational leadership on organizational innovativeness in the mobile telecommunication firms in Kakamega County. Organizational innovativeness is how organizations develop new or improved products or services and its success in bringing those products or services to the market. Transformational leadership was hypothesized to have a positive influence on organizational innovation. Inspirational motivation, individualized consideration, intellectual stimulation and idealized influence have been found to be major influence of organizational innovativeness. The target population of study for this research comprised of the top managers, middle level managers and support staff of Safaricom, Airtel and Telkom firms within the Kakamega County. A sample size of 289 employees was used. Semi-structured questionnaires were used for collecting information from the telecommunication firms. Data was collected using questionnaires and was analyzed by use descriptive (mean, standard deviation, Frequency & percentage) and inferential (Correlation and Regression) with significance level of 0.05. The research instrument was found to be reliable $0.811 > 0.7$. The findings revealed that inspirational motivation had significant effect on organizational innovativeness ($R=0.674$). Up to 45.4% of the variance in organizational innovativeness is significantly accounted for by Inspirational motivation. The research findings were found that the $\beta_1=0.667$, $P \text{ value}=0.000$ of inspirational motivation which means it influences organizational innovativeness positively. Transformational leadership is recommended to be embraced by other firms in the government and nongovernmental organizations for innovativeness.

Keywords: Transformational Leadership, Mobile Telecommunication Firms, Organizational Innovativeness, inspirational motivation.

I. INTRODUCTION

Transformational leadership can be described as a process that changes and transforms individuals through an exceptional form of influence that moves followers to accomplish more than what is usually expected. Its objective is to give a business a new lease of life. Transformational leadership is basically concerned with emotions, values, ethics, standards, and long-term goals. CEOs who lead firms that have created outstanding value for the Kenyan public rather than private or personal gain have been profiled from time to time. However, every leader in a firm needs to understand the principles of renewal for the process to succeed.

The concept of transformational leadership was initially introduced by leadership expert and presidential biographer James Macgregor Burns (1985). According to Burns (1978) transformational leadership can be seen when "leaders and followers make each other to advance to a higher level of moral and motivation." Through the strength of their vision and personality, transformational leaders are able to inspire followers to change expectations, perceptions, and motivations to

work towards common goals. Later, researcher Bernard M. Bass expanded upon Burns' original ideas to develop what is today referred to as Bass' Transformational Leadership Theory. According to Bass, transformational leadership can be defined based on the impact that it has on followers. Transformational leaders, Bass suggested, garner trust, respect, and admiration from their followers. The concept of transformational leadership seems to be a promising approach when it comes to responding to dynamics by respective transformations in organizations and societies. Already, in today's world, business leaders need to steer their organization through increasing volatile environments and keep track of new opportunities resulting from a larger degree of global connectivity. The concept of transformational leadership is vital in the light of the challenges we face ahead and as well in the actual leadership tasks, Bass, (1995).

It is critical to explore the concept of transformational leadership in order to evaluate its influence on organizational innovativeness of enterprises effectively. As intimated by Riggio and Conger (2007), leadership involves a learning process, centered not only in what is supposed to be communicated but also in learning how to communicate it in ways that other people can comprehend and follow. AS a result, there is a leader-follower relation in place to enhance doing of the right things. They further state that this learning is a continuous process in which leaders and followers may change their roles, but followership and leadership function in the same way always.

The ideals and perceptions of leadership as envisioned by Gallos (2008) and Riggio and conger (2008) are tenets that are key in the transformational leadership style. Burns (1978) while discussing research on politics, though the term is used in organizational psychology today, first introduced the concept of transformational or transforming leadership in 1978. He explains that both leaders and followers help each other to advance higher levels of motivation and morale. He further explains that the transforming approach of leadership creates significant change in the life of people and organizations. It redesigns perceptions and values, and changes expectations and aspirations of employees. In addition, this form of leadership is founded on leader's personality, traits and ability to make a change through example, articulation of an energizing vision and challenging goals. Various other scholars discuss transformational leadership on the same principles as Burns.

Alrifi (2012) explains that transformational type of leadership plays a critical role in motivating followers to levels beyond expectations. He points that it triggers them to be creative. It further transforms personal values and self-concepts of followers and shifts them to a new level of needs and aspirations. According to Balyer (2012), transformational leadership is a style in which leaders and followers are enhanced to motivate and execute the change with the members of any institution. Transformational leaders focus on making tomorrow better. They are willing to take risks and venture into the unknown. They are willing to examine and challenge their beliefs. Bass (1985) formulated the term transformational leadership, depicting such leaders as change agents that elicit and transform followers' beliefs, attitudes and motivations.

These leaders provide a vision and develop an emotional relationship with their followers, increasing the latter's consciousness and belief in higher goals, above their own interests. According to Lewis, Goodman and Fandt (2001), in order to make the work to be effective, the leaders and followers required several abilities which includes, team-oriented, strong communicators, team players, problem solvers, change-makers and transformational leaders, Just as Gallos (2008) explains.

Organizational innovation is the implementation of a method that hasn't been used before in the organization, It result from the strategic decision that management has taken. (Meroño-Cerdán, and López-Nicolás, 2017). The concept of innovation gained attention of a number of researchers in past. This concept was for the first time considered by Schumpeter ,J.A.,1934 (2008) who recognized it by describing innovation process as creation of new brand, products, services and processes and its impact on economic development.

Since then different scholars have described this concept differently. For the long time survival of the organizations innovation is considered as an essential factor. The past literature on innovation figures out two key approaches; object-based: focusing on innovation itself and subject based: focusing on the subjects like country, industry, organizations and groups, that initiate and implement innovation, De Jong, (2006). Organizational innovation is described as formation of novel, important and useful products or services in organizational environment, Woodman et al., (1993); Gumusluouglu and Ilsev,(2009). Innovation is considered as a more complex process Janssen, Van de Vliert and West, (2004). Some researchers considered it as an activity which is intended to develop an idea, carry it out, react to it and modify it where necessary (Van de Ven,1986).

Kenyan mobile telephone industry is one of the most established industries in Africa and accounts for 7% of mobile phone subscribers in Sub-Saharan Africa. The International Telecommunications Union report indicates that Kenya has

the third highest number of subscribers, after Nigeria and South Africa that respectively account for 26% and 19% of mobile cellular subscriptions in Sub-Saharan Africa Kaloki, (2010). The telecommunications sector has seen fast mobile phone growth since the beginning of the liberalization of the industry in 1999. The process was started by the establishment of the Communications Commission of Kenya (CCK) in February of that same year through the Kenya Communications Act, 1978. CCK's role was to license and regulate telecommunications, radio communication and postal services in Kenya. In year 2000, some 180,000 Kenyans had access to a mobile phone and by the end of 2006; the figure had grown to 7.3 million people, an increase of more than 4,000 percent (Kaloki, 2010).

Kenya's telecommunication industry is fast-growing and is characterized by tight competition between the three operators that include Airtel Networks Kenya Limited (Airtel), Safaricom Limited (Safaricom) and Telkom Kenya Limited (Orange) (CCK, 2013). The mobile phone industry currently accounts for around 2 percent of Kenya's Gross Domestic Product (GDP), and analysis show the sector as holding great potential for further growth CCK, (2013). The growth potential of the industry has attracted many players in the industry who have been making huge profits; but lately, most of the players in the industry have been making huge losses with only one of the three firms in the industry being profitable. Transformational Leadership is a key player in the profitability of these firms thus the study.

A. Statement of the Problem

Firms in the mobile telecommunication industry in Kenya are operating in increasingly competitive, highly regulated and dynamic market and therefore they have to formulate strategies to ensure their survival. The telecommunication industry environment has of late been affected adversely by the changing operating environment that has seen three out of the four firms in the industry make huge losses (CCK, 2013). Interestingly, while Safaricom is making the highest profits in East and Central Africa, Airtel, Orange and Yu have been making huge losses that have led to the management of both Yu and Orange consider leaving the Kenyan market. Fundamental research on transformational leadership on organizational innovativeness has been conducted widely worldwide as well as in leading organizations in Kenya. Choudhary, Akhtar and Zaheer (2012) examined the impact of Transformational and Servant Leadership on organizational innovativeness and performance from profit-oriented service sector of Pakistan. They discovered that transformational leadership enhances organizational innovativeness. Jelovac and Matjaz (2012) had a similar finding on an empirical survey of leadership styles of Slovenian entrepreneurs founders of SMEs. Their results suggested that the use of transformational leadership was correlated with increased self-reported effectiveness of their organization. Comparable studies conducted in Kenya have parallel results.

Telecommunication industry in Kenya has been faced by poor leadership style which has led to companies like Airtel and Telkom not compete in the market. This has attracted numerous researches to help identify what lead to their lack of innovative ideas in their organizations thus the study of identifying the influence of transformational leadership on organizational innovativeness in telecommunication firms in Kakamega County, Kenya.

B. Research Objective

To study sought to evaluate the influence of inspirational motivation on organizational innovativeness in Telecommunication firms in Kakamega County.

C. Research hypothesis

The study sought to test the following null hypothesis; There is no significant influence between inspirational motivation of transformational leadership and organizational innovativeness in telecommunication firms in Kakamega county.

II. LITERATURE REVIEW

A. Theoretical Review

Diffusion of Innovation Theory guided this study. This theory was put forth by Rogers (2003). In this theory, a technology is simply a design for instrumental action that reduces the uncertainty in the cause-effect relationships involved in achieving a desired outcome. The theory of innovations has four key elements. These are: innovation, communication channels, time and social system. According to Rogers (2003) an innovation is an idea, practice, or project that is perceived as new by an individual or other unit of adoption irrespective of when it was invented. Communication is a process through which participants create and share information with one another to reach a mutual understanding. Communication occurs through channels between sources. A channel is the means by which a message gets from the generator of the message to the receiver. In interpersonal channels, the communication may have a characteristic of

homophily or heterophily. In homophily, the focus is on the degree to which two or more individuals who interact are similar in certain attributes, such as beliefs, education, socioeconomic status, and the like. Heterophily refers to the degree to which two or more individuals who interact are different in certain attributes. For innovation to diffuse there must be heterophily. Time is another element in the theory of diffusion by Rogers (2003). The innovation diffusion process, adopter categorization, and rate of adoptions have a time dimension. The last element in the diffusion model is the social system.

The social system refers to the set of interrelated units engaged in joint problem solving to accomplish a common goal. The three innovation diffusion process takes place in five stages: the knowledge stage, the persuasion stage, the decision stage, the implementation stage and the confirmation stage. In the knowledge stage an individual learns about the existence of innovation and seeks information about the innovation. Awareness knowledge involves a person knowing an innovation exists. How-to-knowledge involves how to use an innovation correctly while the principles knowledge involves knowing functioning principles describing how and why an innovation works (Rogers, 2003). In the persuasion stage, the individual form a negative or positive attitude toward the innovation. At this stage the formation of the attitude does not always lead directly or indirectly to an adoption or rejection of the innovation. This stage is more affective.

In the decision making stage, the individual choose to adopt or reject the innovation. The implementation stage involves putting an innovation into practice but with some degree of uncertainty about the outcomes of the innovation. Some technical assistance is needed in this stage. In the confirmation stage, the individual looks for support for his or her decision (Rogers, 2003). This theory is important to this research since it spells out the manner in which new innovations spread. An innovation will, therefore, spread if people get to know about it, are persuaded that it is good, if they decide to adopt and implement it and if others confirm it as a good choice. A failure at any stage will hinder the spread of the innovation. This is a very key theory to transformational leaders who want to have an innovative organization and more productive one. The essence of this research is to demonstrate the influence of the four elements of transformational leadership, inspirational motivation, individualized influence and intellectual stimulation, which are intrinsic in nature, on organizational innovativeness thus the need of understanding this theory.

B. The influence of inspirational motivation on organizational innovativeness

According to Bass (1990), he describes inspirational motivation as providing followers with challenges and meaning for engaging in shared goals. Bass and Steidlmeier (1999) expanded on this description of inspirational motivation as the leader's ability to communicate his or her vision in a way that inspires followers to take action in an effort to fulfill the vision. According to Kent, Crotts, and Azziz (2001), inspirational motivation enables leaders to remain focused on the vision of the group despite any obstacles that may arise. According to Yukl,(2010), inspirational motivation is communicating an appealing vision, using symbols to focus subordinate effort, and modeling appropriate behaviors. Banerji and Krishnan (2000) relate inspirational motivation to concepts of ethics, claiming that when leaders show concern for organizational vision and follower motivation, they are more inclined to make ethical decisions.

A worker-friendly organization can inspire both motivation and organizational innovativeness. Appropriate leadership has the responsibility of enhancing inspiring motivation and enhancing job satisfaction and innovativeness. Salanova and Kirmanen (2010) explain that a person can be motivated without leadership but leadership cannot succeed without the motivation of the follower's side. The success of organizations will depend on inspiring employee motivation which enhances creativity and innovativeness. If employees are motivated by their leaders, their creativity is enhanced, Zhou and Ren, (2011). According to Rumley, (2011) Inspirational motivation describes the degree to which the leadership has a vision that inspiring followers and still hope for the future, in a way to make that happen, the leader needs to motivate. Communicate, and challenge his followers and provide meaning for the task.

According to Kent, Crotts, and Azziz (2001), inspirational motivation enables leaders to remain focused on the vision of the group despite any obstacles that may arise. Yukl (2010) described inspirational motivation behaviors as communicating an appealing vision, using symbols to focus subordinate effort, and modeling appropriate behaviors. Banjeri and Krishnan (2000) relate inspirational motivation to concepts of ethics, claiming that when leaders show concern for organizational vision and follower motivation, they are more inclined to make ethical decisions.

In inspiring their workforce, the management of an organization can build goodwill at the group level by creating an organizational culture that's friendly to employees. A worker-friendly organization can inspire both motivation and organizational loyalty. Appropriate leadership has the responsibility of enhancing inspiring motivation and enhancing job satisfaction. Salanova and Kirmanen (2010) explain that a person can be motivated without leadership but leadership

cannot succeed without the motivation of the followers' side." Productivity improvement requires and demands more than just decentralization, customer service, technology or renovation: the success of organizations will depend on inspiring employee motivation.

Human resources are the only assets demanding generous nurturing. The above researchers have tried to explain how inspirational motivation can affect organizational innovativeness but it's not clear how this can apply to Telecommunication industry in Kakamega county, Kenya, hence the study, the influence of transformational leadership on organizational innovativeness, a case of Telecommunication industry in Kakamega county, Kenya.

C. Research Gaps

Several empirical studies have provided evidence that an organization's or group's climate for innovation is an important determinant of innovation. For example, Bain, Mann, and Pirola-Merlo (2001) studied a group of research scientists and technologists in four Australian companies with substantial R&D operations. They found a positive relationship between a team's climate for innovation and six indicators of innovation (e.g., number of patents and supervisory ratings). At the organizational level, Scott and Bruce (1994) found that a climate that strongly supported innovation increased innovative behavior among research scientists and engineers in a large U.S. company's R&D center. This study initiated the push towards the study in order to get the influence in TL in OI in Kenya as a whole. They also found a positive and significant association between leader-member exchange and support for innovation, which in turn was positively related to innovative behavior among employees. This study failed to look at the influence of TL on OI in Telecommunication firms in Kenya which led to the push for the study.

Many researchers accept, transformational leadership comprises four factors; idealized influence; individualized consideration, inspirational motivation and intellectual stimulation. A gap exists on how these individual factors impact on employee performance. This is one of the gaps that this research intends to fill. Although many studies have been conducted on Telkom Kenya, a holistic approach to understanding the influence of transformation leadership on the employee's performance has not been conducted. The existing research investigates on how transformational leadership impacts on the performance of virtual teams in the organization. We don't get to know the influence on employee performance. Therefore, a gap exists and this study endeavours to fill it too.

In investigating the influence of transformational leadership on organizational innovativeness, four factors of transformational leadership was used as the independent variables namely; inspirational motivation, intellectual stimulation, individualized consideration and idealized influence. The dependent variable is organizational innovativeness. The study aims to fulfill this research gap by answering the following research question: What is the effect of transformational leadership on organizational innovativeness, a case of Telkom Kenya in Kakamega County?

III. METHODOLOGY

The study adopted descriptive survey design. Descriptive design was considered appropriate as a means of achieving the main objective of the study which will be to establish the influence of transformational leadership on organizational innovativeness, a case of Telecommunication industry in Kakamega County. This study targeted a population of 1040 employees of the three telecommunication firms in Kakamega County. The target population is from the Safaricom, Airtel and Telkom head count report of 2016. The sampling frame consisted of the senior managers, line managers and the support staff of the mobile telecommunication firms in Kakamega County. This study used stratified random sampling technique. The respondents were stratified according to the job groups in Kakamega County. The sample was selected using the following Taro Yamane's Formula used by Mugenda and Mugenda (2003) to a sample population of 289 respondents.

The study used both primary and secondary data. Secondary data obtained from the magazines, books and other published company information relating to firms performance and publications relating to organization strategy and innovativeness. Data was collected using a self-administered questionnaire procedure, where the Questionnaires were administered to the selected respondents through drop and pick technique. Content validity were determined by the expert lectures in the department of Business and Economics at the university, the suggestions made by the lecturers were used to make corrections on the tools in order to enable it collect more reliable information from the respondents. Internal consistency of the instrument was computed using Cronbach's alpha coefficient to a value of 0.811 which was greater than 0.7. Hence, the instrument was reliable. Data was analyzed using descriptive and inferential statistics. Descriptive statistics (frequency analysis) were computed for presenting and analyzing the data. Descriptive statistics enabled the

researcher to describe the aggregation of raw data in numerical terms . The descriptive statistics involved the use of univariate analyses. The data were presented in form of frequency distribution tables and regression model that facilitated description and explanation of the study findings

$$Y = \beta_0 + \beta_1 X_1 + \epsilon$$

Where:-

Y = is the dependent variable (organizational innovativeness of telecommunication firms)

β_0 = Regression constant. It is the value of Y when $X_1 = 0$

β_1 = Regression Coefficient of inspiration motivation

X_1 = is inspiration motivation

ϵ = Error Term

IV. FINDINGS AND DISCUSSIONS

Two hundred and eighty nine (289) questionnaires were distributed to respondents, two hundred and twenty seven (227) were received this represented 78.5 % response rate and sixty two (62) questionnaires were not received this accounted for 21.5 % of the total questionnaires distributed. For reliability tests Cronbach alpha was applied for each variable which had yield an alpha of 0.811 for Inspirational motivation and 0.729 for organizational innovativeness. The test items were retained and used in this study hence considered reliable as there alpha was more than 0.7

A. Descriptive Statistics

Descriptive analysis included an assessment of the inspirational motivation and organizational innovativeness. The statements were anchored on a five point Likert-type scale ranging from 5=Strongly Agree to 1= Strongly Disagree and respondents were asked to indicate the extent to which they agreed to the statements. Descriptive measures included percentage, frequency, mean and standard deviation.

Table 1: Descriptive results for Inspirational motivation

No	Inspirational motivation	1	2	3	4	5	Mean	SDV
1	The team leader talks optimistically about the future	2.6% (6)	2.2% (5)	2.6% (6)	25.1% (57)	67.4% (153)	4.524	.86887
2	The team leader enthusiastically talks about what needs to be accomplished	2.2% (5)	2.2% (5)	4.4% (10)	28.2% (64)	63% (143)	4.475	.86596
3	Our leader articulates a compelling vision of the future	1.3% (3)	3.1% (7)	4.8% (11)	24.7% (56)	66.1% (150)	4.511	.83274
4	Our leaders express with a few simple words what we could and should do	1.3% (3)	3.1% (7)	7.9% (18)	20.7% (47)	67% (152)	4.489	.86914
5	The leadership helps me find meaning in my work	5.3% (12)	7% (16)	13.2% (30)	23.8% (54)	50.7% (115)	4.074	1.1819
	Overall Mean						4.41	0.92

From Table 1, majority of the respondents 67.4%(153) strongly agreed that the team leader talks optimistically about the future and 25.1%(57) agreed on the same with a mean of 4.5242 and standard deviation of .86887 implying that there is some deviation from the mean. Similarly, 28.2%(64) and 63%(143) of the respondents agreed and strongly agreed respectively that the team leader enthusiastically talks about what needs to be accomplished. A mean of 4.4758 and standard deviation of .86596 suggested that there is some deviation from the mean. Leader articulates a compelling vision of the future as indicated by 66.1%(150) of the respondents who strongly agreed and 20.7%(47) who agreed with a mean of 4.4890 and standard deviation of .86914 implying there is some deviation from the mean. Lastly, 50.7%(115) of the sampled respondents strongly agreed that the leadership helps me find meaning in my work and additional 23.8%(54) agreed with a mean of 4.0749 and standard deviation of 1.18196. This implies that there is great deviation from the mean. From the overall mean of 4.41, the findings indicated that sampled respondents agreed with Inspirational motivation statement with some deviation from the mean (0.92).

Organizational innovativeness in this study was used as dependent variable. The respondents were asked to state their level of agreement on four statements in relation to organizational innovativeness. The pertinent results are presented in Table 2.

Table 2: Descriptive Results for Organizational innovativeness organizational of telecommunication firms

No	Organizational innovativeness	1	2	3	4	5	Mean	SDV
1	The organization spends much on R&D activities	0.4% (1)	1.3% (3)	1.3% (3)	37% (84)	59.9% (136)	4.5463	.63894
2	The company has high level of networking	0.0	0.9% (2)	0.0	37.9% (86)	61.2% (139)	4.5947	.54212
3	The organization has more patents	3.1% (7)	7.9% (18)	11% (25)	47.6% (108)	30.4% (69)	3.9427	1.0049
4	There is increase in product innovations in the organization	0.9% (2)	15% (34)	3.5% (8)	30.4% (69)	50.2% (114)	4.1410	1.0960
	Overall Mean						4.30	0.820

From Table 2, majority of the respondents 59.9%(136) strongly agreed that the organization spends much on R&D activities and additional 37%(84) agreed with a mean of 4.5463 and standard deviation of .63894. This implies that there is some deviation from the men. The results further revealed that 37.9 %(86) and 61.2%(139) of the respondents agreed and strongly agree respectively that the company has high level of networking. A mean of 4.5947 and standard deviation of .54212 implies that there is some deviation from the mean. In regard to patents, 47.6 %(108) of the sampled respondents agreed that the organization has more patents and additional 30.4%(69) strongly agreed with a mean of 3.9427 and standard deviation of 1.00498. The results also revealed that 30.4%(69) and 50.2%(114) of the sampled respondents agreed and strongly agree respectively that there is increase in product innovations. A mean of 4.1410 and standard deviation of 1.09603 implies that there is great deviation from the mean. The overall mean was 4.30 implying that telecommunications in Kenya have better organizational innovativeness although standard deviation of 0.820 indicated that there some deviation on their organizational innovativeness performance.

B. Inferential Statistics

The objective of the study was to evaluate the influence of inspirational motivation on organizational innovativeness in Telecommunication firms in Kakamega County. The objective sought to test null hypothesis

H₀₁: There is no significant relationship between inspirational motivation of transformational leadership and organizational innovativeness in telecommunication firms in Kakamega County. This was accomplished by use of Pearson correlation (r) and linear simple regression (R²) with aid of SPSS version 22.

The Pearson correlation analysis was used to investigate the relationship between inspirational motivation and the organizational innovativeness in telecommunication firms in Kakamega County. The results are as shown in Table 3.

Table 3: Correlation between inspirational motivation and the organizational innovativeness

		Inspirational motivation	Organizational innovativeness
Organizational innovativeness	Pearson Correlation	.674**	1
	Sig. (2-tailed)	.000	
	N	227	227

In evaluating the influence of inspirational motivation on the organizational innovativeness in telecommunication firms in Kakamega county, the study established a coefficient of correlation (r) as 0.674**, P<0.01 at 99.0% confidence level. This shows that there exist a significant positive relationship between inspirational motivation and the organizational innovativeness in telecommunication firms in Kakamega County. This implies that the organizational innovativeness in Telecommunication firms in Kakamega County increase with an increase in inspirational motivation of transformational leadership and a decrease in inspirational motivation leads to a decrease in their organizational innovativeness.

Regression analysis was used to tell the amount of variance accounted for by one variable in predicting another variable. Regression analysis was conducted to find the proportion in the dependent variable (Organizational innovativeness of

telecommunication firms) which can be predicted from the independent variable (inspirational motivation) Table 4 below shows the analysis results.

Table 4: Regression Results of Inspirational motivation and Organizational innovativeness

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.674 ^a	.454	.452	.54001		
a. Predictors: (Constant), Inspirational motivation						
ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	54.560	1	54.560	187.085	.000 ^b
	Residual	65.612	225	.292		
	Total	120.167	226			
a. Dependent Variable: Organizational innovativeness						
b. Predictors: (Constant), Inspirational motivation						
Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.446	.222		6.501	.000
	Inspirational motivation	.667	.049	.674	13.678	.000
a. Dependent Variable: Organizational innovativeness						

The results revealed a coefficient of determination (r^2) of 0.454. Meaning inspirational motivation can explain up to 45.4 % of the variance in organizational innovativeness in telecommunication firms in Kakamega County. The F test gave a value of (1, 226) = 187.085, $P < 0.01$, which supports the goodness of fit of the model in explaining the variation in the dependent variable. It also means that inspirational motivation is a useful predictor of organizational innovativeness in telecommunication firms in Kakamega County. The unstandardized regression coefficient (β) value of inspirational motivation was 0.667 with a t-test of 13.678 and significance level of $p < .001$. This indicated that a unit change in inspirational motivation would result to significant change in organizational innovativeness by 0.667 in the same direction. The regression equation to estimate the organizational innovativeness in telecommunication firms in Kakamega County as a result of inspirational motivation was hence stated as:

$$\text{Organizational innovativeness} = 1.446 + 0.667 \text{ Inspirational motivation}$$

The study sought to find out if inspirational motivation has influence on the organizational innovativeness in Telecommunication firms in Kakamega County was tested. From the results, inspirational motivation had significant positive influence on organizational innovativeness with $P < 0.01$ and it significantly accounted 45.4% variance in organizational innovativeness in Telecommunication firms in Kakamega County in Kenya. The null hypothesis was rejected as there is significant relationship between inspirational motivation of transformational leadership and organizational innovativeness in telecommunication firms in Kakamega County

V. CONCLUSION AND RECOMMENDATION

The study established that inspirational motivation influences the organizational innovativeness in Telecommunication firms in Kakamega County. Results from Pearson correlation analysis ($R \neq 0$, $P < 0.05$), simple linear regression (F ratio > 0 , $P < 0.05$) and multiple linear regression analysis ($\beta \neq 0$, $P < 0.05$) provided evidence to reject the first null hypothesis. Increasing in inspirational motivation of transformational leadership would result to increase in organizational innovativeness. Specifically, the study concluded that team leader talks optimistically about the future and articulates a compelling vision of the future are likely to achieve organization innovativeness. In order to be able to compete in the global arena successfully, organizations in such countries need to be innovative. Since this study showed transformational leadership to be an important determinant of organizational innovation, I recommend that transformational leadership, which is heavily suggested to be a subject of strategic management in developed countries, should also be incorporated into such programs in developing countries. For managers of companies that plan to or currently operate in developing

countries, this study provides insights into understanding organizational innovation in Kenya and in countries with similar developing economies. The findings of this study might be of interest to them as these findings might be different from results in the western context. These managers should bear in mind that transformational leadership is important to increase the innovativeness of employees in companies producing organizational innovation.

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