THE IMPACT OF LEADER CREATIVITY EXPECTATION ON EMPLOYEE CREATIVITY OF BANKS IN BATTICALOA

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ABSTRACT

The banking sector in Sri Lanka has been growing significantly in the past years. The need for creativity among the bank employees is inevitable. Inducing creativity among the bank employees is considered as very important strategy element in banks. There are many factors affecting the creativity of an employee, in which leader creativity expectation and creative self-efficacy are emphasized by the past researchers as important factors. However, there are few researches conducted in this topic in Sri Lankan banking context. The research aims to fill the gap by working on this in order to identify the level of leader creativity expectation, creative self-efficacy and employee creativity, to identify the relationship among the variables and to identify the mediating role of creative self-efficacy in the relationship between leader creativity expectation and employee creativity.

Using gathered data from 140 employees from selected 6 banks in Batticaloa, we examine the relationship among leader creativity expectation, creative self-efficacy and employee creativity, which results strong positive relationship among those variables. We found that creative self-efficacy mediated the positive relationship between leader creativity expectations and employee creativity. As the level of concern for creativity has been rising within the organizations, the strategic tone for creativity builds the relationship between leader creativity expectations and employee creative self-efficacy stronger. The theory "Pygmalion" and the sub element "Galatea effect" have clearly operates in the banking context, where the expectations of leaders about the employee creativity passes through creative self-efficacy and resulted with improved creativity of employees.

The research suggests training needs for both employees and leaders regarding efficacy building, generating creativity focused organizational culture and environment, generating creativity focused organizational structure empowering employees through clear responsibilities and power and continuous review and feedback on employees regarding their work accomplishments.

Key words*: *Creative Self-Efficacy; Employee Creativity; Leader Creativity Expectations.

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