



Leader's Influence and Communication Styles on the Culture of Innovation in FIFGROUP

Margareta Enik Iswanti; Widodo Muktiyo; Andre Rahmanto

Department of Communication, University Sebelas Maret, Indonesia

<http://dx.doi.org/10.18415/ijmmu.v5i6.796>

Abstract

This papers learn about leadership dan communication styles on the culture of innovation in FIFGROUP, The leader are be visionary, competence, be able ti influence team for innovation and encourage his team and make effectivelly communications to take part in the organization. Indicator Success an organization when the leader walk the talk, able to effective communication, has contibution performance, focus to innovation process and be role model as part of the innovation culture organization.

When Organization face the problem about innovation, innovation is suck and useless for another subordinat buat for company innovation is must be create. Case Study in (PT. FEDERAL INTERNATIONAL FINANCE) FIFGROUP one of member Astra International very interesting because in FIFGROUP on of Astra International member focus on innovation but innovation not yet a part of daily task and performance. Success Indicator function leader as role model is important thing, internalization Values, mindset inovation is important to make FIFGROUP sustainability, effective Communication and sense or urgency when organization face the problem and able love change in era digital.

Keywords: Leadership; Communication; Innovation; Culture

Introduction

Effective organizations have a clear vision and mission to support the organization to grow and develop. Effective organizations have two elements, namely Information Technology and people members of organizations and leaders. From the Information technology element, it can not be separated from changes and innovations as well as from the elements of people, the need for peole competence also follows technological developments. At this time an effective organization is an organization that is able to produce innovations to support it continues to grow and develop, then a culture of innovation is created in the organization.

Many organizations have made innovations to survive and grow, but many have failed, for example the failure of Blackberry innovation as a smartphone with the presence of Android. Failure to foster an innovation culture is often influenced by the role of the leader and the disruption of the

communication processes within the organization. The role of the Leader in conveying the vision and vision of the organization as an engine drive organization greatly determines the success of the organization. Engine drive is the role of a leader who is able to apply a leadership style with a 360 degree Leader principle. (Maxwell, 2011). The role of leaders is required to be able to lead subordinates walk the talk, listen and encourage subordinates, transfer vision, appreciate results. Leading up by lightening the burden on your leader, wanting to do what others don't want to know, knowing when to push and when to hold back and more. Leading aside by equipping fellow leaders without competing, letting the best ideas win, running a "leadership circle.

The role of the 360 degree leader can also be found in The Leadership Contract (Thisle, 2016; Moliarno, 2015) that the role of leaders includes competency as (1) decision maker, (2) acting responsibly, (3) visionary, (4) synergize with a team that has a positive or negative influence. The positive influence of the leader will be a beloved and respected leader but the negative influence of the leader is feared even if his existence is only a symbol.

The purpose of this study is to ascertain whether the role of the leader and his communication style can contribute to the development of an innovation culture in the organization. The leader must have three basic elements that can have a major impact on personal effectiveness and organization continuity. (Dale Benson, 2016) A clear vision to be achieved, encouraging people who are in the organization to grow, responsibility is responsible for what they do and say as a leader.

Becoming an effective leader requires deployment (Lisa Firmin, 2014) including (1) Emotional Intelligence, (2) focus on mission, flexible attitude, (3) strategist, (4) building teamwork, (5) innovating, (6) able to organize well and have loyalty to the organization.

Leaders must be able to map their leadership and have similar value added things also delivered to be dynamic leaders (Manning, 2002; Roberson, 2002) who have vision, are able to influence the team, are able to explain the framework, identify leadership well.

Good leadership requires a good communication style, including the ability to influence the team, because it requires the communication of interpersonal communication and communication within the organization.

Some studies on leadership communication, employee empowerment, and information technology also discuss the ideal communication of a leader (Jaqualine Mayfield, 2016; Milton Mayfield, 2016): (1) Leadership Communication in Teams, (2) Mass Communication Leadership, (3) Communication Leadership strategies, (4) Leadership Communication Channels, (5) Leadership Communication Context, (6) Cross Cultural Leadership Communication, (7) Non-traditional Leadership Communication, (8) Leadership Communication and Social Problems Co-Creation of Leadership through discourse on methodological issues leadership communication research.

Other functions Leaders in organizations also carry out their functions as mediators. Where as a mediator is required to be able to communicate both directly and indirectly and both within the organization and personally in the network / network. Acting fairly and behaving is acceptable to all team members. So that a leader must be able to become a servant and foster a culture of mutual service within the organization by giving a positive influence to both the individual and team performance. Service for a leader (Greenleaf, 1970) based on thinking of giving the best motivation to team members to create satisfaction and fulfill aspects of team needs is a top priority. Leaders who pay attention to the team, behave humbly will stimulate a strong relationship from the team and foster the courage of the team to build solid performance in the organization.

A solid team is built from employees and the lead role is to motivate employees to innovate, the higher their motivation, the higher their involvement in innovation. Employees need to be trained and educated before they can have a positive impact on the innovation process (Koen and Kohli, 1998; Loewe and Dominiquini, 2003; Pohlmann et al. 2005; Brennan and Dooley, 2005; Shipton et al., 2006). Employee motivation to be innovative (Mostafa, 2005). In this case the existence of employees is seen from four (1) motivation in innovation, (2) knowledge and skills, (3) personality and (4) training.

Changes can occur internally or externally through the media or change leaders with messages of innovation. important elements that can encourage an innovation to be accepted in an organization when it has implications for changes in the culture of innovation, some of these elements are: (1) change agents, leaders have innovation initiatives; (2) the perception of people adopting an innovation is crucial in a change; (3) the first adoption process is stimulated by interpersonal contact in the influence of the network, where previous adopters influence the perception and practice of new influences (Little John, 2011: 378).

Innovation for organizations is very important for the survival of the organization by introducing new ideas, new goods, new services and more useful new ways. Innovation is an invention that is interpreted as something new for a person or group of people in the form of discovery or something that already exists before but made improvements or in the form of inventions or something that has never existed at all can also be a means to achieve goals or solve certain problems (Anna Poejiadi, 2001). Innovation is expected to be an organizational culture that develops in accordance with the conditions and needs of the organization so as to be able to carry out the changes that occur.

Method

The organizational communication research method with literature review for this article and takes a case study of organizational communication in one of Astra International's subsidiaries, PT. Federal International Finance (FIFGROUP) comprises 216 branches throughout Indonesia, with line of business for new motorbike financing (NMC), electronics - SPEKTRA and microfinancing - DANASTRA as well as financing for Hajj and Umrah -AMITRA. Observational field studies of (1) communication behavior at the level of leader employees, back office employees and field employees. (2) observing the communication patterns of the digital era: E-mail, video conferencing, social media and digital learning, (3) literature studies from international journals and Leadership themed literatures.

Result and Discussion

Result

FIFGROUP is a subsidiary of Astra International proving as a company that is able to grow and develop because of innovation. Innovations that become organizational culture are influenced by the role of leaders, organizational communication styles in FIFGROUP. One of the positive evidences that become its strengths are (1) business anomalies that occur in FIFGROUP which remain profitable even though other Astra International subsidiaries experience sharp decreases in profits such as United Tractor, Bank Permata. (2) FIFGROUP is able to adapt even though there are external - OJK regulations that regulate increasingly stringent financing conditions, (3) Launch of an innovative application based on technology in the form of FIF Mobile application for consumers, ACTION to support employee work in the billing section, and E-Learning independent learning products through the internet for employees as supporting competency enhancements and video conference facilities for meetings and updates from the head office to branches (4) the existence of an Innovation Award for leaders and all employees who submit their ideas and innovations with cash rewards and tours abroad for winners. (5) Branch

Competition with rewards for cash money, Umrah / holy tour and overseas trips for Section Head - Branch Managers of Branches in building team synergy by contributing the best performance at the national level.

On the other FIFGROU also found weaknesses as an improvement leadership process (1) Branch growth requires competent man power, (2) miss communication in delivering some management messages to subordinates because of communication and leadership styles, (3) jobs with inappropriate competencies, (4) Communication barriers of the digital era sometimes depend on network stability.

Discussion

Phenomenon that occurs in an increasingly hypercompetitive environment, organizations survive and develop based on dexterity in making strategies, flexible, capable of responding to changes quickly. This rapid change is what often creates problems in fostering a culture of innovation in the organization. The effect of the effectiveness of a leader's communication in solving problems that occur can make the organization develop well or even deteriorate.

Leadership communication that often occurs is where the structure, the communication method is ideal as to be able to create effective communication between leaders and team members both directly and indirectly. A leader also to have competence in communication to influence his team in achieving organizational goals. But the phenomenon that occurs is sometimes the opposite ideal communication reality is fragile and messy because leaders are trapped not in the conditions of work routines whose biggest role as managers tends to act authoritarian and delegative, communicating tends to be reactive and aggressive and utilize human resources. The opportunity to influence and grow the role of the leader is still there, but the portion decreases even though the role of leader is usually respected, tends to act democratically, proactively and assertively in communication, becomes an example-role model of how subordinates must do, build teams, invite teams to do together.

Leader's role becomes very important when leaders know their role and how to implement a communication style will easily influence the team to contribute to innovation, making it easier to foster a culture of innovation.

Obstacles to employees are reluctant to take part in innovation, one of them because of the influence in communication. Communicating in organizations has the potential to encourage organizations to develop but also can otherwise damage teamwork, disrupting team stability and slowing down the organization's goal. The leader in communicating well is who understands the character of his team and adjusts his leadership style to the subordinate personality type will have a positive impact in the form of (1) A solid team, loyalty and dedication in the team becomes a super team. (2) Proactive behavior towards change and want to innovate. (3) The team is motivated to achieve organizational goals, (4) Communicate effectively across positions both personally and organizationally. (5) Leader morality instills values in Teamwork, Excellence, Achieving and Moving Forward (TEAM) to all employees so that organizational performance develops and grows. (6) Become a role model in the internal and ambassador to external parties. (7) Be objective for all team members.

But if the leader in communication tends to be aggressive and reactive it will have a negative impact in the form of (1) the occurrence of subjectivity, (2) conflict in the organization, (3) working relationships far from the nuances of teamwork and superman. (4) Solid-not-oriented departments are more concerned with individual and group interests. (5) behavior tends to be easily reactive, (6) reluctant to be involved in innovation (7) when a crisis occurs it is easy to give up and blame others rather than find solutions. (8) Miss communication occurs.

A leader becomes a role model so the walk the talk expression greatly influences the process and effectiveness of communication. Trust building can be built by good communication, honest responsibility and continuously. From the study in the field of leader communication to subordinates in the form of direct communication when delegating tasks and when evaluating as coaches in the process of co-counseling, with fellow leaders, communication within the group was built that complemented their weaknesses and strengths in terms of competence and communication to create synergy. This is a best practice from 360 degree Leadership, where the power of leaders arises not because of one leader so that if there is a change it will reduce the crisis of a certain "character" leader. But leadership can also be destroyed by the way of communicating itself if it does not pay attention to needs, consequences and be reactive-arrogant. On the other hand Collaboration Leadership, which has not yet maturity, will create a loss for the team because the team must translate various interests of different leaders even though they still have the same corporate goal of profit and growth.

The way to overcome the crisis of attendance and the role of the leader is very important, of course because the influence, authority and competence of the leader of the organization is one of them to resolve the crisis and rebuild the integrity of the organization. Physical leader presence is very important, what if in the digital era even though i leaders sometimes do not interact directly, the presence of Virtual forms of referrals in E-mail, Social Media or digital video conferencing that may not be physically present but authority, responsibility, orders or even the guidelines can still be accepted and implemented by the team.

Conclusion

The most important role of the leader must be able to translate the organization's vision and mission and convey it to the team to achieve organizational goals. Having competence and having an open mind towards change, being a role model and prioritizing employees as agents in innovating and influencing them involved in innovation. Being a continuation of the innovation process and creating a culture of innovation both from technology and from people so that the organization remains sustainable. The conclusion of this article is that a leader in an organization must have a vision and mission for sustainable and organizational growth and apply the principles of 360 degrees of leadership in the organization up, down and peers. A leader also has good communication, is a role model, is able and responsive to change especially in the digital era, able to influence the team and encourage to achieve organizational goals, have morals and integrity, be flexible, accountable and dare to take risks, have competency to overcome crisis both caused internally and externally.

Leaders in organizations when communicating to teams both directly and indirectly or as ambassadors to external parties must uphold, honesty and accountability, show competence and reliability, be proactive and flexible, responsible and able to carry out control functions, adapt and already responsive when a crisis occurs, making communication as an effective suggestion to create teamwork, have courage, want to learn from failure. There is no need to be a top leader if you want to lead because effective leadership can start from yourself, recognize weaknesses and self-advantages, potential in communicating, be open to change and have a positive attitude to innovation beneficial to organizational sustainability.

References

- Benson, Dale, MD,CPE, FAAPL. (2016). *12 Tips for Leadership Effectiveness, Physician Leadership Journal*, American Association of Physician Leadership.
- Benson, Dale, MD,CPE, FAAPL. (2016). *In Pursuit of Increased Leadership Effectiveness, Physician Leadership Journal*, American Association of Physician Leadership.
- Bliss Wray Edwars. (2012). *A Crisis of Leadership: toward an anti-soveriegn ethics of organization*, Balckwell Publishing Ltd, Oxford USA.
- Chen Ming-Jer. (2014). *Becoming Ambricultural: A Personnal and aspiration for Organization*, Virginia.
- Doh P. Jonathan and Quigley R. Narda. (2014). *Responsible Leadership and Stakeholder Management: Influence Pathways and Organizational Outcomes*, The Academy of Management Perspectives.
- Laforet Silviee. (2016). *Effect on Organizational Innovation Performance*.
- Lam W. Long, Loi Raymond and Chan Wai Ka, Liy Yan. (2016). *Voice More and Stay Longer : How Ethical Leaders influence Employee Voice and Exit Intentions*, University of Macau and Wuhan University.
- Lewis W. Marianne, Andriopolous Contantine, Smith K. Wendy. (2014). *Paradoxial Leadership to Enable Strategic Agility*, University of California, Berkeley.
- Lisa Firmin. (2004). *Deploying Leadership: Steady skills to serve in any environment*, Phi Kappa Phi Forum, University of Texas, San Antonio.
- Littlejohn, S.W., & Foss, K.A. (2010). *Theories of human communication*. Waveland Press.
- Manning Tony and Robertson Bob. (2002). *The Dynamic Leader – Leadership Development beyond the Visionary Leader, Industrial and Commercial training*, Vol 34, Emerald Group Publishing.
- Manning Tony and Robertson Bob. (2016). *A Three model of Followership: part-1 Introduction to followership, Leadership and the three factor model of Leadership*.
- Maxwell C. John. (2011). *The 360 LEADER – Mengembangkan pengaruh Anda dari Posisi Manapun dalam Organisasi*, PT. Bhuana Ilmu Populer.
- Mayfield Jacqueline and Mayfield Milton. (2015). *International Journal of Business Communication special issue: Leadership Communication*, Associations for Business Communications, Sage Publications.
- Pearce L, Craigh; Wassenaar L. Christina and Manz C. Charles. (2014). *Is Shared Leadership the Key to Responsible Leadership*, Tha Academy of Management Perspectives.
- Philips Patti; Ray, Rebecca and Philips, Jack J. (2016). *How to Capture the Business Values of Leadership Development*, Ebsco.
- Phillips Deborah R. (2014). *Talent Management to Business performance*, Georgia.
- Rutherfors Sarah. (2001). *Organizational Cultures, Woman Manager and Execution*.

- S. Hasan, R. Mahsud, G.Yukl. G.E.Prussia. (2012). Ethical and Empowering Leadership and Leader Effectiveness.
- Solaja Mayowa Oludele, Isowu Elijah Faremi and James Ekudayo Adesina. (2015). *Exploring the Relationship between Leader Communication Style, Personnel Trait and Organizational Productional Productivity*, Serbian Journal of Management.
- Speakman James, Ryals Lynette.(2008). *A re-Evaluations conflict Theory for the Management of multiple simultenaous conflict*.
- Tangen Stefan. (2005). *Improving performance of Performance Measure*, USA.
- Thistle Meens, Barbara and Molinaro, Vince. (2016, *Driving Organizational Transformation Through Strong Leadership Accountability*, Ebsco.
- Vipin Gupta. (2011). *Cultural basis of high performance*.
- W. Krathu, C. Pichler, H. Werther, J. Neidhardt, M.Zapletal, C. Huemer. (2013). *Inter-organizational success factors cose and effect model*, Austria.
- Waldman A. David; Balven M. Rachel.(2015). *Responsible Leadership : Theoretical issues and Research Directions*, The Academy of Management Perspectives.
- Zander et al, "The Future of Global Organizing" . (2015),journal "*Team Based Global Organizations : The Future Organizing*", Progress in International Business Research, Vol. 10, Emerald Group Publishing.
- Zheng Wei, Mur Douglas. (2015). *Embracing Leadership: A- Multi faceted model of Leader identify development*.

Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (<http://creativecommons.org/licenses/by/4.0/>).