The Effect of Organizational Climate on Innovative Work Behavior

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Abstract— The capability to innovate is essential to the survival of most organizations. Several factors that affect innovative work behaviors have been discussed and explored by scholars. It is generally believed that innovative work behaviors are influenced by leadership. However; few studies have evaluated the climate for innovation in the Malaysian Research and Development (R&D) setting. The previous findings on links between organizational climate and innovative work behaviors are reported to be inconsistent with one another. Meanwhile, there are also critiques of the measurement of organizational climate and innovative work behaviors are believed to be biased towards the Western culture. Hence, this study is timely to fill the existing research gap. 97 scientists were involved as respondents, comprising research officers, assistant research officers and research assistants who were working in seven public agencies in the agriculture sector. The findings reported that there is a significant relationship between organizational climate and innovative work behaviors. This research has theoretical and practical implications. From the theoretical perspective, present research contributes a momentous proven theory to the existing body of knowledge in the field of predicting innovative work behaviors.

Keywords— Innovative work behavior, Organizational Climate

I. Introduction

The study of the essential factors stimulating innovation through creativity for organizational success as well as the strengthening of economies in the 21st century has been a key area of research among a growing number of scholars and practitioners [1]. An organization which does not encourage innovation and creativity is likely to have unused resources[2].

One way for organizations to become more innovative is to capitalise on their employees’ ability to innovate [3]. To promote innovation among employees in an organizational, scholars have empirically proven that organizational climate is a key factor in developing innovative work behaviors [4], [5], [6]. The importance of having a working environment conducive to innovation has also been emphasized in the Malaysian development agenda. In brief, innovative behaviors can be only developed through the positive elements in an organization’s environment. Several scholars and practitioners have conducted in-depth studies on this phenomenon in organizations [7].

II. Theoretical Framework

A. Organizational Climate

The organizational climate theory was first introduced by Kurt Lewin in 1930 in psychological climate study. There are proliferations of meanings regarding to the organizational climate definition. Ekvall [8] who had intensively done research for creativity and innovation climate defines climate as an organization attribution, a conglomerate of attitudes, feelings, and behaviors which characterizes life in the organization and exist independently of the perception and understandings of the organization’s members.

Climate is also referred to the perceptions of the work environment and the term climate can designate description and perception at the individual, group or organizational level of analysis [9]. Organizational climate can be characterized by three dimensions; 1) organizational
motivation as a basic orientation of the organization towards innovation. 2) Management practice refers to allowance of freedom in the conduct of work by drawing skills and perspectives of individuals, 3) resources to everything that organization has available to aid work in a domain targeted for innovation[4]. Some authors might suggest that well-planned reward system also is a part of organizational climate characteristic which can be effective tool to reinforce such desire behavior. Based on the suggestion, we can conclude that people behavior can be influenced by triggering their intrinsic motivation.

B. Innovative work behavior

The epistemology of innovative work behaviors was derived from the term innovation. A behavioral theory such as expectancy theory of motivation is the earlier model of Innovative work behaviors. The innovation as has been defined generally by scholars is comprised from both ideation and the application of new ideas, whereas the ideation is originated from creativity component [10], [11]. In extent, Shalley & Zhou [10] explain creativity as an iterative process that involve reflection and action, seeking feedback, experimenting, and discussing new ways to do things rather just relying on habit or automatic behavior. Past research on individuals; innovative work behaviors has focused mainly on individual outcome expectations when explaining the intermediate process that lead to the emergence of the behavior. However, this focus on individual’s outcome expectation falls short in explaining the effect of innovation barriers. The past research also lack explanation of different behavioral strategies associated with successful innovation implementation within institution [12].

According to McLean[11] the terms of creativity and innovation are often used interchangeably in research studies. Creativity has to do with the production of novel and useful ideas meanwhile; innovation has to do with the production or adoption of useful ideas and idea implementation [13], [14]. Meanwhile, Amabile found that in the componental theory, creativity is influenced by three components within the individual: 1) Domain relevant skills, 2) creativity relevant processes, 3) intrinsic motivation and one component outside the individual- the work environment.

Upon the diversification of judgment, scholars had agreed that creativity is closely related to innovative behavior (Ayranci, 2011; De Jong & Den Hartog, 2007; García-Morales, Matías-Reche, & Hurtado-Torres, 2008). Creativity is intended to produce some kind of benefits and has clearer applied component since it is expected to result in innovative output (De Jong & Den Hartog, 2007). It can be concluded that innovative work behaviors does not only require the generation of idea but also requires behaviors to implement the ideas that ultimately achieve improvement for business performance.

III. Empirical Research

A. The relationship between management practice and innovative work behavior

There is sub dimensions for management practice as according to KEYS, the measurement for climate by Amabile and her colleagues [4]. Freedom, challenging work, managerial encouragement and work group support were reported to have an impact on instituting innovative work behavior among organization’s member. There are many scholars did agree that freedom as a part of autonomy plays an antecedent role of individual innovation [2], [17]. According to Cheng et.al [18], the organization should give more autonomy to the employees for it makes them feel honored to participate in their work. This kind of giving autonomy is called empowering which would result in more commitment by an employee [19]. The act empowering itself is related to leader behavior which includes managerial encouragement for example encouragement of risk-taking [20]. In addition, encouragement of risk taking is one of the key to instituting innovative work behavior among employees. Besides that, the workgroup support also has been evidently found as a predictor of innovative behavior [21], [22]. Thus, H1 can be deductively made as below:

$$H_1:$$ Management practice is positively related to innovative work behaviors.

B. The relationship between Organizational motivation and innovative work behavior

Organizational motivation is comprised of two dimensions which are organizational encouragement and lack of organizational impediments. Organizational encouragement is an organizational culture that encourages creativity through the fair, constructive judgment of ideas. Meaning that, people are encouraged to solve the problems creatively in the organization [4]. Reward and recognition for creative work also being included in organizational motivation dimension, where the culture of reward and recognition for any creative ideas, problem solving is encouraged in an organization. It has been reported that reward and recognition have link towards innovativeness and creativity [23]. This is because reward and recognition can increase intrinsic motivation when their efforts are fairly rewarded thus has lead the employees willing to reciprocate by discretionary behaviors like innovative activities[24]. In addition, the organizational motivation can be established by reducing organizational impediments such as internal political problems, harsh criticism, destructive internal competition and overemphasis on the status quo. These kinds of impediments were reported by many scholars can impede creativity [9], [21]. Hence, second hypothesis can be developed as below:

$$H_2:$$ Organizational motivation is positively related to innovative work behaviors.
C. The relationship between Organizational resource and innovative work behavior

Organizational resources have been discussed to be the internal factors in determining firm’s innovative behavior. [25]. It is included as a part of climate [26]. The sufficient resources refer to providing appropriate resources for instance funds, materials, facilities and information. These sufficient resources is believed could assist the creativity of the employees [27]. In the other words, managers can make a decision about how much time and resources they could allocate to a given effort which encouraging the participation to be creative [6]. By this action, employees would give full commitment on a project they had run of. [28]. Thus, third hypothesis can be developed as below;

\[ H_3: \text{organizational resource is positively related to innovative work behaviors.} \]

iv. Methodology

A. Participants & Procedures

Data were collected via questionnaires by purposive sampling method. The researchers contacted all eight public agricultural R&D agencies based on Agricultural Science and Technology Indicators [29]. Finally, seven out of the eight agencies agreed to cooperate. Questionnaires were sent out to scientists and assistant scientists within seven major agencies; forestry, veterinary institute, cocoa, palm oil, agricultural R&D institute, nuclear and fishery. Respondents were assured of the confidentiality of all answers. A part of questionnaires were personally administered to all the individuals employed in these agencies. The rest was distributed by email. Out of 250 questionnaires that were distributed, 150 (60 per cent response rate) were returned.

B. Research Instrument

The instrument employed to measure organizational climate comprised of 53 items and was developed by Amabile [4]. The instrument covers a total of 3 sub dimensions of work environment which is Management Practice, Organizational Motivation and Resources. Meanwhile, the sub dimensions for Management Practice comprised of freedom, challenging work, managerial encouragement, and work group support.

For Organizational Motivation dimension comprised of organizational encouragement and lack of organizational impediments. Sufficient resources and realistic workload pressure lied under Resources dimension. Individuals were asked to assess the extent to which each one of the 53 items applied to the agricultural agencies they were employed in. They have been asked to rate the organizational climate with a five-point Likert scale, ranging from 1 (never) to 5 (very frequently).

<table>
<thead>
<tr>
<th>Variables</th>
<th>Dimensions</th>
<th>No of items</th>
<th>Alpha Cronbach's</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational Climate</td>
<td>Management practice</td>
<td>17</td>
<td>0.889</td>
</tr>
<tr>
<td></td>
<td>Organisational motivation</td>
<td>26</td>
<td>0.857</td>
</tr>
<tr>
<td></td>
<td>Resources</td>
<td>10</td>
<td>0.854</td>
</tr>
<tr>
<td>Innovative work behaviours</td>
<td></td>
<td>13</td>
<td>0.927</td>
</tr>
</tbody>
</table>

The overall Cronbach’s α for the organizational climate scale was 0.93. Meanwhile Cronbach’s α for each dimensions underlying on organizational climate were as following; Management practice, 0.889; Organizational motivation, 0.857 and Resources, 0.854.

The instrument to measure the innovative work behavior was developed by De Jong [30] which has 15 items. The Cronbach’s α for innovative work behavior was 0.928 with 5 points Likert scale ranging from 1 (never) to 5 (very frequently) as well in table 1.

v. Results and Findings

Table 2 represents the Pearson correlation between dimensions of organizational climate and innovative work behaviors. In fact, not all the dimensions have a positive and statistically significant effect on innovative work behaviors. “Management practices” is reported to have a moderate significant relationship with innovative work behaviors (r=0.40, p<0.01). Subsequently, H1 is accepted. Management practice has positive significant relationship with innovative work behavior. Meanwhile, “organizational motivation” (r=0.46, p<0.01) is reported to have a moderate significant positive relationship with innovative work behaviors. In this case, H2 is accepted. Surprisingly, “organization resources” shows no significant relationship with innovative work behaviors which in turns has rejected H3.

vi. Discussion

The three dimensions of organizational climate proposed by Amabile et al. (1996) have been used as a measurement for
this study: (1) Management practices; (2) Resources; and (3) Organizational motivation. According to this theory, these three dimensions make up the work environment, which in turn induces individual or team creativity [4]. However, the results of our study suggest that only two dimensions of organizational climate have a significant positive relationship with innovative work behaviors, which are “management practices” and “organizational motivation”. “Organizational resources” is not found to have any significant positive relationship with innovative work behaviors. Apparently, resources and recognition are not as important as providing challenging works in an intellectually stimulating environment [6]. Moreover, “reward” that lies in “management practices” dimension has been investigated to have a significant relationship with “innovative work behaviors”; this finding is inconsistent with the finding of Sanders et al. (2010).

Meanwhile, this study has proven that “organizational resources” does not have a significant relationship with innovative work behaviors. This finding is in contrast to the findings of many scholars who had verified the importance of resources in relation to creativity behaviors [28], [31]. Based on the literature review, resources are provided by good visionary leaders [27], [32] who will provide adequate money and facilities for their subordinates. However, this insignificant result might be due to the limitation of public agriculture agencies, where a leader cannot provide adequate resources, especially in allocating money and facilities for research as this funding depends on a designated department to approve the budget.

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**References**


