An empirical examination of performance and image outcome expectation as determinants of innovative behavior in the workplace

Ayşe Cingöz, A. Asuman Akdoğan, a

Ayné Cingöz a, A. Asuman Akdoğan b, a

Nevşehir University, Nevşehir, 50300, Turkey

Erciyes University, Kayseri, 38039, Turkey

Abstract

Innovative behavior can be defined as the intentional generation, promotion, and realization of new ideas within a work role, work group, or organization in order to benefit role performance, a group, or an organization. There are various factors as antecedents of individual innovations. Some outcomes expectations affect people to make innovation. One major factor that becomes people innovative in organization is to bring performance gains. Expected performance outcomes are positive when employees believe that their innovative behavior will bring performance improvement for their work role or works unit. Also, employees become more innovative to obtain some image outcomes. The purpose of this study is to examine how employees’ innovative behavior is explained by expected positive performance outcomes and expected image gains. Data was obtained from private corporations operating in Kayseri (Turkey). Regression analysis was used to examine the relationship between innovative behavior and outcomes expectations, and to test the research hypotheses. The results of regression analysis provided support for hypotheses.

Keywords: Innovative behavior, Expected positive performance outcomes, Expected image gains

© 2011 Published by Elsevier Ltd. Open access under CC BY-NC-ND license.
Selection and/or peer-review under responsibility of 7th International Strategic Management Conference
1. Introduction

Crisis distorts the routine system and it threatens the survival of organizations as well as the ongoing activities. Because of gaining competitive advantage and increasing corporate reputation, innovation is an important strategic choice for repairing the damages of crisis. Innovation strategy helps a company by exciting its customer, outperforming competitors, and building a new product portfolio [4]. So, Innovations is an important factor in helping organizations survive in a world full of changes [14]. One way for organizations to become more innovative is to capitalize on their employees’ ability to innovate [12]. Innovative behavior is defined as an employee’s intentional generation, promotion and implication of new ideas, products, process and procedures within a work rule, work group, or an organization [11], [18].

There are various factors that encourage employees to generate, promote, and realize new and useful ideas such as organizational culture and climate, relationship with supervisors, job characteristics, and individual differences [15], [13], [6]. Some outcomes expectations affect people to make innovation. One major factor that becomes people innovative in organization is to bring performance gains. Expected performance outcomes are positive when employees believe that their innovative behavior will bring performance improvement for their work role or works unit. Positive performance outcomes include work quality, decreased error rate, increased productivity and general job performance. In brief, employees are more likely to engage in innovative behavior when they expect such behavior to benefit their work [18]. Also, Innovation may start to pay attention to social-political process. Innovation has a symbolic meaning [1]. Therefore, employees may become more innovative not only to put in high performance but also to obtain some image outcomes. Impressions or image are important antecedents of people behavior because impressions influence others’ reactions and perceptions. So, people may engage in innovative behaviors to improve their image [18].

The purpose of the present study is to examine how employees’ innovative behavior is explained by expected positive performance outcomes and expected image gains. In this context, first, we review the literature regarding innovative behavior and outcome expectations. Second, we explain the relationship between innovative behavior and outcome expectations in a theoretical way. Next, we test our hypotheses using data that are obtained from private corporations operating in Kayseri (Turkey). Finally, we provide the research findings and discuss their managerial and theoretical implications. Findings on these processes both contribute to Turkish literature about individual innovation and its determinants, and help to suggest possible interventions to encourage employee innovation.

2. Literature Review And Hypotheses

Increasing competition, globalization of companies and businesses, continuous changes in the environmental conditions cause companies to develop new ways and strategies in the market place. Innovation is an important strategy for organizational effectiveness and competitiveness. Innovation is being considered by companies as one of the ways of competitive edge and organizational success [6]. West and Farr (1990) define innovation as “the intentional introduction and application within a role, group or organization of ideas, processes, products or procedures, new to the relevant unit of adoption, designed to significantly benefit the individual, group, the organization or wider society” [14]. This definition allows for the introduction of a new idea designed not to benefit the role, group, or organization but to benefit the wider society. Innovations at organizational level may involve the implementation of a new technical idea or a new administrative idea. The adoption of a new idea in an organization is expected to result in an organizational change that might affect the organizational performance [5].
According to another definition, innovation is the generation, acceptance and implication of new ideas, process, product or services [17].

The scope of innovations ranges from the development and implementation of new ideas that have an impact on theories, practices or products across the whole organization, to smaller scale ideas that are related to improvements in daily work processes and work designs [9]. Accordingly, innovative organizations can gain a competitive advantage and improve business performance through their employee’s ability to generate new ideas and use these as building blocks for new and better products, services, and work processes [6]. Also, innovativeness has a positive effect on organizational growth [16]. Developing, adopting and implementing innovations depend on employees’ innovative behaviour in the workplace.

Innovative behavior can be defined as the intentional generation, promotion, and realization of new ideas within a work role, work group, or organization in order to benefit role performance, a group, or an organization [11]. Examples of such behavior include searching out new technologies, suggesting new ways to achieve objectives, applying new work methods, and investigating and securing resources to implement new ideas [18]. Individual innovation begins with idea generation, that is, the production of novel and useful ideas in any domain. The next stage of the innovation process is idea promotion to potential allies. That is, once a worker has generated an idea, he or she has to engage in social activities to find friends, backers, and sponsors or to build a coalition of supporters who provide the necessary power to realize the idea. The final task of the innovation process concerns idea realization by producing a prototype or model of innovation that can be experienced and ultimately applied within a work role, a group, or the total organization [15], [10]. Thus, innovation is viewed as a multistage process. Different activities and different individual behavior are essential at each stage.

Employee innovative behavior is an important asset that enables an organization to succeed in a dynamic business environment [18]. There are various factors as antecedents of individual innovations. Organizational culture that encourage risk taking and creativeness, empowerment practices, non-bureaucratic organizational structure, managerial support, effective reward system, open communication, quality of superior-subordinate relationship, job characteristics, and individual differences may be an important determinant for individual innovation [15], [13], [2], [6]. Employees need source, information, and socio-political support to develop new projects and to apply new ideas. These sources can be enabled by management so support is very important in developing innovations. Participating in decision-making process, empowerment practices and delegation of authority help employee to obtain autonomy that is necessary for innovation. Also, the quality of relationship between a supervisor and a subordinate is related to innovativeness. Leaders have a powerful source of influence on employees’ work behaviors.

Employee’s innovative behavior is affected by his or her expectations for such behavior’s potential influence on job performance and his or her image inside the organization [18]. These expectations contributes to understanding of why employees innovative in a workplace. There are two approaches to explain the factors that affect on innovative behavior in organization. They are efficiency-oriented perspective and the social-political perspective.

According to efficiency-oriented perspective, employees engage in innovation that will allow them to most efficiently produce the outputs that are useful for attaining their goals [1]. Innovation is adopted to bring performance improvement and efficiency gains. That is, expected performance outcomes are positive when employees believe that their innovative behaviors will enable performance improvement for their work roles or work units. Positive performance outcomes include increased productivity and work quality, decreased error rate, increased ability to achieve goals and objectives, and improved general
job performance [18]. As can be seen, employees may engage in innovations to gain efficiency for their work roles and work units. Increased job performance enables the competitiveness and success for an employee. In this context, we suggest the following hypothesis.

Hypothesis 1: Expected positive performance outcomes are positively related to innovative behavior.

The other perspective that can be used to explain innovative behavior is social-political perspective. It states that, individual behaviors have both technical and symbolic functions. Other people’s potential perceptions and evaluations are critical antecedents of individual behavior [3]. Therefore, image expectations and impression may affect employee innovative behavior at work. To test this situation we suggested second hypothesis.

Hypothesis 2: Expected image gains are positively related to innovative behavior.

3. Methodology

3.1. Research Goal

In this survey we aim to examine how employees’ innovative behavior is explained by expected positive performance outcomes and expected image gains. To test the propositions, a field survey using questionnaires was conducted.

3.2. Sample and Data Collection

We surveyed 320 white-collar workers that work private corporations operating in Kayseri (Turkey). 92 completed questionnaires were returned, a response rate of 29%. Participants were predominantly male (71%), with an average age of 31.65 years (SD=5.28), and a mean company tenure of 6.32 years (SD=5.33). 80% of respondents had at most university-graduate, 9% had post-graduate, and 11% high school degrees.

3.3. Measures

A structured questionnaire form was used in this survey. Innovative work behavior was assessed by nine items based on Scott and Bruce’s (1994) scale, which draws on Kanter’s (1988) work on stages of innovation [15], [8]. Three items refer to idea generation, three items to idea promotion, and there items to idea realization. The response format ranged from 1, “never” to 5, “always” (α = .89).

Expected positive performance outcomes (α = .83) was measured by three items that used by Yuan and Woodman (2010) [18]. Finally, expected image gains (α = .86) was evaluated by Ashford’s scale (1986) [1]. Respondents indicated their agreement with these items on a 5-point Likert scale from 1, “strongly disagree” to 5, “strongly agree”.

4. Analyses and Results

Table 1. Descriptive Statistics and Correlations

| Variables             | Mean | s.d. | 1  | 2  |
|-----------------------|------|------|----|----|
| 1. Innovative Behavior| 3.90 | 0.570|    |    |
**Means, standard deviations, and correlations among the variables are presented in Table 1. In the literature, it is argued that, employee’s innovative behavior is affected by his or her expectations for such behavior’s potential influence on job performance and his or her image inside the organization [18]. That is, expected positive performance and image expectation may encourage innovative behavior at work. According to our analysis, level of expected positive performance (4.42) and image expectation (4.08) can be seen as high in these organizations. Also, all of the research variables are positively and significantly correlated with each other. Expected positive performance outcomes associate positively with innovative behavior. This result provides direct support for the efficiency-oriented perspective, because we found that employees were more innovative when they anticipated some benefits from their work. At the same time, expected image gains are positively correlated with innovative behavior. That is, employees intend to use innovative behavior to affect other people’s perceptions and impressions.

Regression analysis was used to examine the relationship between innovative behavior and expected outcomes of innovative behavior. Regression analysis results are presented in Table 2.

Table 2. Results of Regression Analysis

| Independent Variables        | Dependent Variable: Innovative Behavior | R²  | Adjusted R² |
|-----------------------------|----------------------------------------|-----|-------------|
| 1. Expected Positive Performance Outcomes |                                       | .239| .230        |
| 1. Expected Image Gains     |                                       | .111| .110        |

**p < .01

According to the results of regression analysis, the relationship between the expected positive performance outcomes (independent variable) and employees’ innovative behavior (dependent variable) is statistically significant (R² = .239). Expected positive performance outcomes explain the changes on innovative behavior on 23.9%. Therefore, research hypothesis indicating “expected positive performance outcomes are positively related to innovative behavior.” is supported. That is, expected positive performance outcomes have positive and significant affects employees’ innovative behavior. This result may widely be sourced by performance/result-oriented leaders and work environment. Depending on work environment and firm-related performance management systems, employees may tend to display innovative behavior. Supervisors want employees to make innovation or evaluate employees’ performance through their innovative outcomes.

At the same time, expected image gains and innovative behaviour are positively and significantly correlated with each other (R² = .111). Expected image gains explain the changes on innovative behavior on 11.1%. Thus, second hypothesis (expected image gains are positively related to innovative behavior) is supported too. This situation may depend on the organizational culture or climate. Climate represents signals individuals receive concerning organizational expectations for behavior and potential outcomes of behavior. People respond to these expectations by regulating their own behavior in order to affect other
people positively [15]. In Turkey, people give a lot of importance to the others’ opinions and feelings. In order to have a good impression, employees may show more willingness to make innovation.

5. Conclusion

Innovation is an important strategic choice for repairing the damages of crisis. Innovation is widely depends on employees’ innovative behavior in the workplace. Innovative behavior is defined as an employee’s intentional generation, promotion and implication of new ideas, products, process and procedures within a work rule, work group, or an organization.

There are various factors that encourage employees to generate, promote, and realize new and useful ideas such as organizational culture and climate, relationship with supervisors, job characteristics, and individual differences [15], [13], [6]. Some outcomes expectations affect people to make innovation. One major factor that becomes people innovative in organization is to bring performance gains. Expected performance outcomes are positive when employees believe that their innovative behavior will bring performance improvement for their work role or works unit. Also, Innovation may start to pay attention to social-political process. Employees become more innovative to obtain some image outcomes. Impressions or image are important antecedents of people behavior because impressions influence others’ reactions and perceptions. So, people may engage in innovative behaviors to improve their image.

In this context, we examined innovative behaviour and outcomes expectations that are antecedents of innovative behaviour in a theoretical way and researched the impacts of these factors on innovative behavior empirically. Firstly, we review the literature regarding innovative behavior and outcome expectations. Second, we explain the relationship between innovative behavior and outcome expectations in a theoretical way. Next, we test our hypotheses using data that are obtained from private corporations operating in Kayseri (Turkey).

The results of our analysis show that expectations for potential performance and image consequences significantly and positively affect employees’ innovativeness. The more expected positive performance outcomes and expected image gains increase, the more employees’ innovative behaviour increases. In this respect, our study provides empirical support for the argument that employees engage in innovations to gain image expectations and efficiency for their work roles and work units. These results may widely be sourced by performance/result-oriented leaders and work environment. Depending on work environment and firm-related performance management systems, employees may tend to display innovative behavior. Supervisors want employees to make innovation or evaluate employees’ performance through their innovative outcomes. At the same time, it may depend on the organizational culture. In Turkey, people give a lot of importance to the others’ opinions and feelings. In order to have a good impression, employees may show more willingness to make innovation.

Results of this research are restricted with the sample. More different findings could be obtained from broader samples. Several factors may be antecedents of innovative behaviour in the workplace. In the future surveys, these factors may be examined in research model.

References

[1] Abrahamson, E. (1991), Managerial fads and fashions: The diffusion and rejection of innovations, Academy of Management Review, Vol. 16, No. 3, pp. 586-612.
[2] Akdoğan, A. A. et al. (2009), Lider-üye etkileşiminin/değişiminin yenilikçi iş performansı, görev performansı ve bağlanısal performans üzerindeki etkisini belirlemesi, 17. Ulusal Yönetim ve Organizasyon Kongresi Bildiriler Kitabı, Eskişehir, pp. 379-386.
[3] Ashford, S. J. (1986), Feedback seeking in individual adaptation: a resource perspective, Academy of Management Journal, Vol. 29, No. 3, pp. 465-487.
[4] Bowonder, B. et al. (2010), Innovation strategies for creating competitive advantage, Technology Management, May-June, pp. 19-32.
[5] Damanpour, F. and Evan, M. W. (1984), Organizational innovation and performance: the problem of organizational lag, Administrative Science Quarterly, Vol. 29, No. 3, pp. 392-409.
[6] Jafri, M. H. (2010), Organizational commitment and employee’s innovative behavior: A study in retail sector, Journal of Management Research, Vol. 10, No. 1, pp. 62-68.
[7] Janssen, O. (2000), Job demands, perceptions of effort-reward fairness and innovative work behavior, Journal of Occupational and Organizational Psychology, Vol. 73, No. 1, pp. 287-302.
[8] Janssen, O. (2001), Fairness perceptions as a moderator in the curvilinear relationships between job demands, and job performance and job satisfaction, Academy of Management Journal, Vol. 44, No. 5, pp. 1039-1050.
[9] Janssen, O. (2003), Innovative behavior and job involvement at the price of conflict and less satisfactory relations with co-workers, Journal of Occupational and Organizational Psychology, Vol. 76, No. 1, pp. 347-364.
[10] Janssen, O. (2004), How fairness perceptions make innovative behavior more or less stressful, Journal of Organizational Behavior, Vol. 25, No. 1, pp. 201-215.
[11] Janssen, O. and Van Yperen, N. W. (2004), Employees’ goal orientations, the quality of leader-member exchange, and the outcomes of job performance and job satisfaction, Academy of Management Journal Vol. 47, No. 3, pp. 368-384.
[12] Jong, J. P. J., and Hartog, D. N. (2007), How leaders influence employees’ innovative behavior, European Journal of Innovation Management, Vol. 10, No. 1, pp. 41-64.
[13] King, E. B. et al. (2007), How innovation can alleviate negative consequences of demanding work contexts: the influence of climate for innovation of organizational outcomes, Journal of Occupational and Organizational Psychology, Vol. 80, No. 1, pp. 631-645.
[14] Pundt, A., Martins, E. and Nerdinger, F. W. (2010), Innovative behavior and the reciprocal exchange between employees and organizations, Zeitschrift für Personalforschung, Vol. 24, No. 2, pp. 173-193.
[15] Scott, S. G. and Bruce, R. A. (1994), Determinants of innovative behavior: a path model of individual innovation in the workplace, Academy of Management Journal, Vol. 37, No. 3, pp. 580-607.
[16] Stenbolm, P. (2011), Innovative behavior as a moderator of growth intentions, Journal of Small Business Management, Vol. 49, No. 2, pp. 233-251.
[17] West, M. A. and Altink, W. M. M. (1996), Innovation at work: individual, group, organizational, and socio-historical perspective, European Journal of Work and Organizational Psychology, Vol. 5, No. 1, pp. 3-11.
[18] Yuan, F. and Woodman, R. W. (2010), Innovative behavior in the workplace: the role of performance and image outcomes expectations, Academy of Management Journal, Vol. 53, No. 2, pp. 323-342.