

# The Effect of Innovative Organizational Climate on Project Success: Mediating Role of Innovative Work Behavior

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## Summary

Scholars unanimously agree to the fact that innovation is a vital component for gaining a sustainable competitive advantage in the market, yet not many researchers have investigated its link to project success. Especially, insufficient considerations have been given to illuminate how firms comprehend the significance of initiating innovative work settings. With theoretical underpinnings in the organizational climate theory, the current research studied innovative work behavior as a mediator, in the association between innovative organizational climate and project success. Our results; yielded from a sample of 425 employees operating at executive, middle as well as senior levels in Paint Manufacturing Organizations of Pakistan, utilizing survey technique; showed that innovative work behavior acts as a mediator between innovative organizational climate and project success. Based on the findings, implications are discussed. The paper concludes with the acknowledgement of limitations and future research prospects.

## Keywords:

*Innovative organizational climate, Innovative work behavior, Project success, Organizational climate theory, Paint industry, Pakistan*

## 1. Introduction

Innovative work behavior is widely acknowledged as vital for organizational innovation, competitive edge and sustainable strategic success (Amabile, 1997; J. M. George & Zhou, 2001; Oldham & Cummings, 1996; Runco, 2004; Scott & Bruce, 1994; Shih & Susanto, 2011; Yuan & Woodman, 2010). Innovation failure can put a firm in danger of possibly reducing their capacity to acquire, maintain and improve a competitive lead (France, Mott, & Wagner, 2007). It is argued that sustaining a competitive edge may only be realized by firms who recognize that innovation capacity is closely related to the way their leaders, individuals, climate, culture and structures encourage innovation and creativity (France et al., 2007). Therefore recently, researchers have been concentrating and investigating the contextual settings that encourage innovative conduct (Damanpour & Schneider, 2006; Egan, 2005; Shalley, Zhou, & Oldham, 2004) and are striving to

gain knowledge to foster an organizational climate that promotes personnel's innovative behavior (Kang, Matusik, Kim, & Phillips, 2016; Nybakk & Jenssen, 2012; Patterson, Warr, & West, 2004; Ren & Zhang, 2015; Shanker, Bhanugopan, Van der Heijden, & Farrell, 2017). It has been observed that thoughtful administration of innovative organizational climate (IOC) is a challenging task for leaders and managers (Isaksen & Ekvall, 2010). The internal innovation encouraging environment is denoted as innovative organizational climate by Kissi, Dainty, & Liu, (2012). Schneider, (1990) describes it as the subjective insight of employees about work environment which promotes the generation of novel ideas, approaches and practices. The rationale of innovation is the development and implementation of novel ideas which enhances employee's creativity (Van de Ven, 1986). Combined with recognition and appreciation, an innovative climate leads to improvement in employee's performance which ultimately enhances organization's reputation (Mumbi, 2007).

According to Janssen's (2000) theoretical model, innovative work behavior (IB) comprises of three inter connected actions including idea generation, promotion and realization. These are flexible practices and are not integrated in personnel's stipulated job description. Neither are they overtly outlined responsibilities (Janssen, 2000) nor are documented in formal reward and recognition systems (Ramamoorthy, Flood, Slattery, & Sardesai, 2005). Consequently, their utilization is not guaranteed. But notably, such tendencies can boost team and organizational performance and effectiveness (Ramamoorthy et al., 2005).

Due to the positive outcomes associated with employees' innovative work behavior, scholars like Janssen, (2000); Janssen, Van de Vliert, and West, (2004); Kang et al., (2016); and Ren and Zhang, (2015) have offered growing interest to aspects that can possibly encourage IB. Nevertheless, the association between IOC and IB is mostly under studied (Shanker et al., 2017). The strategic influence of IOC associated with organizational

performance (OP) have been recognized in earlier studies by Naranjo-Valencia, Jiménez-Jiménez, and Sanz-Valle, 2016; and Nybakk and Jenssen, 2012. Some researchers have put forward that IB can facilitate in attaining competitive edge and can boost OP (Hogan & Coote, 2014; Moss Kanter, 1988; Runco, 2004; Scott & Bruce, 1994; Shih & Susanto, 2011). Nevertheless, their methods are deficient with respect to fundamental conceptual framework (Shanker et al., 2017); and concentrate mainly on studying the link between IOC and OP. Our study makes an original contribution by investigating the effects of IOC and IB on project success (PS). The successful achievement and completion of projects is one of the vital factors that determine an organization's effectiveness. The concept of project teams has become very popular in the recent times mainly due to globalization, reduction in costs, advancements in technology, novel techniques of meeting the objectives of business and spreading out of market share (Lipnack & Stamps, 2000). Conventionally a project is considered successful when the performance goals, finances and time frame are successfully met (Shenhar, Dvir, Levy, & Maltz, 2001). Satisfaction of the customer, quality of work, cost, scope and time are the factors considered while gauging project success (Guide, 2001).

Furthermore, the present study contributes to the current body of knowledge on innovation and organizational climate in several other ways also. First, limited researchers have studied the association between IOC and IB in general, our research will offer a new insight into the link between these variables. De Jong & Den Hartog, (2010) emphasized that while a positive association exists between IOC and IB with strong face validity, mostly the influence is investigated at team and firm level innovation (Shanker et al., 2017). Many studies (Naranjo-Valencia et al., 2016; Sung & Choi, 2014; West & Anderson, 1996) at such levels have demonstrated a positive influence of work climate on innovation.

According to Shanker et al., (2017), empirical research related to organizational climate's influence on individual conduct, regarding innovation is rather inadequate. It is also interesting to note that current body of innovation and organizational climate literature is grounded heavily on researches carried out in western backgrounds, with insignificant verification from an Asian standpoint (Sellgren, Ekvall, & Tomson, 2008). Practitioner and project managers who can better comprehend the effect of innovative context and work behavior will be better equipped to manage and foster innovation, which in turn, may improve rate of project success and consequently, the performance of organizations.

## 2. Literature Review

### 2.1 Innovative Organizational Climate and Project Success

Organizational success depends upon innovation, whereas creativity at individual level leads to innovation at the organizational level (DiLiello & Houghton, 2006). It is worth noting that climate within an organization can have a constructive influence on creativity and innovation at individual and organizational levels respectively (Amabile, Conti, Coon, Lazenby, & Herron, 1996; Kang et al., 2016; Nybakk, Crespell, & Hansen, 2011; Ren & Zhang, 2015; Shanker et al., 2017). The leaderships and managers need to make sure that climate within the workplace inspires, fosters, and boosts employee's creativity (DiLiello & Houghton, 2006; Haneda & Ito, 2018; Isaksen & Lauer, 2002). When a support from organization is sensed by potentially creative personnel, they are more expected to practice innovation (DiLiello & Houghton, 2006; Ma Prieto & Pilar Perez-Santana, 2014). Moreover, if the workplace climate is sensed to be facilitative by employees, it is more probable that this will lead to better enthusiasm, commitment, and employee engagement, resulting in better organizational performance.

Several studies have shown that personnel's engagement in innovation, climate for innovation, inclusion and motivation within the organization, results in better organizational performance and business success (Brown & Leigh, 1996; Harter, Schmidt, & Hayes, 2002; Macey & Schneider, 2008). Since business and organizational success depends on a large extent to which the organization carries out its significant individual projects successfully, therefore based on the discussion we hypothesize that

**H1:** Innovative Organizational Climate is positively related to Project Success.

### 2.2 Innovative Organizational Climate and Innovative Workbehavior

An innovative climate following the open system model is essential for achieving higher levels of IB. The climate of an organization sends out signals to the employees which they use for assessing the expectations of the organization with respect to actions and performance and the results of those actions. A system of reward and an environment having encouraging features is a means of heightening innovativeness in employees (Balkar, 2015) is essential.

The process of innovation is rooted in the organizational system as it not only occurs at group and organizational levels (Amabile et al., 1996; De Jong & Den Hartog, 2010; Naranjo-Valencia et al., 2016; Nijhof, Krabbendam, & Looise, 2002; Sung & Choi, 2014) but at individual level as well. Though there is limited empirical evidence

of the influence of organizational climate on employee's innovative actions at individual level, Scott & Bruce, (1994) put forward that supportive climate within the workplace influenced employees IB positively, though the association was not strong among the two. The features of workplace climate, like independence and choice, along with the induction of dedicated and focused knowledge seems to influence IB (Krause, 2007). Especially when employees perceive that they are autonomous, they might sense higher levels of free-will and would better regulate of their own concept and work methods, boosting up their innovativeness (Abbas & Raja, 2015; Amabile et al., 1996; Si & Wei, 2012). Albrecht & Hall, (1991) demonstrated that proposing novel thoughts was thought to be full of risk since it denoted alteration to a conventional direction. Novel concept scallop praisal by peers and might result in debate or, even dispute. Therefore, when failure is allowed and fear of presenting a strange concept is not there, creativity is stimulated. Likewise, Mikdashi, (1999) proposed that in order to look for unique answers to complications, personnel must have the independence and liberty to break the norms.

Past literature indicates that socioenvironmental facet and features related to the climate such as; motivation present in the organization, support provided within a group and adequate information augment creativity in employees by boosting their motivation (Amabile et al., 1996; Hunter, Bedell, & Mumford, 2007). A climate that has a purpose and provides support leads to the reduction of prospective risks which are apprehended by the innovative employees and this in turn boosts their work-related creativity. If the environment of the organization provides a feeling of being respected and creditable to the employee then such individuals attain greater motivation for innovation directed to the attainment of preferred goals (Cohen-Meitar, Carmeli, & Waldman, 2009; Zhou & George, 2001).

When such ideas as motivation, risk taking, dispute, liberty and trust, which all appear to influence IB, are combined, remarkably intersect with the factors of IOC reinforcing the anticipation that IOC is expected to have a constructed influence on IB. Consequently, it is hypothesized that:

**H2:** Innovative Organizational Climate is positively related to Innovative Work Behavior.

### 2.3 Innovative Work Behavior and Project Success

Researchers have emphasized that innovation is not merely limited to the creation of new ideas, but it also includes the introduction and application of novel concepts and these are all aimed at improving the performance of the organization (Janssen, 2000; Moss Kanter, 1988). Various researchers have acknowledged a necessity for additional studies regarding how individual attempts might be synchronized, for influencing innovativeness and performance at organizational

levels (Bilton & Cummings, 2010; Edwards, Delbridge, & Munday, 2005; Isaksen & Tidd, 2007; Ma Prieto & Pilar Perez-Santana, 2014). Innovation is a multiphase process which involves recognition of problem leading to the creation of novel ideas. Then the employees promote and publicize these ideas for creating support for these ideas and a practical design is created to utilize the ideas to make the project successful and increase the value of the organization (Howell, Shea, & Higgins, 2005). Success is complicated and hard to measure. It may be measured with reference to a single project or the overall program or goal of the organization.

Davila, Epstein, and Sheldon (2006) contended that recognizing gaps in applying innovation can aid in improved organizational performance, whereas Rubera and Kirca, (2012) showed that personnel innovation indirectly influence organizational worth via its influence on market and monetary ranks. Another recent study by De Silva, Howells, and Meyer, (2018) demonstrated that by comprehending and influencing the knowledge base of the innovation ecosystem, innovation intermediaries create internal value ranging from financial to non-financial outcomes, by their participation in collective innovation process. García-Morales, Lloréns-Montes, and Verdú-Jover, (2008) also put forward that innovation is crucial for enhanced OP.

Griffin and Page, (1996) proposed that an organization's project strategy and the overall business strategy mainly determine the success of project and program level respectively. Positive links between project success and IB have been indicated in previous research (Moss Kanter, 1988). Whether an innovative suggestion or idea becomes a success or not depends on employees who come up and persuasively advertise and promote the idea and possess the determination and readiness to put their reputation and position at risk for ensuring the success of innovation.

Such a notion is also supported by the theory of resources and capabilities that asserts that firms require resources, abilities, and technologies to apply an approach of innovation which would be hard for opponents to imitate, and which permits the firms to have maintainable competitive edge along with better organizational outcomes (Bommer & Jalajas, 2004; Calantone, Cavusgil, & Zhao, 2002; Kim, Song, & Triche, 2015; Lengnick-Hall, 1992).

To examine the role of creativity in project work a study was conducted by (Ekvall, 1983). The study incorporated thirty engineers whose task was to develop a technologically advanced product in three years while working in a highly creative climate. Although due to improper management and loose structure the project failed to fulfill the demands of the customer as the product demands were not properly communicated to the project team. However, the product was a huge success from creativity point of view and a three year follow up showed

the product to be very useful for much latest defense systems.

**H3:** Innovative Work Behavior is positively related to Project Success.

## 2.4 Innovative Work Behavior, Innovative Organizational Climate and Project Success

Parker and his colleagues (2003) showed in their meta-analysis that the association of climate within work place with organizational performance is mediated by personnel's job-related attitudes. Similarly, another meta-analysis (Harter et al., 2002) demonstrated that creating a work context that boosts and facilitates innovation in personnel can meaningfully upsurge the prospects of corporate success. Additionally, some other researchers (Crespell & Hansen, 2009; De Silva et al., 2018; Nybakk & Jenssen, 2012; Shanker et al., 2017) have proposed that IOC influences OP directly as well as indirectly, via IB.

Notably, the success of whole innovation process depends on the involvement of all personnel since the process itself stems from the endeavors and collaboration of individuals within the workplace (Hartman, Tower, & Sebor, 1994). Generally, the workplace environment is presumed by employees by assessing the strategies and methods of that organization which ultimately shapes the priorities of the employees. An innovative climate in the organization is essential for IB of employees (Badara, Johari, & Yean, 2015) therefore it must be acknowledged by the organizations if they want to be creative (Hsu & Chen, 2017).

Such a notion is stressed by recent studies (De Jong & Den Hartog, 2010) who highlighted the role of personnel in process of innovation since their opinions and behavior are vital for constant novelty and enhancement in accomplishing better corporate success, progress, and market worth. Since, OP relies to a large degree to success of individual projects that it deals with therefore based on the previous discussion it can be inferred that personnel's actions are expected to affect a project's success via efficient use of their information and technical proficiencies for commencing innovative schemes with the objective of augmenting their competitiveness. Therefore, we put forward that there is an indirect influence of IWB on the association between IOC and Project success.

**H4:** Innovative Work Behavior mediates the relationship between Innovative Organizational Climate and Project Success.

## 3. Research Model

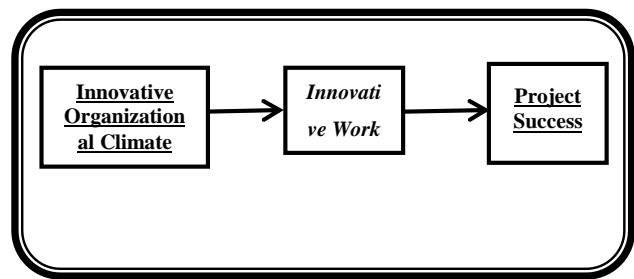


Fig. 1 Research Model

### 3.1 Methodology

The target population of this research study was employees working in projects department at executive, middle level and senior level management in the paint manufacturing industry. Approximately 450 questionnaires were distributed in Pakistan. Out of these, 429 questionnaires were returned and had been found complete, resulting in a response percentage of approximately 95%. After removing incomplete questionnaires having missing responses and influential outliers, final 425 usable questionnaires were used for the analysis.

### 3.2 Instruments

All responses were collected and measured on 5-point Likert scale ranging from 1 (strongly agree) to 5 (strongly disagree), unless otherwise specified.

**Innovative Work Behavior** For measurement of the construct of Innovative work behavior the questionnaire adopted from Janssen, (2000) was utilized in this study which consisted of nine items.

**Innovative Climate** For measurement of the construct of Innovative Climate, the questionnaire was adopted from Sušan, (2000) which consisted of 12 items.

**Project Success** For measurement of the construct of Project Success the questionnaire adopted by Harvett, (2013) was utilized in this study. The measure consisted of 6 items.

### 3.3 Data Analysis

Since we aimed to investigate the indirect effect of Innovative Organizational Climate (IOC) on Project Success (PS) through Innovative Work Behavior (IB), before executing the key hypotheses, various tests were conducted to check the authenticity and appropriateness of the data, i.e., data normality, reliability and correlation analysis. Further, linear regression analysis was performed to check the direct effect of IOC on PS and Preacher and Hayes, (2004) technique was applied to explore the

mediating effect of IWB on relationship between IOC and PS.

### 3.4 Demographic statistics of the respondents

The data were obtained from employees working on various project of paint industry in Pakistan. Table 1 is reflecting the demographic statistics of the respondents. Majority of the respondents were male (i.e., 91.2%) which is reflecting the male dominance in paint industry. Further, majority of the respondents are from middle level management and having the age of above 25 years. As far as education qualification is concerned, maximum respondents hold master level degrees (i.e., 60.8%).

Table 1: Demographic profile of the respondents

Constructs	Alpha	IOC	IWB	P
Innovative Organizational Climate (IOC)	0.773	1		
Innovative Work Behavior (IB)	0.710	0.309**	1	
Project Success (PS)	0.799	0.438*	0.304**	1

\*\*p<0.01

### 3.5 Normality Analysis

It is essential to run normality tests before executing the causal analysis since these are the pre-requisite of the regression analysis. Otherwise the results of the proposed relationship can be misleading. We conducted skewness & kurtosis test to certify the normality of the data. The data outdid the threshold as set by Hair, (2010). The values of skewness & kurtosis were between -1 and +1. Further plotting of these values in graph resulted in straight line that confirms its normality. Moreover, the standardized residuals centrality to zero with linear relationship guaranteed that there is no element of heteroscedasticity in data. The results of tolerance and Variance Inflation Factor (VIF) was also within the acceptable ranges i.e., tolerance 0.40 and VIF 2.14(Kline, 2014). With the analysis of heteroscedasticity, tolerance and variance inflation factor, it can be inferred that there is no multi-collinearity in the data. To confirm non-existence of autocorrelation, Durbin-Watson test has been executed and results showed that there is no auto correlation prevailing in the data. Results of aforesaid pre-requisite analysis allowed researchers to execute the regression analysis with full confidence.

### 3.6 Reliability and Correlation Analysis

It was ensured that all scales are reliable as Cronbach, (1951) alpha's values ranged from 0.7 to 0.8, showing average to good consistency (D. George & Mallery, 2016) (see Table 2). Further, correlation analysis was conducted in order to find out the relationship among variables along with the strength of their association. The results showed that IOC has moderate positive association with IWB (r=0.309) and PS (r=0.438). Moreover, IB has also moderate positive correlation with PS (r= 0.304). The strength of association is showing that an upward trend in IOC leads to better IB and higher the PS.

Table 2: Reliability and Correlation Analysis

Sr. No	Description	Category	Frequency	Percentage
1	Gender	Male	387	91.1%
		Female	38	8.9%
2	Management Level	Front Level	178	41.9%
		Middle Level	221	52%
		Senior Level	26	6.1%
3	Age	Up to 25	109	25.6%
		Above 25	316	74.4%
4	Education	Graduation	123	28.9%
		Masters	260	61.2%
		M. Phil	42	9.9%

### 3.7Hypotheses Testing:

In order to check the main hypotheses, linear regression analysis was performed. The results revealed that all three hypotheses (H1, H2 & H3) measuring the direct effect between IOC & IB, IB & PS and IOC & PS have significant positive effects (see table 3). Maximum variation was found between IB and PS relationship (R2=0.19, t=5.39) while the lowest was between IOC and PS (R2=0.09, t=3.53). Moreover, the significance of these relationships sets the basis for mediation effect of IB in relationship between IOC and PS.

Table 3: Results of Regression Analysis

Relationship	R <sup>2</sup>	f-change	B	t-value	ρ
IOC→IB	0.10	13.020	0.31	3.61	**
IB→PS	0.19	29.122	0.44	5.39	**
IOC→PS	0.09	12.480	0.34	3.53	.01

\*\*p<0.05, IOC= Innovative Organizational Climate, IB= Innovative Work Behaviour, PS= Project Success

### 3.8 Mediation Analysis:

To check the mediating effect of IB in relationship between IOC and PS, Preacher & Hayes, (2004) mediation test was applied with 5000 bootstrapping. The results demonstrated that IB has partial mediating effect on IOC-PS relationship (see table 4). A-Path revealed that there is positive relationship between IOC and IB with  $\beta=0.309$ , at 95% confidence level. Further, B-Path explained that IB has positive relationship with PS having  $\beta$  value 0.438 with significant P-value. C and C'-Path showed direct and indirect relationship between IOC and PS with mediating effect of IB. The analysis of both paths give evidence that IB partially mediates the relationship between IOC and PS with  $\beta=0.304$  at significant p-value (C-Path) and  $\beta=0.380$  at significant p-value (C'-Path) at 95% confidence level (see table 4). The overall statistic of H4 are also significant with  $R^2=0.223$  and  $S.E=0.223$  that has validated the mediation effect of IB.

Table 4: Mediation Test (IOC, IWB, PS)

Statistical descriptions	A-Path1	B-Path1	C-Path	C'-Path1
	X-M	M-Y	X-Y	X(M)-Y
Un-standardized Beta	0.309	0.438	0.304	0.380
P-value	.000	.000	.001	.000
F-change	13.020	29.122	12.580	17.477
R2		0.223		
Adjusted R2		0.221		
Significance value		.000		
S.E		0.105		

\*\*p<0.05, IOC= Innovative Organizational Climate, IWB= Innovative Work Behavior, PS= Project Success

For further confirmation of mediation effect, Sobel Test was executed which also confirmed the mediation effect of IB on the relationship between IOC and PS ( $Z=3.003$ ,  $S.E=0.055$ ,  $p=0.002$ ).

## 4. Discussion

The results of our study confirm the mediating role of IB, in the relationship between innovative organizational climate and project success. These results are parallel to the findings of earlier researchers who have studied IB (Kissi et al., 2012; Shanker et al., 2017). Krause, (2007) showed that when personnel are given independence and autonomy, they perceive that they can progress and regulate their work situations due to which

there are more chances of them indulging in IB. In the same vein, there is indication that significant associations prevail in between individual innovative behavior and organizational climate aspects linked with independence, autonomy, challenging work and feedback (Ahmed, 1998; Amabile & Gryskiewicz, 1989; Jaskyte & Kisieliene, 2006; Oldham & Cummings, 1996).

The way, in which new ideas are generally treated and managed, play an important role in management of innovative organizational climate (Isaksen & Ekvall, 2010). The concept of 'ideation leadership' (Jonson, 2005) is also acquiring constant acknowledgement. Such a leadership style encompasses an encouragement of idea generation in such a way that ideas are handled in a responsive manner and are evaluated on their viability with an impartial and an encouraging approach. This leadership approach might possibly inspire employees to attempt and practice innovative ideas more readily. Supporting these situations might generate the needed time and assist in calculated risk taking and slack that might convert into an enhanced acuity of idea facilitation (Mumford, Scott, Gaddis, & Strange, 2002).

Moreover, it has been observed (Odoardi, Battistelli, & Montani, 2010) that if personnel feel that their job settings encourage and cherish the generation and practice of innovative ideas and creativity, they will have better readiness to undertake targets linked to innovation and consequently involve in innovative work behavior. (Mumford et al., 2002) additionally argued that intellectual stimulation acts as a direct trigger in generation of new ideas. Such results can improve employee's innovative practices and at the same time proposes that encouragement of novel ideas needs leaders who keenly facilitate these practices and their improvement.

One important conclusion of this research is that personnel who show innovative work behavior furthers the likelihoods of project success. This finding is like the findings of Woodman, Sawyer, and Griffin, (1993) and Amabile, (1988) who have put forward that personal readiness is vital for innovative firms, which guides to sustainable success of the organization (Shih & Susanto, 2011; Tushman & O'Reilly III, 1996). The results are also parallel to the findings of significant others (Amabile, 1997; J. M. George & Zhou, 2001; Oldham & Cummings, 1996; Runco, 2004; Scott & Bruce, 1994; Yuan & Woodman, 2010) who have shown that innovative work behavior is important in capturing competitive edge.

The results of our study are also in line with some recent studies carried out in various different cultural contexts. For instance study of Shanker et al., (2017), who showed a link between IOC, IB and organizational performance in Malaysian context. Additionally, Vincent, Bharadwaj, and Challagalla, (2004) claimed that there is positive relationship between innovation and better performance of

personnel and that it significantly drives performance of organization. For attaining a better personal as well as organizational performance, it is imperative that the behaviors be directed to the execution and improvement of ideas, in addition to idea generation (De Jong & Den Hartog, 2010).

We also expand the efforts of Parker et al. (2003) who demonstrated the association of innovative organizational climate and organizational performance to be mediated by work related attitudes of personnel. We verify the results of Gumusluoglu and Ilsev, (2009) who noted that in order to nurture an innovative organizational climate, support for novel ideas is an important ingredient.

## 5. Conclusion

This study investigated the effect of innovative organizational climate on project success along with the mediating influence of innovative work behavior. Our hypothesized model was analyzed using SPSS and explained the association between IOC and project success, with innovative work behavior as a mediator. The results put forward several valuable insights. The findings endorsed a significant association between IOC and project success. Results demonstrated that IOC had a significant and positive effect on IB. This shows that the presence of innovation supportive climate makes important contributions in improving innovative work behavior.

### 5.1 Theoretical Contribution

This study offers important contribution to the literature related to innovative organizational climate and deepens the comprehension of personnel's innovative work behavior and project success. We provide empirical support and evidence from the paint industry of Pakistan, for previously insufficiently established assumptions that IOC influences project success as mediated by innovative work behavior. Our findings offer new insights into the growing debate on comprehension of why despite unanimous agreement with respect to the association between innovative organizational climate and organizational performance, not much attention was given to the mediating role of IB between the relationship of IOC and PS. Drawing on the organizational climate theory, with in the domain of industrial and organizational psychology, our study puts forward that innovative organizational climate plays a significant role in effecting personnel's innovative work behavior which contributes towards the success of project.

From a theoretical perspective, our study enlightens the inconsistent findings of Krause, (2007) and De Jong and Den Hartog, (2010) with respect to the association between innovative organizational climate and innovative behavior.

Our results are in line with researchers like Yeoh and Mahmood, (2013) who demonstrated a positive link between IOC and personnel's innovative work behavior, yet they overlooked to reflect the interaction with project success. Additionally, we contribute to the extant literature of organizational climate (Ahmed, 1998; Joyce & Slocum Jr, 1984; Kang et al., 2016; Kuenzi & Schminke, 2009; Nybakk & Jenssen, 2012; Patterson et al., 2004; Ren & Zhang, 2015; Senge, 1991) by showing that the management and leadership having the skills and ability to properly manage the climate aspects of workplace like ideation leadership and support; would have better chances of stimulating innovation among employees. (Odoardi et al., (2010) have put forward that feeling of support and encouragement in terms of generating, practicing and improving novel innovative ideas might give a boost to personnel's efficacy for initiating and sustaining IB. For this it is also vital to concentrate on the IOC aspects. In this background, the present research makes new contributions to workplace innovation and project management literature, by showing that different dimensions of IOC might be operationalized and measured, while demonstrating how the chances of project success might be increase by encouraging an innovative workplace environment and improving individual's work behavior related to innovation.

### 5.2 Practical Implications

The study has significant implications for practitioners, managers and leaders who are wishing to increase the rate of success of the project they are working on. For achieving this, it is important for them to embrace the practices that enhance innovative work culture and behavior within the workplace. The leadership and management must make themselves attentive of the matters that require contemplation and deliberation to invigorate creativity and innovation in their organization. At the individual level, employee's behavior in the organization during work, is much affected by the amount of support they feel to be getting from management, leadership and workplace climate (Eisenbeiss, van Knippenberg, & Boerner, 2008; Jung, Chow, & Wu, 2003; Potosky & Ramakrishna, 2002). For employees, it is imperative to have a sense of safety with work groups at job, in order to avoid any reluctance in terms of idea generation, articulation, and sharing (West & Farr, 1989 as cited by Shanker et al., 2017).

For human resource (HR) and project managers, it is important to realize the worth of aligning HR policies with goals of enhancing innovative climate which in turn can promote individual innovative behavior. This might include the introduction of novel structures, policies, procedures and systems where employees are provided with added autonomy. Reward and recognition programs

might also be introduced that highlight the significance of proactive and innovative behaviors and creativity at workplace.

In order to produce a sustainable innovative environment and work culture, for producing better project management results, organizations should consider the options of training project managers to be more facilitating and supportive towards new ideas. They must endeavor to reinforce team dynamics where aspects of 'idea sharing' are inculcated and smoothed. Notably, our study has provided an important stepping stone to project manager's for fostering on a workplace climate of innovation and innovative behavior which can enhance the rate of their project success.

### 5.3 Limitations and Future Directions

Though not denying its significant contributions to innovation related theory and practice, the study is not without limitations. First the cross-sectional nature of the study does not permit to make causal conclusions. For addressing this, future researchers need to focus on longitudinal or experimental designs. Next, the data was collected from paint manufacturing companies operating in Pakistan, therefore generalizations should be cautiously made. In order to improve the generalizability of the results, the study might be replicated in other regions, sectors, and industries.

Moreover, the current research has studied the direct association between IOC and IB. It is quite possible that this relationship might be more multifaceted and be moderated by various variable. Therefore, it would be logical to include other mediators, like job engagement or motivation (Amabile et al., 1996; Carmeli & Spreitzer, 2009; Yuan & Woodman, 2010). The theoretical framework of this study also aids in identifying IB as a positive predictor of project success. Our findings, in line with several other studies (Janssen et al., 2004; Shanker et al., 2017; Shih & Susanto, 2011) has shown IB to influence organizational performance positively and therefore result in attainment of competitive edge. It is possible that the association between the two variables might be more complex in nature, since the relationship might be direct or indirect with the presence of other potential mediators which may affect the chances of project success. Due to these limitations, we welcome other researchers to expand the level of our comprehension of organizational climate's capability to foster the attainment and utilization of varied innovation practices and success.

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