Examining the Dimensions of Organizational Climate on Employee’s creativity in Jordanian Hotels

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Abstract

The objective of this study is to develop and test a conceptual framework which linked the creativity of employees with four organizational climatic factors: the structure, obligation, rewards, and support, as well as the connection between creativity of employees and performance of employees. 432 employees in 18 luxury hotels in Jordan obtained data. The quantitative study is focused on an empirical exploratory factor, a basic linear regression analysis and the validity of the CFA factor solution. Results and recommendations in the study showed that the relationship between employee creativity and employee success affects the creativity of workers through different organizational factors. This study aims to strengthen the organizational environment and results for hotels in the area of hospitality in order to enhance their organizational climate.

Keywords: Organizational climate, Employee creativity, Employee Performance, Hotels Industry

1. Introduction

Therefore, the commitment and productivity of staff can be very limited for many organizations, which neglect the organizational environment. The organizational atmosphere is namely the manner in which individuals experience and define their environment in an organization. Perceptions could include concepts such as teamwork, leadership support, confidence, honesty, friendliness, dispute, expectations of success and involvement. The organizational climatic conditions reflect employees’ impressions of anticipated, approved, and compensated policies, processes and procedures with respect to the organization’s human capital as suggest by Steinke et al., (2015). A core area of research that goes back to the earliest days of resource management research was understanding the relationships between organizational environment and employee innovation. In the West, links have already been formed between different elements of the organizational environment and employee creativity. Nevertheless, the conceptual structure that connects creativity to organizational climatic factor and creativity in employees and analyzes the relationship between creativity and success in employees is relatively limited in study. For example, Downey et al., (1975) found that the relationship between the organizational environment and satisfaction is significantly moderated by sociability and self-confidence. Many organizations’ perspectives and participation in decision-making or hiring and innovative people have been taken by taking some steps to improve innovation and creativity. However, much more effort is required to achieve the atmosphere of organization, ingenuity of employees and efficiency of workers. Although some studies have been carried out on the organizational environment, it has been clear that there is a different climate between environments, so it cannot be widespread and researching its impact over a certain setting is still a single staff with innovative characteristics. The hotel industry must realize and strive to make it more encouraging for its workers from the current environment. In
the case of the good organizational environment and innovation of employees, as well as the success of developing countries such as the Jordan background, there have been very few studies. The results of this paper will contribute to organizational climate literature, as well as creative conduct of individuals in general and identify the particular components of the organizational environment which play an important part in the creativity of Jordanian hotel employees. The following section introduces the conceptual structure and suggests hypotheses. A study of Jordan hotels is used to determine the hypotheses of the key and factor results. After the findings have been addressed, we address the consequences and drawbacks of our work and propose recommendations for future studies.

2. Theoretical perspective and hypotheses

This section explores the current literature to present a research model showing that organizational climate dimensions have an impact on employee creativity and analyzes the connection of the creativity of employees to their success in the Jordanian business setting. In the current situation of the hotel industry the impact of organizational environment influences on the creativity outcomes of employees must be acknowledged. The value of recognizing the actions of workers inside the company is increasingly increasing. Many studies have shown that organizational environment influences directly or indirectly affect employee creativity and employee efficiency. But no one has in the history of organizational climate research tried to find out the impact on the innovation and efficiency of the employees of the hotel industry in Jordan from the organizational climate factors.

2.1 Organizational climate

Schneider, (2000) described the environment as the perception of the incumbents of activities, practices, and behaviors, which are recompensed, supported, and predicted. Steinke et al. (2015) reflected this view by maintaining that climates represent employee's perceptions of anticipated, endorsed, and rewarded policy, processes and procedures regarding organizational human resources. The organizational climate is a definition of members' work environment perception. The organizational environment is considered a meaningful system with important consequences for the management of human resources and for organization. Moreover, the organizational atmosphere is one of the main drivers of the attitudes and behaviors of individual and group institutions. It is a collection of working environment properties that workers directly or indirectly experience be an important factor in the actions of employees. Inherently, companies should promote creativity and innovation through budgetary support, appreciation, and recruitment of human capital. Some thought that the organizational environment is proof that individuals get the standards of their actions and the possible effects of their conduct associated with the organization. If you therefore regard your company as an open system which changes and promotes creative ideas and there are enough resources including time, staff and organizational assistance, you probably see an organizational environment as promoting creative activity and to take chances and encourage innovation and creativity in organizational innovation. In an open world, innovation is fertilized; in other words, the environment that allows to discover new ways. Two fundamental elements Organizational climate viewpoints are evident. The first one is the organizational macro-mode. In the entire working world, climate people perceive. The latter is micro mode that is tailored to a specific dimension or organizational climate. Human resource management situations have been the climate challenges facing members in the last two decades, organizations have been most involved. In order to cultivate innovation, the companies need a competitive organizational atmosphere in which members of the organization can lift their ideas. The organizational atmosphere should be such that organizational members know that their fresh and innovative ideas are respected and supported. The psychological state of an entity basically captures affective events. Many studies have found the relationship between good organizational environment and innovation of employees. Many researchers claim that workers of more positive-climate organizations are more likely to be happy. In the meantime, Chadha, (1988) analyzed the connection of 150 managers in an automotive manufacturing organization's organizational environment and job efficiency. The findings indicate that the three components of the organizational environment (trust, privacy, and non-hindrance) have different impacts, including interpersonal interactions, work engagement, self-realization and prospects for development. The relationship between the organizational climates of schools and teacher performance has been positive for Ghavifekr & Pillai, (2016) Ghavifekr and Pillai (2016) in Malaysia. Previous research has found organizational climates that have affected the creativity of workers in general. In order to assess better the effect of organizational environment on creativity, however, particular dimensions of the organizational climate need to be tested separately against some aspects of creativity. Some researchers have established four dimensions of the organizational environment, which
are autonomy, structure, incentive, warmth and support. Ambrose et al., (2008), in a more recent review, explored how the fit between the spiritual and the legal working atmosphere of workers affects employee roles. The organizational framework of the structure, duty, incentives, and support is four dimensions according to Litwin & Stringer, (1968). This paper adopts the dimensions of Litwin and Stringer (1968) in the organizational climate. That is why the following hypothesis was formulated:

H1. There is a significant relationship between organizational climate and employees' creativity.

2.2 Structure

The structure refers to perceived labor restrictions and various formal organizational guidelines and administrative burdens. The more restrictive the guidelines are, the more irritated the staff can want to make ingenuity work as effective as possible. Robertson & Bean, (1998) concluded that expectations of autonomy would lead to a greater job of innovation (as a result of unstructured working conditions). Several authors have stated that, with reduced structures and growing empowerment, innovation has decreased, and work performance has been increasing. The above discussion leads to the following hypothesis:

H2. There is a significant relationship between organizational structure and employees' creativity.

2.3 Responsibility

The accountability for the result and the authority to execute the tasks by workers without verifying it with their supervisors is entirely accountable. Employees should take advantage of their high degree of accountability to do what they feel is best for the business. concluded that people are satisfied with meaningful, demanding careers, an ability to learn and develop and equal pay. Their duty is positively connected to employee innovation, as workers like to engage in decisions affecting their jobs, were said by Kamarul et al., (2018) and Ambrose et al., (2008). Therefore, we have formulated the following hypothesis:

H3. There is a significant relationship between organizational responsibility and employees' creativity.

2.4 Rewards

In this dimension, workers are recompensed for good work, enhancing good conduct positively and keeping them financially and emotionally happy. Kamarul et al., (2018) shows how an organization pays its workers a great deal for the ingenuity of its staff. Campbell et al. (1970) believed workers whose incentives were more merit-based than those who saw otherwise are happier with promotions. Companies therefore need to ensure adequate rewarding and active support for the desired employee behavior. Based on this premise, the following hypothesis is proposed:

H4. There is a significant relationship between organizational rewards and employees' creativity.

2.5 Support

Aid is the degree to which their supervisors and peers view the helpfulness of employees. In their study of the workers Kamarul et al., (2018) found that the organizational dimension of teamwork is positively linked to the total degree of creativity of employees. Deshpande, (1996) announced that the direct correlation between support and work satisfaction, absenteeism and innovation had been found. The way information is gathered and shared with everybody can also provide support. For example, Lara et al., (2012) researched 122 knowledge-intensive business services and found a direct relationship to both tangible and immaterial organizational results among knowledge management. Finally, if you work in friendly and supportive organizations, employees are more likely to be satisfied with every aspect of their work. This leads us to our fifth hypothesis:

H5. There is a significant relationship between organizational support and employees' creativity.

2.6 Job Performance

'Organizational Climate Effects on Managers' Performance was studied by Pritchard & Karasick, (1973). They analyzed the impact of organizational environment on work success with 76 managers from two organizations. Job performance refers to the job interpretation and assessment. Accordingly, Schneider, (2000) maintained that Job
Performance is a personal assessment of the conditions of results resulting from having a job. Employment performance in a variety of ways has been defined. The argues from Bhuian and Menguc (2002) were that job performance is to the degree to which the intrinsic or extrinsic aspects of the job are positive or negative for a person. While there is no exact and uniform definition of the job, this study suggests that the creativity of employees is the important constructions that must be taken into account in order to understand performance. These constructs will be discussed in this paper.

H5. There is a significant relationship between employees' creativity and performance.

3. Methods

The study examines a framework for the effects of organizational climate on creativity and the performance of employees in the hospitality sector, where Figure 1 demonstrates this. Employees in luxury Jordanian hotels were equipped with a questionnaire. The researchers approached the hotel managers by telephone and outlined the key objectives of the report. The hotel management approved the study and gave the researchers the opportunity to administer a questionnaire to the hotel staff. 480 questionnaires, 435 of which were drop due to lack of information, and 432 questionnaires confirmed as statistically applicable, indicating a response rate of 90%, were distributed by the researchers. The respondents were assured they would not share their information and remained confidential. As the distribution method, a drop-off and pick-off method has been employed and the questionnaire was translated into Arabic by Brislin, (1986). Issue items were formatted on a Likert scale of five points. Of the interviewees, 65.3% are males, 88.5% are over 27 years of age, 96.6% have a university degree and 34.4% are organizationally experienced for over 10 years.

3.1 Instrumentalization

In order to examine the ties entre organization environment and creativity of employees, and analyzes the relationship between staff creativity and performance, a thorough analysis of the related literature was conducted to develop the observed items of both constructions. The implementation of multiple measures increases confidence and therefore the measures of the study system would be more reliable. For the validity of the material, questionnaire items from past research were chosen, particularly from the structures used by other scholars. The internal accuracy of the products was evaluated using Cronbach α. Organizational climate items; calculated by Chernyak-Hai and Tziner (2014) and Kamarul et al., (2018). Creativity: calculated with the 5-point scale that Tierney et al have created (1999). Performance measurements were made using Raja's five-point scale (2019). The internal consistency of those multivariate scales was calculated through Cronbach's α reliability estimates. The reliability test results for organizational environment dimensions, work satisfaction and staff's personality are shown in Table (1). All Cronbach scales in this analysis have coefficient α above 0.70, which meets the Nunnally (1978) criterion and suggests a high reliability of our questionnaire contents.

4. The results of hypotheses testing

A few regression tests is used to test these hypotheses with the aid of SPSS version 19 statistical tools (Islam et al., 2015). This method enables us to determine whether the inclusion of predictor variables and interaction terms has improved the model's statistical power (Kotabe et al., 2011; Islam et al., 2017). Table 3 shows that composite reliabilities (CR) are greater than 0.7 for all variables. AVE values are also greater than 0.5 for all variables. We verified the convergent validity for all the constructions tested since all CR values were higher than AVE values. The VIF values ranged from 1.548 to 2.653 (VIF<5.0), offering confirmation that collinearity did not influence the results of the structural model. The majority of the values should be within the acceptable normality ranges (i.e. -1.0 to +1.0), says Pallant (2005). The values of skews within the normal values (-1.0 to +1.0) showed that the data of the separate variables were normal. The VIF values ranged from 1.485 to 2.769 (VIF < 5.0). The effects of the structural model were not altered by collinearity. The results of the testing of the five hypotheses shown in the table (2).

Table 1. Indicators of quality of structural model.

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Cronbach’s α</th>
<th>CR</th>
<th>AVE</th>
<th>Skewness</th>
<th>VIF</th>
</tr>
</thead>
</table>

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Table 2. Result for the study model

<table>
<thead>
<tr>
<th>Variable</th>
<th>r</th>
<th>R</th>
<th>f</th>
<th>Sig (f)</th>
<th>β</th>
<th>T</th>
<th>Sig (t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational climate</td>
<td>0.184</td>
<td>3.327</td>
<td>0.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Structure</td>
<td>0.074</td>
<td>3.217</td>
<td>0.001</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Responsibility</td>
<td>0.810</td>
<td>0.184</td>
<td>10.633</td>
<td>0.000a</td>
<td>0.144</td>
<td>3.186</td>
<td>0.000</td>
</tr>
<tr>
<td>Rewards</td>
<td>0.174</td>
<td>3.320</td>
<td>0.002</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Support</td>
<td>0.172</td>
<td>3.197</td>
<td>0.001</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Structure, Responsibility, Rewards and Support.

The multiple coefficients of correlation $R = 0.810$ suggests a high positive correlation between structure, obligation, benefits, support, and ingenuity of workers. The modified $R^2$ suggested that the model was generalized. The findings obtained from those surveyed can be applied to the entire population. It is equal to 0.184 in this case. The results showed that the F-ratio of these data was equal to 10,633, which is significant at $p<0.05$ statistically. We conclude therefore that the organizational environment has a statistically important influence on the creativity of employees. H1 indicates that the healthy organizational environment and overall work satisfaction contribute strongly to each other. This means that the beneficial aspects of organizational conditions (summing, transparency, incentives and support) are linked directly and positively to the creativity of workers ($\beta 0.184, p<0.000$). Therefore, H1 is supported fully. H2 implies that the structure with the ingenuity of employees has a major correlation. In other words, the beneficial features of the organizational structure are directly correlated with the ingenuity of workers ($\beta 0.074, p<0.001$). So H2 is supported fully. H3 indicates that the link between responsibility and innovation of employees is relevant. The beneficial aspects of corporate responsibility are also directly related to the ingenuity of the workers ($\beta 0.144, p<0.000$). H3 is also completely endorsed. H4 suggests that the connection between incentives and creativity of employees is significant. The beneficial attributes of organization’s incentives are also directly and positively linked to the ingenuity of workers ($\beta 0.174, p<0.002$). H4 is also completely endorsed. H5 indicates that encouragement and innovation of the employees are closely linked. In other words, positivity is explicitly and positively related to the creativity of workers ($\beta 0.172, p<0.001$). H5 is also completely endorsed. To achieve a relationship between innovation and success of employees, Pearson correlation coefficient is used. The findings are positive and important in the relationship between innovation and employee success as indicated in Table (3).

Table 3: Pearson correlation test results

<table>
<thead>
<tr>
<th>employees’ creativity</th>
<th>r</th>
<th>Sig.</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>employees’ performance</td>
<td>0.571*</td>
<td>0.000</td>
<td>432</td>
</tr>
</tbody>
</table>

5. Discussion and conclusion

Our research focused on the effect of the organizational environment on the creativity of employees and how this relationship between creativity and success is focused on the hotels operating in the Jordanian transitional economy. There are many lines to the analytical findings obtained from this analysis. This text confirms the work of others. This suggests that workers of companies with a more supportive atmosphere are more likely to satisfy themselves and be more loyal to their organizations (H1). Managers should also continue to ensure a healthy
environment in their companies because this impacts on the creativity of employees. According to earlier studies (e.g., Chadha, 1988; Downey et al., 1975; Kamarul et al., 2018; Istrukij et al., 2020), the findings showed a negative connection of the structure with creativity (H2). People who work in these organizations have no say as to whether, when and how to do something. The previous research (e.g., Weiss & Cropanzano, 1996; Tierney et al., 1999; Sraja, 2019) provides consistent evidence that responsibility is positively related to creativity (H3). In related ways, autonomy and empowerment are positively correlated with higher innovation and negative relationships with stress. Management should also motivate and enable workers who are responsible for their decisions and behaviors to act independently. This leads to greater innovation and less tension. found that it could have a big impact on innovation that an organization rewards its employees (H4). In other words, the provision of incentives is not only important, but also equally important to know how it is handled. This paper argues that innovation is positively connected to help (H5). The results of other research follow these findings (e.g., Maja & Istrukelj, 2020). This shows that if they work in friendly and supportive communities, workers are more pleased with all facets of their careers. Obviously, the bosses should support them, but they should also support peers, subordinates, and administrative staff. Managers should build mentorship programs to provide the younger workers with more senior mentors and coaches. Managers can also concentrate more on collaboration and support between employees than on rivalry. The relationship between innovation and success is important at 0.05 level. These results are in line with the theoretical framework of study, which demonstrates the role of managers in creative development. This paper includes a variety of literary contributions. First, we help to conceptualize the originative environment by stressing the dimension of Litwin and Stringer (1968) as the primary drivers for job pleasure. Whilst several studies have been carried out in order to explore separately the relationship effect between the two and the effect of match and mismatch, the significance of dimensions of the organizational environment and the personality characteristically characteristics. We broaden past studies by examining the relationship between innovation and success. This study allows management and practitioners to consider the effect of employee innovation and employees on different aspects of organizational environment. However, many factors restrict the analytical work and need to be taken into account when determining the results and conclusions. Second, not all the possible variables that may affect employees’ innovation have been covered by this study. For instance, all the history and effects of the organizational environment, such as engagement or commitment to employee innovation, were not covered thoroughly in our study. In future works, these variables can be considered. Secondly, the cross-sectional nature of this analysis prevents causality testing among the variables. Longitudinal experiments would also be helpful for causal study designs. Third, the research model and hypotheses have been tested using only hotel data from a single country, hence the findings are restricted to Jordanian hotels, which has been restricted into a specific geographical area. In the future study, in order to obtain more rigorous findings, more qualitative case studies and quantitative research should be triangulated.

References


e.g Cygler et al. (2018). Benefits and drawbacks of coopetition: The roles of scope and durability in coopetitive relationships. Sustainability, 10(8), 2688–2712. https://doi.org/10.3390/su10082688.


