The role of the organizational climate in the process innovation at sport organizations (Some evidence from the Sports and Youth Departments of Mazandaran Province)

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ABSTRACT:

In the world today, given the high cost expensed in the sports context at most countries, there is a need for innovation in the work process, and consequently, for attention to the drivers of the innovation at the organization in order to gain more competitive advantages. This paper studies the effect of the organizational climate in seven dimensions, including solidarity, independence, challenges, resources, openness to the innovation, encouragement, and supervising and managing the process of the innovation. The statistical population of this study was the whole staff of the Sports and Youth departments of Mazandaran Province, and to do this, the organizational climate questionnaire adapted from Amabile (1996) and the innovation assessment questionnaire adapted from Crespell and Hansen (2007), have been used. Assumptions of the study were tested using the SMART PLS software. The results identify that the organizational climate affects the process innovation at the Sports and Youth departments of Mazandaran Province. The solidarity, independence, existence of the sufficient resources, challenging works, supervision and encouraging system, have a positive impact on the process innovation, but the openness to the innovation dimension has a negative impact on the process innovation at the Sports and Youth departments of Mazandaran Province

KEY WORDS Organizational Climate, Process Innovation, Openness to Innovation

INTRODUCTION

In the today's dynamic and uncertain environment originated from the progressive competition, globalization, and development of new technologies, the path of growth, achieving high performance, and survival in the global economy is (from) innovation. The prerequisite of being a pioneer in competition is the desire and ability of the organization to create and commercialize processes, or innovation, that help it to be different. The innovation can be conceived as a part of organizational culture and defined as the organizational tendencies towards creativity [1]. The thinking of new organizational behavior theories toward innovation as something originated from individual creativity but affected by work conditions, and on the other hand, the existence of a cultural context in the innovation and organizational culture concepts, have provided a worthy research area for the identification of the environmental and organizational factors that stimulate innovation. The organizational climate is an organizational attitude and a conglomerate
of attitudes, feelings, and behaviors that characterize life in the organization. Since the organizational climate affect the behavior of the people, can promote the desire and ability of the organization in the adaptation of innovation [2]. Considering the vision of the Sports and Youth Department to promote its position as a pioneer organization in the sport, this study aims to provide some technical solutions to improve innovation, which is the result of attention to the organizational climate. Hence, the effect of different dimensions of the organizational climate on the innovation is investigated.

2. Literature Review

2-1- Innovation types and innovativeness in process

Innovation is an important factor for being competitive in the world. The survival of an organization depends on its innovation. Innovation is to shape the organizational tendencies toward creativity and to respond to the environmental changes, which can be in the form of product, service, process, technology, behavior, market, and business systems.

Generally, innovation studies are implemented with individual, organizational, or national approaches, which concentrate respectively on the individual behavior, innovation management, and national resources for being competitive. A review of the literature reveals that the innovation studies at the organizational level have been done in a broad range including the innovation nature, innovation types, their comparison, or their effectiveness and efficiencies [3].

Different types of innovation have been discussed by several authors. These studies fall into three categories, i.e., innovation in the outputs, inputs, and in the processes. For example, Schumpeter (1934) considered a wide range of innovation that involved new products or services, developing new production methods, identification of markets, seeking new sources of supply, and development of new organizational forms [4]. Miller and Friesen (1983) referred to four aspects of product or service, production or services methods, risk taking in administrative planning, and exploring new and unusual solutions [5]. Capon et al. (1992) considered three aspects of organizational innovation as innovativeness in the market, strategies and technological skills [6]. But, innovation in three forms of products, processes or new business systems has been a more general arrangement considered by more authors [1,7,8]. Thus, innovativeness is defined as the organization’s willingness and ability to adapt or develop innovation in product, service, process or system of business [1].

The innovativeness in process is not explicitly discussed in the literature. In many studies, this type of innovation has been considered as a subset of technological innovation. Thus, it can be said that innovativeness in process is to be innovative in the managerial approaches that improve the managerial process [4,9,10]. In general, innovativeness in process refers to the ability of the organization in exploiting its resources and capabilities, recombining and reshaping them to meet the requirements [11].

In service sectors, the major concentration is on the innovativeness in process. The innovativeness in process in service departments is defined as follow: "The tendency of the department to support new ideas and creativities to develop new processes" [1], which facilitates the industry knowledge in gaining competitive advantage in modern technologies and new methods.

2-2. Organizational climate

Organizational climate is defined as a demonstration of the culture, a combination of attitudes, feelings, and behaviors that characterize organizational life, and an organizational reality with an objective concept [12]. The organizational climate refers to the perceptions and understandings of the organization’s members of the basic organizational components [13]. Since the climate is based on the individual perspectives, it has a rapid variation, as well as, it affects the behavior of the members of the organization [14]. The organizational climate can play a vital role in the promotion of the creativity and innovation of the people. Having a creative climate in coherence with the culture in the organization provides an environment that increases the organizational power. This is an idea has been presented by a number of authors [15]. For example, Ekvall (1966) verified the impact of the climate on the processes and operational results of the organization. As one of the most important concepts of the organizational climate, the alignment factor, which means the coordination of the organization’s objectives with the interests and activities of the members of the organization, is effective in the promotion of the productivity of the organization [16].

There are a large number of researches on the identification of the different dimensions of the organizational climate that support innovation. In a study by Amabile, dimensions of independence, openness to the innovation, challenge, resources, encouragement, supervisors, and solidarity, have been identified [15]. Ekvall (1996) referred to 10 dimensions of challenges, idea support, openness, trust, dynamism, liveliness, debates, conflicts, risk taking, and idea time. In another research, the climate of innovation has been evaluated in six dimensions of solidarity, independence, challenge, resource, openness to the innovation, and supervisory encouragement [1]. One important factor of the organizational climate is the support of the supervisors. The supervisory support includes setting clear goals, commitment and confidence to the people, supporting team skills, and resolving the external barriers [17]. In some studies, the role of supervisor has been highlighted in the form of his role in bringing up the innovation [18]. The results of these studies indicate that if the individuals and teams perceive the supportive role of the supervisor, they will be more likely to participate in the innovative activities. Some empirical studies have been done on the role of the trusting activities of the supervisors and managers. According to Clegg et al. (2006), the trust has an important role in the process of innovation because in this case the ideas are seriously studied and used by the organization. On the other hand, since the managers of
these organizations have a keen interest in innovation, they play a supporting role in the case of changes [19]. In Panayides and Venus (2009), the effects of the trust on the innovativeness and the performance of the supply chain have been investigated and revealed that the trust is effective on the innovativeness and both were considered as predictors of the supply chain performance.

3- The Theoretical Framework and Model Development

The ability of innovation depends on how disagreements are managed that this, in turn, depends on the establishment of an organizational climate with stronger solidarity, more open relationships, and freedom in conveying ideas. Lovelace et al. (2001) found that the lack of solidarity and agreement between the members make them be more committed to their individual positions [20]. Souitaris (2002) investigated the effect of the innovation ability and the contribution of the members on the organization’s innovativeness [21].

Regarding that the reward system is an appropriate tool for the promotion of the expected behaviors and development of the desired climate, some other authors stated that in an innovative organization, the reward is dedicated to factors such as risk taking, willingness to the change, and also openness and sharing information [22]. Akgun et al. (2009) investigated the effect of the encouragement, freedom, liveliness of the environment, and experience on the innovativeness. The results of the different studies on the effect of time on the innovation identify that the sufficient time to be involved in the innovation activities has a great importance [23]. On the other hand, work pressure has a negative impact on the creation of the supportive environment for the innovation [24]. Also, some authors believe that some specific levels of pressure have a positive impact on the innovativeness [15]. Amabile et al. (1996) defined two type of pressure: high work pressure and challenge. The high work pressure has a negative impact on the innovation, especially if the people regard it as a controlling tool. But, the second type named challenge is a critical element for the innovation. It can be concluded from these studies that the availability of the sufficient time is a source of innovation while the work pressure of the challenge one also affects the innovation. From the other elements that is an identification of the challenging work environment, is the need for learning and continuous instruction on the duties. The innovativeness has a close relationship with being a learning organization [25]. Thus, it can be said that the amount of innovativeness is related to the learning attitudes. The independence in the organization referred to as an effective factor on the innovation [26], basically focus on the decentralization and the extensive participation of the employees [27]. The independence is the freedom of the people or teams in conveying ideas and to work creatively outside the boundaries of the organization.

In this paper, the underlying factors in the organizational climate have been categorized into seven contexts based on the Amabile model (1996) (Members’ solidarity, Supervision, Reward system, Independence atmosphere, Open and free atmosphere, Work challenges, Sufficient resources), and the innovative in process has been considered in the three concepts of the internal development, adaption of the other organizations’ innovations, and applying new innovations in the world referred to in Crespell and Hansen (2007) [28,29,1]. In this study, it is tried to investigate the effect of the seven dimensions of the organizational climate on the innovativeness in process. The research hypotheses are as the following:

Figure 1. The research conceptual model

Hypothesis 1 - the solidarity of the department’s members has an effect on the innovativeness in process.

Hypothesis 2 - the availability of the sufficient resources is effective on the innovativeness in process.

Hypothesis 3 - the existence of the independence atmosphere in the department affects the innovativeness in process.

Hypothesis 4 - the open and free atmosphere to be innovative in department affects the innovativeness in process.

Hypothesis 5 - the challenges of the works has an effect on the innovativeness in process.

Hypothesis 6 - the supervision affects the innovativeness in process.

Hypothesis 7 - the establishment of the reward system in the department affects the innovativeness in process

METHODS

The organizational climate measuring tool of this study includes 24 items measured in the seven dimensions of the supervision, solidarity, independence, encouragement, resources, challenge, and openness to the innovation. To measure the innovation, 6 items have been considered that each two items directly measured the three concepts of the internal development, adaption of the other organizations, and applying new innovations. To develop this questionnaire, the framework of the provided questionnaires in the literature (Nystrom et al., 2002; Sidhartha and Maheshkumar, 2006; Crespell and Hansen, 2007) [28,29,1] have been used.

The statistical population of this research includes the employees of the Sports and Youth Departments of Mazandaran Province. Out of 370 populations, 188 people were selected according to the Morgan Table. Thus, to guarantee the return of the required questionnaires, 200 questionnaires were distributed from which 11 incomplete ones were excluded and 189 ones were analyzed in the present research (the return rate 98.81%).

Before the collection of the questionnaire, its validity was ascertained with a content validity test. For this, a group of experts composed of two faculty members and three employees who have also a management background was selected and given the questionnaire. By practicing the
experts’ adjustments and localizing it, the final questionnaires were distributed among the members of the research’s sample.

The validity of the research tool has been evaluated by the significance of the factor loading using the SMART PLS software. To test the convergent validity, the significance of the factor loading (FL) has been used (Beck and King, 2011), where, all of the FLs were above the desired threshold.

To assess the reliability of the questionnaire, Cronbach’s alpha coefficient was calculated for the organizational climate and innovation. According to the alpha coefficient, the reliability of the questionnaires was verified.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Climate</td>
<td>0.79</td>
</tr>
<tr>
<td>Innovation</td>
<td>0.78</td>
</tr>
</tbody>
</table>

**Table 1: the Cronbach’s alphas for the assessment of the questionnaires’ reliability**

**STATISTICAL RESULTS**

To test the hypotheses, the inner and outer models must be first evaluated. To evaluate the outer model, two measures of Dillon, Goldstein’s $\rho$ (composite reliability) and average variance extracted (AVE) have been used summarized in the following table, along with the factor loadings of the items.

<table>
<thead>
<tr>
<th>Principal variables of the model</th>
<th>AVE (&gt; 0.5)</th>
<th>PC (&gt; 0.7)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members’ solidarity</td>
<td>0.897</td>
<td>0.886</td>
</tr>
<tr>
<td>Supervision</td>
<td>0.650</td>
<td>0.731</td>
</tr>
<tr>
<td>Reward system</td>
<td>0.747</td>
<td>0.830</td>
</tr>
<tr>
<td>Independence atmosphere</td>
<td>0.557</td>
<td>0.716</td>
</tr>
<tr>
<td>Open and free atmosphere</td>
<td>0.822</td>
<td>0.891</td>
</tr>
<tr>
<td>Work challenges</td>
<td>0.795</td>
<td>0.871</td>
</tr>
<tr>
<td>Sufficient resources</td>
<td>0.665</td>
<td>0.762</td>
</tr>
<tr>
<td>Innovativeness</td>
<td>0.704</td>
<td>0.788</td>
</tr>
</tbody>
</table>

**Table 2: the evaluation of the outer model of the research**

The composite reliability value for the assessment models is greater than 0.7, which identifies that the model has the required composite reliability. Also, considering the value of AVE that is greater than 0.5, it can be said that the items can explain sufficiently the variations of the research model variables. So, the research model has a good outer quality.

After testing the outer model, it’s required to provide the inner model that identifies the relationship between latent variables. The quality of the inner model identifies whether the independent variables have the ability to predict dependent variables, or not? For this, the construct cross validated redundancy criterion is used, which is also referred to as Q2. If Q2 be a positive number, it can be concluded that the structural model has the expected quality.

According to the figure (1), since the Q2 coefficient is positive, it’s concluded that the structural model has the desired quality that identifies the predicting power of the model in predicting endogenous (dependent) construct and verifies the proper fit of the structural model of the research.
In the PLS path models, the significance of the paths is tested using the bootstrapping method, which is a resampling method. In the corresponding outputs, the path coefficients along with the extracted values of the t test are present. Since, in the study, the predefined significance level is 0.05, the values above the 1.96 identify the acceptance of the hypothesis.
Figure 3. The tested model of the research variables (t-values)

Figure 4. The tested model of the path coefficient of the principal variable

Figure 4. The tested model of the principal variable (t-values)
Table 3. The path coefficients and test statistic

<table>
<thead>
<tr>
<th>Direction</th>
<th>Path coefficient</th>
<th>t -values</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members’ solidarity</td>
<td>0.257</td>
<td>2.795</td>
<td>✓</td>
</tr>
<tr>
<td>Supervision</td>
<td>0.297</td>
<td>7.147</td>
<td>✓</td>
</tr>
<tr>
<td>Reward system</td>
<td>0.408</td>
<td>11.601</td>
<td>✓</td>
</tr>
<tr>
<td>Independence atmosphere</td>
<td>0.268</td>
<td>6.188</td>
<td>✓</td>
</tr>
<tr>
<td>Open and free atmosphere</td>
<td>-0.210</td>
<td>2.210</td>
<td>✓</td>
</tr>
<tr>
<td>Work challenges</td>
<td>0.205</td>
<td>7.536</td>
<td>✓</td>
</tr>
<tr>
<td>Sufficient resources</td>
<td>0.246</td>
<td>5.844</td>
<td>✓</td>
</tr>
<tr>
<td>Organizational Climate</td>
<td>0.860</td>
<td>44.141</td>
<td>✓</td>
</tr>
</tbody>
</table>

Considering the t statistic value that is greater than 1.96, the existence of the relationships is verified. Also, regarding the path coefficients, the relationship is positive for the first, second, third, fourth, sixth, seventh, and original hypotheses, but it’s negative for the fifth hypothesis.

**DISCUSSION**

The objective of this study is to persuade the managers to value the importance of the innovativeness. In general, considering the innovativeness in the mission and vision statements, making structure and functions around innovation, allocating resources and channels for the creation and application of the ideas, and in providing a change seeking culture are important factors that should be of interest to managers. Also, according to results of the study, it can be recommended that the Sports and Youth Departments pay more attention to the independence of their units and people. While, according to the available theories, this can affect the innovativeness, the weakness of the organization in this dimension or the presence of other intervention factors, made this ineffective. Therefore, the organization's commitment to this dimension is very important, which can be reinforced by making self-control mechanisms like the Excellence EFQM Model.

But, the most challenging result of this study relates to the negative effect of the two factors of challenge and openness to the innovation on the acceptance of the new and updated operational processes in the world, where the openness to the innovation factor has the most negative effect. In other words, the existence of open and free relationships in the teams, the lack of resistance of the organization against new ideas, the simplification of implementing organizational changes, and also, the challenges of the works, the employees’ feeling of being important, the need for continuous learning and instructions, not only don’t incline the department toward accepting new ideas in the worlds, but also will make it further away from. The results of this study, in addition to providing a guideline for future researches on the barriers to the innovation in process, help the managers in identifying current state and promoting the position of the innovation in their organizations.

The definition of the organizational reward systems is one solution that can reinforce the effect of the encouragement factor on the innovation. According to the available theories, the organizational reward system can be in two internal and external forms, from which internal rewards have a deep impact on the employees. Thus, in this regard, the focus of the organization on the internal rewards through involving people more actively in the organizational decisions, giving more freedom and authority to the members of the organization, and giving them the impression that they are important, can be effective.

Establishing an ideas and suggestion system in the organization and discovering acceptable suggestions can be effective on the organization’s productivity. Of course, the efficiency of this system depends on the consideration of the incentives like bonuses and organizational promotions that they prefer. On the other hand, if the authorities of the organizations can provide an atmosphere in which people have this understanding that they can reduce the inherent complexity of the work, it can be said that not only they have reduced the dissatisfaction due to the work challenges, but also can benefit the organization.

- The future research ideas: Under the availability of larger populations, there is the possibility of extracting separate models based on the managers and employees’ supervision. Because, the managers like to usually to represent the work environment of the organization more creative, than employees. Hence, the difference in the understandings of these two population can be identified and valuable instructions are provided to converge the supervision through changing policies and methods.
REFERENCES
