

PSYCHOLOGICAL CAPITAL AND SOCIAL CAPITAL AS INFLUENCERS OF INNOVATIVE WORK BEHAVIOUR

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ABSTRACT

The ability to improve its products, services, work procedures and to innovate continuously has become crucial for any organization. The higher education sector is always fueled by ever-growing demand for capabilities and competencies and for institutions to thrive in this highly competition driven era, they must respond in novel ways to meet this demand. Amidst stiff competition, swift advances in new technologies and changing needs of the international labor markets, the sector itself presents a fertile ground for pioneering innovations. Therefore, the institutions must understand how innovations are developed and how employees' work behaviour is related to this process. The present study tries to examine the relationship between Psychological Capital and Social Capital as influencers of Innovative Work Behaviour of the teaching professionals of this sector in Assam.

CONCEPT OF INNOVATIVE WORK BEHAVIOUR (IWB)

The concept of Innovative Work Behavior as defined by West and Farr (1990) is “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, organization, or wider society.”

According to Scott and Bruce (1994), IWB refers to “the production or adoption of useful ideas and idea implementation and begins with problem recognition and the generation of ideas or solutions.”

Janssen (2000) defined it as “the intentional creation, introduction and application of new ideas within a work role, group or organization, to benefit role performance, the group, or the organization.”

From studies on creative and innovative work behaviour (De Jong, 2007; Dorenbosch, Van Engen, and Verhagen 2005; Janssen, 2005; Kleysen and Street 2001; Scott and Bruce 1994; West and Farr 1990), an operationalization of IWB consists of the following stages, namely idea exploration, idea generation, idea promotion and idea implementation.

Thus, innovation can be viewed as a multistage process, with different activities and different

individual behaviors necessary at each stage. The foundation of innovation is always ideas and it is always the people who “develop, carry, react to, and modify ideas” (Van de Ven, 1986), and therefore the study of what predicts or enables individual innovative behavior is critical for organizational success.

LITERATURE REVIEW

Psychological capital and Innovative Work Behaviour

Psychological capital, which fosters innovation inside the organizations through creating a good context, has attracted the attention of many researchers. Several studies (e.g. Jafri, 2012; Luthans and Avey, 2011; Rego et al., 2012) have found a significant effect of psychological capital in enhancing innovation in an organization. Jafri (2012) found that individuals with high self-efficacy, hope, resilience, and optimism showed more creative and innovative behaviors in their work context and were more inclined to design, develop, and achieve innovative ideas in their work processes. Rego et al. (2012) found that optimistic individuals were more creative and maintained positive expectations about results. According to Peterson et al. (2008), resilience helps individuals become flexible and adaptable during highly uncertain situations which help in creating a supportive environment that facilitates innovative behaviours.

Social Capital and Innovative Work Behaviour

Social networks enable, help and speed up information exchange, lowering, in turn, the cost of information search and duplicating efforts of costly research. It is said that access to know-how can be gained with the help of know-who, i.e.

information about who knows what (Lundvall 2006).

Several studies (Cavusgil, Calantone and Zhao, 2003, Cooke & Wills, 1999, Dhanaraj & Parkhe, 2006, De Jong & Den Hartog, 2007, 2010) have found knowledge sharing and social networking to be crucial activities enabling the organizations to innovate faster and more successfully. Mura et al. (2013) proposed a direct relationship between knowledge sharing behaviour and innovative work behaviour of employees. Results of study conducted by Sozbilir (2018) showed that Social Capital had a positive effect on organizational creativity which impacts Innovative Work Behaviour.

METHODOLOGY

The participants of this study consisted of 212 faculty members of the Higher Educational Institutions. The sample consisted of 52% male and 48 % female respondents. Majority of the respondents (46%) were from the age group 30-39 years and the average tenure of the respondents were 6.5 years. 58 % respondents were from the private sector and 42 % were from the public sector.

Measures

Both the dependent variable (innovative work behaviour) and the independent variables (psychological capital and social capital) were measured through the adaption of established scales from literature. The Psychological capital was measured using the 16 item psychological capital scale developed by Luthans et al. (2007) and the social capital was measured using an adaptation of 13 item scale developed by Nahapiet and Ghoshal (1998). Innovative work

behaviour was measured using a 12 item scale adapted from the works of Scott and Bruce (1994); Kleysen and Street (2001); Janssen's (2005); Gerhard Messmann and Regina H. Mulder (2012).

RESULTS

Scale reliability

The cronbach alpha (α) value was found to be 0.933 indicating high internal consistency.

Table 1: Reliability statistics

RELIABILITY STATISTICS	
Cronbach's Alpha	No. of Items
.933	41

Multiple regression analysis

In order to examine the relationship between the predictor variables i.e. psychological capital and social capital, on the dependent variable innovative work behaviour, a multiple regression analysis was conducted.

Table 2: Correlation analysis

Correlations				
Particulars		Psychological		
Capital	Social Capital	Innovative Work Behaviour	.444**	1
	Sig. (2-Tailed)	.000	.000	
	N	212	212	212
**. Correlation is significant at the 0.01 level (2-tailed).				

Table 3: Model summary

MODEL SUMMARY				
Model	R	R2	Adjusted R2	Std. Error of the Estimate
1	.632a	.399	.393	.472
a. Predictors: (Constant), Psychological Capital, Social Capital				

Table 4: ANOVA

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	30.844	2	15.422	69.326	.000b
	Residual	46.493	209	.222		
	Total	77.337	211			
a. Dependent Variable: Innovative Work Behaviour (IWB)						
b. Predictors: (Constant), Psychological Capital, Social Capital						

Table 5: Coefficients table of multiple regression analysis

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-.040	.188		-.215	.830		
	Psychological Capital	.748	.089	.496	8.372	.000	.819	1.220
	Social capital	.231	.059	.233	3.937	.000	.819	1.220
a. Dependent Variable: Innovative Work Behaviour (IWB)								

The model summary in table 3 illustrates that the adjusted R² value is 0.393, indicating that 39.3% of the variability of the dependent variable (innovative work behaviour) is explained by the independent variables (psychological capital and social capital).

The F-ratio in the ANOVA (Table 4) tests whether the overall regression model is a good fit for the data. The table shows that the independent variables statistically significantly predict the dependent variable, $F(2, 209) = 69.326$, $p(.000) < .05$ (i.e., the regression model is a good fit of the data).

The Unstandardized coefficients indicate how much the dependent variable varies with an independent variable when all other independent variables are held constant. From table 5, it can be observed that the significance values against the t-test for both the independent variables are less than 0.05 which implies that the independent variables have a significant impact on the dependent variable.

The standardized coefficients called beta weights measure how much the outcome or dependent variable increases (in standard deviations) when the predictor variable is increased by one standard deviation assuming other variables in the model are held constant. From table 5, we can observe that psychological capital is a more important predictor (beta =.496) compared to social capital

(beta = 0.233) in explaining the outcome variable i.e. innovative work behaviour.

The information (Table 5) above also allows us to check for multicollinearity. For any predictor $VIF > 10$, examination for possible multicollinearity should be done (Dhakal, 2016). However, in our multiple linear regression model the VIF is less than 10 (or Tolerance > 0.1) for all variables, thus the possibility for multicollinearity does not exist.

Therefore, the regression equation to predict innovative work behaviour from psychological capital and social capital can be depicted as-

$$\text{Innovative Work Behaviour} = -0.40 + 0.748 (\text{Psychological Capital}) + 0.231 (\text{Social Capital})$$

Table 6: Table showing key outcomes of regression analysis between predictor variables and components of dependant variable

Components Of Innovative Work Behaviour	Psychological Capital			Social Capital		
	R	R2	Sig.	R	R2	Sig.
Idea Exploration	.430	.185	.000	.548	.300	.000
Idea Generation	.578	.334	.000	.384	.148	.000
Idea Promotion	.544	.296	.000	.381	.145	.000
Idea Implementation	.550	.303	.000	.232	.054	.000

Table 6 summarizes the outputs of regression analysis conducted between the predictor variables and the four components of the study variable (innovative work behaviour) namely, idea exploration, idea generation, idea promotion and idea implementation. The table shows that for idea generation social capital ($R^2 = 0.300$) is a more important predictor than psychological capital ($R^2 = 0.185$). As highlighted by Landry et al. (2002), organizations with better levels of social capital can provide and receive voluntary and reliable information, tacit knowledge, better products and services. Radaelli et al. (2014) in their study also offers a perspective on how employees who share their knowledge with peers might, by doing so, also stimulate and positively affect their propensity and capacity to explore new ideas in their organizations. Thus knowledge sharing behaviour can be seen to be an important aspect for exploration of new ideas and their subsequent implementation.

For the remaining three components of innovative work behaviour i.e. idea generation, idea promotion and idea implementation, psychological capital is found to be a stronger predictor than social capital. Several studies from the existing literature also confirm these findings, for example, Avey et al. (2010) emphasizes that individuals with positive psychological capital have a high capacity to generate and implement innovative ideas for achieving the planned goals. Bandura and Locke (2003) found efficacious individuals were inventive, resourceful and creative and thus more likely to generate and apply innovative ideas in their workplace.

MANAGERIAL IMPLICATIONS

Participants of Higher Educational Institutions not only need to survive, cope and recover from the dynamism of the competitive work environment, but they also must thrive through the inevitable difficulties and uncertainties they face due to stiff competition from diverse players of the sector. To remain competitive amidst such a scenario, an enhanced understanding of the psychological and social-based antecedents of employee innovative behaviour can produce efforts in creating and nurturing innovation in such institutions. Psychological capital provides a Human Resource Development approach encouraging employees to build the critical resources they need in today's dynamic work set up. Also, as innovation is a collective effort by all the members of the organization, social capital plays an influential role in this `milieu. Through this understanding, the Higher Educational Institutions will be better equipped in handling

their employees, mainly the educators and also in nurturing a climate conducive for employee creativity and organizational innovativeness. Future research could incorporate other organizational and interpersonal variables which influence the level of innovative work behaviour of the employees.

CONCLUSION

The basic aim of this study was to investigate the relationship between innovative work behaviour the two predictor variables, psychological capital and social capital. The results revealed that both the predictor variables can explain approximately 39.3% variability in innovative work behaviour. Psychological capital was found to be a more dominant predictor of the individual components of the study variable namely, idea generation, idea promotion and idea implementation, whereas, social capital was an important predictor for idea exploration.

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