

# ANALYSIS OF CONSTRUCTS ON ORGANIZATIONAL CULTURE AND INNOVATION CULTURE IN “PRIVATE EDUCATIONAL INSTITUTIONS”

**Dr. Roopal Shrivastava**

*Business and Management Department, Faculty of Administrative Sciences and Economics, Tishk International University- Erbil, Kurdistan Region, Iraq.*

*Email: [roopal.shrivastava@tiu.edu.iq](mailto:roopal.shrivastava@tiu.edu.iq)*

## **Abstract**

The present research emphasizes to test effects of constructs associated to “organizational culture and innovation culture”, in private educational institutions. The researcher constructed the projected research model based on prevailing literature and tested the same model by having four predictor variables which are adaptability involvement, consistency & mission. The other five predicted variables are innovation propensity, innovation infrastructure, market orientation for innovation, innovation influence and innovation implementation. Researcher had used quantitative method in the current paper and data that collected was done by distributing questionnaires to the respondents who are working as academicians in institutions. The taken sample size of the present study is 337 respondents. There were twenty hypotheses that were formulated by the researcher for testing the effects among numerous variables that comes under, organizational culture and innovation culture. In case the demographics are altered, it may reflect different outcomes. Also same as in case of large sample size. Educational institutions of Private sector may consider the ideas of academicians in order to progress the “culture of organization” and “innovation culture” to augment inclusive productivity.

**Key words:** Culture of organization, Innovation culture, and Educational institutions of private sector and academicians.

## **Introduction:**

The research made (Calantone et al., 2002), (Zaltman et al., 1973), revealed that organizations with higher capacity regarding innovation will attain good reaction from environment and derives capabilities in an easy manner which is required to enhance performance of organization and consolidation of competitive advantage in a sustainable way.

The study made by Hamel and Prahalad, 1994; Mintzberg, 1989; Selznick, 1957) on traits of Mission that defines direction and purpose towards organization’s discern which constructs and shapes strategic objectives and goals. Mission trait demonstrates a vision related to the details regarding future appearance of the organization.

According to the research made by (Naderi et al., 2009) on system of university regarding intra

development and revealed the necessity in considering issues like employee’s creativity, knowledge and learning. The progress rate and fundamental necessity in using new ideas to make effective acts of organization and management are significant attributes under systems of organization. The dynamism and effectiveness of organization will be attained due to creativity of employees during current ever changing environment.

Based on the study made by (Harris et al., 2013) unveils that knowledge management is on the factors for employee’s creativity. Organizations have initiated to be part of knowledge trends. The significant source to creativity is knowledge which needs to be managed by organizations.

According to Valencia et al., 2010, the most significant component of management is culture currently where its role and consequences on tasks of an organization have been depicted by

many management researchers. Hence, it's an obligation for the managers to focus on the culture of the organization.

### **Literature Review:**

The research made by Wang (2011) revealed that organizational culture is the most significant driving force in movements within the organization. The behavior and thoughts of organizational members are affected by their shared values and the sequence of beliefs which can act as initiative for movements and dynamism in the organization or as hindrance in the road to progression. (Beydokhti and Shahriari, 2012)

The research made by Martins and Terblanche, 2003 revealed that organizational culture is yet another variable which can affect to the degree of creativity is motivated within organization.

As per Giugni (2004), Creativity is encouraged by four elements of culture which are desire to achieve, recognition, encouragement, freedom.

The study made by Moghali and Maleki, 2009 revealed that creativity today, forms significant role in lives of people due to swift extensive differences worldwide has switched the operating environs of organizations where their superiors are obligated to perceive new methods to cope up with developments across the globe.

According to Woerkum and van Aarts, 2007, creativity is the capacity to uncover aspects which are advantageous for some period of time. Creativity is about capacity of discovering new things that could be valuable for a assured interval of time.

The research made by Amabile, 1986 on componential theory related to creativity where motivation which is necessary and intrinsic in nature but not adequate environment to produce innovative results. Involving in innovative tasks has an equivalent, but not significant part in encouraging creativity of employees.

### **Research Objective:**

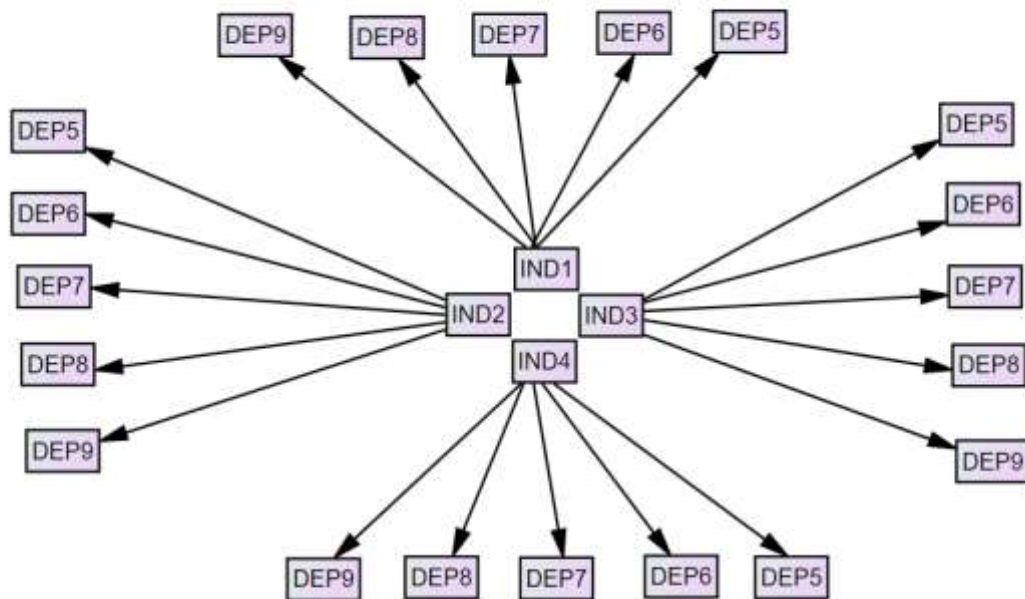
To observe the impact of constructs related to organizational culture which are involvement, consistency, adaptability & mission on

constructs of innovation culture that are in private educational institutions in India.

### **Abbreviations used in the model:**

Involvement (IND1), consistency (IND2), adaptability (IND3) & mission (IND4) and five "predicted variables" as innovation infrastructure (DEP5), innovation influence (DEP6), innovation- propensity (DEP7), market- orientation for innovation (DEP8) & innovation implementation (DEP9).

### **Proposed research model:**



PROPOSED RESEARCH MODEL

**Hypotheses:**

H1: There is significant relation between involvement and innovation infrastructure

H2: There is significant relation between involvement and innovation influence

H3: There is significant relation between involvement and innovation propensity

H4: There is significant relation between involvement and market orientation for innovation

H5: There is significant relation between involvement and innovation implementation

H6: There is significant relation between consistency and innovation infrastructure

H7: There is significant relation between the consistency and innovation influence

H8: There is significant relation between the consistency and innovation propensity

H9: There is significant relation between the consistency and market orientation for innovation

H10: There is significant relation between consistency and innovation implementation

H11: There is significant relation between the adaptability and innovation infrastructure

H12: There is significant relation between adaptability and innovation influence

H13: There is significant relation between the adaptability and innovation propensity

H14: There is significant relation between adaptability and market orientation for innovation

H15: There is significant relation between adaptability and innovation implementation

H16: There is significant relation between mission and innovation infrastructure

H17: There is significant relation between mission and innovation influence

H18: There is significant relation between mission and innovation propensity

H19: There is significant relation between mission and market orientation for innovation

H20: There is significant relation between mission and innovation implementation

### Methodology:

The researcher has used quantitative method for this study & created 4 independent variables being consistency, involvement, mission and adaptability and five independent variables as

innovation infrastructure; innovation influence; innovation propensity; market orientation for innovation and innovation implementation. Quantitative method was used and data was collected by distributing questionnaires were given to the academicians who were the respondents. The sample size taken is 337 respondents. Researcher formulated twenty hypotheses to test the effects between various variables that are under “organizational culture and innovation culture”.

### Analysis:

#### Demographic Analysis:

<b>Gender</b>			
		Frequency	Percent (%)
Valid	Male	192	56.97
	Female	145	43.03
	Total	337	100.0
<b>Age</b>			
		Frequency	Percent (%)
Valid	20-30 year	80	23.73
	31-40 year	105	31.15
	41-50 year	123	36.49
	51-60 years	29	8.63
	Total	337	100.0
<b>Tenacy in current academic Institution (in years)</b>			
		Frequency	Percent (%)
Valid	0-5 years	59	17.50
	6-10 years	116	34.42
	11-15 years	98	29.08
	16-20 years	45	13.35
	Above 20 years	19	5.65
	Total	337	100.0

### Reliability Analysis



DV7	Pearson Correlation	.306**	.235**	.385**	.439**	.195**	.480**	1	.499**	.369**
	Sig. (2-tailed)	0	0	0	0	0	0	0	0	0
	N	337	337	337	337	337	337	337	337	337
DV8	Pearson Correlation	.309**	.288**	.346**	.359**	.365**	.390**	.499**	1	.570**
	Sig. (2-tailed)	0	0	0	0	0	0	0	0	0
	N	337	337	337	337	337	337	337	337	337
DV9	Pearson Correlation	.285**	.231**	.328**	.315**	.297**	.436**	.369**	.570**	1
	Sig. (2-tailed)	0	0	0	0	0	0	0	0	0
	N	337	337	337	337	337	337	337	337	337

\*\* . Correlation is significant at the 0.01 level (2-tailed).

**Model Summary**

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	.445 <sup>a</sup>	.198	.189		.76736

a. Predictors: {Constant}, IV4, IV2, IV1, IV3

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	48.379	4	12.095	20.540	.000 <sup>b</sup>
	Residual	195.495	332	.589		
	Total	243.874	336			

a. Dependent Variable: DV5

b. Predictors: (Constant), IV4, IV2, IV1, IV3

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		

1	(Constant)	1.277	.219		5.845	.000
	IV1	.194	.057	.197	3.425	.001
	IV2	.288	.056	.289	5.159	.000
	IV3	.060	.067	.053	.896	.371
	IV4	.023	.056	.024	.420	.675

a. Dependent Variable: DV5

Regression analysis indicates that independent variable-3 and independent variable-4 are insignificant with dependent variable-5 which is higher than .05 whereas other independent variables were significant and 19.8% of variables were explained.

positive and moderate, consistency and innovation infrastructure where r value is .393\*\* which is positive and moderate, adaptability and innovation infrastructure where r value is .254\*\* which is positive and moderate, mission and innovation infrastructure where r value is .175\*\* which is positive and moderate.

Correlation analysis reveals the relationship between involvement and innovation infrastructure where r value is .342\*\* which is

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.431 <sup>a</sup>	.186	.176	.77168

a. Predictors: (Constant), IV4, IV2, IV1, IV3

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	45.055	4	11.264	18.915	.000 <sup>b</sup>
	Residual	197.704	332	.595		
	Total	242.759	336			

a. Dependent Variable: DV6

b. Predictors: (Constant), IV4, IV2, IV1, IV3

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.463	.220		6.655	.000

IV1	.135	.057	.137	2.367	.019
IV2	.077	.056	.077	1.367	.173
IV3	.091	.067	.081	1.360	.175
IV4	.271	.056	.276	4.841	.000

a. Dependent Variable: DV6

Regression analysis indicates that independent variable-2 and independent variable-3 are insignificant with dependent variable-6 which is higher than .05 whereas other independent variables were significant and 18.6% of variables were explained.

moderate, consistency and innovation influence where r value is .217\*\* which is positive and moderate, adaptability and innovation influence where r value is .288\*\* which is positive and moderate, mission and innovation influence where r value is .377\*\* which is positive and moderate.

Correlation analysis reveals the relationship between involvement and innovation influence where r value is .301\*\* which is positive and

**Model Summary**

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.501 <sup>a</sup>	.251	.242	.73732

a. Predictors: (Constant), IV4, IV2, IV1, IV3

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	60.549	4	15.137	27.844	.000 <sup>b</sup>
	Residual	180.491	332	.544		
	Total	241.040	336			

a. Dependent Variable: DV7

b. Predictors: (Constant), IV4, IV2, IV1, IV3

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.011	.210		4.815	.000
	IV1	.093	.054	.095	1.704	.089



IV2	.065	.054	.066	1.212	.227
IV3	.206	.064	.185	3.221	.001
IV4	.303	.054	.309	5.654	.000

a. Dependent Variable: DV7

Regression analysis indicates that independent variable-3 and independent variable-4 are insignificant with dependent variable-7 which is higher than .05 whereas other independent variables were significant and 25.1% of variables were explained.

Correlation analysis reveals the relationship between involvement and innovation propensity where r value is .306\*\* which is positive and

moderate, consistency and innovation propensity where r value is .235\*\* which is positive and moderate, adaptability and innovation propensity where r value is .385\*\* which is positive and moderate, mission and innovation propensity where r value is .439\*\* which is positive and moderate.

### Model Summary

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	.455 <sup>a</sup>	.207	.198		.83967

a. Predictors: (Constant), IV4, IV2, IV1, IV3

### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	61.168	4	15.292	21.689	.000 <sup>b</sup>
	Residual	234.075	332	.705		
	Total	295.242	336			

a. Dependent Variable: DV8

b. Predictors: (Constant), IV4, IV2, IV1, IV3

### Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.866	.239		3.623	.000
	IV1	.122	.062	.113	1.971	.050
	IV2	.157	.061	.143	2.568	.011

IV3	.179	.073	.145	2.461	.014
IV4	.244	.061	.225	4.007	.000

a. Dependent Variable: DV8

Regression analysis indicates that all independent variables are significant with dependent variable-8 which is lower than .05 and 20.07% of variables were explained.

Correlation analysis reveals the relationship between involvement and market orientation for innovation where r value is .309\*\* which is positive and moderate, consistency and market

orientation for innovation where r value is .288\*\* which is positive and moderate, adaptability and market orientation for innovation where r value is .346\*\* which is positive and moderate, mission and market orientation for innovation where r value is .359\*\* which is positive and moderate.

**Model Summary**

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	.406 <sup>a</sup>	.165	.155	.77643	

a. Predictors: (Constant), IV4, IV2, IV1, IV3

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	39.573	4	9.893	16.411	.000 <sup>b</sup>
	Residual	200.145	332	.603		
	Total	239.718	336			

a. Dependent Variable: DV9

b. Predictors: (Constant), IV4, IV2, IV1, IV3

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.413	.221		6.389	.000
	IV1	.118	.057	.121	2.070	.039
	IV2	.080	.056	.081	1.425	.155
	IV3	.187	.067	.169	2.784	.006
	IV4	.175	.056	.179	3.105	.002

## a. Dependent Variable: DV9

Regression analysis indicates that independent variable-2 is insignificant with dependent variable 9 which is higher than .05 whereas other independent variables were significant and 19.8% of variables were explained.

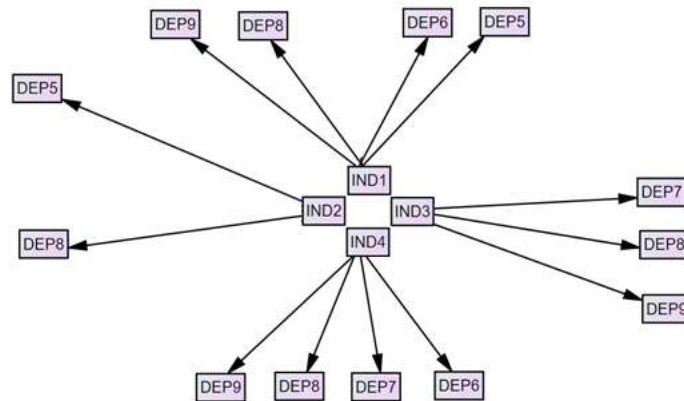
Correlation analysis reveals the relationship between involvement and innovation implementation where r value is .285\*\* which is positive and moderate, consistency and innovation implementation where r value is

.231\*\* which is positive and moderate, adaptability and innovation implementation where r value is .328\*\* which is positive and moderate, mission and innovation implementation where r value is .315\*\* which is positive and moderate.

**Hypothesis decision table**

List of Independent variables	List of Dependent variables	P-Value	Decision	Hypothesis
IV1	DEP5	0.001	Accepted	H1
IV2	DEP5	0	Accepted	H6
IV3	DEP5	0.371	Rejected	H11
IV4	DEP5	0.675	Rejected	H16
IV1	DEP6	0.019	Accepted	H2
IV2	DEP6	0.173	Rejected	H7
IV3	DEP6	0.175	Rejected	H12
IV4	DEP6	0	Accepted	H17
IV1	DEP7	0.089	Rejected	H3
IV2	DEP7	0.227	Rejected	H8
IV3	DEP7	0.001	Accepted	H13
IV4	DEP7	0	Accepted	H18
IV1	DEP8	0.05	Accepted	H4
IV2	DEP8	0.011	Accepted	H9
IV3	DEP8	0.014	Accepted	H14
IV4	DEP8	0	Accepted	H19
IV1	DEP9	0.039	Accepted	H5
IV2	DEP9	0.155	Rejected	H10
IV3	DEP9	0.006	Accepted	H15
IV4	DEP9	0.002	Accepted	H20

Final research model was created after removing insignificant P values between independent and dependent variables.



**FINAL RESEARCH MODEL**

### Conclusion and Recommendations:

The research concludes in eliminating insignificant relations where the hypotheses H11 -There is significant relation among adaptability & innovation infrastructure, H16 - There is significant relation among mission & innovation infrastructure), H7 -There is significant relation between mission and innovation influence, H12 -There is significant relation between adaptability and innovation influence, H3 -There is significant relation between involvement and innovation propensity, H8 -There is significant relation between consistency and innovation propensity and H10 -There is significant relation between consistency and innovation implementation . Final research model was drawn by considering rest of the hypotheses. Organizations may focus more on IV4 and DV7 where mission and innovation propensity relation shows the highest r value amongst all other whereas IV4 and DV5 where mission and innovation infrastructure relations has the lowest r value amongst others. The current research recommends private academic institutions to focus more on organization culture constructs and innovation culture constructs to improve the quality of services from employees.

### Scope for Further Research:

In future the research may be carried out at different demographics by adding more constructs at an increased sample size.

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