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The Effect of Learning Organization Environment and Innovative Work Behavior under the Moderation Role of Employee Engagement in Public Sector Organization

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Abstract: The main objective of the study is to explore the impact of learning organization environment on innovative work behavior. The study results show that learning organization environment explained a significant relation with innovative work behavior also with the mediator variable that is employee engagement. Convenience sampling is used as the sampling strategy. This survey is based on questionnaire and data is collected from 140 managers of Public sector organizations located in Faisalabad. To analyses the data, SPSS version 23.0 is used. To check the relationship between the variables correlation analysis is used and to checks the effect between variables linear regression analysis is used. Thus, all the hypotheses showed significant results.

Keywords: Learning Organization environment, innovative work behavior, employee engagement

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Introduction

Although scientists and practitioners highlight the importance of innovative work Behavior (IWB) of individual workers for organizational success (Aycan *et al.*, 2000). The main focuses around the abilities of workers, the skills of the association and capabilities with respect to external orientation that improve the innovative capabilities of an enterprise (Cohen *et al.*, 2001). In instructional institutions, it is broadly acknowledged that organizations in the current market are growing to modernize the environment to benefit sustainable aggressive advantage (Aycan *et al.*, 2000). Theory suggests that those employees will engage in the IWB so that they can take advantage of individual innovation (Keen *et al.*, 2013). For this purpose, many scholars have tried to know which aspects promote IWB. Generally, five fields can be recognized: relationship factors, Individual factors, team factors, organizational characteristics, and job characteristics (Odhiambo, 2008). In an organization, leaders provide the information to their employees for support and like to explore, produce, and implement their new ideas for the innovative environment So, with a purpose

to achieve higher understanding of how leadership improve innovative work conduct it is precious to more determine this topic (Organ, 1988). The last focuses on the creativity of employees and creative ideas, in other words, on the initial steps of innovation (Ketter, 2008). Many researchers have entailed to enhance the construction and promote more scientific attention to implement ideas (Podsakoff *et al.*, 2000). Along with this, the IWB is generally set up for a wide variety of ideas of behavior, create support for them, and help them in practice (Polat, 2009). However, the steps available to the IWB are short and dimensional, and empirical evidence is limited to consider the validity of these measures (Varela González and García Garazo, 2006). Numerous studies have relied on only one single source data, where individual employees have also provided IWB rating as well as its links (Vigoda-Gadot, 2007). The purpose of this study is to work in the development of individual innovative and the development of partial and initial organizational networks of IWB in the workplace.

In this context, this study is to establish the conclusion of learning organizational environment on work innovative behavior. Also, this study has great importance especially for public sector organization. The purpose of this study was to do that managers can advantage from promoting practical learning skills and how measurement tool can understand how to improve organizational effects through well learning processes and abilities. The study aims to develop and expand current study on innovative behavior, by giving an active way to organizations to inspire organizational learning environment and their involvement of their jobs. In order to achieve the objective, a model was developed and tested in this study, in which the learning institution, directly and indirectly, depends on the impact of individual behavior by engaging in the work.

Literature review

Innovative work behavior (IWB)

Organizational and educational research found that individual behavior is one of the most important aspects for innovation to arise (Dimitriades, 2007). Because it is the individual who develops ideas, reacts to ideas of others, and shapes ideas to specific work contexts (Ehrhart, 2004). Therefore, this research focussed on individual innovative work behaviour (IWB). Within this research, IWB is defined as generating, sharing, and implementing innovative ideas (Janssen, 2000). As mentioned, the current organizations are increasingly demanding to engage in innovative practices to create and provide new products in order to gain sustainable competitive advantage in the fast-changing competitive world (Ferris and Kacmar, 1992). So as to achieve this task effectively organizations these days depend increasingly on their employees to innovate (Luksyte *et al.*, 2018). However, individual innovation can bring benefits to the organization. By engaging in innovative behaviors workers respond to and adjust thoughts that would somehow or another not be produced (Afsar *et al.*, 2018). This makes workers fundamental for the development of items, procedures and strategies inside their organization (Shanker *et al.*, 2017). Thus, the IWB is not just included in the idea of race but also needs to implement and improve ideas to increase personal and/or business performance (Korzilius *et al.*, 2017).

Learning organization environment (LOE)

Learning is a key determinant for innovation in leaning Organization talent in making, acquisition and exchanging knowledge, and at altering its behavior to reflect new learning and insights (Sidani and Reese, 2018). The most recent decade, corporate instructors have been acquainted with Facilitating and managing organizational learning (OL) as one approach to enable their Organizations to remain competitive (Kim *et al.*, 2017). The

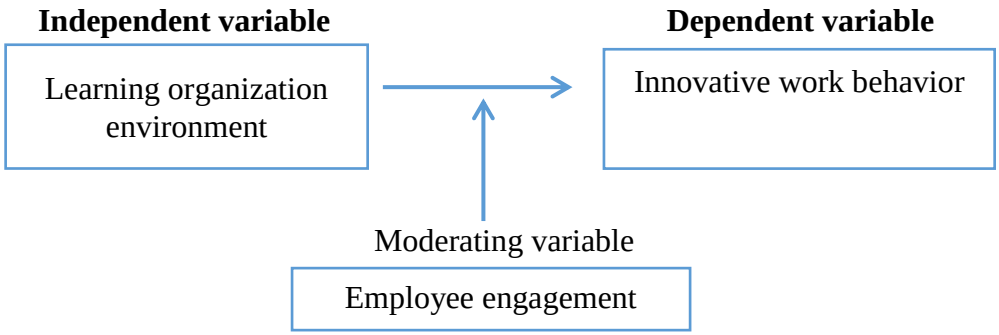
developing body organization learning research presents a point of view that learning isn't just the ability of individual; learning occurs on a group level and is encouraged by an organizational climate that gives the conditions and inspiration to knowledge (Park *et al.*, 2014). We usually think of learning and working as separate activities Gould (2016) stated that learning is often a part of the work. Maximum jobs now need to be informed, interpreted and analyzed, tasks which were already expected by managers (Rotundo and Sackett, 2002). Terms of interpretation, analysis and synthesis, which are regularly used to portray the new work, are form of learning; thus, learning and work have become similar terms (Watkins and Kim, 2018).

Employee engagement (EE)

Term engagement refer "individual contribution and satisfaction as excitement of work "Built on the work of Kahn (1990), engagement defines the close attachment with and outline of the work experience. When staff are engaged, they emotionally connect with others and handle the team's direction seriously. The engagement arises when employees know what resources to complete, work and participate in the event for growth, and feel that they play a significant role in the organization (Schaufeli *et al.*, 2002).

In the current article, we consider engagement to build an enthusiastic, defined by as a "The state associated with the work of positive, complete, mind-related work, indicates strength, break, and absorption" Vigor refers to the high level of energy and mental flexibility in strength, working, investing efforts in one's work (Rupp *et al.*, 2018). Dedication is categorized by a sense of worth, encouraged, proud, and challenged (Bailey *et al.*, 2017). Absorption is completely focused, pleasant, and deeply interested in one's work, as the time passes fast, and it is difficult to cope with one's work (Karanges *et al.*, 2015). Regardless of the small scale of engaged employees, the organizational managers got the engagement rate in the biggest preferences of these organizations (Karanges *et al.*, 2015).

Conceptual framework



Hypothesis

Hypothesis is developed by considering above mentioned objective of research

H1: There is a significant association between LOE and IWB in the Public sector organization of Pakistan.

H2: There is a significant association between LOE and IWB under the moderating role of (EE) employee engagement.

Methodology

For getting better understanding of the effect of learning organization environment on work innovative behavior, the nature of study is empirical. The respondents of the study are employees working in Public sector organization of the Faisalabad. The. 5-point Likert scales is used to measure variables rating scale from 1 ('Strongly agree') to 5 ('Strongly disagree').

To measure learning organization environment, 8 items is used by a scale develop by Garvin, Edmondson, and Gino (2008) .12 items is used to measure Employee Engagement and adopted from Schaufeli *et al.*, (2002). 9 items adopted from Janssen (2000) to measure Innovative work behavior.

We have collected 122 samples from the top, middle and low-level managers those are writhing the in Public sector organization located in Faisalabad. We have divided 140 questionnaires in the respondents the 122 are fairly attempted with response rate of 87.14%. Each respondent is given a questionnaire.

All respondents fill in the questionnaires comfortably and easily. Correlation test is used to check the relationship between variables and regression test is used to check cause and effect relationship. We have used SPSS 23.0 software for testing our hypothesis.

Demographic Factor

	F	%
Age		
16-25	35	28.7
26-35	63	51.6
36-45	13	10.7
Above 45	11	9
Qualification		
Matric	1	.8
Intermediate	15	12.2
Bachelor	45	37
Master	50	41
MS/MPhil	11	9
Department		
HRM	20	16
Finance	33	28
Administration	44	36
IT	4	3
Other	21	17

Total Samples collected (N=122)

In the Age Classification, in group 16-25, 35 contributors are fallen with 28.8% and in 26-35 there is 63 participants with frequency 51.6, Future in group 36-45 and above 45 there is 13 and 11 contributors with cumulatively 19.7 %.

In the qualification Classification, there are 50 master's degree holder participants with 41% and 45 are fallen in bachelor group with 37%. Further 1, 15, and 11 participant2 are Matric, Intermediate and MS/MPhil, respectively with cumulatively 22 %.

There are 44 contributors lies in group of administration with 36% and 43 lies in the class of Finance with 28%and 21 lies in the group of others with frequency 17%. Additional 20 and 4 contributors fallen in group of HRM and IT respectively with cumulatively 19 %.

Reliability Test

	Work Innovative Behavior	Employee Engagement	Learning Organization Environment
Cronbach's Alpha	.827	.815	.761

Above table shows the value of Cronbach's Alpha of Work Innovative Behavior, Employee Engagement and Learning Organization Environment 0.827, 0.815 and 0.761. The value of Cronbach's Alpha is higher than 0.7, which determines the reliability of data. It result shows the reliability among others.

Correlations

	1	2	3
Learning Organization Environment			
Employee Engagement	.734**		
Work Innovative Behavior	.704**	.628**	

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

Above table shows that Learning Organization Environment, and is significant association with Employee Engagement with the value of .734 and Learning Organization Environment is positively connected with Work Innovative Behavior with value of 0.704.

Similarly Employee Engagement association with Work Innovative Behavior with value 0.628 which is strongly significant at 1%.

Model Summary [b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.707[a]	.500	.495	.29252	2.338

a. Predictors: (Constant), Learning organization environment
b. Dependent Variable: Innovative work behavior

ANOVA [a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10.253	1	10.253	119.824	.000[b]
	Residual	10.269	120	.086		
	Total	20.522	121			

a. Dependent Variable: Innovative work behavior
b. Predictors: (Constant), Learning organization environment

Coefficients [a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.278	.118		2.349	.020
	Learning organization environment	.747	.068	.707	10.946	.000

a. Dependent Variable: Innovative work behavior

To measure independent and dependent variable linear regression analysis is used. Above Table R square shows that that learning organization environment has 50.0% impact work innovative behavior, which shows that a significantly impact of learning organization environment on work innovative behavior. Durbin-Watson is calculated to know the nature of correlation between the variables, which describes either correlation is positive, negative or zero. The value of Durbin Watson is 2.338 which is less than 2.5, it confirms that there is significant correlation between learning organization environment and work innovative behavior.

Y= bo + bX

work innovative behavior = .278+.707 (learning organization environment)

This equation depicts that one-unit change in that learning organization environment is increased the 0.985 units of work innovative behavior.

Run Matrix procedure:

********** Process Procedure for SPSS Version 3.1 **********

Written by Andrew F. Hayes, Ph.D. www.afhayes.com
Documentation available in Hayes (2018). www.guilford.com/p/hayes3

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Model : 1
Y : LOE
X : IWB
W : EE

Sample
Size: 122

****

Outcome Variable:
LOE

Model Summary

R	R-sq	MSE	F	df1	df2	p
.9597	.9211	.0123	458.9658	3.0000	118.0000	.0000

Model

	coeff	se	t	p	LLCI	ULCI
constant	3.4411	.1244	27.6540	.0000	3.1947	3.6876
IWB	.7849	.1091	7.1946	.0000	1.0010	.5689
EE	1.1789	.0699	16.8744	.0000	1.3173	1.0406
Int_1	.4959	.0211	23.5029	.0000	.4541	.5376

Product terms key:

Int_1	IWB x EE

Test(s) of highest order unconditional interaction(s):

	R^2-chng	F	df1	df2	p
X*W	.3695	552.3869	1.0000	118.0000	.0000

Focal predict: IWB (X)
Mod var: EE (W)

Conditional effects of the focal predictor at values of the moderator(s):

EE	Effect	se	t	p	LLCI	ULCI
1.4000	.8907	.2879	1.9925	.0000	4.2648	8.0833
1.4000	.8907	.2879	1.9925	.0000	4.2648	8.0833
1.6640	.8402	.2844	.4757	.0003	.1270	.2074

********** Analysis Notes and Errors **********

Level of confidence for all confidence intervals in output: 95.0000
------ End Matrix -----

Conclusion

The results of this study show that there is significant relationship between learning organization environment with employee's innovative behavior under the moderator role of employee engagement. Higher the learning organization environment and employee engagement trait higher will be employee's innovative behavior. In addition, this study evaluates the impact of all masculine-feminine traits on employee's innovative behavior of employee in Public sector organization of Pakistan. Variable features are that the employer's innovative behavior is highly valued and supported by followers. According to this study, there are significant correlation results between learning organization environment, employee engagement and employee's innovative behavior.

Implication for future research

It is compulsory to increase the learning organization environment in Public sector organization. In this study results are shown that organizations will gain maximum benefits from competitors by establishing an effective learning organization environment. The study also shows that the learning organization doesn't guarantee the growth of employee's innovative behavior without the employee engagement. When people are dynamic and happy at their work, they are more likely to engage in innovative processes by using personal and organizational resources. According to the organization structures leaders and managers should deliberate these variables in the organization to gain advantage in the competitor organizations.

In this study there is following limitations, Study has measured only the relationship of learning organization environment and employee's innovative behavior under the moderating role of employee engagement but the is some other aspects like leadership, work climate and application behavior and many other which can be possibly related with employee's innovative behavior and learning organization environment of employees, and these factors have been ignored in this study. We have collected data from top, middle and low-level manager those are working in the Public sector organization in Faisalabad, Pakistan. We collected 122 samples of due to minimum recourses and also structure of Public sector organization is same and other researcher may extend the size of samples and also get data from other cities.

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