



Master Thesis

The Influence of Innovative Work Climate and Leadership Behavior on Employees' IWB

Nesrin Hill

s1335790

March 2017

**UNIVERSITY
OF TWENTE.**

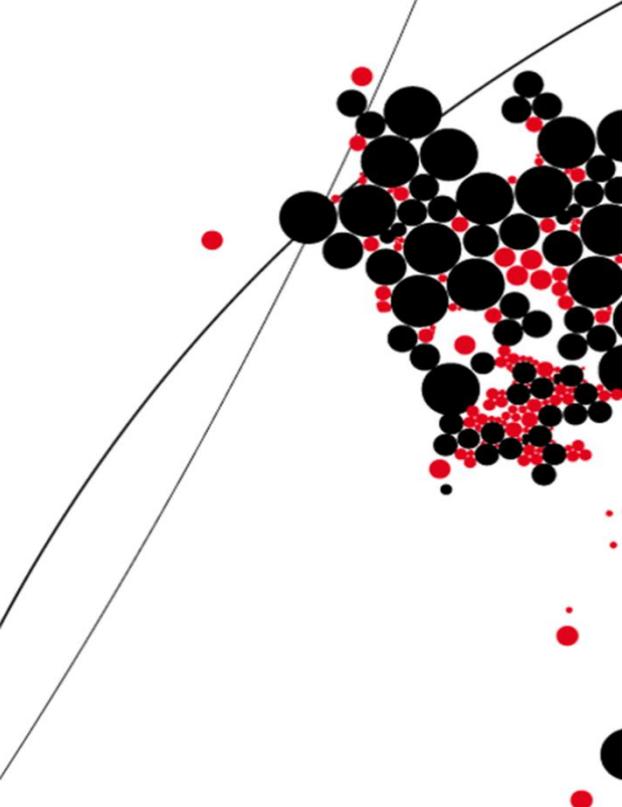
MSc Business Administration
Human Resource Management

Examination Committee

dr. Anna C. Bos-Nehles

dr.ir. Jan de Leede

Maarten Renkema



ABSTRACT

Background: Nowadays, innovativeness plays a crucial role in the effectiveness and survival of organizations as they constantly face global competition and rapid changes in the business environment and thus need to innovate in order to keep up with their competitors and eventually gain a competitive advantage. Particularly, the innovative work behavior (IWB) of employees portrays a crucial asset enabling organizations to achieve success in a continuously changing and evolving business environment. In order to foster IWB, innovative work climate and leadership behavior depict crucial influencing factors, however, the field of the synergy and mutual influence of leadership and climate as well as the assigning of the different leadership behaviors and climate dimensions to different IWB phases is most widely unexplored.

Methodology: A structured literature review including 49 studies has been used to illuminate the influence of innovative climate and leadership behavior on employees' IWB. In order to especially examine the synergy effect of both factors on IWB, a case study in cooperation with a medium-sized personnel service provider in western Germany including a semi-structured interview with two of the company's CEOs and a focus group with five employees from different departments has been conducted.

Conclusion: Leadership behavior, innovative climate, and IWB are multidimensional constructs. Most leadership behaviors are especially suitable for different IWB phases while most climate dimensions supports overall IWB and the different phases almost equally. Nevertheless, reducing innovative climate only to one single climate and disregarding its various dimensions is not recommendable since there are still some dimensions which are particularly suited for certain IWB phases and of which organizations can make use.

Therefore, in order to optimally exert influence on employees' IWB during the different phases, it is essential to decide upon the most suitable leadership behaviors to use and climate dimensions to create. Consequently, when the behaviors and climate scales match the specific IWB phase, they are able to strongly influence employees' innovative work behavior. Additionally, there are compatible leadership behaviors and climates which are clearly interrelated. Therefore, when a company aims to establish a supporting atmosphere for certain employees in which innovative ideas are welcome, it is essential that, as an antecedent for such a climate, the employees' leaders behave openly and supportive towards their subordinates' innovativeness. Hence, leadership behavior and climate are closely linked. Leaders play a crucial role in creating innovative climates and continue to play an important part in maintaining it and contributing to its eventual success in influencing employees because it does not suffice to create a climate in order to foster innovation. Leaders have to continue to be committed and stimulate their subordinates. This demonstrates that, primarily, climate is subject to leadership behavior in order to emerge. Once present, however, climate and leadership behavior go hand in hand and leaders have to make an effort to preserve the formerly created climate

Most importantly, the structured literature review and especially the case study analysis revealed that leadership behaviors can autonomously influence employees' innovative work

behavior while climates cannot independently emerge and exert influence and require the support of leaders.

TABLE OF CONTENTS

1. INTRODUCTION	p. 1 – 3
1.1 Problem Statement and Goal of Research	p. 1 – 2
1.2 Scientific and Practical Relevance	p. 3
2. LITERATURE REVIEW	p. 3 – 7
2.1 Innovative Work Behavior (IWB)	p. 3 – 4
2.2 Innovative Climate	p. 4 – 6
2.2.1 Dimensions of Innovative Climate	p. 4 – 5
2.2.2 Innovative Climate Dimensions and Innovation Phases	p. 5 – 6
2.3 Leadership Behavior	p. 6 – 7
2.3.1 Leadership Behavior and Innovative Climate	p. 7
3. METHODOLOGY	p. 8 – 12
3.1 Research Approach	p. 8
3.2 Structured Literature Review	p. 8 – 9
3.2.1 Data Collection: Search Terms	p. 8 – 9
3.2.2 Data Collection: Inclusion Criteria	p. 9
3.2.3 Selection of Articles	p. 9
3.3 Case Company: Personnel Service Provider in Western Germany	p. 10 – 11
3.3.1 Selection of the Company	p. 10
3.3.2 Semi-structured Interview	p. 10 – 11
3.3.3 Focus Group	p. 11
3.3.4 Analysis of the Results	p. 12
4. RESULTS	p. 12 – 44
4.1 Structured Literature Review	p. 12 – 37
4.1.1 The Influence of Innovative Climate on IWB	p. 12 – 21
4.1.1.1 Conclusion	p. 22 – 23
4.1.2 The Influence of Leadership Behavior on IWB	p. 24 – 35
4.1.2.1 Conclusion	p. 36 – 37
4.2 Qualitative Research	p. 37 – 44
4.2.1 Innovation at the Personnel Service Provider	p. 37 – 38
4.2.2 The Influence of Innovative Work Climate and Leadership Behavior on IWB	p. 38 – 43
4.2.3 Conclusion	p. 43 – 44
5. DISCUSSION	p. 45 – 50
5.1 Limitations and Future Research	p. 48
5.2 Practical Implications	p. 48 – 50
6. CONCLUSION	p. 50 – 51
7. ACKNOWLEDGEMENTS	p. 51
8. REFERENCES	p. 51 – 59
9. APPENDIX	p. 60

LIST OF TABLES

Table 1: Different leadership behaviors by De Jong & Den Hartog (2007)	p. 6 – 7
Table 2: Search term combinations	p. 9
Table 3: Stepwise reduction of articles	p. 9
Table 4: The influence of innovative work climate on employees' IWB	p. 14 – 21
Table 5: The influence of leadership behavior on employees' IWB	p. 24 – 35
Table 6: Recommended leadership behaviors and climate dimensions in each IWB phase	p. 50

1. INTRODUCTION

Nowadays, innovativeness plays a crucial role in the effectiveness and survival of organizations as they constantly face global competition and rapid changes in the business environment and thus need to innovate in order to keep up with their competitors and eventually gain a competitive advantage (e.g. Jiménez-Jiménez & Sanz-Valle, 2008; Lin, 2015; Dunegan et al., 1992; Janssen, 2000; Scott & Bruce, 1994). Particularly, the innovative work behavior (IWB) of employees portrays a crucial asset enabling organizations to achieve success in a continuously changing and evolving business environment (Yuan & Woodman, 2010). IWB involves an accumulation of behaviors signaling the willingness to engage in generating and applying beneficial novelty rather than resistance to do so (Kleysen & Street, 2001, Montes et al., 2004). It has been identified as a multistage concept comprising idea exploration, idea generation, idea championing, and idea implementation (Scott & Bruce, 1994; De Jong & Den Hartog, 2010). The IWB of employees is influenced by various factors. A strong effect is assumed to originate from the climate within an organization as organizations inevitably produce a certain environment influencing both organizational and individual out-puts and performance (Isaksen et al., 2001). The importance of a climate which supports innovativeness has been widely accepted as innovation is something that has to be actively fostered by a company (Dunegan, 1992). Such a climate is an important indicator for individual-level outcomes and prevails upon employees to increase interaction with fellow workers in order to exchange and share knowledge for creative idea generation (Parker et al., 2003; Chen & Huang, 2007). Innovative climate comprises frequent behaviors, attitudes, and feelings facilitating and supporting creativity which nurture employees' willingness and motivation to innovate (Imran et al., 2010). In line with this, it becomes obvious that "establishing a work climate compatible with innovation is as much a part of the equation as the people themselves" (Dunegan et al., 1992, p. 227). Additionally, another influence on employees' IWB is the leadership behavior of line managers. It includes a portfolio of different behaviors of leaders in an organization which aim for the facilitation of the motivation and capability of subordinates to behave innovatively in order to optimally cope with their work tasks (De Jong & Den Hartog, 2007). Leadership also evidently increases the likelihood of followers' idea generation and their conversion into useful innovative outcomes (Mumford et al., 2002). Line managers are taking on increasing responsibility in leading employees to deliver innovative individual-level outcomes by generating a positive emotional state and employee engagement (Alfes et al., 2013; Avolio et al., 2004). However, leaders' behavior does not only individually affect IWB but engages in a synergy with the work climate. Accordingly, Lewin et al. (1939) argue that different leadership behaviors generate different climates which in turn evoke distinct employee behaviors. In line with this, De Jong & Den Hartog (2007) state that "[l]eadership may also have indirect effects on outcomes, for instance, through [...] creating a work climate in support of employees' innovative efforts" (p. 57).

1.1 Problem Statement and Goal of Research

Taking into account the current state of research, literature mainly attends to the influence of organizational climate and leadership behavior on IWB without considering the existence of

an innovative climate including several sub-dimensions and its interplay with different leadership behaviors in affecting the different phases of innovative work behavior. Hence, although there is some literature dealing with different dimensions of innovative climate influencing employees' IWB and different leadership behaviors, there is a lack of literature attending to the different stages of the innovation cycle in connection with differing climate dimensions and leadership behaviors. Additionally, the synergy between an innovation fostering climate and leadership behavior and also which measures organizations should take in order to make use of appropriate climate dimensions and leadership behaviors in respective situations is most widely unexplored. This research will explore and attend to these novel areas.

A structured literature review depicts the ideal technique to determine the current state of research, recognize the experts on this topic, and eventually pave the way for future research. The final execution of a case study including the conduction of a focus group with employees of a recruitment agency in western Germany and a semi-structured interview with two of the CEOs of the company will enhance the scientific and practical relevance of this research by additionally enabling a qualitative view on the subject matter. Conducting a case study is especially valuable for this research since case studies allow for detailed information to be collected which is usually richer and of greater depth than the results of other research methods. Case studies also illustrate a good method to examine rare phenomena which are not exhaustively studied yet and can be well used to challenge or verify theoretical assumptions.

After providing an overview of the characteristics of IWB and the dimensions of both innovative work climate and leadership behavior as well as the methods used in this research, the more in depth questions tapping into a whole new research area will be answered in the results section.

Eventually, the goal of this research is to illustrate which scales of innovative work climate and leadership behavior are most appropriate during each phase of innovative work behavior and examine the relationship between and joint effect of leadership behavior and innovative work climate on employees' IWB. Also, measures organizations should adopt to make use of appropriate climate dimensions and leadership behaviors in respective situations will be examined. The research question reads as follows:

In what ways do innovative work climate and leadership behavior influence employees' IWB?

Sub-questions include:

- In what ways does innovative work climate influence IWB?
 - Which dimensions are required in which IWB phase?
- In what ways does leadership behavior influence IWB?
 - Which behaviors are required in which IWB phases?
- How are leadership behavior and innovative climate related to each other?
- What is the joint effect of innovative climate and leadership behavior on IWB?

1.2 Scientific and Practical Relevance

This research contributes to the existing literature concerning the link between the climate within an organization, the behavior of leaders, and innovative work behavior by, initially, exploring the individual influence of an innovative climate and different leadership behaviors on the innovative work behavior of employees. New ground will be broken by defining in what ways different dimensions of innovative climate and different leadership behaviors influence IWB and which climates and behaviors are required for each innovation phase. Additionally, the unexplored field of the synergy and mutual influence of leadership and climate will be examined. As innovative work behavior increasingly gains importance in today's fast changing business environment, the practical relevance of this research includes enabling organizations to realize the utmost importance of an innovation fostering climate and motivational leaders in order to enhance their innovative potential. Moreover, it will be illustrated in what way organizations should manage the range of diverse climates and leadership behaviors in order to apply suitable ones in various situations.

2. LITERATURE REVIEW

In order to clarify the formerly established research question, its components "IWB", "Innovative Climate", and "Leadership Behavior" have to be clearly conceptualized and linked to each other.

2.1 Innovative Work Behavior (IWB)

Nowadays, it has been proven by various researchers that the innovative work behavior (IWB) of employees illustrates an important component for organizations in keeping pace with competitors in the market and eventually reach a competitive advantage. It is inevitably needed for companies' success and their long-term survival (e.g. Janssen, 2000; Abstein et al., 2014). The foundation of innovative work behavior is the overall openness of employees to engage in change and embrace novelty and innovation instead of resisting unfamiliar occurrences (Montes et al., 2004; Zaltman et al., 1973). IWB can be conceptualized as a multistage construct involving a creative stage in which useful and innovative ideas are generated by employees, followed by the realization of the idea in order to successfully modify and improve the involved product, service or process (Scott & Bruce, 1994; Janssen, 2000; Veenendaal & Bondarouk, 2015). Kleysen and Street (2001) also point out that all kinds of individual employees' actions meant for generating and applying beneficial novelty at any organizational level have to be considered innovative work behavior. According to De Jong and Den Hartog (2010), IWB is comprised of four different dimensions which are labeled idea exploration, idea generation, idea championing, and idea implementation. "The start of an innovation process often has an element of chance: the discovery of an opportunity or some problem arising" (De Jong & Den Hartog, 2010, p. 24). Consequently, the first phase, idea exploration, includes the activation of employees to detect and seize novel opportunities in order to improve current products, services or processes (Kanter, 1988; De Jong & Den Hartog, 2010). The next element of IWB is idea generation which involves the process of distancing from usual routines and systems to solve the identified issues during idea

exploration (Kanter, 1988). A key concept of idea generation to successfully solve problems and enhance performance is illustrated by the renewed combination of information and existing concepts (De Jong & Den Hartog, 2010). After an idea has been generated by employees, idea championing becomes relevant. During this stage, charismatic people possessing the energy necessary to promote the idea throughout the company and find support are vital (Van de Ven, 1986; Veenendaal & Bondarouk, 2015). Constantly showing enthusiasm about the success of the innovation, persistence, and bringing the right people together are crucial tasks of champions (e.g. Howell et al., 2005). Eventually, during idea implementation, ideas are realized and incorporated in the organization's regular work processes (Veenendaal & Bondarouk, 2015; De Jong & Den Hartog, 2010; Kleysen & Street, 2001).

2.2 Innovative Climate

Evidently, an innovative climate possesses a vital role in fostering the innovation generation and application processes in organizations (e.g. Dunegan et al., 1992). In a broader sense, the climate within an organization can be described as the synergy of established routines and practices, shared beliefs, and a mutual value system a company follows (Chen & Huang, 2007; Janz et al., 1997; Schneider, 1990). It is inevitably needed to create a strong situation for employees to develop a shared interpretation of an organization's procedures and goals as well as about the behaviors which are expected and rewarded (Bowen & Ostroff, 2004). For the individual members within an organization, climate depicts a cluster of attitudes, feelings, and behaviors which characterizes life and the overall pattern in a company (Chen & Huang, 2007; Ekvall, 1996). Consequently, an innovative climate can be conceptualized as mutual perceptions of a company's members about procedures, rules, and values which are directed at and encourage generating novel information and implementations (Sařnak et al., 2015; Moolenaar et al., 2010; Trevino et al., 1998). Accordingly, the climate which employees reside in significantly affects their opportunity and motivation to behave in an innovative fashion and illustrates a reasonably powerful and persuasive influence on creativity and innovation (Dunegan et al., 1992; Mumford et al., 2002).

2.2.1 Dimensions of Innovative Climate

In order to subdivide innovative climate into different dimensions, the framework by Ekvall (1996) including Challenge, Freedom, Idea Support, Trust/Openness, Dynamism/Liveliness, Playfulness/Humor, Debates, Conflicts, Risk Taking, and Idea Time has been used. Ekvall's (1996) framework has been chosen because most other studies dealing with innovative climate scales provide fewer and less detailed dimensions (e.g. Amabile & Gyskiewicz, 1989; Parker et al., 2003). By contrast, Ekvall's (1996) scales offer variety and a great extent which makes them beneficial to in depth examine the influence of innovative work climate on IWB.

Challenge includes the "emotional involvement of the members of the organization in its operations and goals" (Ekvall, 1996, p. 107). A high-challenge climate involves a demanding atmosphere which motivates employees to behave innovatively and invest much energy in their work tasks leading to the experience of joy and meaningfulness in their job (Ekvall, 1996). The *Freedom* dimension describes employees' independence while performing their

tasks. A distinctive characteristic of an innovative climate with a high level of freedom are initiative people which like to plan and make decisions (Ekvall, 1996). *Idea Support* involves the way novel ideas from employees are treated. “In a supportive climate, ideas and suggestions are received in an attentive and supportive way by bosses and workmates (Ekvall, 1996, p. 107). Space for generating and applying new ideas is created and people encourage each other to take the initiative (Ekvall, 1996). *Trust/Openness* is related to the emotional safety in work-related relationships. When there is a high level of trust, communication is open and straightforward which causes employees to have the courage to put forward ideas and opinions and take initiatives without fearing punishment in case of failure (Ekvall, 1996). The *Dynamism/Liveliness* dimension describes the level of eventfulness of life within a company. In a highly dynamic and lively organization, alterations between ways of thinking about and handling issues often occur as well as new projects and different plans (Ekvall, 1996). *Playfulness/Humor* deals with the spontaneity and ease that is shown in the company. An organization that scores high on this dimension is characterized by a relaxed atmosphere including fun and laughter (Ekvall, 1996). *Debates* involve the occurrence of encounters between different viewpoints and ideas which lead to employees actually questioning things and not only mindlessly following established patterns. People are heard and motivated to put forward their ideas (Ekvall, 1996). The *Conflict* dimension includes the presence of personal and emotional tensions within a company. The level of conflicts should be kept low in order to ensure a mature interaction with each other (Ekvall, 1996). *Risk Taking* is related to the level of tolerance concerning uncertainty. In a highly risk-taking organization, “decisions and actions are prompt and rapid, arising opportunities are taken, and concrete experimentation is preferred to detailed investigation and analysis” (Ekvall, 1996, p. 108). Eventually, *Idea Time* involves the amount of time employees are able to use for elaborating and generating novel ideas. If idea-time is high, many possibilities exist to expand on new ideas and suggestions that have not previously been planned in the involved assignment (Ekvall, 1996).

2.2.2 Innovative Climate Dimensions and Innovation Phases

Innovative work behavior in organizations usually occurs in an iterative and cyclic fashion (Kanter, 1983). Consequently, every time an employee comes up with a novel idea, they have to go through the four phases of idea exploration, idea generation, idea championing, and idea implementation (De Jong & Den Hartog, 2010). Climate can be seen as an intervening variable affecting the results of different processes within an organization, thus the different stages of innovation require the presence of different dimensions of innovative climate (Ekvall, 1996; Isaksen et al., 2001). Additionally, employees’ climate perception provides a reference for the expected and appropriate behavior during certain innovation phases and is able to supply resources for innovative initiatives which makes it highly important to provide a different climate dimension for every phase of IWB (Schneider & Reichers, 1983; Scott & Bruce, 1994; Choi, 2007). In line with this, Parker et al. (2003) argue that considering innovative climate as a single construct could dilute the effects of important relationships between the different climate dimensions and other variables. Clearly, if an innovative climate is to enhance the innovative potential of an organization, it is vital to categorize the enormous number of climate scales including employees’ perceptions of virtually every aspect of their work environment into different dimensions to ensure the presence of a suitable sub climate

for every innovation phase (Parker et al., 2003). However, climate is not the only variable influencing innovative work behavior. Another influence is the leadership behavior of employees' line managers which not only independently depicts a strong influence on IWB but forms a synergy with the climate which implies a mutual influencing.

2.3 Leadership Behavior

Several researches of the antecedents of innovation show that leadership depicts a crucial determining factor in organizational innovation (e.g. Montes et al., 2004, Moolenaar et al., 2010). Additionally, literature indicates that employees' behavior to a large extent depends on interactions with others in the workplace including superiors, thus it is inferable that leadership also exercises a strong influence on employees (Mumford et al., 2002, De Jong & Den Hartog, 2007, Anderson et al., 2004; Zhou & Shalley, 2003). As such, innovation can be seen as a social process in which social interaction including communication, information sharing, discussion, and decision making are vital for openness towards innovation (Calantone et al., 2003; Nohari & Gulati, 1996; Frank et al., 2004; Monge et al., 1992). Accordingly, leadership behaviors can be conceptualized as the different ways of behaving of leaders within an organization directed at stimulating subordinates' commitment, capacity, and engagement in meeting goals (De Jong & Den Hartog, 2007; Leithwood & Jantzi, 2006; Marks & Printy, 2003). Thus, leadership behaviors possess the ability to motivate employees to excel themselves, leading to enhanced effort and productivity (Bass, 1985; Bass & Avolio, 1994). Leaders vary to the extent they exert influence on their subordinates, consequently different kinds of leadership behaviors exist (De Jong & Den Hartog, 2007). Primarily, there are general behaviors occurring unconsciously on a daily basis as part of the leader's profession, hence, De Jong and Den Hartog (2007) argue that "as a leader it seems impossible not to affect employees' innovative behaviour" (p. 57). Secondly, explicit leadership behaviors exist that are purposely applied and depict a direct trigger influencing employees' behavior (De Jong & Den Hartog, 2007). Leadership behavior involves any action initiated by leaders directed at the transformative aspect of organizations (Isaksen et al., 2001). It is very visible to individuals in the organization and highly relevant when subordinates experience problems which require solving, decisions have to be made, and information exchanges result into action (Isaksen et al., 2001). Clearly, the range of leadership behaviors is manifold as every phase of employees IWB requires an adjusted behavior (De Jong & Den Hartog, 2007). The accumulation of all different explicit leadership behaviors to be used in different phases of IWB has been presented in Table 1. The thirteen dimensions by De Jong & Den Hartog (2007) have been chosen as they are contemporary and provide an exhaustive overview of different leadership behaviors and offer a larger range than most developed scales by other authors (e.g. Arnold et al., 2000; Gebert, 1987).

Table 1. *Different leadership behaviors by De Jong & Den Hartog (2007)*

Behavior	Conceptualization
Innovative role-modeling	Being an example of innovative behavior, exploring opportunities, generating ideas, championing and putting efforts in development
Intellectual stimulation	Teasing subordinates directly to come up with ideas and to evaluate current practices
Stimulating knowledge diffusion	Stimulating open and transparent communication, introducing supportive

	communication structures like informal work meetings
Providing vision	Communicating an explicit vision on the role and preferred types of innovation, providing directions for future activities
Consulting	Checking with people before initiating changes that may affect them, incorporating their ideas and suggestions in decisions
Delegating	Giving subordinates sufficient autonomy to determine relatively independently how to do a job
Support for innovation	Acting friendly to innovative employees, being patient and helpful, listening, looking out for someone's interests if problems arise
Organizing feedback	Ensuring feedback on concepts and first trials, providing feedback to employees, asking customers for their opinion
Recognition	Showing appreciation for innovative performances
Rewards	Providing financial/material rewards for innovative performances
Providing resources	Providing time and money to implement ideas
Monitoring	Ensuring effectiveness and efficiency, checking-up on people, stressing tried and tested routines (negative relationship)
Task assignment	Providing employees with challenging tasks, make allowance for employees' commitment when assigning tasks

2.3.1 Leadership Behavior and Innovative Climate

As emphasized earlier, both innovative climate and leadership behavior do not only independently influence IWB but form a synergy and also have an effect on each other. Correspondingly, Lewin et al. (1939) argue that different leadership behaviors create different climates which in turn give rise to varying employee reactions and behaviors. In line with this, Montes et al. (2004) state that innovation should always begin with the encouragement of supervisors including the establishment of a supportive organizational climate. Leaders play an important role in creating different climates and must adjust them to the different phases of the innovation cycle (Mumford et al., 2002). In addition to that, leadership behavior can majorly influence the perceptions employees have about the climate for innovation (Isaksen et al., 2001; Ekvall, 1997; Ekvall & Arvonen, 1984). Moreover, Bowen and Ostroff (2004) state that there is not one most suitable set of practices and behaviors for a specific situation. Rather, different practices and behaviors might be equally effective as long as they allow a particular type of climate around some strategic objective (e.g., climate for innovation or service) to develop (Bowen & Ostroff, 2004; Klein & Sorra, 1996). Accordingly, the way in which leaders interact with and respond to such a climate might have noteworthy effects on innovation (Mumford et al., 2002). In order to generate an innovative climate suitable for a certain innovation phase, leaders are able to shape and define climate appropriately for the needs of creative people (Mumford et al., 2002). In fact, the shaping of climate depicts one of the most powerful effects of leadership on the innovative capacity of the organization since a leader's ability to enhance the innovative potential involves bringing together the required resources and a suitable environment (Mumford et al., 2002; Moolenaar et al., 2010).

3. METHODOLOGY

3.1 Research Approach

In order to find an answer to the established research question “*In what ways do innovative climate and leadership behaviors influence employees’ IWB?*”, primarily, a structured literature review has been conducted. This method has been chosen because the benefits of conducting a structured literature review are manifold. First of all, by making use of a structured literature review to dive into a novel research area, the current state of research on this topic can be determined. In order to find out to what extent a certain topic has already been studied and gather the existing research results, this method is most adequate. Moreover, the experts on this specific topic can be recognized as well as key questions that still need an answer. Consequently, the way is paved for future research. Eventually, in collaboration with a personnel service provider located in western Germany, a case study including a semi-structured interview with two of the three CEOs as well as a focus group including five employees from different departments has been conducted in order to provide a qualitative perspective on the central research question. Conducting a case study is especially valuable for this research since case studies allow for detailed information to be collected which is usually richer and of greater depth than the results of other research methods. Case studies also illustrate a good method to examine rare phenomena which are not exhaustively studied yet and can be well used to challenge or verify theoretical assumptions.

3.2 Structured Literature Review

3.2.1 Data Collection: Search Terms

The first step involved detecting and gathering scientific studies which are suitable for the review by means of the online research databases Scopus and ISI Web of Science. These databases have been chosen since they both enable the direct transfer of the references to EndNote which provides valuable benefits including EndNote’s feature to trace duplicates within the pool of references which is extremely helpful during the process of reducing the amount of articles. Additionally, both databases rank among the largest abstract and citation databases of peer-reviewed literature which deliver a comprehensive overview of the world’s scientific research output and allow for in depth exploration of scientific fields. Primarily, the scope of the present research needed to be specified by establishing a selection of search terms that have been entered into the two online research databases. The pool of search terms includes “*Innovative Climate*”, “*Leadership Behavior*”, “*Line Manager Behavior*”, “*IWB*”, “*Innovative Work Behavior*”, and “*Individual Innovativeness*”. In order to receive the most relevant results, three search term combinations have been compiled and entered into both online research databases Scopus and ISI Web of Science. The quotation marks have been added to the search terms while browsing the different online databases in order to make sure that they appear as the whole established term in the articles and lead to the most relevant search results.

Table 2. Search term combinations

	Combination
1 st	“Innovative Climate” AND “IWB” OR “Innovative Work Behavior” OR “Individual Innovativeness”
2 nd	“Leadership Behavior” OR “Line Manager Behavior” AND “IWB” OR “Innovative Work Behavior” OR “Individual Innovativeness”
3 rd	“Leadership Behavior” OR “Line Manager Behavior” AND “Innovative Climate”

3.2.2 Data collection: Inclusion Criteria

Several general inclusion criteria have been determined as means to decide on which articles to use in this structured literature review. The inclusion criteria were: (I) The language in which the articles are composed had to be English in order to make the analysis more convenient and coherent and provide a set of references in a language the readers of this research are able to understand; (II) the articles had to be peer-reviewed; and (III) the articles had to deal with the effect of either an innovative work climate or different leadership behaviors or a combination of both on employees' IWB.

3.2.3 Selection of Articles

Table 3. Stepwise reduction of articles

	Number of Residual Articles
Step 1: Searching for articles in Scopus and ISI Web of Science with the above listed search term combinations	Scopus: 94 ISI Web of Science: 802 Total: 896
Step 2: Tracing of duplicates	852
Step 3: Checking titles for adequacy	241
Step 4: Analyzing abstracts concerning the inclusion criteria	49

The first step of the selection procedure includes searching for articles in the online research databases Scopus and ISI Web of Science using the formerly created search term combinations resulting in a total of 896 articles. The second step involves the tracing of duplicates which could be easily conducted by making use of EndNote's "Find Duplicates" feature. Eventually, 852 articles remained. During the third step, the titles of the 852 articles have been checked for adequately suiting this research. This primarily involved controlling the language. In case the title was written in any other language than English, the article has been sorted out. Moreover, every article has been deleted whose title did not contain at least one of the key terms: *innovation/innovativeness*, *IWB*, *innovative (work) behavior*, *leader/leadership* or *climate* in order to minimize the probability to keep irrelevant studies in the pool of articles. In a few stray instances substitute terms with a similar meaning have been accepted due to a high value of the study's content (e.g. *creativity* instead of *innovation* or *supervisor* instead of *leader*). Afterwards, step three has been initiated including analyzing the abstracts of the remaining 241 articles according to the established inclusion criteria. This included eventually deleting every article (I) written in another language than English, (II) not being peer reviewed, and (III) not covering the effect of either an innovative climate or different leadership behaviors or a combination of both on employees' IWB. The remaining pool of articles contains 49 studies.

3.3 Case Company: Medium-sized Personnel Service Provider in Western Germany

3.3.1 Selection of the Company

In order to select a suitable company for the case study, two key criteria have been established:

- Bearing a visible relation to innovation
- Being of rather small size since the effect of leadership behavior and innovative climate are most likely stronger than in large companies and also easier to grasp and analyze

The chosen case company is a personnel service provider which has been established in 2003 in western Germany. Currently, the company possesses branches in three different locations and altogether, 24 internal employees are presently working for the recruitment agency within the three establishments. The company's services include the placing of professionals as well as committing professionals to customers for temporary work.

Considering the striven for key criteria, the chosen company matches perfectly. When taking a look at the company's official pyramid-shaped guiding principle (*see Appendix 9.1*), it can be seen that innovation is on the very top of the pyramid. In line with this, the company integrates advanced recruiting channels, applicable and individual selection procedures, and both regional and supra-regional network structures in their daily business. Additionally, one of the firm's CEOs stated that they look back on thirteen years of being ahead of time even though they are a medium-sized company with not more than 24 internal employees. Therefore, the recruitment agency appears particularly suitable for this research with regard to their obvious connection to innovation. Moreover, due to the fact that the agency only employs 24 internal workers and, hence, every leader only possesses a small number of subordinates, the effect of leadership behaviors and also established climates is stronger and easier to analyze than in bigger companies. Additionally, due to the small number of employees, the results are most likely more applicable for the whole firm and provides a better overview of the big picture than it would have been the case in a large company.

3.3.2 Semi-structured Interview

For the purpose of obtaining a more profound insight into the company's structures and gathering answers to the research question from the managers' viewpoint by tapping into their expert knowledge and inquiring their past and present leadership behavior, a semi-structured interview with two of the three general managers of the personnel service provider has been conducted (Harrell & Bradley, 2009). The main goal was to examine in what way the CEOs perceive the company, its climate, themselves as leaders, and the employees as innovative. Ultimately, the interview was aimed at answering the main research question and determining in what way leadership behavior and climate affect IWB and additionally exploring their potential complexity.

Semi-structured interviews include a series of questions of open-ended nature which clarifies the topic under investigation but also provides opportunities for the interviewer as well as the interviewee to elaborate on certain topics in more detail (Mathers et al., 1998). They are particularly useful in collecting attitudinal information and offer several advantages. For

instance, if the interviewee has difficulties in answering a question or only answers shortly, the interviewer may encourage and assist them in reconsidering the question (Mathers et al., 1990). In line with this, the interviewer may also induce the interviewee to elaborate further on previous answers (Mathers et al., 1990).

The interview took place in one of the company's office rooms which has been kindly provided by the firm. It lasted a total amount of 43 minutes and has been recorded with a dictation app on a smartphone and the audio recording function of a laptop. Afterwards, the interview has been transcribed which resulted in ten written pages.

3.3.3 Focus Group

In order to top this research off and provide a deeper qualitative perspective on the research question of this paper, a focus group discussion has been conducted. In order to do so, the 24 internal employees of the personnel service provider were invited to participate. Eventually, five employees from different departments agreed to take part and a suitable appointment has been made to conduct the focus group in a provided room by the company in one of their branch offices. The main goal of the focus group was to explore the leadership behavior and climate within the company experienced by the employees and determine if and what kind of effects there are on their IWB. Additionally, gaps between employees' ideal and the actual leadership behavior and climate within the recruitment agency were aimed to be uncovered.

A focus group is a qualitative research technique involving the gathering of a group of persons who are asked by a researcher to give their opinion on a certain topic, idea or question (Leung, 2009). The goal is to create an ongoing discussion among the present people about the research question of this paper. During the conduction, the discussion has to be moderated and observed in order to lead the conversation and analyze both verbal information and non-verbal behavior of the participants (Acocella, 2012).

The focus group technique illustrates a valuable means to explore a population's attitude towards a novel and uninvestigated topic (Koskan et al., 2014; Krueger, 1998). Despite requiring only few resources including a short amount of time and low cost, sufficiently detailed information for the answer to the generated research question will be gathered (Bertrand et al., 1992; Acocella, 2012). Additionally, the discussion emerging from the focus group approach enables the researcher to explore an issue in depth and gain unique insights due to the group synergy and the ability of the participants to build on each other's ideas (Palomba & Banta, 1999; Leung, 2009; Acocella, 2012). The focus group technique has been used to answer the final, more in depth questions of this research which are breaking new ground including the examination of the relationship between leadership behavior and innovative climate as well as the joint effect of both on IWB. It included a selection of five employees from different departments in order to receive the most adequate and relevant answers to the central research question.

The focus group lasted one hour and 17 minutes and has been filmed with a web camera and additionally recorded with a dictation app on a smartphone. Eventually, the recording has been transcribed which resulted in a total of 19 written pages.

3.3.4 Analysis of the Results

Both the transcript of the focus group and the semi-structured interview have been analyzed using the computer program ATLAS.ti. ATLAS.ti has been chosen since it enables researchers to analyze complex phenomena within unstructured data such as text documents and detect and visualize relations between them.

Primarily, the transcripts have been entered into the program. Afterwards, different codes have been created including the 13 leadership behaviors by De Jong and Den Hartog (2007) (see Table 1) and the ten climate dimensions by Ekvall (1996) (see chapter 2.2.1) as well as other leadership behaviors (“Other LB”), other climate dimensions (“Other CD”), and appearances and effects of combinations of both (“Combination”). Eventually, 26 codes which seek to explain the presence and effect of leadership behavior and climate on IWB in the case company and detect relationships between and combined effects of both of them have been generated. Through list coding, altogether, 124 quotations have been assigned to the 26 different codes.

Ultimately, the 124 quotations assigned to the 26 codes have been used to in depth analyze and make sense of the data in the following chapter.

4. RESULTS

In order to present the results of this research, this section is divided into two main segments including the structured literature review and the qualitative research. The structured literature review sub segment contains, primarily, a chapter dealing with the influence of innovative climate on employees’ innovative work behavior. While analyzing the relationship between innovative climate and IWB, the ten different climate dimensions of Ekvall (1996) have been used. The main findings of the literature are presented within a matrix including the specific characteristics of each climate, the different phases of IWB, the influence of leadership behavior on each climate scale, and the results of the qualitative case study concerning the respective dimension. Subsequently, a chapter about the influence of leadership behaviors on IWB follows incorporating the thirteen different leadership behaviors related to innovative behavior established by De Jong and Den Hartog (2007). The main findings of the literature review are also illustrated in a similar matrix. Eventually, the joint effect of innovative climate and leadership behavior on IWB is examined. The second major sub segment includes in depth analyses of the interview with two of the three managers of the case study’s recruitment agency and the focus group conducted at the company with five employees from different departments.

4.1 Structured Literature Review

4.1.1 The Influence of Innovative Climate on IWB

The sequencing subchapter revolves around the influence of innovative climate on innovative work behavior. The different scales of innovative climate used in this subchapter are consistent with the ten different dimensions established by Ekvall (1996) (see 2.2.1 *Dimensions of Innovative Climate*). It will be examined in what way the different climate dimensions affect overall IWB and idea generation, idea championing, and idea

implementation individually. Additionally, it will be clarified in what way the innovative work climate scales and leadership behavior are intertwined. Eventually, it will be illustrated if the results of the case study are consistent with the findings of the literature review. All main findings will be presented within a matrix.

Table 4. *The influence of innovative work climate on employees' IWB*

Dimensions by Ekvall (1996)	Climate Characteristics	IWB				Leadership Behavior	Case Study
		Overall IWB	Idea Generation	Idea Championing	Idea Implementation		
Challenge	Challenge within a climate revolves around the emotional involvement of employees in the organization's operations and goals. A high-challenge climate is characterized by people experiencing joy and meaningfulness in their job and, thus, investing more energy (Ekvall, 1996; Akkermans et al., 2008).	<p>Intrinsic motivation and creativity can be significantly enhanced by a personal sense of challenge and the intellectually challenging nature of a problem (Amabile et al., 1996).</p> <p>When climates yield complex, demanding, and challenging tasks, individuals are more likely to focus all of their attention and effort on the job which makes them more persistent, consider different alternatives, and deliver creative outcomes (Shalley & Gilson, 2004).</p> <p>When they are confronted with challenging goals requiring a major personal investment of time and energy, people are more prone to creativity and involvement (Mumford et al., 2002).</p>	<p>A challenging but non-judgmental climate causes employees to feel able to propose novel ideas and problem solutions which eventually increases the probability of employees being stimulated to use their creative potential and offer ideas for new and improved ways of working (Anderson & West, 1998; Baer & Frese, 2003).</p> <p>When a climate is challenging, employees are motivated and try to overcome the challenges they encounter by generating creative ideas (Chen & Hou, 2016).</p>	The promotion of innovative ideas is supported by challenging climates (Baer & Frese, 2003).	<p>A high-challenge climate has a significant effect on the perceived level of innovation within a company, hence innovations in such a climate are most likely to be successful to a high degree (Akkermans et al., 2008; Isaksen et al., 2001).</p> <p>Climates which are challenging and include participative safety are key drivers for process innovations to be realized and continue to play an important role after an idea has been implemented (Baer & Frese, 2003).</p> <p>When a climate is challenging, employees are motivated and try to overcome the challenges they encounter by actualizing ideas into substantially novel and improved products, procedures, and scientific knowledge (Chen & Hou, 2016).</p>	<p>In order to create a challenging climate, leaders play an essential role by providing meaning and challenge to their followers' work and inspiring and motivating those around them (Elenkov et al., 2005).</p> <p>Leaders may create a challenging climate by making subordinates challenge their own values and beliefs causing them to think about new and old issues in novel ways (Jung et al., 2003).</p>	<p>Employees value being demanded but feel that it is missing in the climate since it is mostly not challenging and does not stimulate them to become active and innovative.</p> <p>Employees feel that a climate which is not continuously challenging but steady hinders IWB.</p> <p>Employees think that there is too much focus on day-to-day business and that the climate should be more future-oriented.</p> <p>"KVP courses" used to exist in the past during which employees were challenged to think about current issues and delivered improvement suggestions strongly support idea generation.</p>
Freedom	The freedom dimension of a	Employees show	The presence of a high		The presence of a high	When an innovative climate	Freedom is perceived as

	<p>climate describes the independence in behavior shown by the people in an organization. In a climate displaying a lot of freedom, people discuss problems and alternatives with others, give and receive information, take initiatives, and are prone to make decisions (Ekvall, 1996; Akkermans, 2008).</p>	<p>increased innovativeness if they feel enabled to have a choice and make decisions (e.g. Amabile et al., 1996; Montes et al., 2004).</p> <p>Freedom as a dimension of climate is related to securing innovative achievement of employees (Amabile et al., 1996).</p>	<p>freedom climate encourages idea generation (Akkermans et al., 2008).</p>		<p>freedom climate significantly enhances idea implementation (Akkermans et al., 2008).</p>	<p>has been implemented and the incubation phase has been overcome, an organization must sustain this environment and the innovative behavior of employees which can be done by entrusting and empowering individuals with more freedom to innovate and create (Solomon et al., 2004).</p> <p>Employees who receive a high degree of freedom from their supervisor also tend to experience the overall climate as supportive of autonomy and eventually also supportive of innovation (Scott & Bruce, 1994).</p>	<p>essential to become innovative and the employees feel like they have sufficient time to deal with their creative ideas.</p> <p>However, , only being provided with resources does not suffice and employees require further stimulation and interaction by the leader in order to successfully use the provided means which is, however, oftentimes missing in the recruitment agency.</p>
<p>Idea Support</p>	<p>Idea support describes the way novel ideas are treated. In a supportive climate, new ideas and suggestions are welcome and people listen to each other and support initiatives. Opportunities for trying out novel things are available and the overall environment is constructive and positive (Ekvall, 1996).</p>	<p>Supervisory encouragement including support received from one's leader is related to high-creativity (Amabile et al., 1996).</p>		<p>Employees working in an organization that provides a supportive climate are more likely to take the risk of proposing novel ideas and approaches than in an environment where innovative ideas are ignored, censored or punished (Baer & Frese, 2003).</p> <p>The promotion of innovations can be encouraged and nurtured where</p>	<p>The implementation of generated innovative ideas is way more likely and prosperous in supportive climates (Akkermans et al., 2008).</p>	<p>Perceived leader support depicts an essential aspect of work climate for innovation (e.g. Amabile et al., 1996; Amabile et al., 2004; Oldham & Cummings, 1996).</p> <p>Workers' innovativeness is subject to their perception of the organizational climate as promotional regarding innovativeness which is also partially a function of their relationship with their supervisor (Scott & Bruce, 1994).</p> <p>A leader's ability to support</p>	<p>Feeling welcomed and supported when suggesting innovative ideas positively affects idea generation.</p> <p>Employees feel that there is a supportive climate which brings out the best of one's ideas → especially improves idea generation</p> <p>Small gestures of support are enough to boost IWV.</p>

				creative ideas are valued and supported and can be introduced without penalties (Bain et al., 2001).		and nurture creativity requires the creation of a risk-tolerant, supportive climate (Oldham & Cummings, 1996; Moolenaar et al., 2010; Jung et al., 2001). Innovation should begin with the support of supervisors including the promotion of an organizational climate in which employees are supported and recognized for their efforts towards innovation (Montes et al., 2004). When the supervisory style and the overall organizational environment are perceived as supportive, employees are expected to enhance innovative achievement (Oldham & Cummings, 1996).	
Trust/ Openness	Trust/openness describes the emotional safety in relationships (Ekvall, 1996). When the level of trust is strong in the organizational climate, employees are safe to speak up without being rejected, they dare to take initiatives without the fear of being punished in case of failure, and communication is open and straight forward (Ekvall, 1996; Baer & Frese, 2003).	An innovative and cooperative organizational climate works its beneficial effects on innovation through increasing trust, communication, and coordination behaviors among employees (Chen & Huang, 2007).			The implementation of generated ideas is more prosperous when the level of trust/openness is high (Akkermans et al., 2008).	In order to create a climate for innovation, participative safety and trust are essential to build (Elkins & Keller, 2003). Leaders should, besides cultivating climates in which innovation can occur, also support a psychologically safe environment for personal vulnerabilities to be shared including openness in communication and trust	Employees feel safe to try new things without the fear of being punished in case of failure; they are sure that other people do not put the blame on others and are honest when they did something wrong → highly increases IWB Supervisors sometimes avoid informing employees about current issues and changes or only communicate things

						<p>since it can be seen as an essential element of climates supportive of innovation (Moolenaar et al., 2010).</p> <p>Leaders may build a climate contributing to innovation in which people are likely to generate and pursue new ideas by framing decisions in terms of trust and openness (Mumford et al., 2002).</p> <p>A leader's role in facilitating innovative work behavior lies in creating a climate in which ideas are exchanged openly and trust exists among the members of an organization (Reiter-Palmon & Illies, 2004; Isaksen et al., 2001).</p>	<p>extremely delayed → innovative work behaviour is hindered</p> <p>One employee has been asked for their opinion by the CEOs and ignored afterwards → feelings of rejection, idea championing and implementation diminishes</p>
Dynamism/ Liveliness	<p>The dynamism/liveliness scale depicts the eventfulness of life within an organization. In a highly dynamic environment, new things are continuously happening and alterations between ways of thinking and handling issues often occur (Ekvall, 1996).</p>	<p>The link between creativity and innovation is stronger in highly dynamic climates as the environmentally generated pressure to use the new ideas arisen from creative thought are stronger in dynamic climates (Baron & Tang, 2009).</p>			<p>A highly dynamic climate encourages the implementation of novel ideas resulted from creative thinking into actual innovations (Baron & Tang, 2009).</p>	<p>The case company shows a climate with a lack of dynamism in which everyone has a "precisely adjusted task" and specifications on what to do and how to do it → detrimental to IWB</p> <p>Employees feel that the company is "inflexible" and "static" → IWB is impaired</p> <p>CEOs are satisfied with the current situation without moving forward and trying to improve things → IWB</p>	

							decreases
Playfulness/ Humor	The playfulness/humor dimension of an organizational climate describes the spontaneity and ease that is displayed. An organization which is high in this dimension is characterized by a relaxed atmosphere with jokes and laughter (Ekvall, 1996).		Idea generation is significantly higher in relaxed and playful climates (Akkermans et al., 2008).		The chances and success of the implementation of innovative ideas are significantly higher in relaxed and playful climates (Akkermans et al., 2008). Cohesion and team spirit among organizations' members is vital for innovation processes to be successful (Montes et al., 2004).	In order to stimulate employees innovative efforts, leaders may emphasize group cohesiveness and a relaxed and family type of climate (Elkins & Keller, 2003).	One employee stated that they feel comfortable and experience a friendly atmosphere in their department which is highly important to them.
Debates	Debates include the occurrence of encounters and clashes between viewpoints, ideas, and knowledge. In a debating organizational climate, many voices are heard and people are willing and motivated to put forward novel ideas (Ekvall, 1996).	In organizations with strong cultural values for creativity, it is likely that one would observe at least moderate levels of confrontation and debates (Tesluk et al., 1997). A climate that is conducive to creativity and stimulates innovative outcomes is usually open and ideas are debated and discussed (Reiter-Palmon & Illies, 2004). Socioemotional support from the larger work environment through encouraging open and free debates and discussion depicts an essential factor in the enhancement of IWB (Tesluk et al., 1997).	When employees get into debates and conflicts over how work is to be done, the process of disagreeing might result in the generation of new ideas and novel solutions (Shalley & Gilson, 2004).		The implementation of generated creative ideas is more successful in such a climate (Akkermans et al., 2008).	Leaders should attend to the factor of healthy conflicts (Shalley & Gilson, 2004; Mumford et al., 2002; Tesluk et al., 1997). Fostering a climate where constructive task conflict is supported should be role modeled and actively nurtured by leaders in order to cause a positive effect on creativity (Shalley & Gilson, 2004). Leaders play an important role in creating such a climate and must encourage debates during the different phases of the innovation cycle (Mumford et al., 2002).	In the past, there were "KVP courses" during which teams were formed, issues discussed, and potential solutions explained to each other → encouraged overall IWB, however, are not held anymore

Conflicts	Conflicts describe the presence of negative personal and emotional tensions, in contrast to conflicts between ideas, in organizations. When there is a high level of conflict, members of the organization dislike each other and plots and gossip are usual elements in the daily routine of the firm (Ekvall, 1996).	Group conflicts resulting from interpersonal or affective issues most likely result in decreased innovativeness and decision quality (Reiter-Palmon & Illies, 2004). The innovation process often causes and aggravates conflicts in organizational climates between different groups of people within an organization which often slows down or halts the innovation process (Elenkov, et al., 2003).	In case of high levels of conflicts in a climate, it is difficult or even impossible to engage in idea generation (Mumford et al., 2002).		Idea implementation is way more prosperous in climates with fewer conflicts than in ones in which conflicts commonly arise (Akkermans et al., 2008). Within an innovative climate, innovation-values fit may vary between different members of the organization which fosters conflicts and eventually leads to a decreased idea implementation effectiveness since some parties may actively or passively resist using innovations (Klein & Sorra, 1996).	Leaders may implement techniques to minimize disruptive interpersonal conflict and minimize stress such as sense making or focusing attention on common outcomes in order to reduce the conflict within a climate (Mumford et al., 2002).	Employees feel that there are some tensions and that some people lack respect for others' work → discouraging and burdensome climate emerges
Risk Taking	The risk taking scale of innovative climate deals with the tolerance of uncertainty in an organization. In a high risk-taking climate, decisions and actions are prompt and rapid, opportunities are taken, and spontaneity is preferred over detailed investigation before acting (Ekvall, 1996).	A climate for innovation which allows for managing risky situations is vitally important (Bain et al., 2001).			Idea implementation in a climate in which risk taking is high is more prosperous than in risk-avoiding ones (Akkermans et al., 2008). A climate in which workers are enabled to take risks and voice their opinion complements the adoption and implementation of modern process innovations, thus serving as an essential contingency in enhancing the full potential of	When leaders stimulate their followers to take risks, question their assumptions, reframe problems, and approaching old issues in new ways, they support the establishment of a climate that values risk-taking approaches and innovative work behavior (Jung et al., 2003). A leader's ability to foster innovative work behavior involves bringing together knowledge, expertise, and skills in a risk-tolerant climate (Moolenaar et al.,	One employee experienced that leaders listened to their ideas but did not implement anything → risks are avoided, employees' motivation to engage in creative efforts decreases

					<p>innovations (Baer & Frese, 2003).</p> <p>By supporting a risk-tolerant climate including the provision of opportunities for learning and professional development and challenging employees to invent novel solutions to known problems, the organization's success at implementing actual innovations improves (Moolenaar et al., 2010; Shalley & Gilson, 2004; Mumford et al., 2002).</p>	<p>2010).</p> <p>By supporting a risk-tolerant climate including the provision of opportunities for learning and professional development and challenging employees to invent novel solutions to known problems, leaders may increase their followers' orientation towards innovation (Moolenaar et al., 2010; Shalley & Gilson, 2004; Mumford et al., 2002).</p> <p>If leaders value innovative work behavior, they need to foster an environment where risk-taking is encouraged and uncertainty not avoided (Shalley & Gilson 2004).</p> <p>The aura of excitement transmitted by the leader is essential as they must be able to share the passion of creating and risk-taking (Solomon et al., 2004).</p>	
Idea Time	Idea time describes the amount of time employees can and do use for elaborating novel ideas. When idea-time is high, possibilities are available to discuss and test new suggestions and people are motivated to make use of these possibilities (Ekvall, 1996).	Resources including sufficient time encourage creativity (Amabile et al., 1996).	Climates with fewer constraints and pressures to meet strict time schedules generally possess a wider scope for innovation and are supposed to have a greater supportive effect on innovativeness than climates with a lack of		Time is part of a strong implementation climate which fosters innovation since the provision of ample time to employees ensures that they both learn about the innovation and begin to continuously make use of it (Klein & Sorra, 1996).	By deliberately providing and ensuring sufficient time for employees, leaders may create a climate in which people feel enabled and motivated to elaborate and test new ideas without time pressure and eventually foster innovation (Akkermans et al., 2008;	Employees feel that there is sufficient time to deal with innovative ideas which creates a feeling of supporting "oneself, the team, and the whole company" with the idea → motivation increases, idea implementation improves

			<p>sufficient time available which usually confine the opportunities for IWB and limit the number of new ideas generated (Bain et al., 2001; Reiter-Palmon & Illies, 2004).</p>			<p>Ekvall, 1996).</p> <p>In order to make their subordinates engage in innovative efforts, leaders should facilitate their access to sufficient time (Amabile et al., 2004).</p> <p>Leaders are not only supposed to promote innovation by, among other things, actively grant adequate resources including sufficient time, but they should be cognizant of the fact that their behavior is more efficient when they establish a conducive climate which conveys the perception to employees that they have enough time at hand to practice innovative efforts (Charbonnier-Voirin et al., 2010).</p>	
--	--	--	---	--	--	--	--

4.1.1.1 Conclusion

Eventually, it becomes clear that the extent to which employees produce innovative, novel, and useful ideas during their work and are ready to innovate, distinctly depends on the work environment they perceive around them (Amabile et al., 1996; Amabile et al., 2004; Suliman, 2001). A climate for innovation is conceptualized by various researchers as practices and norms within an organizational environment that encourage employees to take initiatives and risks to develop novel ideas, processes, and products which ultimately results in IWB (e.g. Scott & Bruce, 1994; Charbonnier-Voirin et al., 2010; Moolenaar et al., 2010; Tesluk et al., 1997). As organizational climate resembles the frequent pattern of behaviors, attitudes, and feelings which are reflected in the daily environment of the organization for employees to experience and understand it, innovative climate is a key factor in facilitating and supporting innovativeness (Imran et al., 2010; Tesluk et al., 1997). It fosters innovative behavior and the generation, adoption, and implementation of novel ideas and practices (Moolenaar et al., 2010; Solomon et al., 2004). Additionally, organizations with proinnovation climates are more successful at implementing actual innovations than organizations lacking a climate that is open to innovation (Moolenaar et al., 2010).

The literature review revealed that most climates are suitable for and supportive in every phase of the innovative cycle. For example, a challenging climate encourages overall IWB as well as idea generation, championing, and implementation almost equally. Nevertheless, in case a company desires to enhance idea generation, a climate which scores high on idea-time would be recommendable since climates with fewer constraints and pressures to meet strict time schedules generally possess a wider scope for innovation and are supposed to have a greater supportive effect on innovativeness than climates with a lack of sufficient time available which usually confine the opportunities for IWB and limit the number of new ideas generated (Bain et al., 2001; Reiter-Palmon & Illies, 2004).

Climates which are supportive and welcoming towards novel ideas are especially convenient for the enhancement of idea championing because employees working in an organization that provides a climate in which innovations are encouraged, nurtured, and valued are more likely to take the risk of promoting novel ideas and approaches than in an environment where innovative ideas are ignored, censored or punished (Baer & Frese, 2003; Bain et al., 2001).

Eventually, in order to foster idea implementation, literature shows that a spontaneous, highly risk-taking climate with a tolerance of uncertainty is suitable (e.g. Akkermans et al., 2008; Moolenaar et al., 2010; Shalley & Gilson, 2004; Mumford et al., 2002). A climate in which workers are enabled to take risks and voice their opinion complements the adoption and implementation of innovations, thus serving as an essential contingency in enhancing the full potential of innovations (Baer & Frese, 2003).

Eventually, it can be seen that there are not many differences between the different climate dimensions in affecting the IWB phases. As illustrated above, a challenging climate is an example of an innovative climate dimension which equally supports employees during every phase of innovative work behavior as well as overall IWB. However, reducing innovative climate to one single climate and disregarding its various dimensions would certainly be a wrong thing to do since there are some dimensions which are especially suitable for certain IWB phases as mentioned above. Separating innovative climate into different dimensions is

useful for companies because it allows them to optimally make use of climate and adjust it to their desires regarding the support of employees' IWB.

Ultimately, a very important finding that originated from the analysis is that it is virtually impossible to examine the effect of innovative climate on IWB without including leadership behavior. Leadership behavior plays a key role in the establishment of innovative climate (e.g. Akkermans et al., 2008; Scott & Bruce, 1994; Reiter-Palmon & Illies, 2004). Leaders' support of innovation can be seen as a primary antecedent of an organization's innovative climate (Klein & Sorry, 1996). As it can be seen above, an increasing number of studies support the finding that climates that are supportive of innovation and foster creativity are influenced, facilitated, and constrained by leadership behavior (e.g. Moolenaar et al., 2010; Mumford et al., 2002).

4.1.2 The Influence of Leadership Behavior on IWB

The forthcoming subchapter deals with the influence of leadership behaviors on innovative work behavior. The different behaviors analyzed consist of the thirteen leadership behaviors by De Jong and Den Hartog (2007) (*see Table 1*). Since innovative behavior is a multistage process including idea generation, idea championing or promotion, and idea implementation (e.g. Caniëls et al., 2014) and sometimes also idea exploration prior to idea generation (De Jong & Den Hartog, 2010), each phase is associated with a unique set of critical success factors and antecedents of the innovative outcomes of each phase (Caniëls et al., 2014). Therefore, in this subchapter, it will be clarified in what way the thirteen leadership behaviors can be seen as antecedents of IWB and, additionally, in which phase of innovative work behavior they are most applicable and beneficial to use. Additionally, it will be examined if the results of the case study are consistent with the findings of the literature review. To ensure a good overview, the main findings will be presented within a matrix. Negative effects are recognizable by the pale red background color.

Table 5. *The influence of leadership behavior on employees' IWB*

Dimensions by De Jong & Den Hartog (2007)	Definition	IWB				Case Study
		Overall IWB	Idea Generation	Idea Championing	Idea Implementation	
Innovative Role-modelling	Being an example of innovative behavior, exploring and pointing out opportunities, the generation and championing of ideas, and putting effort in development (De Jong & Den Hartog, 2007)	<p>The most effective leaders support their subordinates in coordinating and integrating their different creative problem solving styles by being creative themselves and continuously discover and define novel problems, solve these issues, and implementing innovative solutions (Basadur, 2004).</p> <p>Leaders can use creativity as a tool to lead their organization to adapt to their own innovative behavior, in other words, they must serve as a role model in using creative processes (Basadur, 2004).</p> <p>Leaders must represent a trustworthy role model to follow and exert additional effort in novel and innovative behaviors (Bass, 1985).</p> <p>Leaders who serve as a good work model for their subordinates visibly stimulate creativity and innovativeness (Amabile, 1997; Elenkov et al., 2005).</p> <p>If individuals are capable of</p>	<p>It is beneficial when leaders themselves behave innovatively since continuously seeking novel and creative ways to solve issues and improve results stimulates subordinates to do the same and enhances idea generation (De Jong & Den Hartog, 2007).</p> <p>Leaders' modeling of a desired, creative example enhances individuals' level of creativity clearly above those who are not provided a model (Shalley & Perry-Smith, 2001).</p>		<p>It is beneficial when leaders themselves behave innovatively since continuously seeking novel and creative ways to solve issues and improve results stimulates subordinates to do the same and enhances idea implementation (De Jong & Den Hartog, 2007).</p> <p>When leaders modeled creative performances, employees developed creative self-confidence and self-efficacy causing them to believe that they possess the creative capabilities to produce innovative outcomes (Tierney & Farmer, 2002).</p>	<p>Employees think that it is vital to have a leader who serves as a role model and sets an example of an innovative way of working in order to be motivated and try to adapt to this innovative working behavior.</p> <p>Employees feel like their first line managers are good role models while there is a certain distance to the CEOs of the company which aggravates it to completely grasp their courses of action and take them as role models concerning innovative work behavior.</p> <p>When a leader is reluctant to change and does not engage in efforts to demonstrate their followers how to behave innovatively, the participants of the focus group felt like it is heavily complicated for them to be innovative themselves.</p> <p>It is impossible to "happily radiate and feel innovation [...] when it is not performed</p>

		<p>performing a certain task but neglect doing it, they are more likely to conduct the task after a visual demonstration or the forwarding of examples (Shalley & Perry-Smith, 2001).</p> <p>A leader may lead through identification by serving as a positive identification figure who is perceived to be persuasive, inspiring, sympathetic, and attractive and thus causes their employees to internalize their values and norms being stimulated to emulate, for instance, their innovative behavior (Krause, 2004).</p> <p>Leaders, if they truly desire innovation, are able to do much concerning encouraging innovation by role-modeling active engagement as it is certainly an important aspect of the leadership of creative people (Mumford et al., 2002; Shalley & Gilson, 2004).</p> <p>Leaders' innovative cognitive style is a powerful resource that augments subordinates' creativity as a creative synergy should emerge between a leader and their followers meaning that both parties possess an innovative style (Tierney et al., 1999).</p>				by the leaders themselves".
Intellectual Stimulation	Creating opportunities for subordinates to voice ideas that might otherwise get lost, providing		Making use of intellectual stimulation increases employees' awareness of problems and			Employees think that intellectual stimulation is an important factor in being

	<p>support for subordinates' efforts to behave innovatively, question existing assumptions and approaches, and reframe crucial issues in new ways which eventually paves the way for innovation to develop (De Jong & Den Hartog, 2007; Elenkov et al., 2005; Elkins & Keller, 2003; Moolenaar et al., 2010).</p>		<p>encourages them to view them from novel and multiple perspectives which results in enhanced idea generation (Bass, 1985; Reiter-Palmon & Illies, 2004).</p> <p>Intellectual stimulation enables leaders to create opportunities for subordinates to voice ideas that might otherwise get lost and thus strongly supports idea generation (De Jong & Den Hartog, 2007).</p> <p>Leaders who incorporate intellectual stimulation provide support for their subordinates' efforts to behave innovatively, question existing assumptions and approaches, and reframe crucial issues in new ways which eventually paves the way for innovation to develop (Elenkov et al., 2005; Elkins & Keller, 2003; Moolenaar et al., 2010).</p> <p>When leaders stimulate their followers to behave innovatively, they feel motivated in starting to engage in innovative efforts (Scott & Bruce, 1994).</p> <p>'Fostering new ways of doing things' including encouraging new thinking leads to new ways of doing things, actively protecting new ways of doing against negative outside influences, and creating opportunities (Akkermans et al., 2008).</p> <p>Employee suggestion systems in</p>			<p>motivated to behave innovatively.</p> <p>The recruitment agency offers different types of "job coaching" which are enjoyable and helpful → stimulate the daily innovativeness in the company</p> <p>In the past, during so called "KVP training courses" teams were formed and improvement proposals delivered and discussed until a solution was found and announced → idea generation increases, however, these courses have not been executed lately</p>
--	---	--	---	--	--	--

			<p>organizations as an example of intellectual stimulation adjusts employees to continuously coming up with novel problems and innovative solutions (Basadur, 2004).</p> <p>By applying intellectual stimulation, leaders encourage employees to think out of the box and adopt exploratory and innovative thinking processes challenging their own values, traditions, and beliefs (Sosik et al., 1997; Hater & Bass, 1988).</p>			
Stimulating Knowledge Diffusion	Involves behaviors such as stimulating open and transparent communication between leaders and subordinates and introducing supportive communication structures like informal work meetings (De Jong & Den Hartog, 2007).	Both internal and external communication involving the promotions of open and dynamic contact internally and externally visibly enhances employees' innovative work behavior which makes the promotion of continuous communication essential (Damanpour, 2001).	<p>Sharing information and making sure novel and relevant information is properly communicated visibly supports employees in attempting to engage in IWB (Akkermans et al., 2008).</p> <p>The involvement in innovative work behavior increases when the leadership process provides orientation through openly communicating expert knowledge and information (Krause, 2004; Reiter-Palmon & Illies, 2004).</p> <p>Innovation can be referred to as a social process in which social communication illustrates a crucial source for input and refinement of innovative work behavior (Nohari & Gulati, 1996; Calantone et al., 2003; Moolenaar, 2010; Škerlavaj et al., 2014).</p> <p>Regular communication, sharing information and knowledge, the provision of opportunities for</p>		Innovative leaders who are visible to their subordinates, personally communicate with them, and deal with them on a more personal basis are perceived to clearly improve the ultimate success of the innovation (Weese, 1996).	<p>Open and transparent communication is highly important to employees.</p> <p>CEOs think it is crucial to openly talk about negative aspects that have room for improvement without putting the blame on someone in order to foster change and creative work behavior.</p> <p>Employees criticize that certain things are not openly communicated by the CEOs and transparent at all even though it is such a small company → large gaps emerge, innovative work behavior is inhibited</p>

			employees to engage in communication, and the combination of different knowledge from different individuals illustrate an important antecedent for an open orientation towards innovative work behavior and the stimulation for the generation of novel ideas and practices (Monge et al., 1992; Kogut & Zander, 1992; Moolenaar et al., 2010).			
Providing Vision	The provision of a vision and goals by communicating explicit visions, directions, goals on the significance and anticipated types of innovation, and clear targets towards which employees can work (De Jong & Den Hartog, 2007; Shalley & Gilson, 2004).	<p>The provision of a vision and goals enhances employees' attention and effort by offering clear targets towards which they can work (Shalley & Gilson, 2004).</p> <p>Clear visions and goals influence employees' behavior indirectly by leading people to discover and use novel strategies that will enable goal achievement (Shalley & Gilson, 2004).</p> <p>Employees who received an innovative goal or vision behaved more innovatively in contrast to those who were not provided with clear goals and did not know what their leader desired (e.g. Amabile & Grykiewicz, 1987; Carson & Carson, 1993; Tummers & Kruyen, 2014).</p> <p>Inspirational motivation is one of leaders' core characteristics enabling them to appoint, formulate, and communicate a</p>	<p>By setting comprehensible goals and communicating a vision that emphasizes long-term rather than short-term outcomes, leaders are able to transmit to their subordinates what is required and valued by the organization and direct followers' individual and joint effort towards innovative work processes (Amabile, 1996; Shalley & Gilson, 2004).</p> <p>By clarifying long-term visions and goals, followers' intrinsic motivation levels are enhanced which leads to an increased motivation to generate creative solutions for problems (Jung, 2001).</p> <p>Within 22 case studies, Caniëls et al. (2014) found that the majority of participants value constant overlooking of work processes and making sure that the team is provided with a clear sight of its long-term vision and objective by the leader particularly during the idea generation phase of their innovative work behavior.</p>		<p>Offering an overarching vision to subordinates enhances idea application since it simplifies the implementation of ideas fitting to this shared vision (De Jong & Den Hartog, 2007).</p> <p>Leaders who communicate an explicit definition of the structures required for successful goal attainment and expound innovation targets more precisely, are able to visibly nurture the implementation of highly creative ideas (Mumford et al., 2002).</p> <p>Providing a vision leads to a blend of the employees' and the organization's mission causing enhanced idea implementation since employees desire to achieve the firm's goals (Bass, 1998).</p>	<p>Employees think that a clear and transparent goal to move towards and the provision of directions for future activities are essential to further develop and become active and innovative.</p> <p>The company mainly offers short-term goals → the absence of a clear future vision gives employees the impression that problems are ignored and engaging in creative efforts to find solutions is not valued by the company.</p> <p>Employees criticize that the CEOs have a "short-term mode of thinking" and are too focused on day-to-day business without taking into account the approaching days, weeks, and years → IWB diminishes</p>

		<p>convincing vision of the future, desirable goals, and innovation possibilities in order to empower followers to take initiatives and engage in change (Bass, 1991; Elenkov et al., 2005).</p> <p>A leader's role expectations, which describe the adjustment of an individual's behavior based on someone else's expectations, had a positive influence on employees' IWB (Scott & Bruce, 1994).</p> <p>Leaders can facilitate the creative process of employees by simply providing them with suitable instructions and visions towards a desirable future state (Reiter-Palmon & Illies, 2004).</p>	<p>Offering an overarching vision to subordinates enhances idea generation since it provides an example on how desired innovations should look like (De Jong & Den Hartog, 2007).</p> <p>Leaders who are capable of developing a shared vision and goals and serving the social needs of their subordinates, are "perceived to support the fertile ground for innovation to develop" (Moolenaar et al., 2010, p. 655).</p>			
Consulting	<p>Checking with people before initiating relevant changes as well as incorporating their ideas and suggestions in important decisions (De Jong & Den Hartog, 2007).</p>	<p>Innovativeness is higher when supervisors consult their subordinates before making important decisions (Andrew & Farris, 1967).</p> <p>By including others in decision making in the form of actively inviting input in order to make informed and better decisions, helping to identify barriers and stimulate new thinking to circumvent them, and confiding in employees' knowledge, expertise, and experience, leaders support innovative work behavior (Akkermans et al., 2008).</p> <p>Acting on subordinates' ideas</p>	<p>Employees' participation in decision making processes is regarded as a strong determinant of idea generation (De Jong & Den Hartog, 2007).</p> <p>Leaders who provide consultation with subordinates and accept their ideas show confidence in subordinates' innovative capacities, share responsibilities with them when initiating changes, and recognize their individual contributions which eventually supports the development of innovative ideas (Moolenaar et al., 2010).</p> <p>Equality is a key characteristic a leader should possess during idea</p>		<p>Employees' participation in decision making processes is regarded as a strong determinant of idea application (De Jong & Den Hartog, 2007).</p> <p>Leaders must share their problems early with subordinates and engage other content experts whom they have to facilitate towards implementing novel solutions (Basadur, 2004; Harborne & John, 2003).</p>	<p>CEOs think that, as a leader, it is important to hear back from employees and receive feedback on a daily basis since the employees are the ones "at the front" who are always involved in the innovative processes.</p> <p>Employees stated that if they were consulted more often and if their ideas were actually be implemented, they would generate more ideas and suggestions.</p> <p>Employees appreciate it when their team leader discusses potential innovations with them before initiating</p>

		<p>and wishes and asking for team members' ideas and opinions is positively related to innovative work behavior (Amabile et al., 2004).</p> <p>Employees will show more commitment and work harder when they are involved in a project and do not merely implement their leader's predetermined solutions (Basadur, 2004; Tummers & Kruyen, 2014; Amabile, 1997).</p> <p>Involving subordinates in making decisions boosts their intrinsic motivation and shifts their attention to the central problem which improves creative performance (Oldham & Cummings, 1996).</p>	<p>generation including acting in close cooperation with subordinates instead of from a formal hierarchical position (Caniëls et al., 2014).</p>			<p>changes.</p> <p>One employee criticized that they have been asked to provide ideas and suggestions on a certain topic but have been ignored afterwards and their ideas have not been incorporated → employee does not want to voice their opinion anymore</p>
Delegating	<p>Delegation can be described by the more modern term 'empowerment' involving the initiation of a power sharing or empowering leadership style by sharing power with subordinates (Harborne & Johne, 2003; Tummers & Kruyen, 2014; Srivastava et al., 2006).</p>	<p>When leaders are willing to share their problems and power early, they offer employees the freedom to perform their own fact finding and to define issues to be solved in their own way which supports them in exercising their full innovative potential (Basadur, 2004; Krause, 2004).</p> <p>There is a generally positive relationship between a leader's provision of freedom and their subordinates' innovative work behavior particularly when the offered autonomy was combined with a chance to influence the leader's decisions (Andrew & Farris, 1967).</p>	<p>Extensive delegation including providing subordinates with sufficient autonomy and freedom to ensure high-quality work results has a positive relationship with idea generation (De Jong & Den Hartog, 2007).</p> <p>Especially during idea generation, subordinates are in need of a leader who grants them sufficient freedom in order to maximize their creative output (Caniëls et al., 2014).</p> <p>Granting freedom and autonomy to subordinates is an antecedent of idea generation (Krause, 2004).</p>		<p>Extensive delegation including providing subordinates with sufficient autonomy and freedom to ensure high-quality work results has a positive relationship with idea application (De Jong & Den Hartog, 2007).</p> <p>Granting freedom and autonomy to subordinates improves idea implementation (Krause, 2004).</p>	<p>Employees think that possessing a certain amount of autonomy to independently decide how to execute a task triggers innovativeness.</p> <p>The recruitment agency exhibits explicit structures on how to perform the work which leaves little room for freedom → innovative effort is suppressed</p>

		Leaders often strive for subordinates' participation by conveying the importance of cooperation, enabling them to learn from shared experiences, and delegate to subordinates the autonomy and freedom to engage in innovative work behavior (Bass, 1985).				
Support for Innovation	Support for innovation is characterized by tolerance for errors, recognition, praise for innovative activities, and the willingness to compromise and is also seen as a driver of excellent creative performance (Krause, 2004; Oldham & Cummings, 1996). In order to support the fertile ground of creativity, leaders have to bring together knowledge, expertise, and skills of others while being risk-tolerant (Moolenaar et al., 2010).	<p>There is a positive relationship and a significant correlation between support for innovation and innovative behavior of employees (Scott & Bruce, 1994; Amabile et al., 2004; Jung et al., 2003).</p> <p>If leaders are supportive and understand their employees in order to provide the adequate levels of support, the occurrence of creative activity is visibly enhanced (Shalley & Gilson, 2004).</p> <p>Approaching mistakes by abandoning heavy restrictions and penalties and rather grow and learn from failures by supporting positive, open, and inclusive interaction of diverse viewpoints foster innovation development (Akkermans et al., 2008).</p>	<p>Experiencing support can highly motivate subordinates in creating and generating ideas (De Jong & Den Hartog, 2007).</p> <p>Leaders' support for innovation by showing tolerance for errors and possessing the capability to acknowledge and praise subordinates for their innovative work behavior even if it initially does not turn out to be successful, illustrates one of the strongest influences promoting the generation of ideas (Krause, 2004; Mumford et al., 2002).</p> <p>Leader support illustrates one of the major resources to facilitate idea generation since leaders are rather focused on nurturing relationships with subordinates instead of the final decision-making process (Caniëls et al., 2014; Kanter, 1983).</p> <p>Innovative idea support fosters employees during the exploring and formative stage of ideas and causes enhanced idea generation (Mumford et al., 2002).</p>	<p>Idea promotion particularly requires a supportive, non-regulative leadership style (Caniëls et al., 2014).</p> <p>Social support referring to enhancing subordinates' sense of self-worth by, for example, recognizing the value of their innovative contributions fosters idea promotion (Mumford et al., 2002).</p>	<p>Support in the form of dealing with mistakes turned is a vital key driver in the implementation process of creative ideas (De Jong & Den Hartog, 2007).</p> <p>In order to initiate and improve the implementation of highly novel ideas, leaders have to exhibit high levels of instrumental and socio-emotional support and provide both intangible (e.g. psychological support) and tangible resources (e.g. idea championing) (Škerlavaj et al., 2014).</p>	<p>CEOs think that it is important to act open and friendly towards employees with innovative ideas and it should not matter who generates an idea as long as it is valuable for the company.</p> <p>The employees appreciate the supportive behavior towards IWB of the CEOs in form of listening to ideas, enabling employees to test them in the short or sometimes over the long term, and implementing valuable suggestions.</p> <p>By listening to subordinates, implementing ideas, being open, and supporting employees in bringing the best out of their ideas, first line managers foster IWB.</p>
Organizing	Providing employees with	Employees who received			Novel concepts are improved	When improvement

Feedback	performance feedback is a key function which can be particularly important for creativity but also difficult since creativity mainly involves engaging in novel things and taking risks (Shalley & Gilson, 2004). Leaders may provide feedback themselves or dedicate this task to others. For instance, they might ask a subordinate to give feedback to a coworker (De Jong & Den Hartog, 2007).	informational, non-offensive feedback on their creativity directly when engaging in a novel task showed an increased innovative behavior in their further attempts compared to employees who did not receive any feedback (Carson & Carson, 1993).			by offering feedback on an initial version to those who are developing and implementing an idea (De Jong & Den Hartog, 2007). In order to successfully implement an idea, it is crucial to be modest enough to seek feedback and acknowledge that others have more knowledge and expertise than oneself (Caniëls et al., 2014).	suggestions are submitted by employees, primarily, a trial period of around one to three months is initiated in order to acquire experience and eventually a feedback round takes place → further engagement in IWB is encouraged
Recognition	Recognition can be described as a non-monetary kind of rewards including acknowledging employees' attempts to behave innovatively by, for instance, offering praise, awards, and ceremonies (Shalley & Gilson, 2004; De Jong & Den Hartog, 2007).	Recognizing individuals' competence, attempts to engage in IWB, and their eventual innovative accomplishments is expected to facilitate employee creativity and innovation (Shalley & Gilson, 2004; Elkins & Keller, 2003). Recognizing good performance in public and private had a positive effect on subordinates' perceived leader support and eventually also on their creative behavior (Amabile et al., 2004).	Being enthusiastic and recognizing employees' innovative contributions initializes idea generation (De Jong & Den Hartog, 2007). Experiencing recognition stimulates future idea generation (Nijhof et al., 2002). Recognition is a form of leader support which is not only important when employees' innovative work is successful, but also crucial when their first attempt fails as it fosters subordinates' motivation to still come up with innovative ideas (Krause, 2004).	By explicitly recognizing employees for producing innovative ideas and the value of their contributions, leaders are able to enhance their intrinsic and extrinsic motivation to further develop their ideas (Mumford et al., 2002).	Being enthusiastic and recognizing employees' innovative contributions facilitates idea implementation (De Jong & Den Hartog, 2007). By recognizing potential and getting oneself into novel ideas created by highly innovative individuals, leaders function as a resource on the interpersonal level and are able to provide further resources required for the implementation of these ideas (Škerlavaj et al., 2014).	Employees feel like recognition in form of acknowledging and praising their suggestions and initiated innovative efforts is important in the daily business. CEOs think that employees often submit very good suggestions and ideas which are always enrichments for the company since they see everything from a different angle and are able to enhance one's own viewpoint which is "very valuable" and deserves recognition. According to employees, even a "small gesture" can mean a lot. Employees criticize that they do not get recognition for small successes from the CEOs in form of being told, for example, "Wow, you did a great job, it was a great

						<p>week!” → CEOs seem to be “too far away”</p> <p>Employees think that a leader has to follow their words of recognition with action since it is disappointing and also diminishes further idea generation and implementation when one is told that they did something well or had a good idea but no further steps follow afterwards.</p>
Rewards	Rewards refer to providing tangible rewards such as a pay increase or promotion for innovative performance (De Jong & Den Hartog, 2007; Amabile et al., 2004).	People will be most creative when they are intrinsically motivated due to feeling excited and satisfied about their work rather than extrinsically motivated by only being seduced by tangible rewards (Amabile, 1997).	External rewards hinder idea generation since rewards arouse a feeling of external pressure and forces employees to meet the requirements (Caniëls et al., 2014).	Material rewards weaken idea promotion since receiving rewards for unfinished work would not motivate employees to further refine and implement the idea (Caniëls et al., 2014).	<p>After an innovative idea has been implemented, rewards become important in order to praise employees and motivate them to continue being innovative (De Jong & Den Hartog, 2007).</p> <p>External rewards are facilitative during idea implementation since employees perceive external rewards as an acknowledgement of their work and consider the prospect of receiving them as an incentive to go through with the full implementation and taking care of details (Caniëls et al., 2014).</p>	<p>Employees think that acknowledgement does not have to include monetary rewards while some esteeming words of thanks are necessary in the long run and are more likely to foster innovation than material rewards.</p> <p>CEOs think that employees should voluntarily and energetically engage in the development and innovativeness of the company instead of expecting money in return.</p>
Providing Resources	Providing physical resources includes offering sufficient time as well as funds and material resources to subordinates in order to implement their ideas, thus employees willingness to behave innovatively and take risks partly depends on the tightness of the	<p>Time is a critical resource in innovative work behavior and it is vital for leaders to provide sufficient amounts to employees (Shalley & Gilson, 2004; Akkermans et al., 2008).</p> <p>Innovative work behaviour is</p>	Leaders who are capable of effectively providing resources and time to subordinates will most likely have a higher probability of experiencing creative outcomes generated by the employees (Reiter-Palmon & Illies, 2004).		<p>In order to successfully implement innovative ideas, employees need monetary and material resources (De Jong & den Hartog; Shalley & Gilson, 2004; Akkermans et al., 2008).</p> <p>The provision of suitable</p>	<p>Employees are given some extra time to deal with suggestions they submitted → boosts idea implementation and conveys the feeling that they are “benefitting their team and also the company as a whole”.</p>

	<p>resource and time constraints they encounter at their job (De Jong & Den Hartog, 2007; Amabile, 1997; Caniëls et al., 2014; Jung et al., 2003).</p>	<p>resource intensive as diverse individuals are required to devote time and effort, equipment has to be obtained, and support from multiple groups is needed (Mumford et al., 2002).</p> <p>Leaders have to ensure that subordinates have access to a reasonable and suitable amount of resources in order to successfully engage in innovative work behavior and prevent employees from becoming too comfortable and lazy due to an abundance of resources (Shalley & Gilson, 2004).</p>			<p>funds and time by leaders is especially crucial in the idea implementation phase (Caniëls et al., 2014; Mumford et al., 2002).</p> <p>The provision of resources and support is most vital in idea implementation since it makes highly innovative ideas more implementable (Škerlavaj et al., 2014).</p>	
Monitoring	<p>Monitoring includes gathering information about work activities and external conditions affecting the work and ensuring effectiveness and efficiency by continuously controlling people and stressing tried and tested routines (Amabile et al., 2004; De Jong & Den Hartog, 2007).</p>	<p>When people feel to be monitored inefficiently and unfairly, they frequently get upset and angry and refrain from IWB (Amabile et al., 2004).</p> <p>It is impedimental to the progress of an innovation when it is controlled by strict regulation as it is vital that leaders possess a certain degree of trust in the potential of their subordinates and trust that they will not abuse the freedom given to them (Nijhof et al., 2002).</p> <p>When leaders are controlling, closely monitor employee behavior, make decisions without consultation, and</p>	<p>Strong monitoring standards restrict idea generation due to employees feeling unsafe and insecure at work (De Jong & Den Hartog, 2007).</p>		<p>Some degree of monitoring is desirable in order to keep track of the overall progress (De Jong & Den Hartog, 2007; Amabile et al., 2004).</p> <p>During idea implementation a leader with more controlling characteristics can just be what is needed in this stage since guidance and monitoring may be beneficial to, for instance, make sure that the idea that is implemented does not deviate from the initially generated one (Caniëls et al., 2014).</p>	<p><i>Has not been covered in the case study.</i></p>

		constantly bring pressure to bear on their subordinates, intrinsic motivation is undermined which ultimately leads to a decreased creative performance (Oldham & Cummings, 1996).				
Task Assignment	Task assignment revolves around providing employees with challenging tasks and making allowance for their commitment when assigning tasks (De Jong & Den Hartog, 2007).	When jobs are complex and challenging, employees are usually eager for their work and completing the task by engaging in IWB (Oldham & Cummings, 1996; Tierney & Farmer, 2002).	<p>Individuals' intrinsic motivation and motivation to become innovative is enhanced when they are deeply involved in their work because it reflects personal interests and challenges (Amabile, 1997).</p> <p>Due to the feeling of being challenged and the enhanced intrinsic motivation, employees will recognize the utility of innovation and be motivated to engage in change and reduce the gap between the current and the desired situation (Krause, 2004).</p> <p>In order to initiate idea generation, leaders have to present challenging visions of the future which energizes employees and enables leaders to broaden their subordinates' mind, cause them to view problems from different angles, raise their expectations, and reinforce their confidence in their abilities (Charbonnier-Voirin et al., 2010).</p>		<p>When employees are continuously challenged to be creative, it enables them to achieve more innovative and successful business outcomes including superior and more advanced ones in comparison to competitors who do not challenge their employees to behave creatively (Jung et al., 2003).</p> <p>Leaders who provide challenging missions and tasks and make innovation targets more specific for subordinates, significantly foster the implementation of highly innovative ideas (Škerlavaj et al., 2014; Mumford et al., 2002).</p>	<i>Has not been covered in the case study.</i>

4.1.2.1 Conclusion

Ultimately, it can be seen that, in order for creativity to occur in the daily work of employees, leaders have to play an active role in fostering, encouraging, and supporting innovation (Shalley & Gilson, 2004). Even though a wide range of variables affect creativity and innovation in organizational settings, leaders and their behavior illustrate a particularly powerful influence (Mumford et al., 2002).

Furthermore, the thirteen different leadership behaviors by De Jong and Den Hartog (2007) including Innovative role-modeling, Intellectual stimulation, Stimulating knowledge diffusion, Providing vision, Consulting, Delegating, Support for innovation, Organizing feedback, Recognition, Rewards, Providing resources, Monitoring, and Task assignment have recurred in several studies, hence the influence of leadership behavior on IWB could be well examined by orienting on these dimensions.

Additionally, it became clear that, with regard to the different phases of innovation, leadership behaviors have a differential impact in each different phase and leaders have to take on different roles throughout the cycle including idea generation, idea championing or promotion, and idea implementation (e.g. Caniëls et al., 2014) and occasionally also idea exploration prior to idea generation (De Jong & Den Hartog, 2010). For instance, it appears that leaders' support for innovation influences every phase of the innovation cycle and overall IWB equally. Therefore, it is essential for leaders to support employees' behavior during idea generation, championing, and implementation for IWB to be successful. Similarly, recognition, innovative role-modeling, consulting, and delegating are important leadership behaviors which influence the overall IWB of the workforce.

However, when leaders explicitly want to enhance idea generation, the literature review shows that they should engage in intellectual stimulation (e.g. Elkins & Keller, 2003; Elenkov et al., 2005; Moolenaar et al., 2010; Scott & Bruce, 1994; Basadur, 2004). Making use of intellectual stimulation increases employees' awareness of problems, encourages them to view them from novel and multiple perspectives, and enables leaders to create opportunities for subordinates to voice ideas that might otherwise get lost which results in enhanced idea generation (Bass, 1985; Reiter-Palmon & Illies, 2004; De Jong & Den Hartog, 2007). Additionally, the literature review also yielded that the stimulation of knowledge diffusion by leaders is especially valuable during idea generation (e.g. Krause, 2004; Reiter-Palmon & Illies, 2004; Škerlavaj et al., 2014). For example, the studies by Monge et al. (1992), Kogut and Zander (1992), and Moolenaar et al. (2010) showed that regular communication, sharing information and knowledge, the provision of opportunities for employees to engage in communication, and the combination of different knowledge from different individuals illustrate an important antecedent for an open orientation towards innovative work behavior and the stimulation for the generation of novel ideas and practices. Eventually, the provision of a goal and providing a challenging task also turned out to be essential in encouraging idea generation (e.g. Amabile et al., 1996; Amabile, 1997; Shalley & Gilson, 2004; Caniëls et al., 2014). Literature revealed that by clarifying long-term visions and goals and presenting challenging visions of the future, followers are energized and their intrinsic motivation levels are enhanced which leads to an increased motivation to generate creative solutions for problems (Jung, 2001; Charbonnier-Voirin et al., 2010).

In order to improve idea implementation, the provision of resources in form of suitable funds and time by leaders is especially crucial (Caniëls et al., 2014; Mumford et al., 2002). Furthermore, when striving for enhanced implementation, leaders should also reward employees (De Jong & Den Hartog, 2007; Caniëls et al., 2014). While rewards may weaken or even hinder idea generation and promotion due to feeling pressured or demotivated through undeserved rewards for unfinished work, external rewards are facilitative during idea implementation since employees perceive external rewards as an acknowledgement of their work and consider the prospect of receiving them as an incentive to go through with the full implementation and taking care of details (Caniëls et al., 2014).

Eventually, the innovation literature does not deal as much with idea championing as it does with generation and implementation. Nevertheless, innovation support and recognition appear to play the most prominent role during idea promotion (Caniëls et al., 2014; Mumford et al., 2002).

4.2 Case Study

Primarily, in this chapter, it will be illustrated in what way the recruitment agency of the executed case study can be described as innovative and in which aspects IWB can be observed. Afterwards, the research question of this study, *“In what ways do innovative climate and leadership behaviors influence employees’ IWB?”*, will be answered from a qualitative viewpoint by examining the statements of the interviewed CEOs of the company and the employees who participated in the focus group.

In the course of this, the link between leadership behaviors and innovative climate and their effect on IWB will be investigated in consequence of the previous finding that climate and leadership behavior are intertwined and it is virtually impossible to analyze climate without considering leadership behavior which also became clearly visible during the conduction of the interview and especially the focus group.

4.2.1 Innovation at the Personnel Service Provider

When beholding the recruitment agency, a remarkable fact is the company’s guiding principle which is shaped like a pyramid and clearly shows innovativeness as the most important factor on the very top of the pyramid. According to one of the CEOs, the foundation stone for the firm’s innovativeness has been laid around ten years ago when the guiding principle has been developed in the course of a campaign of the Fraunhofer Institute and the entrepreneurs association. This company was the only recruitment agency which was interested in taking part and which passed through the whole process of developing the guiding principle with the support of every single employee. Afterwards, the established guiding principle has been published and internalized. Nowadays, innovative work behavior can be seen in different aspects of the organization and one of the participants of the focus group emphasized that there is “a lot of potential within the employees” to be innovative. In line with this, one of the CEOs stated that employees often submit very good suggestions and ideas which are always “enrichments for the company” since they “see everything from a different angle and are able to enhance one’s own viewpoint which is very valuable”. Referring to idea generation, so called “KVP training courses” have been offered in the company during which employees

team up and are challenged to come up with improvement proposals. Afterwards, the different submissions are discussed and solutions found and announced. During the process, employees distance from usual routines and systems to generate novel and innovative ideas (Kanter, 1988). Moreover, after employees came up with ideas, the promotion of those usually goes very smoothly since the CEOs and team leaders act open and friendly towards employees with innovative ideas irrespective of who delivered the idea. Because leaders listen to ideas, enable employees to test their ideas, and are willing to implement suggestions “when they are valuable for the company”, it is viable for employees to find support and make use of their leader’s energy to enthusiastically promote the idea throughout the company. Eventually, when the leaders are convinced of the value of the idea, they perceive resources spent on the idea as “well-invested” and it can be implemented. However, due to the growth of the company and the continuous turnover, it becomes increasingly difficult to close the innovation circle and successfully promote and implement innovative ideas since especially recent employees determined a “growing distance” between them and the CEOs. Hence, the innovative cycle is often interrupted during idea championing and begins again with the generation of new ideas instead of successfully promoting the former idea (Kanter, 1983).

4.2.2 The Influence of Innovative Work Climate and Leadership Behavior on IWB

In the process of analyzing the relevant literature it has already become apparent that leadership behavior and climate are tightly intertwined. Without the assistance of leadership behaviors, certain climates are difficult or even impossible to create. In line with this, one of the recruitment agency’s CEOs explained that it is important that employees feel that novel ideas and suggestions are welcome. In order to achieve this, they try to act open and friendly towards employees with innovative ideas “no matter who generates the idea as long as it is valuable for the company”. One of the employees who participated in the focus group stated that they appreciate the supportive behavior towards IWB of the CEOs in form of listening to ideas, enabling employees to test them in the short or sometimes over the long term, and implementing valuable suggestions. It became clear that the employees both appreciate and need open and supportive behavior by their leaders as an antecedent of innovative work behavior. Another employee added:

“In our department, innovative behavior is fostered by listening to subordinates, implementing ideas, being open, and supporting employees in bringing the best out of their ideas.”

Moreover, the results of the focus group revealed that the employees feel that possessing a certain amount of autonomy to independently decide how to execute a task triggers innovativeness. Employees who are entrusted and empowered with freedom to innovate by their leaders also experience the climate as more unrestricted and supportive of autonomy. However, there seems to be a lack freedom of decision and autonomy for employees, which impedes IWB. One employee stated:

“The work environment leaves little room for freedom because there are explicit structures and guidelines on how to perform the work. Therefore, I cannot simply be innovative or change something.”

Thus, it can be derived that, when a working place offers a rather loose structure and opportunities to become innovative, employees are more motivated to engage in change initiatives.

Another factor the employees perceived as encouraging for IWB is the access to sufficient resources. One of the employees described that they are given some extra time to deal with suggestions they submitted by line managers which boosts idea implementation and creates a climate which conveys a feeling of “benefitting one’s team and also the company as a whole”. The provision of ample resources by supervisors is part of a strong implementation climate which fosters innovation since it causes employees to devote themselves to the innovation and decreases resignation. One of the CEOs also underlined that, when an idea is valuable for the company, employees are definitely provided with resources including time and money to further develop and implement the idea. Nevertheless, it became clear during the focus group interview that only being provided with resources does not suffice. Subsequent to the provision, further stimulation and interaction by the leader has to follow in order to make employees successfully use the provided means which is oftentimes missing in the recruitment agency. One of the participants said:

“I actually have been told that I am allowed to use some time to engage in innovative efforts, but because there is no further stimulation by my line manager or concrete arrangements in the working environment, I do not dare to use my working time to become creative because it would just feel wrong to do so.”

Moreover, the participants of the focus group explained that it is vital to have a leader who sets an example of an innovative way of working in order to be motivated and try to adapt to this innovative working behavior. Consequently, when a leader is reluctant to change and does not engage in efforts to demonstrate their followers how to behave innovatively, the participants of the focus group felt like it is “heavily complicated [for them] to be innovative” themselves. In order to create such a climate in which innovative behavior is demonstrated for the employees to imitate, leaders have to provide meaning and challenge to their followers’ work and inspire and motivate those around them. One of the employees explained the reasons why they perceive their first line manager as a good role model for innovative behavior:

“He explores opportunities to refine work sequences, prevents stagnation of the technical development of software, and puts effort into being up to date and simplifying and speeding up processes. Additionally, he stands up for me and is able to acknowledge his own faults without passing off the blame to someone else. This is really important to me.”

This behavior creates a climate of trust and openness which nurtures employees’ innovative behavior. However, while the participants of the focus group thought that their direct supervisors are able to serve as an inspiring example of IWB, they felt like there is a different climate when taking the upper management also into account since there is a certain distance to the CEOs of the company which aggravates it to completely grasp their courses of action and take them as role models concerning innovative work behavior. Furthermore, the present employees stated that although the central aspect of the company’s mission statement is innovation, it is often not exactly acted out in the daily working routine and IWB tends to stagnate even though the CEOs put emphasis on innovative behavior and desire to boost innovativeness. Eventually, one of the employees concluded:

“It is impossible to happily radiate and feel innovation [...] when it is not performed by the leaders themselves.”

Aside from that, the participants of the focus group said that being stimulated and challenged by supervisors is an important factor for them in being motivated to behave innovatively. They stated that the firm offers different types of “job coaching” which they enjoy and perceive as helpful and which stimulate the daily innovativeness in the company. Leaders may create a challenging climate by making subordinates challenge their own values and beliefs causing them to think about new and old issues in novel ways. An example of the stimulating climate in the company the employees introduced was “KVP training courses”. During these courses, teams were formed and forms filled out with several improvement proposals which subsequently were put in a letter box. Afterwards, everyone gathered and within a certain lapse of time the different problems and improvement proposals have been discussed and a solution has been found and announced. Additionally, these training courses create a debating climate in which many voices are heard and people are encouraged to generate and put forward innovative ideas. Both the employees and CEOs felt that it depicted an effective way of fostering idea generation as long as it is not executed too often as this would cause employees to feel pressured and make up ill-conceived ideas and solutions. Eventually, an employee stated that it is essential that leaders stimulate “gathering up, using, and cultivating ideas” in order to help their followers in behaving innovatively. However, these active efforts to stimulate IWB seem to be mainly a thing of the past. Currently, long-term goals and active stimulation provided by leaders are missing. One employee stated:

“Everyone got into a rut and has a fixation on day-to-day business and does only what is required on that day without thinking two, three weeks, months or years ahead. This is because it is not stimulated by leaders and there is no platform to become innovative. We mainly deal with short-term tasks while forgetting everything that could be achieved in the long-term.”

Another employee added that continuously having to repeat the same tasks without new challenges further diminishes innovative work behavior. Eventually, it can be seen that the missing stimulation by leaders in the company by, for instance, providing employees with always the same tasks, hinders long-term goals and creative efforts to achieve them to emerge. Consequently, the company stagnates due to only focusing on short-term goals and day-to-day business.

In line with this, the employees said that they miss having a clear vision and goal to work towards. By supporting a climate in which goals are set and opportunities for learning and professional development are provided, leaders could encourage employees to invent novel solutions to known problems and increase their orientation towards innovation. One of the focus group participants explained that there used to be meetings and discussions in which goals were presented, especially when major projects or innovations were on the agenda. During these meetings, the whole team gathered departmentally and the CEOs presented what has to be done and what is to be achieved, however, as the company grows it becomes continuously difficult to maintain these meetings. Therefore, the present employees felt like there is a lack of clear long-term goals. According to the employees, a clear and transparent goal to move towards and the provision of directions for future activities is essential to further develop and become active and innovative. The absence of a vision, however, creates a

climate which conveys that problems are ignored and engaging in creative efforts to find solutions is not valued in the company. Eventually, one participant of the focus group criticized:

“The CEOs seem to have a short-term mode of thinking: Business is going well, new ideas are not necessary.”

This attitude diminishes idea generation by focusing on daily business without presenting future goals and also denying employees a future vision towards which they can work and which they are able to shape themselves.

Furthermore, the CEOs of the recruitment agency emphasized the importance of open communication and that it is crucial to also openly talk about negative aspects in order to foster change and creative work behavior. It is essential to not put the blame on someone but openly communicate things that do not go smoothly, that have room for improvement, and possible improvement suggestions and solutions. The participants of the focus group also agreed that open and transparent communication is highly important. Leaders should, besides cultivating climates in which innovation can occur, also support a safe environment for every kind of information to be shared. An example of the establishment of such a climate described by the participants of the focus group is that, a few years ago, when the mission statement of the company was developed, a meeting took place during which it was thoroughly presented. Also a large framed picture of the guiding principle used to be present at a clearly visible place and it was scheduled that every new employee in the company is informed about the mission statement. However, the routine of introducing the mission statement to every new employee slowly died out and the framed picture does not hang on the wall anymore which causes the statement and thus also innovation to not be fully internalized by some of the more recent employees who experience a different climate than the former employees a few years ago did. One of the present employees stated that the main problem is that the mission statement has been developed by other people who are for the most part not a part of the company anymore. In order to convey the value of the guiding principle and innovation to every employee, it would be vital to prevent this organizational knowledge to get lost and foster open and transparent communication. In line with this, one of the CEOs also agreed that it can be difficult to accept innovation which did not stem from oneself. Moreover, the employees thought that an open and functioning communication is especially crucial and to be expected in small companies. Hence, the partial lack of communication at the recruitment agency discourages the workers and inhibits the different stages of innovative work behavior. One of the employees explained:

“I feel that there is a lot of potential residing in us and the company itself because, due to its small size, transparent and fast communication should be easy. But some actions of the CEOs are not transparent at all. This causes large gaps, especially since we are such a small company and sometimes do not know what the others are doing all day long. In my opinion, if you want to work together as a team, function well together, and be innovative, you have to be close to each other.”

Another employee added that it occasionally happens that team leaders discuss issues with each other but do not convey details appropriately to their subordinates or only after a longer period of time which causes a lack of open and transparent communication for the employees leading to a stagnation of IWB. Relating to open communication, the CEOs stated that it is

also important to hear back from employees and receive feedback on a daily basis since the employees are the ones “at the front” who are always involved in the innovative processes. One of the focus group participants criticized the inclusion of employees and said:

“If the work climate conveyed that employees’ opinions were valued, they were consulted more often, and if their ideas were actually be implemented, they would generate more ideas and suggestions.”

Another employee stated that they appreciate it that their team leader discusses potential innovations with their subordinates before initiating changes. On the contrary, however, when one is encouraged to give an opinion on something and voices criticism and improvement suggestions but is completely ignored, idea generation wanes. In this respect, one of the employees described:

“I was asked to give my opinion on the self-promotion our company does. I said that there are some things that should be done differently and gave improvement suggestions. Later, I was told that they do not change anything and everything remains as it is.”

Further, the employee stated that, due to this event, they prefer to refrain from giving their opinion in the future. Eventually, this lack of inclusion of employees clearly decreases their innovative work behavior, especially the promotion and implementation of an idea after coming up with it. This process of listening to employees’ novel ideas but avoiding the risk of actually implementing them shows low tolerance of uncertainty and an aversion for rapid actions and spontaneous opportunities which is detrimental to idea implementation.

In line with this, the participants of the focus group also stated that a working environment in which their suggestions and initiated innovative efforts are acknowledged is important and motivates them to promote and implement their ideas. According to one of the interviewed CEOs, employees often submit very good suggestions and ideas which are always enrichments for the company since they see everything from a different angle and are able to enhance one’s own viewpoint which is “very valuable”. The participants of the focus group also emphasized that recognition illustrates an essential factor for them which can be highly motivating and fostering IWB. However, it became clear that acknowledgement and appreciation is often missing in the company which is rather detrimental to innovative behavior and especially impairs idea championing and implementation. One of the employees stated:

“I just want to hear something like ‘Wow, you did a great job, it was a great week!’ from the management. We never get that. I think the CEOs are too far away, at least mentally.”

According to the employees, even a “small gesture” can mean a lot. They made clear that they would highly appreciate it to be given thanks for their work or just hear that they did a great job from time to time. However, one employee clarified that even if recognition is highly motivating, a leader has to follow their words with action since it is disappointing and also diminishing further idea generation and implementation when one is told that they did something well or had a good idea but no further steps follow afterwards.

In line with this, the employees also stated that they prefer recognition and appreciation over monetary rewards. According to one of the employees, acknowledgement does not have to include monetary rewards while some esteeming words of thanks are necessary in the long run and are more likely to foster innovation than material rewards. One of the CEOs also explained that they do not recompense innovative efforts with monetary rewards which is

closely linked to the company's guiding principle which conveys that employees should voluntarily and energetically engage in the development and innovativeness of the company instead of expecting money in return.

4.2.3 Conclusion

The analysis of the focus group and semi-structured interview clearly shows what the company's employees desire and need to behave innovatively in terms of leadership behaviors and climate and where there are gaps between what is desired and actually offered by the firm.

Primarily, both employees and CEOs perceived being open and supportive towards novel ideas and suggestions and creating a welcoming and supportive climate as an important antecedent of IWB. The employees also confirmed that both their direct line managers and the CEOs support their innovative efforts in form of listening to ideas, enabling employees to test them in the short or sometimes over the long term, and implementing valuable suggestions.

Moreover, the results of the focus group revealed that the employees feel that possessing a certain amount of autonomy to independently decide how to execute a task triggers innovativeness. However, deficits can be seen in the daily routine of the organization. According to the employees, the work environment leaves little room for freedom and being innovative due to the explicit structures and guidelines on how to perform the work.

Another factor the employees perceived as encouraging for IWB is the access to sufficient resources. The CEOs emphasized that individuals with valuable ideas are provided with resources to further develop them and the employees felt that they are given sufficient time to deal with suggestions they submitted. Nevertheless, only being provided with resources does not suffice and employees require further stimulation and interaction by the leader in order to successfully use the provided means which is, however, oftentimes missing in the recruitment agency.

Moreover, the participants of the focus group explained that it is vital to have a leader who sets an example of an innovative way of working because it is extremely difficult to behave innovatively when one's superior does not show a similar behavior. The first line managers of the employees seem to illustrate a good innovative role-model while the participants felt like there is a different climate when taking the upper management also into account since there is a certain distance to the CEOs of the company which aggravates it to completely grasp their courses of action and take them as role models concerning innovative work behavior. They also felt like, although the central aspect of the company's mission statement is innovation, it is often not exactly acted out in the daily working routine.

Furthermore, the employees perceived being stimulated and challenged as an important antecedent to being innovative. In the past, there have been efforts to actively stimulate IWB, however, currently it seems like there is a severe fixation on day-to-day business without taking into account what could be achieved in the long-term. Consequently, IWB diminishes.

Similarly, open and transparent communication is valued by the employees but, according to them, the efforts to achieve such a kind of communication continuously wane and were mostly present in the past. They criticize that, normally, such a small company should be more advanced in open and transparent communication.

Moreover, a clear vision and goal to work towards is missing. Subsequently, employees feel like problems are ignored and engaging in creative efforts to find solutions is not valued in the company which hinders them to become active and innovative.

Being included in decisions is also important to the employees. However, one participant of the focus group explained that they were once included in a decision process by being asked for their opinion, however, eventually their opinion was not considered at all. Eventually, they are disappointed and do not want to give their opinion on future issues anymore.

Eventually, the employees wished for acknowledgement by the management since casual words of thanks by the CEOs are mostly not given. According to them, even a small gesture can mean a lot and even more than, for instance, being rewarded with money.

Eventually, it becomes clear that the employees of the recruitment agency are willing to behave innovatively and think that both themselves and the company as a whole have sufficient potential to do so. However, the company exhibits various deficits and gaps between the employees' desires and the actual leadership behavior and climate. The main problem seems to be that, in the past, there used to be more efforts to support employees in becoming innovative which are not given anymore. Nowadays, the CEOs seem to mainly focus on the short-term and daily business while failing to take into account what could be achieved in the future and in what way IWB might bring the firm forward.

Additionally, it can be seen that innovative work climate and leadership behavior indeed are strongly intertwined. More precisely, when an innovative work climate or one of its several dimensions occurs, leadership behaviors are usually an antecedent. For instance, it turned out that, in order to foster an environment which encourages IWB, leaders have to primarily support employees' efforts towards innovation at first hand by listening to ideas, implementing ideas, being open, and supporting subordinates in bringing out the best of their ideas. Moreover, the participants of the focus group stated that the work environment in the company only "leaves little room for freedom" which is accounted for by the "explicit structures on how to perform the work" imposed by leaders. Eventually, innovative efforts are suppressed while working places which offer more freedom and loose structures due to less monitoring by supervisors ensure enhanced innovativeness. Another example is a climate which provides a lot of time for employees to become innovative. Needless to say, such a climate including time to use for workers does not simply manifest but requires the provision of ample time by supervisors. Additionally, it does not suffice to create such a climate in order to foster innovation but leaders have to continue to be committed and stimulate their subordinates. When they opt out and leave the task of stimulating employees' IWB to the climate, employees may not dare to actually use some of their working time to become creative since it would "feel wrong" to do so. This visualizes that, primarily, climate is dependent on leadership behavior in order to emerge. Once present, however, climate and leadership behavior go hand in hand and leaders have to make an effort to preserve the formerly created climate.

5. DISCUSSION

This research aims to explore and fill the visible lack of literature dealing with the different dimensions of innovative climate influencing employees' IWB, the various leadership behaviors required for different innovation phases and also the synergy between an innovation fostering climate and leadership behavior. Thirteen different leadership behaviors have been found to influence employees' IWB during the structured literature review including (1) Innovative role-modeling, (2) Intellectual stimulation, (3) Stimulating knowledge diffusion, (4) Providing vision, (5) Consulting, (6) Delegating, (7) Support for innovation, (8) Organizing feedback, (9) Recognition, (10) Rewards, (11) Providing resources, (12) Monitoring, and (13) Task assignment (De Jong & Den Hartog, 2007) as well as ten different climate dimensions: (1) Challenge, (2) Freedom, (3) Idea support, (4) Trust/Openness, (5) Dynamism/Liveliness, (6) Playfulness/Humor, (7) Debates, (8) Conflicts, (9) Risk taking, and (10) Idea time (Ekvall, 1996). This section seeks to discuss the findings of the structured literature review and case study concerning the influence of leadership behavior, innovative work climate, and the synergy effect of both factors on IWB. Additionally, limitations of this research, suggestion for future research, and practical implications are presented.

Having a look at the literature review and the case study, this research shows that leaders play an active role in generating IWB in the daily work of employees by fostering, encouraging, and supporting innovation (Shalley & Gilson, 2004). Although a wide range of variables affect creativity and innovation in organizational settings, leadership behavior illustrates a particularly powerful influence (Mumford et al., 2002). Orienting on the thirteen leadership behaviors mentioned above, it became clear that, with regard to the different phases of the innovation cycle, leadership behaviors have a differential impact in each phase and, conversely, leaders have to take on different roles throughout the cycle including idea generation, idea championing or promotion, and idea implementation (e.g. Caniëls et al., 2014). For instance, the structured literature review illustrates that leaders' support for innovation influences every phase of the innovation cycle and overall IWB equally. The case study yielded similar results. The surveyed employees said that especially their first line managers listen to them, implement their ideas, are open, and support them in bringing the best out of their ideas which fosters overall IWB. Thus, it is crucial for leaders to support employees' behavior during idea generation, championing, and implementation for IWB to be successful. Eventually, if leaders are supportive and understand their employees in order to provide the adequate levels of support, the occurrence of creative activity is visibly enhanced (Shalley & Gilson, 2004).

When leaders explicitly want to enhance idea generation, the literature review shows that they should engage in intellectual stimulation, stimulating knowledge diffusion, and providing a goal and challenging tasks (e.g. Reiter-Palmon & Illies, 2004; Krause, 2004; Amabile, 1997; Shalley & Gilson, 2004). The case study also shows that especially intellectual stimulation and open and transparent knowledge diffusion enhances idea generation. Intellectual stimulation used to take place in the company in form of "KVP courses" during which employees were confronted with problems and collectively looked for a solution which was eventually presented. This is, however, a thing of the past. Knowledge diffusion is also a

critical point because the employees stated that certain things are not openly communicated by leaders and not transparent at all which is especially harmful in small organizations.

Enhanced idea implementation can be obtained by the provision of resources in form of suitable funds and time and rewards for employees' accomplishments (e.g. Caniëls et al., 2014; Mumford et al., 2002; De Jong & Den Hartog, 2007). This has also been confirmed during the case study since employees stated that they appreciate it that they are given some extra time to deal with valuable innovative suggestions they submitted. This provision of time conveys the feeling that they are "benefitting their team and also the company as a whole" which motivates them to eventually implement the idea. While rewards may weaken or even hinder idea generation and promotion due to feeling pressured or demotivated through undeserved rewards for unfinished work, external rewards are facilitative during idea implementation since employees perceive external rewards as an acknowledgement of their work and consider the prospect of receiving them as an incentive to go through with the full implementation and taking care of details (Caniëls et al., 2014). The focus group participants had similar opinions. Additionally, they emphasized the importance of some esteeming words of thanks in every phase of IWB which fosters their innovative work behavior superiorly compared with monetary rewards.

Whereas the literature yielded various indications about idea generation and implementation, it does not deal as much with idea championing. Nevertheless, innovation support and recognition appear to play the most prominent role during idea promotion (Caniëls et al., 2014; Mumford et al., 2002). The surveyed employees also stated that acknowledgement and appreciation is especially important during idea championing and also implementation. However, appreciation seems to be often missing in the organization. One employee explained: "I just want to hear something like 'Wow, you did a great job, it was a great week!' from the management. We never get that. I think the CEOs are too far away, at least mentally."

In respect of innovative work climate it becomes clear that the extent to which employees produce innovative, novel, and useful ideas during their work and are ready to innovate distinctly depends on the work environment they perceive around them (Amabile et al., 1996; Amabile et al., 2004; Suliman, 2001). Because climate reflects the frequent pattern of behaviors, attitudes, and feelings which are occurring in the daily environment of the organization for employees to experience and internalize it, innovative climate is a key factor in facilitating and supporting innovativeness and fosters innovative behavior and the generation, adoption, and implementation of novel ideas and practices (Imran et al., 2010; Tesluk et al., 1997; Moolenaar et al., 2010; Solomon et al., 2004). The literature review revealed that most climates are suitable for and supportive in every phase of the innovative cycle such as a challenging climate. However, reducing innovative climate to one single climate and disregarding its various dimensions would certainly be a wrong thing to do since there are some dimensions which are especially suitable for certain IWB phases as mentioned above. Separating innovative climate into different dimensions is useful for companies because it allows them to optimally make use of climate and adjust it to their desires regarding the support of employees' IWB.

A climate which offers enough time to deal with innovative ideas is especially suitable for idea generation because fewer constraints and pressures to meet strict time schedules usually

inherit a wider scope for innovation and are supposed to have a greater supportive effect on innovativeness than climates with a lack of sufficient time available (Bain et al., 2001; Reiter-Palmon & Illies, 2004). According to the results of the case study, a challenging climate and a supportive one are necessary for idea generation. Employees stated that idea generation has been increased by feelings of being challenged to more profoundly think about current issues. Moreover, they feel like there is a supportive climate in the company which brings out the best of their ideas and especially improves idea generation. This mainly refers to the climate surrounding themselves and their first line managers, not including the management level. This additionally shows that there can be several different climates within an organization.

Climates which are supportive and welcoming towards novel ideas are especially recommendable for the improvement of idea championing since employees who experience encouragement, nurture, and appreciation in the work environment are more likely to take the risk of promoting novel ideas and approaches than in an environment in which they have to fear to be ignored, censored or punished (Baer & Frese, 2003; Bain et al., 2001). The participants of the focus group think that trust and openness are important climate characteristics for idea championing. According to them, being ignored and rejected diminishes idea championing.

Eventually, literature shows that idea implementation is encouraged by a spontaneous climate which provides tolerance for risk and uncertainty (e.g. Akkermans et al., 2008; Moolenaar et al., 2010; Shalley & Gilson, 2004; Mumford et al., 2002). Such a climate enables workers to take risks and voice their opinion, thus serving as an essential contingency in enhancing the full potential of innovations (Baer & Frese, 2003). The case study shows that employees especially value trust and openness and also a climate which offers sufficient time to deal with innovative ideas since it creates a feeling of supporting “oneself, the team, and the whole company” with the idea

This research shows that both leadership behavior and innovative work climate as well as a combination of both have an effect on IWB. More precisely, they are able to strongly influence and improve employees’ innovative work behavior.

There are compatible leadership behaviors and climates which are clearly interrelated. For instance, a leader’s support of innovative ideas depicts an antecedent of a supportive and welcoming climate towards innovation for employees to experience. Therefore, when a company aims to establish a supporting atmosphere for certain employees in which innovative ideas are welcome, it is essential that, as an antecedent for such a climate, the employees’ leaders behave open and supportive towards their subordinates’ innovativeness. Similarly, when companies desire a demanding climate which confronts employees with novel challenges, leaders have to stimulate and challenge their subordinates in order to create such a climate.

Most importantly, however, the structured literature review and especially the case study analysis revealed that leadership behaviors can autonomously influence employees’ innovative work behavior while climates cannot independently emerge and exert influence. In order for a certain climate to arise, it requires the support of leaders (e.g. Akkermans et al., 2008; Scott & Bruce, 1994; Reiter-Palmon & Illies, 2004; Klein & Sorra, 1996). For instance, as mentioned above, when a company desires a climate which is perceived as welcoming and

supportive by employees, supportive leadership behavior is a necessary antecedent. An even clearer example is a climate which provides a lot of time for employees to become innovative. Naturally, such a climate including time to use for workers does not simply manifest but requires the provision of ample time by supervisors. Additionally, it does not suffice to create such a climate in order to foster innovation but leaders have to continue to be committed and stimulate their subordinates. This demonstrates that, primarily, climate is subject to leadership behavior in order to emerge. Once present, however, climate and leadership behavior go hand in hand and leaders have to make an effort to preserve the formerly created climate (e.g. Moolenaar et al., 2010; Mumford et al., 2002).

5.1 Limitations and Future Research

One of the limitations of this study is the selection of the databases to be used for the structured literature review. ISI Web of Science and Scopus have been chosen since both databases rank among the largest abstract and citation databases of peer-reviewed literature which deliver a comprehensive overview of the world's scientific research output and allow for in depth exploration of scientific fields. Hence, although it appears to be reasonable to assume that the most appropriate literature for this study has been detected and that the final sample would not significantly differ if further databases were used, it cannot be ruled out that the inclusion of other databases might have yielded further valuable studies.

Additionally, the established inclusion criteria may cause limitations. For example, for the structured literature review, only articles written in English and being peer-reviewed have been included. These criteria might have caused valuable articles in other languages or recently written ones which are not peer-reviewed yet to be missed. Nevertheless, these exclusion criteria contributed to keeping the results confined and securing their value for this research.

5.2 Practical Implications

Eventually, this research yields some practical recommendations for management. When companies aim to evoke and improve employees' IWB, they should make sure to have charismatic and professional leaders who are able to create certain climates and reach and influence the workforce since leadership behavior is usually an antecedent of work climate and its several dimensions. Hence, in order to foster an environment which, for example, supports innovation, leaders have to primarily support employees' efforts towards innovation at first hand by listening to ideas, implementing ideas, being open, and supporting subordinates in bringing out the best of their ideas.

Also, there are compatible leadership behaviors and climates which clearly fit together. For example, as mentioned above, a leader's support of innovative ideas goes hand in hand with a supporting and welcoming climate towards innovation for employees to experience. Therefore, when a company aims to establish a supporting atmosphere for certain employees in which innovative ideas are welcome, it is essential that, as an antecedent for such a climate, the employees' leaders behave open and supportive towards their subordinates' innovativeness. Also, a challenging climate and being stimulated and challenged by leaders are clearly interrelated.

It is important to understand that IWB is a multidimensional construct including idea generation, championing, and implementation. Hence, not every leadership behavior and climate is suitable for each phase of innovative work behavior and managers should carefully choose and adjust the matching behaviors and climates.

There are also certain behaviors and climate scales which are especially recommended for specific phases. For instance, when the goal is to encourage idea implementation, leaders should make use of intellectual stimulation since it increases employees' awareness of problems, encourages them to view them from novel and multiple perspectives, and enables leaders to create opportunities for subordinates to voice ideas that might otherwise get lost. When enhanced idea implementation is desired, a spontaneous, highly risk-taking climate with a tolerance of uncertainty is suitable. Table 6 illustrates recommended leadership behaviors and climate dimensions in each IWB phase. The table shows those behaviors and climates which particularly stood out during the literature review and case study in comparison to others. Therefore, not being listed in the table does not mean that the specific behavior or climate dimension should in no case be used or yields negative effects.

Additionally, it was found that most of the leadership behaviors are especially suitable for certain IWB phases while most climate dimensions support overall IWB and the different phases almost equally. However, reducing innovative climate only to one single climate and disregarding its various dimensions is not recommendable since there are still some dimensions which are particularly suited for certain IWB phases and of which organizations can make use (*see Table 6*).

Eventually, some behaviors and climate dimensions should be dealt with cautiously since they diminish IWB. For instance, leaders should restrain from too intensive monitoring since it puts stress on subordinates and decreases their trust. Climates with too many conflicts, excluding healthy conflicts like debates, should also be prevented. Rewarding employees monetarily is detrimental for IWB during idea generation and championing while it is recommended during idea implementation.

Ultimately, companies should understand that leadership behavior and innovative work climate are closely linked. Climates do not simply emerge but need to be built by leaders.

Additionally, it does not suffice to create an innovative climate in order to foster innovation but leaders have to continue to be committed and stimulate their subordinates instead of opting out and leaving the task of stimulating employees' IWB to the climate as this would unsettle and discourage employees due to the lack of human support.

Table 6. Recommended leadership behaviors and climate dimensions in each IWB phase

	Recommended Leadership Behaviors	Recommended Climate Dimensions
Overall IWB	Innovative Role-modeling, Consulting, Delegating, Support for Innovation, Recognition	Challenge, Idea Support, Trust/Openness, Debates
Idea Generation	Intellectual Stimulation, Stimulating Knowledge Diffusion, Providing Vision, Task Assignment	Idea Time, Challenge, Idea Support
Idea Championing	Support for Innovation, Recognition, Consulting	Idea Support, Trust/Openness
Idea Implementation	Rewards, Providing Resources, Recognition, Consulting	Playfulness/Humor, Risk Taking, Trust/Openness, Idea Time

- Supported by literature review
- Supported by case study
- Supported by both

6. CONCLUSION

The main goal of this research was to illuminate the influence of leadership behavior and innovative work climate on IWB. Hence, the central research question reads as follows:

“In what ways do innovative work climate and leadership behavior influence employees’ IWB?”

This research showed that leadership behavior, innovative climate, and IWB are multidimensional constructs. IWB, for instance, includes idea generation, championing, and implementation while leadership behaviors could be divided into thirteen different behaviors and innovative work climate could be segmented into ten dimensions. It was found that most of the leadership behaviors are especially suitable for certain IWB phases while most climate dimensions support overall IWB and the different phases almost equally. Nevertheless, reducing innovative climate only to one single climate and disregarding its various dimensions is not recommendable since there are still some dimensions which are particularly suited for certain IWB phases and of which organizations can make use.

Therefore, in order to optimally exert influence on employees’ IWB during the different phases, it is essential to decide upon the most suitable leadership behaviors to use and climate dimensions to create. Consequently, when the behaviors and climate scales match the specific IWB phase, they are able to strongly influence employees’ innovative work behavior. Additionally, there are compatible leadership behaviors and climates which are clearly interrelated. For instance, a leader’s support of innovative ideas depicts an antecedent of a supportive and welcoming climate towards innovation for employees to experience. Therefore, when a company aims to establish a supporting atmosphere for certain employees in which innovative ideas are welcome, it is essential that, as an antecedent for such a climate, the employees’ leaders behave open and supportive towards their subordinates’ innovativeness. Hence, leadership behavior and climate are closely linked. Leaders play a crucial role in creating innovative climates and continue to play an important part in

maintaining it and contributing to its eventual success in influencing employees because it does not suffice to create a climate in order to foster innovation but leaders have to continue to be committed and stimulate their subordinates. This demonstrates that, primarily, climate is subject to leadership behavior in order to emerge. Once present, however, climate and leadership behavior go hand in hand and leaders have to make an effort to preserve the formerly created climate

Most importantly, the structured literature review and especially the case study analysis revealed that leadership behaviors can autonomously influence employees' innovative work behavior while climates cannot independently emerge and exert influence and require the support of leaders.

7. ACKNOWLEDGEMENTS

I would like to especially thank my supervisor dr. Anna Bos-Nehles for having inspired me to write my Master Thesis about this deeply interesting topic and for her support and enthusiasm during the writing process which helped me to finalize this research. I would also like to thank my other supervisors Maarten Renkema and dr.ir. Jan de Leede for their valuable feedback and support. Moreover, I give sincere thanks to the personnel service provider which kindly invited me and agreed to take part in my study. Special thanks go to my contact person and friend Lena who helped me a lot concerning the arrangement of the conduction of the case study.

Eventually, I would like to thank my fellow student Bianca who supported me during the last months through feedback and words of motivation and made the writing process a lot more enjoyable.

8. REFERENCES

*Literature marked with an * has been used in the structured literature review*

Abstein, A. & Spieth, P. (2014). Exploring HRM Meta-Features that Foster Employees' Innovative Work Behaviour in Times of Increasing Work–Life Conflict. *CREATIVITY AND INNOVATION MANAGEMENT: INNOVATIVE WORK BEHAVIOUR AND WORK–LIFE CONFLICT*. Volume 23, Number 2 2014, 211-225.

Acocella, I. (2012). The focus groups in social research: advantages and disadvantages. *Qual Quant* (2012) 46:1125–1136.

*Akkermans, H. J. L., Isaksen, S. G., & Isaksen, E. J. (2008). Leadership for Innovation: A Global Climate Survey. Creativity Search Unit Technical Report, September 2008.

- Alfes, K., Truss, C., Soane, E. C., Rees, C., & Gatenby, M. (2013). The relationship between line manager behavior, perceived HRM practices, and individual performance: examining the mediating role of engagement. *Human Resource Management, 52*(6), 839859.
- *Amabile, T. M. (1996). *Creativity in context*. Boulder, CO: Westview Press.
- *Amabile, T. M. (1997). Motivating Creativity in Organizations: On Doing What You Love and Loving What You Do. CALIFORNIA MANAGEMENT REVIEW VOL 40, NO, I FALL 1997.
- *Amabile, T. M., & Gryskiewicz, S. S. (1987). Creativity in the R&D laboratory. Technical Report 30. Greensboro, NC: Center for Creative Leadership.
- Amabile, T. M., & Grykiewicz, S. S. (1989). The creative environment scales: the work environment inventory. *Creati. Resear. J. 2*:231-54.
- *Amabile, T. M., Schatzel, E. A., Moneta, G. B., & Kramer, S. J. (2004). Leader behaviors and the work environment for creativity: Perceived leader support. *The Leadership Quarterly 15* (2004) 5 – 32.
- *Anderson, N. R., & west, M. A. (1998). Measuring Climate for Work Group Innovation: Development and Validation of the Team Climate Inventory. *Journal of Organizational Behavior*, Vol. 19, No. 3 (May, 1998), 235 – 258.
- Anderson, N.R., de Dreu, C.K.W. and Nijstad, B.A. (2004), “The routinization of innovation research: a constructively critical review of the state-of-the-science”, *Journal of Organizational Behavior*, Vol. 25 No. 2, pp. 147-74.
- *Andrews, F. M., & Farris, G. F. (1967), “Supervisory practices and innovation in scientific teams”, *Personnel Psychology*, Vol. 20, pp. 497-515.
- Arnold, J. A., Arad, S., Rhoades, J. A., & Drasgow, F. (2000). The empowering leadership questionnaire: The construction and validation of a new scale for measuring leader behaviors. *Journal of Organizational Behavior*, 21: 249-269.
- Avolio, B. J., Gardner, W. L., Walumbwa, F. O., Luthans, F., & May, D. R. (2004). Unlocking the mask: A look at the process by which authentic leaders impact.
- *Baer, M., & Frese, M. (2003). Innovation is not enough: climates for initiative and psychological safety, process innovations, and firm performance. *Journal of Organizational Behavior*, 24, 45 – 68.

- *Bain, P. G., Mann, L., & Pirola-Merlo, A. (2001). The Innovation Imperative – The Relationship Between Team Climate, Innovation, and Performance in Research and Development Teams. *Small Group Research*, Vol. 32 No. 1, February 2001, 55 – 73.
- *Bandura, A. (1969). *Principles of behavior modification*. New York: Holt, Rinehart, & Winston.
- *Baron, R. A., & Tang, J. (2011). The role of entrepreneurs in firm-level innovation: Joint effects of positive affect, creativity, and environmental dynamism. *Journal of Business Venturing* 26 (2011) 49 – 60.
- *Basadur, M. (2004). Leading others to think innovatively together: Creative leadership. *The Leadership Quarterly* 15 (2004) 103 – 121.
- *Bass, B. M. (1985). *Leadership and performance beyond expectations*. New York, NY: Free Press.
- *Bass B. M. (1998). *Transformational Leadership: Industry, Military, and Educational Impact*. Mahwah, NJ: Lawrence Erlbaum.
- Bass, B. M., & Avolio, B. J. (1994). *Improving organizational effectiveness through transformational leadership*. Thousand Oaks, CA: Sage.
- Bertrand, J. T., Brown, J. E., & Ward, M. V. (1992). Techniques for analyzing focus group data. *Eval. Rev.* 16(2), 198–209.
- Bowen, D. E., & Ostroff, C. (2004). Understanding HRM–firm performance linkages: The role of the “strength” of the HRM system. *Academy of Management Review*, 29(2), 203–221.
- *Calantone, R. J., Garcia, R., & Droge, C. (2003). The effects of environmental turbulence on new product development strategy planning. *Journal of Product Innovation Management*, 20(2), 90–103.
- *Caniëls, M. C. J., De Stobbeleir, K., & De Clippeler, I. (2014). The Antecedents of Creativity Revisited: A Process Perspective. *Creativity and Innovation Management*, Volume 23 Number 2 2014.
- *Carson, P. P., & Carson, K. D. (1993). Managing creativity enhancement through goal setting and feedback. *Journal of Creative Behavior*, 27, 36–45.
- *Charbonnier-Voirin, A., El Akremi, A., & Vandenberghe, C. (2010). A Multilevel Model of Transformational Leadership and Adaptive Performance and the Moderating Role of Climate for Innovation. *Group & Organization Management*. 35(6) 699 – 726.

- *Chen, C., & Huang, J. (2007). How organizational climate and structure affect knowledge management—The social interaction perspective. *International Journal of Information Management* 27 (2007) 104–118.
- Choi, J. N. (2007). Change-oriented organizational citizenship behaviour: Effects of work environment characteristics and intervening psychological processes. *Journal of Organizational Behavior*, 28(4), 467-484.
- Csikszentmihalyi, M. (1997). *Creativity: Flow and the psychology of discovery and invention*. New York: Harper Collins.
- *Damanpour, F. (1991). Organizational innovation: a meta-analysis of effects of determinants and moderators. *Academy of Management Journal*, 34, 555–590.
- *De Jong, J. P., & Den Hartog, D. N. (2007). How leaders influence employees' innovative behaviour. *European Journal of Innovation Management*, 10(1), 41-64.
- De Jong, J. P. & Den Hartog, D. N. (2010). Measuring Innovative Work Behaviour. *Creativity and Innovation Management*. Volume 19, Issue 1, pages 23–36, March 2010.
- Dunegan, K. J., Tierney, P., & Duchon, D. (1992). Perceptions of an innovative climate: Examining the role of divisional affiliation, work group interaction, and leader/subordinate exchange. *Engineering Management, IEEE Transactions on*, 39(3), 227-236.
- *Ekvall, G. (1996). Organizational climate for creativity and innovation. *European Journal of Work and Organizational Psychology*, 5, 105 – 123.
- Ekvall, G. (1997). Organizational conditions and levels of creativity. *Creativity and Innovation Management*, 6, 195 – 205.
- Ekvall, G., & Arvonen, J. (1984). Leadership styles and organizational climate for creativity: Some findings in one company (Report 1). Stockholm, Sweden: FARådet – The Swedish Council for Management and Work Life Issues.
- *Elenkov, D. S., Judge, W., Wright, P. (2005). Strategic Leadership and Executive Innovation Influence: An International Multi-Cluster Comparative Study. *Strategic Management Journal*, 26, 665 – 628.
- *Elkins, T., & Keller, R. T. (2003). Leadership in research and development organizations: A literature review and conceptual framework. *The Leadership Quarterly* 14 (2003) 587 – 606.

- Frank, K. A., Zhao, Y., & Borman, K. (2004). Social capital and the diffusion of innovations within organizations: The case of computer technology in schools. *Sociology of Education*, 77(2), 148-171.
- Gebert, D. (1987). Führung und Innovation (Leadership and innovation). *Zeitschrift für betriebswirtschaftliche Forschung*, 39(10), 941–952.
- *Harborne, P., & Johne, A. (2003). Creating a project climate for successful product innovation. *European Journal of Innovation Management*, Vol. 6 Iss 2 pp. 118 – 132.
- Harrell, M. C., & Bradley, M. A. (2009). Data Collection Methods: Semi-Structured Interviews and Focus Groups. Santa Monica, CA: RAND Corporation, 2009. http://www.rand.org/pubs/technical_reports/TR718.html.
- *Hater, J. J., & Bass, B. M. (1988). Superiors' evaluations and subordinates' perceptions of transformational and transactional leadership. *Journal of Applied Psychology*, 73, 695–702.
- Howell, J.M., Shea, C.M. and Higgins, C.A. (2005) Champions of Product Innovations: Defining, Developing, and Validating a Measure of Champion Behavior. *Journal of Business Venturing*, 20, 641–61.
- Imran, R., Saeed, T., Anis-ul-Haq, M., & Fatima, A. (2010). Organizational climate as a predictor of innovative work behavior. *African Journal of Business Management* Vol. 4(15), pp. 3337-3343, 4 November, 2010.
- Isaksen, S. G., Lauer, K. J., Ekvall, G., & Britz, A. (2001). Perceptions of the Best and Worst Climates for Creativity: Preliminary Validation Evidence for the Situational Outlook Questionnaire. *Creativity Research Journal*. 2000 – 2001, Vol. 13, No. 2, 171 – 184.
- Janssen, O. (2000). Job demands, perceptions of effort-reward fairness and innovative work behaviour. *Journal of Occupational and Organizational Psychology*, 73(3), 287-302.
- Janz, B. D., Wehterbe, J. C., Colquitt, J. A., & Noe, R. A. (1997). Knowledge worker team effectiveness: The role of autonomy interdependence, team development, and contextual support variables. *Personnel Psychology*, 50(4), 877–904.
- Jiménez-Jiménez, D., & Sanz-Valle, R. (2008). Could HRM support organizational innovation?. *The International Journal of Human Resource Management*, 19(7), 1208-1221.
- *Jung, D. I. (2001). Transformational and transactional leadership and their effects on creativity in groups. *Creativity Research Journal*, 13 (2), 185-195.

- *Jung, D. I., Chow, C., & Wu, A. (2003). The role of transformational leadership in enhancing organizational innovation: Hypotheses and some preliminary findings. *The Leadership Quarterly* 14 (2003) 525 – 544.
- *Kanter, R. M. (1983). *The change masters*. New York, NY: Simon & Schuster.
- Kanter, R. M. (1988). When a thousand flowers bloom: Structural, collective and social conditions for innovation in organizations. In B. M. Straw & L. L. Cummings (Eds.), *Research in Organizational Behavior*, 10, 123-167
- *Klein, K. J., & Sorra, J. S. 1996. The challenge of innovation implementation. *Academy of Management Review*, 21:1055–1080.
- Kleysen, R.F. & Street, C.T. (2001), Toward a multi-dimensional measure of individual innovative behavior, *Journal of Intellectual Capital*, Vol. 2 Iss 3 pp. 284 – 296.
- *Kogut, B., & Zander, U. (1992). Knowledge of the firm, combinative capabilities and the replication of technology. *Organization Studies*, 3, 383-397.
- Koskan, A. M., Rice, J., Gwede, C. K., Meade, C. D., Sehovic, I. & Quinn, G. P. (2014). Advantages, Disadvantages, and Lessons Learned in Conducting Telephone Focus Groups to Discuss Biospecimen Research Concerns of Individuals Genetically at Risk for Cancer. *The Qualitative Report* 2014 Volume 19, How To Article 10, 1-8.
- Krueger, R. A. (1998). *Analyzing and reporting focus group results*. Thousand Oaks, CA: Sage Publications.
- Leithwood, K., & Jantzi, D. (2006). Transformational school leadership for largescale reform: Effects on students, teachers and their classroom practices. *School Effectiveness and School Improvement*, 17(2), 201-228.
- Leung, F. (2009). Spotlight on focus groups. *Can Fam Physician*. 2009 Feb; 55(2): 218–219.
- Lewin, K., Lippitt, R., & White, R. K. (1939). Patterns of Aggressive Behavior in Experimentally Created “Social Climates”. *Journal of Social Psychology*. Volume 10, Issue 2, May 1939, Pages 269-299
- Lin, C. H. V. (2015, January). HRM and innovation: Review, synthesis, and extension. In *Academy of Management Proceedings* (Vol. 2015, No. 1, p. 13256). Academy of Management.

- Marks, H. M., & Printy, S. M. (2003). Principal leadership and school performance: An integration of transformational and instructional leadership. *Educational Administration Quarterly*, 39(3), 370-397.
- Mathers, N., Fox, N., & Hunn, A. (1998). Trent Focus for Research and Development in Primary Health Care: Using Interviews in a Research Project. Trent Focus, 1998.
- *Monge, P. R., Cozzens, M. D., & Contractor, N. S. (1992). Communication and motivational predictors of the dynamics of organizational innovation. *Organization Science*, 3, 250-274.
- *Montes, F. J. L., Ruiz Moreno, A., & Miguel Molina Fernández, L. (2004). Assessing the organizational climate and contractual relationship for perceptions of support for innovation. *International Journal of Manpower*, 25(2), 167-180.
- *Moolenaar, N. M., Daly, A. J., & Slegers, P. J. C. (2010). Occupying the principal position: Examining relationships between transformational leadership, social network position, and schools' innovative climate. *Educational Administration Quarterly*, 46 (5), 623-670.
- *Mumford, M. D., Scott, G. M., Gaddis, B., & Strange, J. M. (2002). Leading creative people: Orchestrating expertise and relationship. *The Leadership Quarterly*, 13, 705-750.
- *Nohari, K., & Gulati, S. (1996). Is slack good or bad for innovation? *Academy of Management Journal*, 39, 799-825.
- *Oldham, G. R., & Cummings, A. (1996). Employee Creativity: Personal and Contextual Factors at Work. *The Academy of Management Journal*, Vol. 39, No. 3 (Jun., 1996), pp. 607 – 634.
- Palomba, C. A. & Banta, T. W. (1999). *Assessment essentials: planning, implementing, and improving assessment in higher education*. San Francisco, CA: Jossey-Bass Publishers.
- Parker, C. P., Baltes, B. B., Young, S. A., Huff, J. W., Altmann, R. A., Lacost, H. A., & Roberts, J. E. (2003). Relationships between psychological climate perceptions and work outcomes: a meta-analytic review. *Journal of Organizational Behavior J. Organiz. Behav.* 24, 389–416 (2003).
- *Reiter-Palmon, R., & Illies, J. J. (2004). Leadership and creativity: Understanding leadership from a creative problem-solving perspective. *The Leadership Quarterly* 15 (2004) 55 – 77.

- Sağnak, M., Kuruöz, M., Polat, B., & Soylu, A. (2015). Transformational leadership and innovative climate: An examination of the mediating effect of psychological empowerment. *Eurasian Journal of Educational Research*, 60, 149-162.
- Schneider, B. (1990). The climate for service: An application of the climate construct. In B. Schneider (Ed.), *Organizational climate and culture* (pp. 383–412). San Francisco: Jossey-Bass.
- Schneider, B., & Reichers, A. (1983). On the etiology of climates. *Personnel Psychology*, 28, 447–479.
- *Scott, S. G., & Bruce, R. A. (1994). Determinants of innovative behavior: A path model of individual innovation in the workplace. *Academy of Management Journal*, 37(3), 580-607.
- *Shalley, C. E., & Gilson, L. L. (2004). What Leaders need to know: A review of social and contextual factors that can foster or hinder creativity. *The Leadership Quarterly* 15 (2004) 33 – 53.
- *Shalley, C.E. and Perry-Smith, J.E. (2001), “Perry-Smith Effects of social-psychological factors on creative performance: the role of informational and controlling expected evaluation and modelling experience”, *Organisational Behaviour and Human Decision Processes*, Vol. 84, pp. 1-22.
- *Škerlavaj, M., Černe, M., & Dysvik, A. (2014). I get by with a little help from my supervisor: Creative-idea generation, idea implementation, and perceived supervisor support. *The Leadership Quarterly* 25 (2014) 987 – 1000.
- *Solomon, G. T., Winslow, E. K., & Tarabishy, A. (2004). *The Role of Climate in Fostering Innovative Behavior in Entrepreneurial SMEs*. Available from: George T. Solomon. Retrieved on: 19 July 2016.
- *Sosik, J. J., Avolio, B. J., & Kahai, S. S. (1997). Effects of leadership style and anonymity on group potency and effectiveness in a group decision support system environment. *Journal of Applied Psychology*, 82, 89–103.
- *Srivastava, A., Bartol, K. M., & Locke, E. A. (2006). Empowering leadership in management teams: Effects on knowledge sharing, efficacy, and performance. *Academy of Management Journal*, 49(6), 1239-1251.
- Suliman, A. M. T. (2001). Are We Ready to Innovate? Work Climate-Readiness to Innovate Relationship: The Case of Jordan. *Creativity and Innovation Management* Volume 10 Number 1 March 2001.

- *Tesluk, P. E., Fara, J. L., & Klein, S. R. (1997). Influences of Organizational Culture and Climate on Individual Creativity. *Journal of Creative Behavior*, Volume 31 Number 1 First Quarter 1997.
- Trevino, L. K., Butterfield, K. D., & McCabe, D. L. (1998). The ethical context in organizations: Influences on employee attitudes and behaviors. *Business Ethics Quarterly*, 8 (3), 447-476.
- *Tummers, L., & Kruijen, P. (2014). The influence of leadership on creativity: A systematic review of experimental studies. Conference “Next Steps for Public Administration in Theory and Practice: Looking Backward and Moving Forward”. November 16th-18th, 2014 Sun Yat-sen University, Guangzhou, China.
- Van de Ven, A. (1986), Central problems in the management of innovation, *Management Science*, 32, 590-607.
- *Waldman, D. A. & Bass, B. M. (1991). TRANSFORMATIONAL LEADERSHIP AT DIFFERENT PHASES OF THE INNOVATION PROCESS. *The Journal of High Technology Management Research*, Volume 2, Number 2, pages 169-180.
- *Weese, W. J. (1996). Do Leadership and Organizational Culture Really Matter?. *Journal of Sport Management*, 1996, 10, 197 – 206.
- Veenendaal, A.A.R., & Bondarouk, T.V. (2015). Perceptions of HRM and their effect on dimensions of innovative work behaviour: Evidence from a manufacturing firm. *Management Revue*, 26(2), 138-160.
- Yuan, F., & Woodman, R. W. (2010). INNOVATIVE BEHAVIOR IN THE WORKPLACE: THE ROLE OF PERFORMANCE AND IMAGE OUTCOME EXPECTATIONS. *Academy of Management Journal* 2010, Vol. 53, No. 2, 323–342.
- Zaltman, G., Duncan, R., Holbeck, J. (1973). *Innovations and Organization*, Wiley, London.
- Zhou, J. and Shalley, C.E. (2003), “Research on employee creativity: a critical review and proposal for future research directions”, in Martocchio, J.J. and Ferris, G.R. (Eds), *Research in Personnel and Human Resource Management*, Elsevier, Oxford.

9. APPENDIX

9.1 Guiding principle of the case study company

