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# Conceptualizing the antecedents of Workplace Innovation in SMEs of Pakistan: A Literature Review

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## ABSTRACT

Small and medium enterprise (SMEs) adds a critical contribution concerning progression in economies in terms of employment and growth irrespective of economies standing and positioning. Trade and industrial resumption afterwards the East Asian crunch of 90s and 2009 international monetary crises influence the economies to establish a sturdier base for local industries especially SMEs. The trade and business sector globally are facing modifications which instigating from modern description of innovation and entrepreneurialism. Which reviving the excellence of production and services, technological advancement, and workplace innovation. Which is imposing pressure on businesses and strategic makers for refurbishment of approaches and stratagems aligned with the domestic business development models. Consequently, inferred a latest prototype for SMEs to enforce businesses to be more dynamic, effectual and up to date. Similarly, SMEs in Pakistan are functioning under constant constraints due to lacking in advancement and evolution in operational, administrative and procedural dominions. Therefore, these forces the need for innovation to deal with challenges effectively and to ensure its existence competitively both in a local and international markets. The purpose of this study was to add significantly in the literature of 'workplace innovation' and proposing the model of workplace innovation especially in context of SMEs.

## JEL Classification: L2, M19, M5

**Keywords:** *Workplace Innovation, SMEs, LMX, Learning Orientation, Creative Self-efficacy, Work Context, Creative Performance.* 

## INTRODUCTION

Workplace innovation is the progression centric domain which includes evolving innovatively the ideas by improving the propensity of business. This arrangement of innovation in workplace covers the dominion of work structures, operations, and business processes (Santoro, Vrontis, Thrassou, & Dezi, 2017). Wikhamn, Ambrecht and Wikhamn (2018) describe this arrangement as the implementation of new and improved systems of productions, methods applied, promotional features, and industrial setups, where widely applying the up to date approaches and tactics within workplace (Simao & Franco 2018), which can represent both the technological and non-technological aspects of amendments towards managing domain and operation of business (Kim & Lui, 2015). Where the focus is on establishment of new ideas and approaches of work arrangements overall (Hafeez, Mohd Shariff & Mad Lazim, 2013). From this viewpoint workplace innovation encourages change, creativity and efficiency (Vrontics, Thrassou, Santoro & Papa 2017). Innovation contributes the businesses to establish base with current developing needs concerning market demand. The impact of workplace innovation has the capability to face the challenges imposed by the changing

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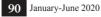
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arrangements and demand of market (Zafar, Hafeez & Mohd Shariff, 2015). Which outcome as growth, development, insistent improvement, effectiveness, capacity building, competiveness and excellence (Laeeque, Babar & Ahmad, 2017) and most importantly ensuring position in local and global market (Ganter & Hecker, 2014). This represents that organizational innovation is the dynamic need of businesses (Merchandize or services) following to survive and continue in the market while equally facing the local and global struggle (Ferreria, Raposo & Fernandes, 2013), as services and industrial domain both demand for innovativeness (Tether, 2005).

Workplace innovation consists of multiple phases where companies widely focus on transmuting practical thoughts in better approaches, produces, and projection (Baregheh, Rowley & Sambrook, 2009), which represents the domain of innovation as a psychosomatic paradigm that established to ascertain the behavioral aspect of advancement practices by workforce in organizational activities enabling organizations to compete effectively in a competitive environment (Rupp, Shapiro, Folger, Skarlicki & Shao, 2017). Many studies has been focused on innovation concerned conceptions and attitude encouraging innovation within workplace, Scott and Bruce (1994) examined the attitudinal aspect of workforce and established that leaders and effective team work impact widely on the attitude of employees towards workplace innovation. Similarly, transformation leaders having significant impact on workplace innovation (García-Morales, 2008). As leaders who are encouraging devotion towards quality, building effective teams are likely to support creativeness and innovation (Gumusluoglu & Ilsev, 2009). Where, leaders inspire the work structures to ensure best performance of individual which also focus on learning domain of workforce to encourage workplace innovation (Erickson & Jacoby, 2003). Further, the determinants of workplace innovation includes welfare, knowledge and employee's aptitude (Wang, Fang, Qureshi & Janssen, 2015).

However, Workplace innovation is a multilevel domain which emphasis on the various prospects of innovation including 1) role of individual in innovation 2) role of teams towards innovation 3) organizational focus on innovation 4) and organization's environment for innovation (McMurry & Dorai, 2003). The first domain is established on the attitude of employees towards aiding, reviving, and expediting innovation within workplace (Tidd, Bessant & Pavitt., 2001). Secondly, the workplace innovation activities are centric into cooperation and teamwork. Which largely required clarity of objects and vision, leaders, clarity of roles, and most importantly relatedness of tasks (Tidd et al., 2001). Further, the third element of workplace innovation is concerned with the role of organization towards innovation like visionary approaches, determination, strategically aligning activities to encourage innovation (Camelo-Ordaz, Fernández-Alles, De la & Valle-Cabrera, 2008). Fourth element is connected with environ and how employees perceiving it in performances, processes and activities which encourage creativity and innovation within workplace (Van der Vegt & Janssen, 2003). The resilient environment for innovation promotes the new and practically valuable thoughts and at the same time vitalize workforce for learning (Kang, Matusik, Kim & Phillips, 2016). Consistent with the discussion above, most of the studies conducted in context of large firms, and found appropriate measure of innovation. The question arises, does these measures of workplace innovation are suitable for SMEs as well? Literature backed this multi-element context of workplace innovation (McMurry, Islam, Sarro & Pirola-Merlo, 2013) in SMEs (Muenjohn & McMurry, 2016). The position of SMEs are



decisive in terms of progression, innovativeness, growing of economies and sustenance, because of their number, extensiveness and entrepreneurial setups. Therefore, this fragment is contemplate as the vital part of economy of Pakistan (Wadood & Shamsuddin, 2012).

As the role of SMEs on economic domain is crucial especially for developing country, which widely contribute towards GDP, export, generating employment opportunities and growth of local businesses (Vaqar, Mahmood, Wahab & Mustafa, 2011; Charoenrat, Harvie & Amornkitvikai, 2013). Whereas, literature shows that there are many serious obstacles restricting the growth and efficiency of SMEs especially in developing nations including, financial constraints, HR practices, innovation, technological support and governmental support (Muenjohn & McMurray, 2016). Where SMEs are consider as the utmost substantial driving agent of innovation in several economies including Asian countries (MasterCard Worldwide, 2013; Molnar, Nguyen & Homolka, 2012).

In Pakistan, SMEs are the vital contributors towards the economic sustainability of Pakistan. As in Pakistan, amongst 3.2 million businesses, 90% of businesses are categorized in the domain of SMEs (Shafique et al., 2010) which greatly influencing the GDP, exports and per capita income of Pakistan (Syed, Ahmadani, Shaikh, & Shaikh, 2012). However, regardless of SMEs support on the economy (Widysstuti, Qosasi, Noor & Kurniwati, 2017), The pressure for survival and performing capabilities on Pakistani SMEs to face the challenges of market locally and globally are greater due to many limitations. For example, limitation of funds, skilled workforce and innovation (are the key barricades towards the growth of SMEs (SMEDA, 2017). Literature backed the fact that workplace innovation has vital influence on the development and progression of SMEs and ensures survival and facing effectively challenges of market worldwide (Janseen, Van Den Bosch & Volberda, 2006). According to Tseng (2012) and Rujirawanich, Addison and Smallman (2011) SMEs in South East Asian countries and developing countries have to embrace innovation carry out in workplace. Whereas, in case of Pakistan, according to 'Global Innovation Index' Pakistan holds 119th position (Dutta, Lanvin & Wunsch-Vincent., 2017). Which depicts that SMEs in Pakistan are still on developing period (Subhan, Mehmood & Sattar, 2013). Where lack of innovation restricting their efficiency and productivity up to the requirements of market (Shafique et al., 2010). According to Yusuf (2009) businesses should devote more towards development and innovation practices. As the businesses will lead and ensure survival with innovation and progression. Where SMEs with innovation focus, perceive, ascertain, construe and applying knowledge efficiently in business practices and procedures (Wadood & Shamsuddin, 2012). Though, regardless of growing attentiveness on SMEs and innovation, Up to the researcher's knowledge, the literature focus on workplace innovation and the influences on this domain are not been widely explored from the perspective of Pakistani SMEs especially. Therefore, there is vast need to critically analyze and intensely study the influences which can shape workplace innovation in SMEs and to understand how SMEs in Pakistan can be innovative. The commercial globalization has transformed the shape of economies globally wile imposing latest challenges and favorableness. Where for developing country like Pakistan businesses survival in such competitive situation is challenging without adapting innovation to effectively react towards the development needs of market (Wadood & Shamsuddin, 2012).

This study will add significantly in the literature of workplace innovation in the domain South-Asian country (Developing nation). The contribution of this study is that, the focus is broadly centric towards understanding this multifaceted dominion of workplace innovation and looking on the influences of several factors shaping the workplace innovation. Where also discussing the connectivity between those antecedents which can result in workplace innovation. Where up to our knowledge, prior studies focused on the domain of technological aspects of innovation mostly, where the purview of workplace innovation (while understanding the role of team, individual, climate, and organization aspects on innovation and interrelation amongst them under theoretical projections) is less. Prior studies often dealt with the paradigm of workplace innovation from the context of developed countries, where the challenges due to lack of innovation in South-Asian countries like Pakistan is critical. Which make it crucial to add in the literature of innovation (workplace innovation) especially in context of Pakistan. Therefore, this study thoroughly review the literature on the factors and associations that can shape the workplace innovation.

According to Amabile (1988) employee creativity, domain/ job related skills, team work, employee's attitude towards innovation and intrinsic motivation can significantly leads towards organizational innovation. This study is laying on understanding the connection of LMX and learning orientation of workplace innovation through creative self- efficacy, work context, and creative performance of employees under theoretical projections and linkages. After the literature review, this study offering the model for workplace innovation, which can be apply in the domain of SMEs in Pakistan to understand the context and antecedents can shape workplace innovation.

## METHODOLOGY

Numerous viewpoints of workplace innovation seems as conforming and expanding to offer finer indulgent of workplace innovation. Yet, workplace innovativeness emerges as a multifaceted phenomenon. Since the objective of this paper is to understand the conception of workplace innovation and the antecedents shaping the workplace innovation. Hence to achieve this, paper constructed on assimilated view, reviewing an extensive collection of conceptual and empirically performed studies in the domain of workplace innovation, we focused on the related studies during the period of 1990- 2019, however, to understand the theoretic outlook, yearly exclusion do no applied, while the searching domain of literature review is consistent with the objects of look over the studies in this domain while including the relevant and explicit genres (Stretch & Sofaer, 2012). The literature review objective of this paper was extent into studies with the help of online searching using databases like EBSCO, JSTOR, Science Direct, Emerald, and Tailor and Francis with keywords consisting of workplace innovation, creativity, creativity self-efficacy, organizational innovation, creative performance, SMEs and developing countries.

#### THEORETICAL PROSPECTS

The conceptual framework proposed by this study is absorbed into "Leader-member exchange Theory", "the social cognitive Theory", Theory of organizational Creativity" and "componential theory of individual creativity" based on the dominant toning with the notion and philosophy of study. One of the prominent theories in explaining the essence of quality association between leader and member is "Leader- member exchange theory" given by Graen and Scandura (1987), which is rooted in the social exchange theoretical projections (Blau, 1964). That broadly focused on the part of mutuality and interchange aspect of association. 'LMX' emphases on the excellence of social exchange interrelationship amongst workforce

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and leaders (Graen & Uhl-Bien, 1995). The quality of this association shapes the many important organizational aspects including loyalty, improved communicating grounds, sustenance, and motivation to achieve the targets creatively and innovatively (Richards & Hackett, 2012). Employees with better association with the leader can utilize their full potential during work (Zhao et al., 2018), and apply innovation and creativity in contrast to the workers having weak interrelationship with leader (Volmer, Spurk & Niessen, 2012). According to 'Social cognitive theory' given by Bandura (1986), self- progressions impart several dominions of attitude which is shaped by causative events. Which also mold the level of motivation and accomplishment. The aptitude of implying regulating one's own believed progressions. As, individual perceptions and acts also can be govern by individual themselves, individual can influence transformation in themselves and the context in which they are through actions and determination, which represents overall work context i-e thriving at work, work significance and task interdependence. Therefore, Workforce with the learning orient accrue capability of efficacious mastery with practice. Along this range of abilities and knowledge, these workforce would be having improved self-efficacy which effects their creativity and performance (Gong, Huang & Farh, 2009). where creative performance act as the key and backbone of organizational innovativeness which established in 'Componential theory of individual creativity' given by Amabile (1988) established that employee creativeness perform as the key and backbone of organizational innovativeness. Three elements constitutes the extent of creative performance of individual 1) domain concern abilities (understanding the facts, methodical abilities important in domain 2) creative concern abilities (intellectual aptitude, insightful towards handling challenges 3) intrinsic motivation (employee's approach concerning responsibilities 2) self- driven outlook towards targets and job. Similarly Woodman, Sawyer and Griffin (1993) focused on organization creativity as a collaborative effort. Which outcome as workplace innovation that represents novelty of ideas, processes, work structures and production. Therefore, this study supports that LMX and Learning orientation influence workplace innovation through the mediating impact of "creative self-efficacy, work context, and creative performance".

#### **Dynamics of Workplace Innovation: Theoretical Framework**

Innovation described as multilevel progression amongst leadership, employees and workplace concern mechanisms (McMurry et al., 2013), which consisting of transforming prospects into fresh ideas and applying them into routine practices (Tidd et al., 2001). Where workplace innovation represent as psychosomatic construct and situation/setting concerned phenomena, where organizational innovation, organization's climate for innovation, individual innovation and team innovation are the main dimensions associated with workplace innovation (Mcmurry & Dorai, 2003).

#### **Model of Creativity and Innovation**

Creativity has the capacity to establish innovation (Amabile, 1996), which is connected with the work setting and collaborative efforts (Wongtada & Rice, 2008). Model of creativity and innovation is given by Amabile (1988) that explain the domain of creativity and innovation broadly. Which represents that organizational innovation is the effectual application of creatively constructed ideas and thoughts in workplace for example, production, procedures and methods connected with business and workplace. The conceptual framework this study is building is absorbed into the notions of model of creativity and innovation. Where theoretic dynamics are driven from LMX, social cognitive theory and theory of organizational

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creativity, and componential theory of individual creativity. The key elements established in this model are domain concerned expertise, creativity concerned skills, and intrinsic motivation (Amabile, 1988). The study conducted by Bilal and Ahmad (2019) applied the model of creativity and innovation by Amabile 1988 in context of services sector of Pakistan, and concluded that workforce with sturdy intrinsic motivation demonstrates excellence in creativity while performing their job tasks. Similarly, Khan, Sarwar, Malik and Ahmed (2014) asserted the significance of creativity as the back bone of workplace innovation in telecommunication sector of Pakistan to effectively deal with the need of change and conclusions supported the past studies like (Amabile, 1988 and Oldham & Cummings, 1996). Rahman,Batool, Akhtar and Ali (2015) confirms Amabile's componential model of creativity while having significant information interchange in work relationships between teams. As this exchange relationship will significantly improves employee's job and domain concern skills which positively impact on creativity of individual.

Hassan, Malik, Hasnain, Faiz and Abbas (2013) checked the impact of worker's creativity on workplace innovation concerning banking sector in Pakistan. The study asserted the role of job context influences like (work intricacy and connection with supervisor) on worker's intrinsic motivation and creativeness of workforce which significantly influence innovation in organizational domain and overall performance of company. Results supported the projections concerning significant impact of intrinsic motivation and worker's creativity towards organizational innovation and performing ability. As creativeness is the driving agent of innovation, which is crucial for businesses to deal efficiently with the demand of progression, development and entrepreneurial survival needs in context of businesses in Pakistan (Khan & Khan, 2019).

#### **Domain Concerned Skills**

These skills are the foundation on which performance have to continues. These skills includes know-how on all the aspects of job and practical abilities, which leads to intellectual ways to handle the challenges or performing job (Amabile, 1996). These domain concerned skills are the key constituents of creativity or the basic component of creative stance within workplace. That signifies the fundamental comprehension and process concerned skills which are crucial within specific domain (Amabile, 2004). The domain concerned abilities serves as a primitive source for creative performance of individuals. Indeed, without abilities in domain the employees cannot be performing creatively. These domain concerned skills be contingent on instinctive intellectual, instinctive, and technical aptitude and at the same time educational expertise in the area of industry (Amabile, 1988).

#### **Creativity Concerned Skills**

Domain concerned skills are insufficient in the absence of creative skills. This skills are associated with the capability to see the problems with the innovative perspective in order to establish new and creative ways of doing things which are more auspicious to the situation. These creative skills can be the combination of expertise like personal capacities, diversified way of thinking, team player, intelligent, and cognitive abilities (Majdar & Shalley, 2008). These expertise can result in looking into the problem core in order to find the new ways of resolving those (Jaskyte & Kisieliene, 2006) and at the same time establishing the innovation concerned work setting for creating the potential for resolution and handling problems. Consequently, employee creativeness results in creativity domain of teams that positively influence the workplace innovation (Bilal, Majid & Shahid, 2014).

#### **Intrinsic Motivation**

Amabile & Gryskiewicz (1988) asserted that motivation has noticeable impact on the individual creativity. Even absence of intrinsic motivation makes creativity and domain concerned skills less effective within workplace (Dewett, 2007). Motivation has the capacity to cause transformation between "what workforce has the capacity to perform" and "what workforce will execute". This intrinsic motivational domain regulate the level of employee's creativity and domain concerned skills, and where motivation can be influenced by various workplace dimensions and stimuluses (Amabile, 2000).



**Figure 1:** Theoretical framework of workplace innovation "Stages of Creative process" (Amabile, 1988)

## Leader Member Exchange

Leadership is considering as the crucial facet in impacting SMEs productivity and competiveness, where the role of leader is accepted as major influence of innovation (Saad & Mazzarol, 2010). As the Leadership are ruminate as one of the crucial determining factor of workplace innovation (Afsar & Masood, 2017). According to Carneiro (2008) there are three vital pedestals of leadership including, awareness, innovation defiance and necessity of transformation, which upsurges forces for innovation. Where entrepreneurs approach and strategies for innovation adds a significant impact on SMEs to embrace innovation (Marcati, Guido & Peluso, 2008). Which establish the demand for a leader to be insightful in understanding the potential of employees and to ensure innovation in organization (Tierney & Farmer, 2011). However, Innovation is described as the multilevel system amongst the leader, employees and crucial workplace elements (McMurry et al., 2013). That contains process of revolving opportunities in to latest and innovative thoughts and plans, where also shaping them in practical applications within organization (Tidd et al., 2001). Literature acknowledged the influence of leader on innovation (Directly/indirectly). Leadership role is consider as one of the important influences on workforce/member creativity and performing capabilities amongst the other workforce elements (Amabile, 1998). However, leader is the key component connected to workplace innovation (Jaskyte, 2004). Literature suggests that leader-member association is mainly persuasive towards the encouragement of employees focus on innovation (Wang et al., 2015).

Leader-member exchange (LMX) focuses on the mutual interconnection between the leader and employees (Volmer et al., 2012). While, the strength of this relationship are resultant as trust, honesty and appreciation, whereas, contrary the weakness of the relationship between the leader and employees are resultant as outraging, lack of trust and admiration for each other (Marrow, Suzuki, Crum & Ruben, 2005). Employees with better association with the composition of crucial work elements along with the string LMX provides the ground for creativity and innovation within workplace (Qu, Janseen & Shi, 2017). Rank, Pace and Frese (2004) asserted strong association between the LMX and workplace innovation particularly when members are motivated (Zhang & Bartol, 2010). The prospects of intrinsic motivation affluences the productive output of leader-member association on applying creativity.

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Members can apply innovation and creativity when having strong LMX and are intrinsically motivated (Bibi & Asfar, 2018, Zhang & Bartol, 2010).

#### LMX and Learning Orientation

Leaders makes a crucial role in empowering and enabling innovation in work setting, leaders impact as expediter towards the employees creativity and innovation prospects (Slatten, Svensson & Svaeri, 2011). Literature has been focusing on the impact of LMX and leadership on the domain of workplace, where less work has been done on the collaboration of LMX and learning orientation (Atitumpong & Badir, 2018, Schermuly, Meyer & Dämmer, 2013). Learning orientation represents workers devoutness and focus for improving his/her ability, capacity, skills and proficiency (Gong et al., 2009), which encourages workers to expand and develops the level of adeptness (Dweck, 2000). Where at the same time learning advances the propensity towards innovation and widely recognized as a vigorous basis of workplace innovation (Amara, Landry, Becheikh & Ouimet, 2008, Wu, Chinag & Jiang, 2002). Innovation within workplace is not only the establishing of new way of thinking but also application of those notions into practice (DeJong & Hartog, 2007). LMX helps in applying innovative thoughts significantly (Schermuly et al., 2013). Similarly, learning orientation shapes the employees aptitude towards creativity and innovation (Gong, Huang & Farh, 2009). Employees on this aspect learn the perspective and required skills needed for creativity viewing the problems and work aspects, while also attain assistance from the supervisor for the practical application of creative and innovative thoughts creatively (Atitumpong & Badir, 2018, Agashae & Bratton, 2001).

#### **Creative Self-Efficacy**

The domain of creative self-efficacy is associated with the individual stated propensity for molding creativity and innovative thinking (Carmeli & Schaubroeck, 2007, Tierney & Farmer, 2002). The theoretical prospects of "social cognitive theory (Bandura, 1986) demonstrates the connection of leadership on creativity and its influence on creative self-efficacy which has strong influence on the ability and competency of workforce (Adil, Khan, Khan & Qureshi, 2018). As, the conception of creative self-efficacy widely symbolize the workers capability towards creativity and creative performance (Tierney & Farmer, 2002). Consequently, employees with creative self-efficacy are more into performing tasks and objectives efficiently as they believe on possibility of success (Shin et al., 2012). Here leaning of these employees are more on performance excellence and added determination while performing innovatively and creatively, moreover these workers have the potential to advances the reasoning and cognitive capabilities while performing (Adil et al., 2018). Therefore, creative self-efficacy act as the mediating tool towards the creative performance of members with the assistance of strong LMX association (Gong et al., 2009, Shin et al., 2012). Where, employees focus positively on performing tasks creatively with the application of rational and analytical understanding (Mokhtari & Reichard, 2002). The prospect that employees are more creative when having creative self-efficacy been supported by (Gong et al., 2009, Tierney & Farmer, 2002, Adil et al., 2018). Where learning orientation significantly impact employees creative self-efficacy. Employees determined for learning can attain proficiency and skills over time. This extant of proficiency and skills shapes the creative self-efficacy (Adil et al., 2018), Gong et al (2009), also leadership antedates the potency of employees, where employees improves the self-confidence and experience and outcomes in creativity and innovatively looking into problems by continuous learning and support of this association (Hon, Chan & Lu, 2013, Tierney & Farmer, 2002).

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#### **Creative Self-Efficacy and Creative Performance**

Creativity consider as the basis for organizational/workplace innovation (Amabile, 1996). That is acknowledged as a vital element of advancement and modification of organization while responding to the changing and competitive demands of market (Choi, 2004). Employee's creative performance is asserted as outcome of complicated interchange between the workforce and the setting they are involved in (Zhou & George, 2001). According social cognitive theory Bandura (1977), four aspects are important towards creative self-efficacy consisting of expertise, engagement, participation, voiced, and affectual significances. These facets function as foundation for creative self-efficacy which is crucial dynamic cause of creative performance (Gong et al., 2009, Hirst, Knippenbergg, Zhou, Quintane & Zhou, 2015). Hence, creative self-efficacy has influence on creative performance due to its intrinsic focus domain that induce individuals for creatively performing the tasks and looking creatively to problems (Tierney & Farmer, 2002). Literature been focusing on the mediating position of creative self-efficacy associated with the domain of creativity, rationality, and creative performance. For example, Carmeli and Schaubroeck (2007) determined the moderating position of creative self-efficacy between the attitudes and viewpoint of individual and creativity/ creative performance. Conclusion demonstrates the significant association between these variables. Shin et al (2012) asserted the association between the team diversity and creative self-efficacy, the results found positive impact in occurrence of creative self-efficacy. Similarly, Ghafoor, Qureshi Azeemi and Hijazi, (2011) studied the connotation between the creative self- efficacy and creative performance of bank employees and found significant association between them. Jaussi, Randel and Dionne,(2007) also confirmed the affirmative association between creative self-efficacy and creative performance.

## Creative Self-Efficacy and Domain of "Work Context"

The framework presented by this study focus on the association between the creative self-efficacy and creative performance, however this path between the creative self-efficacy and creative performance is not direct, it is defined by the mediating positioning of work context which is representing by 1) Thriving at work, 2) work significance and 3) task interdependence.

#### Creative Self-Efficacy and "Thriving at Work"

Thriving at work is asserted as psychological state of individual concerned with work, it is more intrinsic positioning of employees associated with work and tasks (Roberts, Dutton, Spreitzer, Heaphy & Quinn, 2005). Thriving is the product of individual state that assists the workers for measuring the tasks they are supposed to perform and how this performance can improve in progressively, this extent of progression is the sign of individual erudition of modifying the work systems and adapting (Spreitzer, Sutcliffe, Dutton, Sonenshein & Grant, 2005). Employees are different on the extent of thriving related to work. The individuals with thriving at work are more determination, ambition, motivation and growing potential (Spreitzer et al., 2005). Thriving at work is the combination of 1) Vitality at work and 2) Learning (Porath, Spreitzer, Gibson & Garnett2011). Vitality is linked with the certainty that individual has the attainable drive and dynamism, however, learning, is linked with domain of improvement in terms of knowing and understanding to improve in applying of skills (Porath et al., 2011, Spreitzer et al., 2005). Relating to this notion Quinn and Dutton (2002) stressed in the domain of work context, that individual with vitality are able to see things innovatively and differently, where at the same time individual with the learning focus they are capable of JISR-MSSE Volume 18 January-June 2020 97 Number 1

thinking and exploring the innovative ways to perform. Employees with thriving at work are focused towards performing creatively, thus results in innovation domain (Porath et al., 2011, Spreitzer & Porath, 2012), because with thriving individuals are having more revelation to learning and progress, these individuals are capable of understanding the complications and also giving specific elucidation and solving them (Walumbwa, Christensen-Salem, Hsu & Misati, 2018). These projections has been maintained by Abid, Iram and Alia (2015) that thrive at work meaningfully impact on organizational innovation and creative domain of employees which is also supported in context of Pakistan. As Creativity contains elements like intelligence and perspicacity (Sternberg & O'Hara, 1999), creativity self-efficacy (Carmeli & Schaubroeck, 2007, Tierney & Farmer, 2002) that have potential for innovation (Amabile, Barsade, Mueller & Staw, 2005). Whereas, one vital component for thriving at work is creative self-efficacy (Walumbwa et al., 2018). That establishes that creative self-efficacy perform as determining cause of thriving because it enhance the persistence level and energies towards encounters (Tierney & Farmer, 2014, Bnadura, 1977).

## **Creative Performance Through "Work Significance"**

Creative self-efficacy domain are interrelated with comprehensive outcome of skills and capacity for work and assigned tasks. The elements shaping this skills and capacity can be individual, work, and work setting (Bandura, 1986, Wood & Bandura, 1989). However, creative self-efficacy level can be different with the availability of information, creative margin and skills needed for performing those work tasks. Hence, individuals with the common aptitude may achieve otherwise based on arrangement and use of skills and merging those skills as per need of work and its significance associated (Bandura, 1988). Individual evaluate the competences and work setting in order to appraise the accessibility of available resources or hindrances on different levels of work (Walumbwa et al., 2018). The context can be including elements like skills, objectives and ambition and most importantly the "work" that have vital impact on performing aptitude. However, those judgements converts into daily performance as engagement with work grows (Richter, Hirst, Knippenberg & Baer2012). According to Walumbwa et al., (2018) individuals continuously assesses the work and tasks to develop efficacy, however work setting and elements attached with work can hinder or grow the creative self-efficacy which in turn affects the creative performance.

#### **Creative Performance Through "Task Interdependence"**

Interdepending element between tasks of job regulates the element of interconnectedness between the co-workers and dependence while accomplishing the targets or objectives (Van der Vegt & Janseen, 2003). The members of the team are interconnected in terms of objectives and performance (Sundstrom, De Meuse & Futrell, 1990). However the level of interdependence between tasks with in a work structure can be different on the basis of elements like arrangement discrepancy, resources availability, objectives, clarity in understanding the objects and appreciation received (Wageman, 2001). Innovation is combined and collective set of activities, that is institute, embolden, considered, accustomed by teams overall (Van der Vegt & Janseen, 2003). As the tasks and activities are interconnected with each other, it is vital to assess the impact of creative self-efficacy via task interdependence on creativity which in turn affecting work place innovation. Anderston, Potocnik & Zhou, (2014) asserted that task interdepending element act as influencing factor on efficacy, which also shapes the creativity or creative performance can be directly or through other factors (Gilson & Shalley, 2004).

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## DISCUSSION AND CONCLUSION

The prompt rise in struggle of competitiveness amongst business is challenging. Businesses are struggling to ensure their survival and differentiation from competitors with the help of innovation. For business, innovativeness can be a vital component in sustaining an apt with challenges efficiently (Devloo, Anseel, Beuckelaer & Salanova, 2014). The existing modern knowledge economic systems depicting a latest stance of present trend of globalization and demands for up to date work structures and solutions for businesses up to new description of entrepreneurship (Ayub, Kausar & Qadri, 2017).

In developing countries like Pakistan, SMEs are the backbone of economic systems and contribute significantly to deal with the problems concerning unemployment, income, poverty (Subhan, Mahmood & Sattar, 2014). As in Pakistan, 90 percent of businesses are SMEs, so their impact on the economy overall is crucial, contributing 13.8 percent in GDP (Pakistan Economic survey, 2017-2018). However, SMEs in Pakistan are dealing with many important concerns and challenges like lack of advancement, in terms of innovation and progression (SMEDA, 2017) due to poorer advancement set-up, lacking in not up to date production mechanisms, work processes and work structures (Dar, Ahmed & Raziq, 2017). Consequently, due to current influences globally, technological stresses, and shifting in consumer's needs and demands. SME sector of Pakistan is fronting forceful competition. For ensuring survival in such pressure, SMEs should be encouraging creativeness and innovation to efficiently deal with challenges (Hassan, Malik, Hasnain, Faiz & Abbas, 2014). Where innovation is the key for progression and advancement locally and globally. Businesses can accomplish competitiveness by practices encouraging innovativeness (Abid, Irum & Alia, 2015). In unsettled and emerging businesses innovation is the fundamental prospect to achieve competiveness (Gomezelj & Gomezelj, 2016). The attainment and survival of SMEs are mainly reliant on their aptitude for innovation (Khan & Khan, 2019).

In such situation, implying workplace innovation is the need for making certain businesses endurance, advancement and perseverance especially in context of developing countries like Pakistan.

Up to the knowledge of researcher, literature on this domain of workplace innovation concerning SMEs in Pakistan is narrow. This study contribute significantly in this purpose. Which established important connection between constructs of LMX and learning orientation, creative self-efficacy, work context and creative performance. The model describes that LMX and learning orientation can influence workplace innovation, where this influence is indirect with creative self-efficacy, work context and creative performance. LMX and learning orientation enhance creative self-efficacy of workforce, which can influence on creative performance with the effect of psychological constructs which include thrive at work, work significance and task interdependence, as a result stimulus workplace innovation.

#### IMPLICATIONS AND FUTURE RESEARCH DIRECTIONS

This study was two folded, firstly, reviewing the literature available concerning workplace innovation in SMEs. Secondly, understanding the context of workplace innovation and its possible antecedents, therefore, coming up with the model for 'workplace innovation' which enhance the SMEs competitiveness. This model can be implied in the domain 'workplace innovation', the study will add significantly in the literature of workplace innovation by

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establishing the important association and connections of constructs shaping workplace innovation. Further, the model established in this study highpoints to many implications for forthcoming researches. Empirical testing of the antecedents in context of SMEs will establish the confirmation on the strength and weakness of relationship in determining the workplace innovativeness model in SMEs operating globally in general and Pakistan in particular. We suggests that testing the conceptual framework on individual and team context separately will also establish the relevance of the framework in both domains. The framework can also be tested on male and female employees to determine that the affiliation amongst the rudiments presented in the framework, work similarly for male and female or not.

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