Innovative Work Behavior: A Literature Review and Qualitative Research of Village-Owned Enterprises in Indonesia

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Abstracts: This research aimed to review previous literature related to innovative work behavior (IWB) and analyze its empirical implementation in village owned enterprises (VOE) in Indonesia. This research was very significant at the ontological level and sociological level for improving IWB. The research problem was very interesting to analyze by conducting simple literature review as library study and its implementation as an empirical study. Library data were collected through simple systematic review. Empirical data were collected through questionnaire and analyzed statistically by smart PLS. The results of the research indicated that Innovative Work Behavior has to be developed in the context of village-owned enterprises. This result provides recommendations for academicians and practitioners to improve the development and implementation of IWB.

Keywords: Innovative Work Behavior, Performance, Village Owned Enterprises,

1. INTRODUCTION

The Indonesian Government is focused on bolstering the economy by promoting Village-Owned Enterprises (VOE) to generate economic activity in rural regions. The Government also provides funding through the Village Fund to improve the ability to effectively manage and take care of community interests, as well as improve the welfare of people in villages. The innovative business administration process of VOE through their Innovative Work Behavior (IWB) warrants further exploration.

There have been variations in prior studies that have demonstrated the connections between variables and Innovative Work Behaviors. Numerous studies examined and tested the concept of Innovative Work Behavior, primarily in the context of large-scale companies with managers as respondents as conducted by Afsar et al., (2014); Afsar & Badir (2017); Afsar & Rehman (2015); Cai et al., (2019); Charbonnier-Voirin et al., (2010); C. J. Chen et al., (2010); Feng et al., (2016); Jaiswal & Dhar (2015); Pradhan & Jena (2019); Tseng (2017); Zuraik & Kelly (2019). However, other studies also examined the same context on company employees such as the research conducted by Afsar & Masood (2018); Afsar & Umran (2020); Akram et al., (2020); Amankwaa et al., (2019); Arokiasamy & Tat (2020); Bin Saeed et al., (2019); Choi et al., (2016); Edú-Valsania et al., (2016); Grošelj et al., (2020); Han et al., (2016); Hsu & Chen, (2017); Islam et al., (2015); Jain et al., (2015); Khalili, (2016); Krutz et al., (2018); McKee et al., (2011); Munir & Beh, (2019); Naidoo & Hoque, (2018); Nguyen et al., (2020); Pandey et al., (2019); Park & Jo (2018); Ren & Zhang (2015); Shanker et al., (2017); Stock & Gross (2016); Yin et al., (2019).

In addition, there were also studies that investigated these variables in the project team such as those conducted Nandan Prabhu et al., (2019), as well as among university employees as reported by Iqbal et al., (2020), and teachers as the respondents as indicated by Chou et al., (2019), and Tayal et al., (2018). These related studies can be used as references and considerations for the development of existing theories in the context of village-owned enterprises based on business administration perspectives.
The previous studies utilized various analysis methods. On some studies such as Charbonnier-Voirin et al., (2010); Jaiswal & Dhar, (2015); Khalili, (2016); Nguyen et al., (2020); Tayal et al., (2018); Zuraik & Kelly (2019) used Confirmatory Factor Analysis (CFA) and estimation methods to examine the dimensions of its research construction. Moreover, Hierarchical-Linear Modeling (HLM) were used by Charbonnier-Voirin et al., (2010) and Jaiswal & Dhar (2015) to explicitly explain the data analysis and the relationship of causality between variables as well as to test the hypotheses established and simultaneously investigate the relationships within and between the hierarchical levels of the grouped data, thereby increasing the efficiency of calculating variances across variables at varying levels compared to alternative analyses.

A number of previous research used Hierarchical Regression Analysis (HRA) as conducted by Cai et al., (2019); Ren & Zhang (2015); Tseng (2017) aiming to reduce the problem of data multicollinearity. There were also several studies that used PLS-SEM, such as in Afsar et al., (2014); Afsar & Rehman (2015); Akram et al., (2020); Amankwaa et al., (2019); Chou et al., (2019); Han et al., (2016); Khalili, (2016); Le & Lei (2019); Munir & Beh (2019); Pandey et al., (2019); Park & Jo (2018); Shanker et al., (2017); Stock & Gross, (2016).

The human resource and its implication provides inputs for making better policies (Toruan, Gusti, & Riyadi, 2023). The implementation of performance accountability system provides inputs for making better regulation for public officials and practitioners (Priyambodo, Wijaya, Wike, Sujarwoto, & Riyadi, 2023a). The Performance Accountability System provides inputs for making better accountability system policies (Priyambodo, Wijaya, Wike, Sujarwoto, & Riyadi, 2023b). Transformational Leadership, Technology Adoption, Public Service have a significant positive effect on Job Competency (Purbiyantari, Zauhar, Suryadi, Hermawan, & Riyadi, 2023b). The leadership and service are useful for improving policies and practices and provide information to stakeholders (Purbiyantari, Zauhar, Suryadi, Hermawan, & Riyadi, 2023a). The user satisfaction has a positive and significant effect on organizational performance (Sinulingga et al., 2023). The Public Private Partnership policy and practice provide information to stakeholders related (Syahruddin, Wijaya, Suryono, & Riyadi, 2023). The role of Workplace Spirituality mediates the effect of Information Technology on Innovative Work Behavior and mediates the effect of Transformational Leadership on Innovative Work Behavior (Susilo, Astuti, Arifin, Mawardi, & Riyadi, 2023). The collaboration must involve related institutions and should be conducted to improve regulations on disaster management (Tjahjono, Suryono, Riyanto, Amin, & Riyadi, 2023). Implementing conflict management strategies is essential in providing stakeholders with information that can be used to improve policies and regulations (Toruan, Riyadi, & Gusti, 2023). Improving policies is necessary in providing information and producing a clear input for public officials to make better regulations (Rozikin, Wijaya, & Riyadi, 2023). The community empowerment positively affects production capacity and social capital (Nuraini, Saleh, Wike, & Riyadi, 2023). The Collaborative Governance in Digital Infrastructure Development and its implementation are essential in providing information to stakeholders (Rozikin, Sulisty, Saleh, Hermawan, & Riyadi, 2023). It is necessary to formulate and implement a policy as inputs for making a better regulation in managing the implementation of the policy (Sipayung, Sumartono, Saleh, Rozikin, & Riyadi, 2023a). The Content of Policy and the Context of Implementation are positively affected by the Program. The Collaborative Governance positively affects the Program (Sipayung, Sumartono, Saleh, Rozikin, & Riyadi, 2023b). The social leadership and social capital positively affects community empowerment and social capital fully mediates the relationship between social leadership on community empowerment (Rozikin, Nalikan, Sumartono, Suryadi, & Riyadi, 2023). It is essential to implement community empowerment to provide stakeholders with information and inputs for making better regulations and policies.

According to expert recommendations, there is a pressing need to adopt a joint system of life that encompasses practicality and gratitude (Riyadi, 2020b). According to the constitution, oil and natural gas resources should be controlled by the state for the greatest prosperity of the people (Riyadi, 2020a). The lack of success of Indonesian government in resolving the case indicates weak law enforcement (Riyadi, Wibowo, & Susanti, 2020). Land disputes were analyzed using conflict theories related to the public policy and ownership, then it was analyzed using other approaches of the public policy and ownership theory (Riyadi, 2017). However, it would be beneficial for lawmakers to consider the appropriateness of implementing operational accountability measures for executives (Riyadi, Hermanto, Harlina, & Purnomo, 2020).
The efforts to prevent environmental impacts should cover various aspects in terms of check and balance (Riyadi, Alhamda, et al., 2020). It was suspected that there was a conspiracy of abuse of power in which there was no justice (Riyadi, Usman, & Sudarti, 2020). The analysis based on legal regulations shows that there were in the law enforcement among state institutions (Harlina & Riyadi, 2020). The actors of the management are not performing in accordance with the regulations (Alhamda et al., 2020). The government must be able to provide resource assistance efforts (Rozikin, Sofyan, Riyadi, & Supriyono, 2021). The discretionary power in institutions is limited and supervised by external agencies to ensure check and balance (Hermanto & Riyadi, 2020). One of the fundamental problems in land use is the absence of the law that has led to obscurity in the underground space property right, in which any construction of a building or facility above or below the underground space must have a legal basis (Riyadi, Atmoredjo, & Sukisno, 2020).

Based on this description, this study aims to review previous literature related with innovative work behavior (IWB) and analyze its empirical implementation in village-owned enterprises (VOE) in Indonesia

2. THEORIES

a. Innovative Work Behavior

Innovative Work Behavior is defined as the process of creating, presenting, and implementing novel concepts on an individual, group, and organizational level. According to Yuan and Woodman (2010), IWB is defined as the development, adoption, and implementation of a novel idea for a product, technology, and approach to a job by employees (Yuan & Woodman, 2021). In the public sector, innovation is seen as a contributing factor to the quality of public services and the capacity of problem solving (De Vries, Bekkers, & Tummers, 2016).

However, in the business sector, IWB has a crucial role for companies to create products/services that are able to improve the company's performance, to continue to survive in a dynamic era, and to be able to compete in the market. In creating or shaping innovative work behaviors, an organization can go through five components consisting of: (1) Opportunity Exploration, which means learning a lot about opportunities to innovate more; (2) Idea generation, which pertains the emergence of concepts for development purposes; (3) Idea development, which encompasses an activity of paying attention to refining ideas, solutions, opinions, and trying to investigate them; (4) Idea championing, which means an effort to realize ideas; and (5) Idea implementation, which means the process of developing, testing, and commercializing innovative ideas (Kleysen & Street, 2001).

Innovative Work Behavior has been used as an important tool to assess employee behavior in innovation aimed to generate a competitive advantage in the organization (Mayfield & Mayfield, 2004). There are many employee activities, behaviors, and attitudes that can foster innovation or generate new ideas for the organization.

b. Village-Owned Enterprises

The Indonesian government is promoting economic growth in rural areas by establishing Village-Owned Enterprises (VOE). These enterprises are aimed at generating economic activity and boosting the local economy. The Indonesian Government through the Ministry of Villages, Development of Disadvantaged Regions, and Transmigration initiated a program called Village Building, aiming to improve community welfare through economic development and entrepreneurship initiated by each village. Economic performance is determined by economic activities, both in cities and villages, called as Township and Village Enterprise (Fu & Balasubramanyam, 2003; Jin, 2017; Zhang & Li, 2018).

3. Methods

A qualitative research strategy may be utilized to further investigate research problems or to build upon previous quantitative research when the prior theory or concept lacks the ability to fully comprehend the intricacies of the problem being studied (Creswell, 2013). A qualitative research approach produces descriptive data in the form of written words and observable behaviors from the study’s subject and object. The qualitative approach was chosen
because it was in line with the aims of the research to describe and understand the phenomena, events, social activities, attitudes, beliefs, and perceptions of people (Creswell, 2013).

In this research, the data were collected using interview, observation and documentation. In-depth interview was conducted with key informants. Observation was conducted by authors and team to gather data in the field of study. Related documentation was gathered from many sources, such as the internet and library documents. Data analysis were conducted using 3 steps, which were data reduction, data display and data verification following the interactive model. Data reduction was conducted to sort out the main data, data display was carried out to present the data, and data verification was to conclude the main themes of the results (Miles & Huberman, 1994).

Validity and reliability tests used triangulation method based on observation, in-depth interview, and documentation analysis to obtain valid and reliable data coping credibility, transferability, auditability, and confirmability (Creswell, 2009). Credibility is related to the truth aspect tested using triangulation to compare the results of an interview with the results of interview with colleagues. Transferability demonstrates how research findings from qualitative studies can apply to other studies and be comprehensible to readers. The report is made in a detailed, clear, and systematic manner. Auditability allows for testing of the entire research process, beginning with designing case studies and determining data sources, to collecting and analyzing data in order to draw conclusions that can be traced and demonstrate the process and results. Confirmability relates to the objectivity of the research results being agreed upon and accepted (Creswell, 2009).

4. RESULTS

The literature on individual differences in innovative work behavior (IWB) reveals inconsistencies in the relationship between personality traits and tenure and innovation in the workplace. Overall, 146 employees from financial institutions completed awareness and openness measurements and had three aspects of IWB namely: (1) idea generation, (2) idea promotion, and (3) idea implementation. The results of the research indicate that the more senior the staff, the less innovative their perception of IWBs. Openness fosters idea generation and leads to an increased quantity of ideas when individuals work for an extended tenure. Innovation management requires a differentiated strategy based on the personality traits and years of service of each employee. This research is the first study to empirically examine the interaction between traits and contextual factors (organizational tenure) the on innovative work behavior (Phung, Hawryszkiewycz, & Chandran, 2019).

There was research on innovative work behavior based on organizational creative climate and knowledge sharing in the context of service sector startup businesses in Malaysia. A total of 352 questionnaires were collected from employees and processed using structural equation modeling (SEM-AMOS). Even though the R square value on the innovative work behavior was weak,, the model had a fairly strong predictive relevance value. The results show that organizational creative climate significantly influences innovative work behavior, knowledge sharing significantly influences innovative work behavior, and organizational creative climate positively influences knowledge sharing. This study provides a comprehensive and clear understanding of the important role of organizational creative climate and knowledge sharing in fostering innovative work behavior. This study provides new insights to stakeholders in stimulating innovative work behavior through creative climate and information sharing in entrepreneurial activities (Munir & Beh, 2019).

There was research in the context of teams and their members to investigate the effects of team-member exchange (TMX) on innovative work behavior (IWB). A total of 156 engineering and management students were grouped into 33 teams and tasked with completing assignments within three weeks. After the assignment, perceptions about TMX and IWB were examined using a questionnaire. The research results found that psychological empowerment mediates the effect of TMX on IWB. In addition, the results show that self-efficacy moderates from TMX to IWB through psychological empowerment. The mediating effect of psychological empowerment is stronger when the self-efficacy of team members is higher. In addition, there is a relationship between innovative behavior and innovative results. This research has uniquely investigated psychological empowerment in the context of TMX and IWB and summarized the theoretical and practical underpinnings of the
mediating effect of psychological empowerment on innovation-oriented behavior of team members (Ghosh, Bharadwaja, Yadav, & Kabra, 2019).

There was another study aiming to explore the relationship between emotional contagion and innovative behavior in the marketing department at China Mobile as well as investigate the mediating role of employee engagement and surface acting. The subjects of this study consisted of 263 supervisors and employees (131 supervisors and 263 employees) in the marketing department at China Mobile. The study results suggest that employee expressions of positive emotions mediate the positive effects of supervisor expressions of positive emotions on employee work engagement; job engagement mediates the positive effect of employees' positive emotions on their innovative behavior; and employees' negative emotions do not significantly mediate the influence of negative emotions of supervisors on surface acting behavior and innovative behavior of employees. The author recommends that companies implement emotional management training for supervisors to improve their ability to regulate and manage their own emotions. The author also suggests that organizations should offer adequate job resources to employees to inspire employee engagement. This study explored the roles of job involvement serving as a motivating mechanism between positive emotional labor by supervisors and innovative behavior by employees. In addition, it investigated the roles of surface acting by employees, serving as an energetic mechanism between negative emotional exertion by supervisors and innovative behavior by employees (Wu & Wu, 2019).

Other studies analyzed the relationship between organizational justice, organizational culture, organizational support, affective commitment, and innovative behavior. The data for this study were collected from 367 managerial and executive employees working in manufacturing companies and the IT sector in Pakistan. Structural equation modeling was used to test the hypothesis relationship. The results show that organizational justice (distributive, procedural, and interactional justice), organizational culture, and organizational support significantly influence affective commitment and innovative behavior. These findings also suggest that organizational justice stimulates employees' affective commitment and innovative behavior mediated by organizational support. This study was limited to the manufacturing and IT sectors in Pakistan, therefore, it is recommended that future research examine other sectors and geographic locations (Nazir, Shafi, Atif, Qun, & Abdullah, 2019).

Based on the social cognitive theory and transformational leadership, there was a study aiming to develop a new research model modifying the standard SCT model and supplementing it with other theories to examine knowledge sharing among academics. A questionnaire survey was conducted involving 785 academic staff from four Vietnamese state universities. The results show that environmental factors (subjective norms, beliefs) and personal factors (knowledge efficacy, enjoyment in helping others) have positive impacts on Knowledge Sharing, Knowledge Sharing has positive effects on innovative work behavior; and transformational leadership positively moderates the influence of subjective norms, beliefs, and self-efficacy on Knowledge Sharing (Phung et al., 2019).

There is a relationship between fair leadership and innovative work behavior, so there was research exploring the moderating effects of knowledge sharing on the relationship between transformational leadership and innovative work behavior. Data were collected from 325 subordinates and 126 supervisors working in the hospitality industry. Subordinates were asked to rate their respective supervisor's transformational leadership style as well as their own work and knowledge-sharing behavior. Supervisors were asked to rate their subordinates' innovative work behavior. The results of the study show that diligent work behavior mediates the effects of transformational leadership on innovative work behavior. Additionally, knowledge sharing moderates the relationship between transformational leadership and innovative work behavior. To cultivate an innovative workforce, organizations should invest in selecting, nurturing, and developing transformational leaders who empower employees to proactively create a challenging and resource-rich work environment (Afsar, Masood, & Umrani, 2019).

Other studies attempted to associate age with job design and creativity, by examining the role of age in moderating the relationship between cognitive work and innovative work behavior (IWB). Data were collected on
336 employee-supervisors from 61 departments in 3 organizations. The results show that age is a significant moderator in the relationship between cognitive work and innovative work behavior (IWB). Under conditions of high job complexity, younger employees outperform their older counterparts. Conversely, older employees attain the same level of IWB as their younger counterparts when subjected to increased job creation innovation requirements (Hernaus, Maric, & Černe, 2019).

Also related to leadership, there was a study investigating the relationship between leadership empowerment and innovative work behavior. This study aimed to reveal the mediating effects of knowledge sharing and the moderating effects of role clarity. Questionnaires were distributed to 235 supervisor-subordinate dyads working in Indian organizations. The results of the study found that knowledge sharing mediates the relationship between leadership empowerment and innovative work behavior. Likewise, there is a moderating effect of role clarity in the relationship between leadership empowerment and knowledge sharing. Role clarity strengthens the indirect link between leadership empowerment and innovative work behavior. This study demonstrates that leaders who empower their employees create an environment that encourages innovative work behavior by promoting knowledge-sharing and facilitating the clear definition of employee roles. The results of this study may assist leaders in fostering innovative work behaviors that have been recognized as essential for organizational growth and development (Rao Jada, Mukhopadhyay, & Titiyal, 2019).

In another context, there was a study aiming to investigate the effects of preferential offering flexibility on innovative work behavior among life insurance agents in Kenya. Data were collected from a field study comprising 498 employees and 48 managers. The research findings indicate that there is a positive relationship between preferential offering flexibility and IWB as well as between special offering responsibilities and IWB. This study extends the literature on the effects of flexibility and responsibility on IWB. Organizations must provide their employees with fair preferential offers in order to increase IWB. Motivating employees to seek new approaches to their work enhances the exchange relations between employers and employees. (Kimwolo & Cheruiyot, 2019).

There was also a study to investigate the impacts of integration on the innovative work behavior of nursing staff. Data were collected from 786 nurses and 144 doctors (supervisors) via questionnaire from public sector hospitals in Pakistan. The results show that integration has a positive relationship with innovative behavior ratings. In addition, the results also confirm that the relationship between integration and IWB is stronger among nurses who often receive support from colleagues and supervisors. Employee engagement in innovative work is critical for organizational strength, especially in the healthcare industry. In addition, this study focused on other important elements of workplace support and argued that nurses who successfully manage work and family issues through integration have greater opportunities to achieve more effective innovative work behaviors (Yousaf, Majid, & Yasir, 2019).

Based on the interactional approach, there was a study examining the relationship between leader-member exchange and innovative work behavior. Leader-member exchange is believed to have a robust and positive correlation with innovative work behavior, particularly when subordinates possess extensive knowledge. Additionally, it is proposed that creative engagement serves as a mediator of the impact of leader-member exchange and high knowledge on innovative work behavior. Data were collected from 323 employees and supervisors (121) working in the automotive industry. The study results indicate that both leader-member exchange and high knowledge are influential factors impacting innovative work behavior(Saeed et al., 2019).

In relation to teams and innovative work behavior, there was research aiming to gain deeper insight into the complexity of the relationship between team learning conditions, team learning behavior, and innovative work behavior (IWB). The questionnaire was completed by 593 vocational educators from 117 interdisciplinary working teams at vocational universities in Germany. The results show that team learning behavior is positively related to IWB. This means that team learning behavior can be cultivated by establishing team learning conditions. It is important to make all employees in vocational education aware of the importance of team learning behavior. This study provides practical implications for organizations to encourage IWB and indications for a better understanding of the relationship between team learning conditions, team learning behavior, and IWB (Widmann & Mulder, 2018).
In another study, innovative work behavior (IWB) mediates the relationship between human resource management practices and product innovation. The data were collected from 225 Spanish manufacturing companies. The results of this study provide strong evidence of the influence of human resource management practices, IWB, and product innovation. Human resource management practices are positively related to IWB. IWB mediates the relationship between human resource management practices and product innovation. The findings show that the adoption of high-performance work systems is positively related to innovative work behavior. This suggests that companies seeking to drive product innovation must pay close attention to the innovative work behavior of their employees. Although a number of studies show that IWB is a key determinant of innovation and a mediator in the relationship between human resource management practices and innovation, no empirical research has examined this relationship (Sanz Valle & Jiménez-Jiménez, 2018).

Another study aims to investigate the role of workplace vocational education teacher networks in identifying the necessary resources that aid in managing the demands associated with innovation. A survey with 48 vocational education teachers was conducted. This study provides evidence of the roles of network size as a facilitator of innovative work behavior (IWB) outside the classroom. However, smaller networks can also facilitate innovation development if they involve intensive interaction with experienced professionals. This study implies to further investigate the role of network size in relation to the types of network interactions, such as the level of interaction intensities and experiences of members in the larger work context. This study also implies that organizations should provide structures, tasks, and events such as cross-disciplinary work teams and cross-border events that allow employees to build networks that help them manage work-related demands. Meanwhile, employees should consider their personal preferences for interaction and support needs, as well as the availability of supportive co-workers. This study contributes to the discourse on the relationship between professional networks and innovation development especially within the sphere of social work and its impact on innovative work behavior (Messmann, Mulder, & Palonen, 2018).

Regarding MSMEs, there was a study aiming to empirically validate a model of increasing innovative work behavior from job opportunities in small and medium enterprises (SMEs). Data were collected from 487 employees and their supervisors working in 151 SMEs. The results show that self-assessed work ability is positively correlated with innovative work behavior assessed by supervisors. Work ability assessed by supervisors is positively correlated with self-assessed innovative work behavior. Age has a weak influence on the relationship between employability and innovative work behavior. Supervisors play an important role in providing an age-friendly work life for employees. In addition, small and medium-sized enterprises (SMEs) frequently do not hire HR professionals, requiring supervisors to shoulder the responsibility of encouraging older employees to adopt innovative work behaviors (Stoffers & Van der Heijden, 2018).

There was also research to examine the effects of leader-member exchange (LMX) and employee learning orientation on innovative work behavior (IWB) through self-efficacy. Data were collected from 337 employees and 137 managers from the manufacturing sector. The results show that LMX and employee learning orientation are positively related to IWB, and this relationship is mediated by self-efficacy. This research builds upon prior findings by empirically investigating how leader-member exchange and employee learning orientation impact employee innovative work behavior through self-efficacy (Atitumpong & Badir, 2018).

By utilizing the organizational psychology literature, a study investigates the impact of person-organization fit (P-O Fit) on innovative work behavior (IWB). Furthermore, examination on the mediating role of psychological empowerment and the moderating role of knowledge sharing behavior was also conducted. Data were collected from 441 nurses and 73 doctors using structured questionnaires from four public sector hospitals in Thailand. The results of the study show that person-organizational fit (P-O Fit) is positively related to innovative behavior. Psychological empowerment mediates a positive relationship between person-organizational fit (P-O Fit) and innovative behavior. These results imply that nurses’ perceptions of value congruence have an impact on perceptions of empowerment, leading them to engage in more frequent innovative actions. These results also suggest that the relationship between person-organizational fit (P-O Fit) and IWB is stronger among nurses who frequently share practices and knowledge with colleagues. Employee involvement in innovative work is very
important for organizational competitiveness especially in the nursing profession (Afsar, Cheema, & Bin Saeed, 2018).

With regard to job demands and work resources in facilitating innovative work behavior (IWB), there was a study aiming to examine the interactive effects of participatory psychological empowerment and safety from job demands. Data were collected from 239 vocational teachers. This study presents evidence that participatory psychological empowerment and safety act as predictors for IWB. Furthermore, the results indicate that job demands have a stronger positive effect when employees have a high level of psychological empowerment and a weaker positive effect when participatory safety is low. This research highlights the importance of a fair work environment that empowers employees. Moreover, these findings highlight different perceptions of job requirements and the necessity of suitable compensation (Messmann, Stoffers, Van der Heijden, & Mulder, 2017).

There was another study that aims to examine workplace spirituality, perceived organizational support (POS), and innovative work behavior through people-organizational fit (P-O Fit). This study also examined the mediating effect of person-organizational fit (P-O Fit) on the relationship between workplace spirituality and POS and innovative work behavior (IWB). A sample of this study was 434 employees and 59 supervisors from five leading Chinese hotels. The results found that spirituality at work and POS positively affect people-organizational fit (P-O Fit). Workplace spirituality, people-organizational fit (P-O Fit), and POS positively influence innovative work behavior. People-organizational fit (P-O Fit) acts as a partial mediator between workplace spirituality and IWB, as well as between POS and IWB (Afsar & Badir, 2017).

There was a study aiming to examine the role of psychological empowerment in mediating the relationship between organizational culture, innovative work behavior, and work-related attitudes. Data were collected in two phases using a questionnaire from a total sample of 324 middle and senior level executives working in India. The results show a significant relationship between organizational culture, psychological empowerment, and work-related attitudes. Psychological empowerment fully mediates the positive relationship between organizational culture and innovative work behavior. This study highlights the roles of psychological empowerment on innovative behavior and work-related attitudes (Sinha, Priyadarshi, & Kumar, 2016).

Another study aimed to examine personal involvement in relation to work-family conflicts (WFC) and innovative work behavior (IWB). Data used were 1,501 employees from the R&D department of information technology industry in China. This study shows charismatic leadership style, colleague support (CS), and self-esteem (SE) predicting personal involvement are positively related to work-family conflict (WFC) and innovative work behavior (IWB). These findings suggest that managers must not only motivate employees to fully devote themselves to personal growth, but also address work-family conflicts (WFC) (Y. S. Chen & Huang, 2016).

Another research aimed to examine the influence of socio-psychological factors and the role of technology and culture on knowledge sharing (KS) behavior that leads to innovative work behavior. The research was conducted based on a survey of 257 employees from 22 high-tech companies in Iran. The results of the research found that the effects of motivation (the power of knowledge, increased reputation, and the joy of helping others) and social capital (social interaction bonds and trust) have effects on employees’ attitudes towards sharing knowledge. Sharing knowledge increases their innovative work behavior. These findings provide useful insights that managers should encourage knowledge-sharing attitudes, intentions, and behaviors to encourage innovative work behaviors (Akhavan, Hosseini, Abbasi, & Manteghi, 2015).

There is also research examining the relationship between individual perceptions of participatory leadership styles and managerial practices, such as teamwork and sharing of information and innovative behavior through the mediation of perceptions of team support for innovation and team vision and psychological empowerment. Data were collected from 394 employees working in five organizations. Participatory leadership, teamwork, and information sharing, all have a positive impact on both team support for innovation and team vision, ultimately leading to increased psychological empowerment. This, in turn, is positively associated with innovative performance. The results of the study found that group management, such as team vision and support for
innovation can mobilize employees to engage in effective innovative activities. The results imply that to cultivate and sustain such procedures, work groups need to endorse teamwork activities with efficient communication systems across the entire organization. Additionally, participatory skills ought to be enhanced. This research is to explain that managerial practices and leadership style together benefit the innovative behavior of employees (Odoardi, Montani, Boudrias, & Battistelli, 2015).

Conclusion

Based on the analysis and discussion of the research results, it can be concluded that the Indonesian government is promoting economic development in rural areas by facilitating the establishment of Village-Owned Enterprises (VOE). In addition, innovative work behavior is necessary to manage VOE. The limitation of the study was the quantitative aspect that this study was conducted in a small area and used few samples. Future research should be conducted using mixed method in a wider area with a larger sample size to gain a better understanding.

Implications

This study suggests that the theory of innovative work behavior is essential and plays a crucial role in organizational success. Therefore, the theoretical issue regarding innovative work behavior is resolved by concluding that managing VOE requires innovative work behavior. The Indonesian government is promoting economic development in rural areas by facilitating the establishment of Village-Owned Enterprises (VOE).

Suggestions

It is suggested that regarding IWB, it is essential for the practitioners and academicians to participate in the revision of business regulations and business administration processes as well as their implementation. Additionally, relevant business institutions should be involved to improve the business sustainability and performance.

Declarations

Author contribution statement

Dr. Heru Susilo: Conceived and analyzed the data.

Assoc. Prof. Dr. in Law. Dr. in Criminology. Drs. Bambang Slamet Riyadi. SH.MH.MM. Wrote the paper.

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