

**THE ROLE OF INNOVATIVE CLIMATE ON EMPLOYEE
CREATIVITY AT JUBILEE INSURANCE COMPANY KENYA
LIMITED**

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DECLARATION

This project is my original work and has not been presented for a degree in any other university.

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DEDICATION

I acknowledge and dedicate this project to the most precious people in my life who encouraged me to embark on and complete my studies. My utmost gratitude goes out to Moses Muriungi, Elizabeth Jendeka, Virginia Njeri, Gerald Muriungi and Mayah Zawadi.

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ABBREVIATIONS AND ACRONYMS

AKI	-	Association of Kenya Insurers
CBK	-	Central Bank of Kenya
GDP	-	Gross Domestic Product
ISO	-	International Organisation for Standardization
JIC (K)	-	Jubilee Insurance Company Kenya Limited
IWB	-	Innovative Work Behavior
NSE	-	Nairobi Security Exchange

ABSTRACT

This research endeavoured to determine the role of innovative climate on employee creativity at Jubilee Insurance Company Kenya Limited and was anchored on Social Exchange Theory as well as Organizational Support Theory. The study utilized descriptive survey design. Jubilee Insurance Company Kenya Limited had a total of 1,122 employees based at the head office of which a representative stratified sample of 113 from the population was picked and simple random sampling was applied to choose the participants. Structured questionnaires were utilized to gather primary data which was scrutinized using descriptive statistics and simple linear regression analysis. The findings showed that Jubilee Insurance Company Kenya Limited had a conducive innovative climate that was good for the organization since it translated to increased employee creativity. Jubilee Insurance Company Kenya Limited had in place strategies aimed at meeting the changing needs of its clientele with diverse levels of earnings by providing a wide range of value-added services which supported their core services. In order to remain competitive, the company set out to foster a positive innovative climate and rolled out strategies to entice and hold on to top creative talent within the insurance industry. Favourable innovative climate in the organisation was depicted by senior management and leadership support, organizational support for innovation, team work and organizational structure that was suitable for innovation. Employee creativity was achieved when the members of staff came up with novel ideas that contributed to the creation of new products and efficient work process. Employee ingenuity was witnessed when the company launched two mobile applications, JubiAgent motor app and JubiAgent medical app to be used by their sales agents to renew existing motor and medical insurance policies and also generate quotations for prospective customers. The application also utilized the capability of predictive analytics to establish customer needs which enabled their actuaries to innovate products that reflected the expectations of the clients. This was achieved by having synergy amongst the employees and was demonstrated in the organization through creative and collaborative culture, appropriate work environment, use of suitable technology and knowledge sharing. The study recognised that innovative climate had a positive regression coefficient with employee creativity thus implying that a conducive innovative climate was beneficial to the organisation. This research recommends that organisations that want to motivate their employees to be creative should emulate Jubilee Insurance Company Kenya Limited by inculcating a conducive innovative climate. This can be done by having a management team that supports employee creativity. This study proposes that similar research ought to be undertaken on other influencers of workforce creativity within Jubilee Insurance Company Kenya Limited. This will aid in determining how different influencers of workforce creativity such as psychological and organizational support can be used to promote innovation in the organization. Research also ought to be done on other organizations other than Jubilee Insurance Company Kenya Limited so as to determine how innovative climate impacts employee creativity in different organizations and sectors. In undertaking additional research, scholars will identify conducive work structures and environments that enable employees to be innovative.

CHAPTER ONE

INTRODUCTION

1.1 Background of Study

Creativity and innovation are extremely important to organizations that aim to position themselves as market leaders in their respective industries. Such organizations should create and enhance innovation by fostering and cultivating the right innovative climate (McFadzean, 1998). In order to sustain the ever-existing pressure to innovate and come up with relevant products that meet market expectations, organizations need to enhance employee initiative to handle work creatively so as to maximize their contributions in ways that meet or exceed customer expectations (Andriopoulos & Lowe, 2000). Employees need to be encouraged to be creative so that they can pursue creative and cost-effective ways of working. When employees are made aware that they are expected to be creative, they are likely to develop ideas that lead to new products, processes and other growth avenues. There exists a link between supportive and healthy innovative climate and employee creativity in an organization. Firms that are able to foster innovative climate stand a better chance of having inspired workers who are innovative. This results in production of creative and innovative products (Mathisen, Einarsen & Mykletun, 2012).

This study was anchored on Social Exchange Theory and Organizational Support Theory. Social Exchange Theory stipulates that the more workers are included, consulted and provided with resources by their employer, the more inspired they are to respond in kind by being more committed and involved in creative and innovative practices (Homans, 1958). When workers are provided with healthy and supportive innovative climate, they reciprocate by engaging in creativity and innovation. Organizational Support Theory

avers that worker's view of favorable support gotten from employer including supportive innovative climate should enhance work outcomes such as creativity (Eisenberger & Stinglhamber, 1986). Firms need to provide employees with key resources necessary for enhancement of creative behaviors. The two theories can offer an understanding of how a supportive and healthy innovative climate can influence employee creativity.

The Kenyan Insurance Industry continued to experience steady development with regards to gross revenue generation though this had been unfortunately characterized by losses for the last five years. Such losses have been as a result of price wars by insurance companies that aimed to preserve and retain their market share. Insurance companies in Kenya need to embrace creativity plus innovation and develop unique products that can give them competitive edge over peers. Having in place creative employees can help meet such objectives while also overcoming the existing challenges. Distribution of insurance products and services through the mobile platform and coming up with micro-insurance covers can help in expansion of market share of the companies (AKI, 2019).

1.1.1 Innovative Climate

Innovative climate depicts an internal organizational environment in which managers create a work culture where it is known that innovation is embraced and rewarded (Newman et al., 2019). Innovation is extremely important for commercial establishments that expect to prosper in the present-day competitive commercial environment. Knowledge of the importance of innovative climate enables business leaders to have an appreciation of the drivers that may be used to inspire innovation in the organization. In all types of industries, continuous innovation determines the competitive dominance and business performance of the organization. It is therefore of great importance that business

managers should endorse unceasing innovative activities so as to enhance business competitiveness and ultimate survival of their firms. An innovative climate determines ingenuity of workforce, creation of knowledge as well as justifiable industry performance (Bibi et al., 2020).

Innovation happens when inventors are extremely curious about an idea and the curiosity goes beyond the level of any opposition that they are likely to face. In organizations, employees are a vital component for successful innovation with the work environment being a catalyst and hence needs to be cultured by leadership. The right work environment will influence all key steps of innovation cycle including generation, commencement, implementation and application of ideas. The creative thinking process is improved by having a favorable environment and there is therefore an empirical connection between the innovative climate and employee creativity (Dunegan et al., 1992). Organizations need to put in place the right environment for innovation since the extent to which they sustain supportive climate for creativity and innovation positively related to performance. Organizations that aggressively gather new ideas, offer hands-on support in its application and use feedback about their consequences will be more efficient, creative and flexible to the changing customers dynamics (King & Burgess, 2008).

1.1.2 Employee Creativity

Creative employees have been recognized as individuals who are able to pursue and assimilate varied information, reconceive posed challenges and create concepts likely to depart from the accepted standard. These employees can also utilize information within a well-established sphere by accepting problems as presented and produce concepts consistent with recognized convention (Tierney, Farmer & Graen, 1999). Employee

creativity essentially contributes to organizational invention, efficiency, and continued existence. Employees are in a better position to come up with novel processes and products or improve the existing ones when they are provided with supportive and conducive workplace atmosphere. This leads to better adoption to change, competitiveness, efficient operational processes and malleability to shifting customer needs. Therefore, firms need to develop creative capacity of employees which can be achieved by either selecting creative employees at recruitment stage or undertaking on the job training which stimulates creative thinking process. For this to occur, the strategic objective of the organization must endorse and uphold creativity by fostering the right environment. Formal work structures, micromanagement, repetitive tasks and homogenous workplaces have been shown to discourage creative employee behavior (Beheshtifar & Zare, 2013).

Positive cultural and structural factors of a firm encourage creativity. Cultural factors include management support, readiness for change, a strong mission and vision, company strategy and the attitude of fellow employees. Structural factors include aspects such as the presence of satisfactory appraisal measures, the presence of a rewarding structure and the provision of means to support generation of innovative ideas. To elicit the best support from employees, organisations need to structure these factors to ensure that the workforce derives satisfaction and inspiration from intrinsic organisational motivation (Dijk & Ende, 2002).

Trust in management is the foundation upon which employee creativity depends. When employees have the assurance that management will support their ideas and that they will not be victimized in the event that suggested concepts are unsuccessful, they are more

likely to embrace creative practices. Trust in management leads to higher rates of employee creativity (Lee et al., 2019). Employees expect leaders within the organization to create the right sustainable and healthy work environment for creativity. When employees experience this support from leaders, they feel motivated and this boosts their morale to be more creative. Employees' immediate managers also have direct participative responsibility in generating the right climate for creativity since their supervisory role drives work effort towards innovation in addition to the fact that they deal with the immediate social and environmental problems that present themselves in employees' daily work schedules. How well supervisors handle their direct reports therefore augments employees' inclination to putting in extra effort in achieving organizational innovation goals (Miao et al., 2020).

1.1.3 Jubilee Insurance Company Kenya Limited

Kenya's financial ecosystem incorporates banking, insurance, capital markets, pensions, Saccos and microfinance institutions. The insurance sector encompasses 56 insurance companies, 5 re-insurance companies, 220 brokers, 26 bancassurance intermediaries, 10,471 agents, 35 medical health insurance providers, 138 motor assessors, 144 insurance investigators, 33 insurance surveyors, 31 loss adjusters and 8 claims settling agents. Insurance business is primarily divided into life and non-life business. Non-life business contributes 63% of the entire industry revenues (Kenya Financial Stability Report, 2020). Insurance penetration in the country stood at 2.4% of Gross Domestic Product (GDP) in 2019, unchanged from what was recorded in 2018. Non-life business continued to be the main contributor to the sector's revenues accounting for 56.1% of the total premium.

Jubilee Insurance Company Kenya Limited is a limited liability firm established in Kenya. The Company is listed in the NSE with cross listing in the Uganda Securities Exchange and Dar es Salaam Stock Exchange. The organization and its affiliates underwrite life and non-life insurance covers. Jubilee Insurance Company Kenya Limited also offers investment, asset management and pension plans. The company has business presence in neighboring countries of Uganda, Tanzania, Burundi and Mauritius with a total workforce of 1,122 employees (Jubilee Insurance Company, 2022).

Jubilee Insurance Company Kenya Limited had in place strategies aimed at meeting the changing needs of its clientele with diverse levels of earnings by providing a wide range of value-added services which support their core services. In order to remain competitive, the company had rolled out strategies to entice and hold on to top creative talent within the insurance industry. This was done through identification of pivotal skills and values of the organisation and placing the right employees to fill positions around those needs in addition to building an innovation focused work culture. Subsequent to implementing this strategy, in 2016 Jubilee Insurance Company Kenya Limited launched two mobile applications, JubiAgent motor app and JubiAgent medical app, to be used by their sales agents to renew existing motor and medical insurance policies and also generate quotations for prospective customers. The application also utilized the capability of predictive analytics to establish customer needs which enabled their actuaries to innovate products that reflected the expectations of the clients.

Jubilee Insurance Company Kenya Limited had used key applications to streamline services and smoothen operations. The company launched JubiCare app that allowed existing customers to self-service using smartphones that provided a fast, easy and

convenient way. The application allowed customers to confirm that their insurance policies were active, request for statements, report claims, access policy documents, view loan statements, make service requests and view service providers. The company also utilized a chatbot on their Facebook page that utilized artificial intelligence to respond to customers queries instantaneously. These are some of the innovative ideas that the employees had generated enabling the company to be outstanding in the competitive and fast changing financial market (Jubilee Insurance Company, 2022).

1.2 Research Problem

Organizations rely on employees to generate and innovate new ideas, processes and products for continued sustainability. These entities need to not only employ creative employees but also establish the right internal work environment that nurtures and motivates creativity among employees. To remain competitive, firms should foster a culture that enables creativity as opposed to hinder innovative practices (Kumar & Thiruvankadam, 2018). Many researchers have given a lot of focus on innovative climate as a framework for creative performance, competitiveness and business success but missed its influence as a precursor to several company phenomena including employee creativity (Bibi et al., 2020). Numerous firms grapple with employee creativity and both scholars and practitioners are still trying to figure out the most effective ways to inspire employee creativity (Cai et al., 2020).

Innovative organizations rely on employees to be creative at company level, team dynamics level and individual level. However, employees end up losing their creative abilities while working for mature companies as a result of a myriad of reasons including micromanagement that hampers independent thought; failure to keep them well appraised

of the vision that the organization is working towards; bureaucracy that encompasses standardized processes; favoritism for politically correct staff instead of recognizing creative staff; lack of recognition of creative efforts and finally failure to provide adequate resources to support innovation (Solomon, 2016). There is no ideal formula for creating the perfect innovative climate for employee creativity. However, a firm's top leadership can greatly increase success by managing the innovation process systematically which will require strategic leadership, internal and external innovation collaboration and putting in place structures and environment that enables employees to innovate (Olsson et al., 2019). The right innovative climate cultivates employee creativity and imaginative problem-solving culture within an organization. A truly innovative organization offers its employees room to pursue novel ideas and learn through failure. It is with this hindsight that this research endeavored to identify the role of innovative climate on employee creativity at Jubilee Insurance Company Kenya Limited.

Studies have been undertaken touching on antecedents of employee creativity. Annika et al. (2019) did a desktop study on the role of workplace climate on innovation and creativity among employees of Swedish retail organizations. Results revealed that innovative climate played a key role in employee creativity and innovativeness thereby positively impacted performance of retail firms. Additionally, research carried out in Pakistan by Sarwar et al. (2019) established that a healthy and supportive innovative climate positively influenced creativity and innovativeness among employees thereby enhanced organizational performance. The researchers used questionnaires to collect data from management team. An organizational climate where employees are assured of resource support in generation and implementation of new ideas will have creative employees (Balkar, 2015). However, using a survey Roy et al. (2017) advised that the

influence of a firm's innovative climate on ingenuity of employees is insignificant. These studies used different research methodologies and were carried out in different geographical contexts thereby presenting contextual and methodological gaps which this study addressed. This research was a case study as compared to these studies which were conducted in different originations and using dissimilar research methodologies.

Locally, through a case study of the Public Procurement Oversight Authority, Gitonga (2014) studied the impact of leadership practices on employee creativity and innovation in public institutions. The study showed that management culture impacted the degree of workforce creativity and innovation. It also showed that there is a requirement for a focused strategy by institutions to guarantee that managers developed cognizance of the significance of employees' ingenuity and innovation. Karanja (2016) through a case study of Pewin Cabs Limited studied the influence of organizational climate on technological innovation and job satisfaction in the public transport industry. The study surmised that there did not exist any significant positive link between organizational climate, technological innovation and job satisfaction affecting personnel at work. These studies were carried out in different sectors of the economy hence there is need to carry out comparable research in the insurance industry. This research attempted to explore the research gaps by responding to the question, what is the role of innovative climate on employee creativity at Jubilee Insurance Company Kenya Limited?

1.3 Objective of the Study

The objective of this research was to determine the role of innovative climate on employee creativity at Jubilee Insurance Company Kenya Limited.

1.4 Value of the Study

This research will be key in provision of more knowledge regarding the role of innovative climate on employee creativity at Jubilee Insurance Company Kenya Limited. It will also be of value to entrepreneurial leaders in the insurance industry and other sectors within the financial services space. The findings of this study will avail an opportunity for Jubilee Insurance Company Kenya Limited and other insurance companies to compare and assess not only their strategic innovation implementation process with regard to employee creativity but also share the relevant insights into the challenges of employee innovation strategy application.

Through the study, a number of parties including students, instructors, business colleges, instructional meetings and advancement classes will be in a better position to comprehend how best to spur innovation and employee creativity in organizations. The observations and recommendations made by this research will be a basis for academic debates, discussions, arguments and further research.

Finally, managers will have a chance of using the findings of this research to develop strategies that will inspire innovative decision making at all levels while stipulating the implementation of constructive and justifiable innovative climate. Through this study it will also be possible to stimulate the adoption of effective internal environment that encourages employee creativity and innovation.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter analyzed literature associated with the current research. It covered the theoretical foundation of research which included Social Exchange Theory and Organizational Support Theory. Additionally, the chapter expounded on information relating to innovative climate and employee creativity and concluded by looking at empirical review and knowledge gaps.

2.2 Theoretical Foundation

Different scholars and practitioners in management and entrepreneurship have shown curiosity in employee inventiveness and how it can be enhanced. This can be attributed to the crucial role that employees play in enhancing performance of organizations. Several factors including innovative climate have direct influence on employee creativity. Organizations that provide conducive and supportive atmosphere for innovation stand a better chance of surviving in the competitive and fast changing business environment (Khazanchi & Masterson, 2010). This research was anchored on the Social Exchange Theory and Organizational Support Theory.

2.2.1 Social Exchange Theory

This theory is a major theoretical perception in the area of social psychology and was espoused by American sociologist George Homans in 1958. The theory proposed that human interactions are dependent on a cost-benefit analysis that looks at the energy that an individual contributes into a relationship and the reward that they derived. This theory relied on logic backed by empirical evidence to determine sustenance of human

interactions and relationships. The basis of this theory relied on three key tenets, namely that in human dealings people look for rewards while they tend to avoid chastisement; people enter into dealings to gain greatest return and incur nominal cost; and people tend to compare rewards vis-à-vis cost before engaging in business and personal dealings (Cook & Rice, 2013).

According to Blau (1964), social exchange can be described as intentional activities of humans which are driven by expected reward from interactions that they engage in. Social exchange generated patterns of friendship and confidence that enabled development of close ties between people working together. This in turn created a stable and symbiotic relationship while on the other hand status difference was generated when social exchange created dependence on the party providing the anticipated reward. This applied to relationships at the institutional level including issues related to authority, power, conflict and change in the context of established organizational systems (Redmond, 2015).

The theory has been used to comprehend and foresee changing attitudes and behaviors at the workplace and justify why the association between employers and employees need to be mutually favorable if sustainability is to be achieved. Modern adaptation of the theory sees workers as reasonable beings looking to meet their basic needs through rational means. Consequently, to maintain a positive work environment there needs to be payoffs plus rewards which the parties involved in a relationship need to trade off. The behavioral trade off depends on the level that each party sees the outlays of the exchange as bigger than the costs involved (Dustin et al., 2017).

Business establishments rely on innovation and creativity to attain competitive edge in marketplaces and such creativity is driven by employee ingenuity. Progressive organizations have invested in research and development so as to identify ways to motivate and encourage employee creativity. Research studies on employee creativity are now attentive to appreciating the influence of the social context at the place of work and to elucidate the conditions that support creativity. Organizations are now cognizant that they are in control and in a position to put in place a healthy workplace which supports creative behavior among employees. The environment that can be manipulated to support creativity include the incentives, task complexity and evaluative context (Khazanchi & Masterson, 2010). Organizations need to ensure that they foster an environment that motivates employees to value aspects such as collective accomplishment and collaboration which will translate to business success plus achievement of organizational goals. Therefore, organizations need to provide their employees with all work-related support as well as other personal support as a way of encouraging employees to take active roles in creative and innovative pursuits.

Social exchange theory has been criticized for being deficient in adequate philosophical accuracy and this makes it have limited efficacy. This criticism is backed by the argument that proponents of this theory explain social phenomena based on theoretical deduction rather than empirical observation (Cropanzano et al., 2016). Therefore, this theory appears to be too simplistic as there are other considerations that determine whether parties should continue in a relationship other than cost and reward. This theory appears to suggest that relationships are linear in nature while the reality is that relationships especially at the work place are progressive with cycles of rewarding and grueling experiences for employer and employee. This theory was applicable to the current study

since it suggested that when employees are provided with key support including healthy innovative climate, then they get encouraged to participate in creative and innovative pursuits.

2.2.2 Organizational Support Theory

This theory was espoused by Eisenberger et al. (1986) and specifies that employees will formulate an opinion about the employer on whether their efforts at work are appreciated and welfare considered as important (Krishnan & Mary, 2012). Therefore, organizational leaders should make employees feel that they are highly regarded and this will in turn result in increased interest and effort at work. The proponents of the theory postulate that there exist three key doctrines namely, that there is a universal belief amongst workers based on their perception on how the organization appreciates work effort and welfare; belief that in organizations that appreciates employee work effort and welfare the risk of absenteeism is reduced; and association between perceived organizational goodwill and work absence is increased for workers with a strong support philosophy than those with a feeble philosophy (Eisenberger et al., 1986).

Studies on this theory have revealed existence of constructive link between social support and gratification of workers especially where the support emanates from supervisors and fellow employees (Harris et al., 2001). The support that is offered by organizations will thus have an influence on fostering the right environment at work. Employees have also been seen to portray increased efficiency in organizations that have been established to have well established support systems (Baruch-Feldman et al., 2008). Organizational workforce is more likely to engage in creative pursuits when organizations avail all necessary resources useful in achievement of such goals. The work environment also

needs to support and appreciate risk taking due to the fact that creative and innovative pursuits are not guaranteed to succeed on the first attempt.

In today's business environment, organizations place great reliance on creativity so as to remain competitive. Employees are the source of this creativity and they can only achieve this through support provided by the organization in the form of progressive experiences by fostering the appropriate innovative environment (Ibrahim, Isab, & Shahbudin, 2016). Progressive organizations aim to have highly engaged employees who are also creative. Organizational support assists in creating highly engaged workers by motivating through provision of an atmosphere where they feel highly valued and cared for. Organizational support directly and positively influences performance, mental welfare, commitment at work and talent creation (Eisenberger, Malone & Presson 2016).

This theory has been critiqued on ground that it focuses mainly on constructive aspects at the workplace emphasizing on the positive aspects of both employees and the organization. Researchers in this field are inclined to ignoring that organizational support might also have undesirable attributes for both organizations and employees in certain situations. Caesens and Stinglhamber (2020) point out three areas of concern; employees with low socio-emotional needs might interpret organizational support as a sign of ineptitude on their part and thus lead to reduced performance; when organizational support is bountiful it can be intimidating to employees leading to negative output; employees are also likely to assume that they are providing adequate energies that matches the backing offered by the company thus leading to plateauing of results. Organization support theory was applicable to the current research since various support systems from organizational colleagues and leaders have great influence on the capability

of staff to come up with and execute creative and innovative proposals. Such support has direct influence on employees' behavior and commitment to their employers making them to show positive work attitude.

2.3 Innovative Climate and Employee Creativity

Innovative climate relates to how employees view the organization to inspire development of novel ideas, provide sufficient resources to enable actualization of such ideas and allow use of imaginative methods in product development and service provision. Instilling an appropriate innovative climate is the duty of transformational leaders and it has been shown to empower employees towards innovative performance (Jaiswal & Dhar, 2015). It is therefore important for an organization to recognize how novelty and invention can be improved.

Continuous innovation supports companies in remaining competitive and relevant in an ever-changing global economy. Employees are an important basis of innovation as they are a source for the development and execution of distinctive plans. Such creativity is attributable to intentional support from management (Gao, Lin & Zhou, 2020). Innovative climate is responsible for creativity as well as growth of organizations. Transformative organizations put in place enabling environments where employees advance their expertise through continuous learning, sharing of ideas and talent enhancement. Studies reveal that an innovative climate arouses imagination plus ingenuity among employees thereby improving operational efficiency, risk taking as well as advancement of new products and business models (Bibi et al., 2020).

Jain and Jain (2016) define employee creativity as the process of producing concepts that are novel and valuable by people working together in a multifaceted social system. Creative employees are a firm's most important asset since they give the firm a sustainable competitive benefit (Chen & Kaufmann, 2008). To be competitive and innovative, organizations should attract and retain creative employees. This can be achieved through implementing selection and acquisition of creative employees, adequately rewarding them and instilling creative job design that supports collaboration (Jiang, Wang, & Zhao, 2012).

Creative employees advance competitiveness of the organization through generation of new ideas that translates to original inventions. Employee creativity is considered as a key ingredient of competitive edge of firms since it is the foundation of business innovation that leads to new products, services and operational efficiency. Organizations therefore need to recognize and appreciate the components that leads to individual and collective employee creativity. Antecedents of employee creativity have been identified as including sharing of knowledge and information, mutual trust which regulates the connection between the organization and staff coupled with innovative climate which controls the impact of employee creativity and organizational novelty (Ouakouak & Ouedraogo, 2017).

Firms need to understand key factors that stimulate employee creativity so that they can adequately create positive innovative strategies. The responsibility of putting in place favorable innovative climate falls on transformational leaders. There are five strategies which organizations can utilize to awaken employee creativity. These are identification of unexploited opportunity or unresolved problem in need of a solution; information

gathering through exposing employees to ideas that they ordinarily do not come across; idea generation through deliberation; idea evaluation and modification where workers authenticate viability of ideas and finally idea implementation through actualization of innovation (Zhou & George, 2003).

2.4 Empirical Review and Knowledge Gaps

Studies have been undertaken locally and abroad looking at the influence of innovative climate on employee ingenuity. Such studies have been done both in private and public sectors and have generated mixed findings. Abd et al. (2019) carried out a study on nurturing innovative employees that centered on the effects of learning and workplace environment. The researchers used stratified random sampling technique to sample employees working for small-scale manufacturing firms in Malaysia. This study established that innovative work behavior (IWB) of the entities is at moderate level. IWB at micro-enterprises was found to be considerably lower compared to small entities. The outputs of innovation comprised of staff with high IWB. The study concluded that work environment and learning within organizations considerably influenced the formation of IWB. Therefore, the entities had a duty to raise the IWB of their employees so as to enhance organizational creativity and innovativeness.

Gendi (2017) carried out a study focusing on the link between perceptions of employees on climate for innovation, organization innovativeness and customer experience among major telecommunication firms operating in Egypt. The researcher used various parameters to describe innovative climate namely organization structure, leadership support, human resource practices, team work and physical environment. Results revealed existence of a constructive relation involving workers' insights of the

environment for innovation, organizational innovativeness and customer experience involving telecommunication firms.

Solmaz and Subramaniam (2013) conducted a study among Malaysian SMEs on the role of organizational climate on employees' creative conduct. The paper focused on how different dimensions of organizational climate influenced creative behavior among employees. Data was collected from a total of 61 SMEs and analyzed using SPSS. Findings from this research established that organizational climate had substantial effect on the creative behavior of workers. Provision of resources as a dimension of organization climate was found to be the best predictor of creative behavior of workers followed by support of leaders and clarity of organizational mission.

Hazril and Khairul (2018) investigated the role of organizational innovative climate as a predictor of innovative behavior among engineers in the electrical and electronic manufacturing industry in Malaysia. The researchers utilized structured questionnaire to gather data from 309 respondents. Collected data was scrutinized using Partial Least Square Structural Equation Modeling (PLS-SEM) with the outcome revealing that healthy and supportive innovative climate is a key ingredient of innovativeness among employees. The current study focused on creativity among employees in the insurance industry in the country.

Tafesse (2019) undertook a case study at Ethio telecom on the role of organizational culture on employee productivity. Data was gathered from a total of 175 employees by use of questionnaires. The researcher looked at employee creativity in terms of the ability of an organization to generate novel ideas, new methods of executing assignments, new

ways of achieving organizational goals, new ways of boosting quality and new approaches to solving key problems. SPSS was utilized to examine data with results revealing that organizational climate and leadership style considerably and positively influenced creativity among employees. However, no significant link was established between organizational values and creativity of workers.

Locally, Wang'ombe et al. (2017) investigated the role of organizational climate on innovation among Kenyan based market research companies. The scholars made use of cross-sectional research design and used a structured questionnaire to gather data which was analyzed using multivariate methods. Their findings revealed that training opportunities and support at the place of work had a statistically inconsequential influence on organizational invention whereas charismatic leadership positively and considerably impacted innovation. Gitonga (2014) on the other hand argued that practices adopted by leadership in the public sector had impact on the degree of staff creativity and innovation. When leaders give employees all the support needed to bring creative ideas to fruition, the possibilities of successfully generating and implementing creative ideas become very high. Therefore, employees need to be assured of both material and non-material support in their pursuit of creative and innovative ideas.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlined the research design, target population, sampling procedures, methods of data collection and analysis.

3.2 Research Design

Research design can be described as the process through which data is accumulated and analyzed with the aim of answering the questions under investigation (Mugenda & Mugenda, 2003). This study made use of descriptive survey design. Dulock (1993) holds that descriptive research design can offer an accurate and systematic description of an event, phenomena, or characteristic within a community with the interest of determining whether there is an association among two or more variables. According to Cooper and Schindler (2011), the design plays crucial role in the identification of research patterns without the change of environment. Descriptive research design played key role in reporting on research phenomenon under investigation which was the role of innovative climate on employee creativity at Jubilee Insurance Company Kenya Limited.

3.3 Population and Sample

Mugenda and Mugenda (2003) explained that population is a set of individuals or things being investigated. During an investigation, research population of interest should be alike. According to Jubilee Insurance Company Kenya Limited's human resource department (2022), the company had a total of 1,122 employees based at the head office. This research utilized stratified random sampling technique to select participants from management, supervisory and non-management staff undertaking technical roles within

the company. This guaranteed that all the functional departments and roles in the organization were represented. Where the target population is below 10,000, respondents representing 10% of the total population is perceived as appropriate (Mugenda & Mugenda, 2003). Therefore, a representative sample of 10% of the head office populace was stratified and simple random sampling was used to select the respondents as illustrated in Table 3.1.

Table 3.1: Target Population and Sample Size

Strata	Target Population	Sample Size 10%
Management	56	6
Supervisory	281	28
Technical Staff	785	79
Total	1,122	113

3.4 Data Collection

This research employed primary and secondary sources in collection of data. The researcher administered questionnaires to the research participants through mail survey that were accomplished through the drop and-pick method. Primary data was gathered via the use of open ended and closed ended questionnaires. Such questionnaires were administered to the sampled employees based at the head office in Nairobi. In total, 113 questionnaires were circulated to the research participants. This mode of data collection was considered suitable since it was expected to achieve the highest feedback rate when likened to other approaches of administering questionnaires.

The questionnaire was split to three parts. The first section encompassed demographic data of the respondents. The second section covered innovative climate variables while the last part covered employee creativity. Variables of study were assessed on a 5-point Likert scale. The respondents had the option to “strongly agree”, “agree”, “be neutral”,

“disagree” or “strongly disagree” with the variables of study. Strongly agree response was given 5 points while strongly disagree response was accorded 1 point respectively. A mean score of ≥ 4.5 was construed to signify that the participants strongly agreed, $3.5 \leq 4.5$ was construed to signify agreed, $2.5 \leq 3.5$ was construed to signify neutral, $1.5 \leq 2.5$ was construed to signify disagreed and ≤ 1.5 was construed to signify strongly disagree. A standard deviation of ≤ 1 was understood to indicate that the participants had similar view in scoring the statement while that ≥ 1 was implied that they had dissimilar view about the statement.

Secondary sources of data collection utilized in this study included books, journals, publications, articles and the Annual Financial Results for Jubilee Insurance Company Kenya Limited for the year 2020. Analyzing secondary data allowed the researcher to gain insight, derive points of view and draw relevant conclusions from existing sources of data.

3.5 Data Analysis

When the researcher was done conducting the 113 questionnaires, combining measures was employed to reduce the number of data points included during analysis. This played key role in avoiding information overload during analysis. Composite score which represents small sets of data point that are related to one another both statistically and conceptually was employed. Data collected from the questionnaire was combined into three respective categories to create a score for each domain and thereafter combined to make an overall satisfaction score. Once the composite score is achieved, reliability analysis was conducted.

Findings from the study were interpreted using descriptive statistics and frequency distribution tables. Percentages, mean and standard deviation were applied to depict the data.

Inferential statistics using simple linear regression analysis was utilized in displaying the association between innovative climate and employee creativity. The model is shown

below:

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon$$

Y = The dependent variable - Employee creativity

X₁ = The independent variable - Innovative climate

ε = Error Term

β₁ = Constant Term

CHAPTER FOUR

DATA ANALYSIS, INTERPRETATION AND DISCUSSION

4.1 Introduction

This chapter analysed and interpreted the research outcome. The chapter explored contextual data of the participants and outcome of the analysis grounded upon the objectives of the study. From the 113 questionnaires issued to the respondents, only 104 were properly filled and given back to the researcher. This gave a response rate of 92% which was excellent given that it was above 70% (Mugenda & Mugenda, 2012).

Table 4.1: Response Rate

Questionnaire	Frequency	Percent
Filled and returned	104	92.0
Not returned	9	8.0
Total	113	100.0

4.2 Demographic Information

Table 4.2: Demographics

		Frequency	Percent
Gender	female	35	33.7
	male	69	66.3
Age	20-30	38	36.5
	31-40	33	31.7
	41-50	23	22.1
	above 50	10	9.6
Education	certificate	2	1.9
	diploma	6	5.8
	degree	92	88.5
	postgraduate	4	3.8
Years worked	1 to 3	33	31.7
	4 to 6	29	27.9
	7 to 9	19	18.3
	above 10	23	22.1
Work category	technical staff	70	67.3
	supervisory	11	10.6
	managerial	23	22.1
	Total	104	100.0

Source: Research Data

This research set out to find out the education of the research participants. Results disclosed that 1.9% of the participants were certificate holders, 5.8% had diplomas, 88.5% had degrees while 3.8% had post graduate qualification. This depicted that the participants were literate and understood the subject of study.

The study found out that 31.7% of the research participants had been with Jubilee Insurance Company Kenya Limited for a duration of 1-3 years, 27.9% had been with the organisation for 4-6 years, 18.3% had been with the establishment for 7-9 years whilst 22.1% had been with the company for a duration of above 10 years. This implied that a substantial number of the research participants were employed by the establishment longer than a year and represented a percentage that can be depended upon to provide reliable information for the research.

The research participants were asked to specify their role at Jubilee Insurance Company Kenya Limited. Outcomes showed that 67.3% of the participants were employed as technical staff, 10.6% were working as supervisors while 22.1% were engaged as managers. This depicted that a large number of the participants worked as technical staff whose duties involved administrative tasks traversing the organization's operations. Their job functions provided them with an opportunity to gain knowledge on the company's operations as they engaged with all departments in the organization.

4.3 Innovative Climate

The study sought to establish whether Jubilee Insurance Company Kenya Limited had a conducive innovative climate. This was determined by ascertaining the level of agreement

on the impact of senior management and leadership support, organizational support for innovation, team work and organizational structure on innovative climate.

4.3.1 Impact of Senior Management and Leadership Support

The research wanted to identify the level of concurrence with statements relating to the impact of senior management and leadership support. This was based on the response to statements relating to impact of senior management and leadership support on innovative climate.

Table 4.3: Senior Management and Leadership Support

	N	Minimum	Maximum	Mean	Std. Deviation
My manager encourages staff to apply their minds and use new ideas at the place of work	104	1.00	5.00	4.55	.637
My manager encourages employees to engage in continuous learning and development	104	1.00	5.00	4.56	.636
My manager rewards employees who come up with efficient ways of working	104	1.00	5.00	4.52	.607
My manager includes innovation as a measurable key performance indicator in our annual appraisal	104	1.00	5.00	4.50	.623
My manager accepts and implements innovative ideas from employees	104	1.00	5.00	4.46	.622
My manager encourages employees to be creative in the way they do work and employee's ability to function creatively is highly valued	104	1.00	5.00	4.52	.607
Mean Score	104	1.00	5.00	4.52	.622

Source: Research Data

On the impact of senior management and leadership support on innovative climate, the research participants were in consensus that their managers encouraged employees to apply their minds and used new ideas at the place of work as shown by a mean of 4.55. They further agreed that their managers encouraged employees to engage in continuous learning and development as revealed by a mean of 4.56. The participants pointed out that their managers rewarded employees who came up with efficient ways of working as illustrated by a mean of 4.52. The managers also included innovation as a measurable key performance indicator in the annual appraisal as shown by a mean of 4.50. The managers also accepted and implemented innovative ideas from employees as shown by a mean of 4.46. Finally, the participants indicated their managers encouraged employees to be creative in the way they do their work and the employee's ability to function creatively was highly valued as shown by a mean of 4.52. An overall mean of 4.52 was interpreted to mean that the participants strongly agreed that the organization had a strong senior management and leadership support. An overall standard deviation of .622 indicated that the participants had a similar view in scoring the response to statements relating to impact of senior management and leadership support on innovative climate.

4.3.2 Impact of Organisational Support for Innovation

The research wanted to identify the level of concurrence with statements relating to the impact of organisational support for innovation. This was based on the response to the impact of organisational support for innovation on innovative climate.

Table 4.4: Organizational Support for Innovation

	N	Minimum	Maximum	Mean	Std. Deviation
My organization has an innovation hub that nurtures creative ideas across the firm	104	3.00	5.00	4.33	.614
My organization has in place a feedback mechanism for obtaining innovative ideas from employees through surveys and/or suggestion boxes	104	3.00	5.00	4.38	.525
My organization conducts reviews and implements suggestions received from employees on creative work ideas	104	3.00	5.00	4.29	.496
My organization reassures employees that they will not be penalized when their creative ideas fail	104	3.00	5.00	4.28	.530
My organization encourages creativity through continuous communication in personnel documents, policy statements and statements made by managers	104	3.00	5.00	4.30	.573
The personal character and leadership style of our supervisors encourage individual creativity at work	104	3.00	5.00	4.32	.526
Mean Score	104	3.00	5.00	4.32	.544

Source: Research Data

On the consequence of organizational support for innovative climate, the respondents agreed that the organization had an innovation hub that nurtured creative ideas across the firm as shown by a mean of 4.33. They further agreed that the organization had in place a feedback mechanism for obtaining innovative ideas from employees through surveys

and/or suggestion box as exemplified by a mean of 4.38. The research participants acknowledged that the organization conducted reviews and implemented suggestions received from employees on creative work ideas as typified by a mean of 4.29. The participants further specified that the organization reassured employees that they would not be penalized when their creative work fails as shown by a mean of 4.28. Additionally, they concurred that the organization encouraged creativity through continuous communication in personnel documents, policy statements and statements made by managers as demonstrated by a mean of 4.30. The participants also postulated that the personal character and leadership style of their supervisors encouraged individual creativity in work as revealed by a mean of 4.17. An overall mean of 4.32 was interpreted to mean that the participants agreed that there was organizational support for innovation. An overall standard deviation of .544 indicated that the participants had a similar view in scoring statements relating to impact of organisational support for innovation on innovative climate.

4.3.3 Impact of Team Work

The research wanted to identify the level of concurrence with statements relating to the impact of team work. This was based on the response to statements relating to impact of team work on innovative climate.

Table 4.5: Team Work

	N	Minimum	Maximum	Mean	Std. Deviation
My organization has a diverse team of employees from different backgrounds	104	3.00	5.00	4.43	.587
My organization has ensured that each team member knows exactly what they are responsible for so that there is no overlap in projects	104	3.00	5.00	4.39	.582
My organization provides learning opportunities that enhance teamwork and innovation that leads to increased employees' engagement	104	3.00	5.00	4.43	.553
My organization encourages clear and frequent communication throughout the company that ensures that all team members are on the same page	104	3.00	5.00	4.42	.552
My organization ensures that team members are engaged and work hard by providing freedom to come up with creative and innovative decisions at work	104	3.00	5.00	4.37	.541
My organization regroups and reassigns tasks as necessary to improve the team innovation, dynamic and productivity	104	3.00	5.00	4.35	.571
Mean Score	104	3.00	5.00	4.40	.564

Source: Research Data

On the effects of team work on innovative climate, participants concurred that the organizations had a diverse team of employees from different backgrounds as shown by a mean of 4.43. They further agreed that the organization had ensured that each member knows exactly what they are responsible for so that there is not overlap in projects as depicted by a mean of 4.40. By a mean of 4.43 the participants agreed the organizations provided learning opportunities that enhance teamwork and innovation that leads to increased employee engagement. Further, they agreed that the organization encouraged

clear and frequent communication throughout the company that ensured that all team members were on same page as illustrated by a mean of 4.42. The participants recognized that the organization ensured that team members are engaged and work hard by according them freedom to make creative and innovative decisions at work as demonstrated by a mean of 4.37. The participants concurred that the organization regrouped and reassigned tasks as necessary to improve the team innovation, dynamic and efficiency as denoted by a mean of 4.35. An overall mean of 4.40 was interpreted to mean that the participants agreed that team work played a major role in the organization. An overall standard deviation of .564 indicated that the participants had a similar view in scoring statements associated with the impact of team work on innovative climate.

4.3.4 Impact of Organisational Structure

The research wanted to identify the level of concurrence with statements associated with the impact of organisational structure. This was based on the response to statements on the impact of organisational structure on innovative climate.

Table 4.6: Organizational Structure

	N	Minimum	Maximum	Mean	Std. Deviation
My organization motivates and enables innovative employee behaviour assisting remove the blockades separating functions, product groups and businesses processes	104	3.00	5.00	4.28	.548
My organization has implemented a divisional organization structure that focuses on customer requirements, production needs and regional areas of business	104	3.00	5.00	4.31	.523
My organization has adopted a method of working that encourages constructive communication, beneficial feedback and efficient idea generation throughout the company	104	3.00	5.00	4.31	.523
My organization has given the key decision-makers the knowledge, power, and resources to direct the company's resources towards encouraging employee creativity	104	3.00	5.00	4.32	.508
Top management at my organization determine the strategic areas for development and employees contribute ideas that are aligned with the company's growth strategy	104	3.00	5.00	4.35	.498
My organization has allocated adequate resources that is used towards robust products, services, and technologies innovation	104	3.00	5.00	4.31	.504
Mean Score	104	3.00	5.00	4.31	.517

Source: Research Data

On the influence of organizational structure on innovative climate, there was agreement amongst the research participants that Jubilee Insurance Company Kenya Limited motivated and enabled innovative employee's behavior by assisting remove the blockades separating functions, product groups and businesses processes as shown by a mean of 4.28. There was also consensus that the organization had implemented divisional

organizational structure that focused on customer requirements, production needs and regional areas of business as exemplified by a mean of 4.31. The participants were similarly in agreement that the company had adopted methods of working that encouraged constructive communication, beneficial feedback and efficient idea generation as indicated by a mean of 4.31. Likewise, participants specified that the organization had given the key decision-makers the knowledge, power and resources to direct the company's resources towards encouraging employee's creativity as shown by a mean of 4.32. They further agreed that top management determined the strategic areas for development and employees contributed ideas that were aligned with the company's growth and strategy as demonstrated by a mean of 4.35. The participants further acknowledged that the organization had allocated adequate resources that were used towards robust products, services and technologies innovation as indicated by a mean of 4.31. An overall mean of 4.31 was interpreted to mean that the participants agreed that Jubilee Insurance Company Kenya Limited had a suitable organizational structure. An overall standard deviation of .517 indicated that the participants had a similar view in scoring statements associated with the impact of organisational structure on innovative climate.

4.4 Employee Creativity

This study aimed to determine whether Jubilee Insurance Company Kenya Limited had in place suitable attributes that influenced employee creativity. This was determined by ascertaining the level of agreement with responses concerning the impact of creativity and collaborative culture, work environment, use of technology and knowledge sharing on employee creativity.

4.4.1 Impact of Creativity and Collaborative Culture

The research wanted to identify the level of concurrence with statements relating to the impact of creativity and collaborative culture. This was based on the response to statements relating to status of creativity and collaborative culture on employee creativity.

Table 4.7: Creativity and Collaborative Culture

	N	Minimum	Maximum	Mean	Std. Deviation
My organization encourages collaborative culture that respects and values group work, team communication, team empowerment, and influence growth of employee skills	104	3.00	5.00	4.43	.571
My organization encourages employees to be creative at their work and recognizes, rewards and celebrates great ideas	104	3.00	5.00	4.39	.547
Employees at my organization are given the necessary tools and techniques to come up with new ideas	104	3.00	5.00	4.36	.606
My organization has established an inventive and non-judgemental office culture where original ideas and discussions are steadily allowed	104	3.00	5.00	4.34	.585
My organization encourages engagement and collaboration across different departments that leads to cross functional idea generation	104	3.00	5.00	4.38	.563
My organization is open and transparent about the issues and challenges faced by the company and presents incentive for employees to offer solutions	104	3.00	5.00	4.39	.529
Mean Score	104	3.00	5.00	4.38	.567

Source: Research Data

On creativity and collaborative culture on employee creativity, the research participants concurred that the organization encouraged collaborative culture that respected and valued group work, team communication, team empowerment and influenced growth of employee skills as indicated by a mean of 4.43. They further acknowledged that the organization motivated staff to be creative at their work and recognized, rewarded and celebrated great ideas as indicated by a mean of 4.39. They also acknowledged that employees at the organization were given the necessary tools and techniques to nurture new ideas as revealed by a mean of 4.36. The participants also conceded that the company had in place an inventive and non-judgmental office culture where original ideas and discussions were steadily allowed as confirmed by a mean of 4.34. The participants further recognized that the organization encouraged engagement and collaboration across different departments that led to cross functional idea generation as demonstrated by mean of 4.38. Additionally, the participants recognized that the company was open and transparent about the issues and challenges faced and presented incentive for employees to offer solutions as denoted by a mean of 4.39. An overall mean of 4.38 was interpreted to mean that the participants agreed that Jubilee Insurance Company Kenya Limited supported creativity and collaborative culture. An overall standard deviation of .567 indicated that the participants had a similar view in scoring statements relating to status of creativity and collaborative culture on employee creativity.

4.4.2 Impact of Work Environment

The research wanted to identify the level of concurrence with statements relating to the impact of work environment. This was based on the response to statements relating to status of work environment on employee creativity.

Table 4.8: Work Environment

	N	Minimum	Maximum	Mean	Std. Deviation
My organization ensures that employees understand the company's goals, products and services and encourages employees to develop relevant and creative ideas	104	3.00	5.00	4.41	.533
My organization has a collaborative environment that promotes conversation, problem-solving and great ideas	104	3.00	5.00	4.40	.531
My organization has fostered an environment where creativity is valued and encouraged	104	3.00	5.00	4.38	.545
My organization encourages creativity by not castigating employees when they fail and embracing lessons from those failures	104	3.00	5.00	4.36	.538
My organization regularly celebrates employee success and rewards employees who do excellent work	104	1.00	5.00	3.98	.336
My organization offers chances for learning and development of skills that encourage staff to form a culture of continuous knowledge advancement	104	1.00	5.00	3.94	.328
Mean Score	104	2.30	5.00	4.25	.469

Source: Research Data

On the effect of work environment on employee creativity, the research participants accepted that the organization ensured that staff understood the company's goals, products and services and encouraged employees to develop relevant and creative ideas as established by a mean of 4.41. They also agreed that the organization had a collaborative environment that promoted conversations, problem-solving and great ideas

as confirmed by a mean of 4.40. There was also acceptance that the company fostered an environment where creativity was valued and encouraged as exemplified by a mean of 4.38. The participants also opined that the organization encouraged creativity by not castigating employees when they failed and embracing lessons from those failures as illustrated by a mean of 4.36. They further agreed that the organization regularly celebrated employee success and rewarded staff who did excellent as confirmed by a mean of 3.98. The participants further acknowledged that the organization offered chances for learning and development of skills that encouraged staff to form a culture of continuous knowledge advancement as typified by a mean of 3.94. An overall mean of 4.25 was interpreted to mean that the participants agreed that the organization had a supportive work environment. An overall standard deviation of .469 indicated that the participants had a similar view in scoring statements relating to status of work environment on employee creativity.

4.4.3 Impact of Use of Technology

The research wanted to identify the level of concurrence with statements relating to the impact of use of technology. This was based on the response to statements relating to status of use of technology on employee creativity.

Table 4.9: Use of Technology

	N	Minimum	Maximum	Mean	Std. Deviation
My organization provides employees with all necessary technological support they require at the place of work that nurtures insights into full-fledged creativity	104	1.00	5.00	3.54	.439
My organization has leveraged on technology to achieve flexible work arrangements resulting in increased staff gratification, improved creativity and healthier work-life balance	104	1.00	5.00	3.63	.456
My organization has leveraged on digitization to shorten time taken to get work done freeing employees to dedicate more time on creative ideas	104	1.00	5.00	4.06	.283
My organization has leveraged on technology to make employees connect and collaborate more easily on work projects	104	1.00	5.00	3.88	.416
My organization has utilized technology to optimize daily work routine and enable employees focus more on new innovation	104	1.00	5.00	3.70	.467
My organization uses technology to manage performance management tools to set and review performance goals thereby restructure duties so as to work resourcefully and effectively	104	1.00	5.00	3.50	.514
Mean Score	104	1.00	5.00	3.72	.429

Source: Research Data

On the influence of use of technology in employee creativity, the research participants acknowledged that the organization provided employees with all necessary technological support required at the place of work that nurtured insights into full-fledged creativity as established by a mean of 3.54. The participants further indicated that the organization leveraged on technology to achieve flexible work arrangements resulting in increased staff gratification, improved creativity and healthier work-life balance as depicted by a mean of 3.63. The participants additionally opined that the company had leveraged on digitization to shorten time taken to get work done thus freeing staff to dedicate more time on creative ideas as illustrated by a mean of 4.06. They were also in consensus that the organization had leveraged on technology to make employees connect and collaborate more easily on work projects as demonstrated by a mean of 3.88. There was also agreement that the organization utilized technology to optimize daily work routine and enabled employees focus more on new innovations as illustrated by a mean of 3.70. The participants finally acknowledged that the company made use of technology to manage performance management tools to set and review performance goals thereby restructured duties so as to work resourcefully and efficiently as confirmed by a mean of 3.50. An overall mean of 3.72 was interpreted to mean that the participants agreed that the organization supported use of technology at the place of work. An overall standard deviation of .429 indicated that the participants had a similar view in scoring statements relating to status of use of technology on employee creativity.

4.4.4 Impact of Knowledge Sharing

The research wanted to identify the level of concurrence with statements on the impact of knowledge sharing. This was based on the response to statements relating to status of knowledge sharing on employee creativity.

Table 4.10: Knowledge Sharing

	N	Minimum	Maximum	Mean	Std. Deviation
My organization has created time for employees to share new business ideas with management and fellow teammates	104	1.00	5.00	2.33	.367
My organization has created a safe space to share knowledge anonymously such as suggestion boxes or through collaboration channels such as brainstorming	104	1.00	5.00	3.56	.476
My organization has in place a mechanism of documenting and sharing feedback on creative ideas gathered from employees	104	1.00	5.00	3.74	.448
My organization has in place mechanisms that enable employees to work together on projects and engage in activities that require real-time collaboration	104	1.00	5.00	3.57	.480
My organization has in place a training and onboarding program that exemplifies knowledge sharing for new employees	104	2.00	5.00	4.32	.627
My organization has made it possible and easy for employees to document their knowledge and subject matter expertise so that it becomes easy for them to be consulted in their area of specialization	104	2.00	5.00	4.33	.769
Mean Score	104	1.30	5.00	3.64	.528

Source: Research Data

On the outcome of knowledge sharing on employee creativity, participants were neutral on the statement about the organization creating time for employees to share new business

ideas with management and fellow teammates as shown by a mean of 2.33. This suggested that the participants could not confidently affirm nor refute the statement. The researcher hypothesized this to mean that Jubilee Insurance Company Kenya Limited should put in place a platform for employees to share new business ideas with management and fellow teammates. The participants however specified that there was a safe space in the company to share knowledge anonymously such as suggestion boxes or through collaboration channels such as brainstorming as revealed by a mean of 3.56. The participants recognized that the organization had in place a mechanism of documenting and sharing feedback on creative ideas gathered from employees as established by a mean of 3.74. The participants acknowledged that there was present in the organization mechanisms that enabled employees to work together on projects and engage in activities that required real-time collaboration as stipulated by a mean of 3.57. There was also consensus that the company had a training and onboarding program that exemplified knowledge sharing for new employees as demonstrated by a mean of 4.32. Lastly, the participants opined that the organization had made it possible and easy for employees to document their knowledge and subject matter expertise so that it became easy for them to be consulted in their area of specialization as stipulated by a mean of 4.33. An overall mean of 3.64 was interpreted to imply that the participants did not strongly opine that the organization embraced knowledge sharing amongst employees. This implies that knowledge sharing in the firm is not emphasized on as the organization did not have such a policy in place. An overall standard deviation of .528 indicated that the participants had a similar view in scoring statements relating to status of knowledge sharing on employee creativity.

4.5 Regression Analysis

The researcher intended to determine the role of innovative climate on employee creativity at Jubilee Insurance Company Kenya Limited. The effect was established through regression analysis.

Table 4.11: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.596 ^a	.355	.349	4.29

a. Predictors: (Constant), Innovative climate

The model summary showed a correlation coefficient (R) of 0.596. This showed that the predictor variable had a convincing association with employee creativity. The model had R² of 0.355 depicting that 35.5% of the employee creativity within Jubilee Insurance Company Kenya Limited are explained by the predictor variable adopted in the research (innovative climate).

Table 4.12: Analysis of Variance

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1035.22	1	1035.22	56.13	.000 ^b
	Residual	1881.25	102	18.44		
	Total	2916.46	103			

a. Dependent Variable: Employee creativity

b. Predictors: (Constant), Innovative climate

The significance and fit of the model, F-statistics from the ANOVA were used. The ANOVA showed a significance level of 0.000. This confirmed that the model fitted the data and its results were ideal for arriving at a conclusion on the population parameters as the value of significance (p-value) was below 5%.

Table 4.13: Regression Coefficients

Coefficients ^a		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
Model		B	Std. Error	Beta		
1	(Constant)	7.22	2.49		2.90	.005
	Innovative climate	.390	.052	.596	7.49	.000

a. Dependent Variable: Employee creativity

The regression equation;

$$Y = \beta_0 + \beta_1 X + \varepsilon$$

was fitted to

$$Y = 7.223 + 0.390X$$

From the fitted model, holding innovative climate at a constant zero, employee creativity would stand at 7.22. The equation further showed that a unit increase in innovative climate would correspondingly enhance employee creativity by 0.39 with a significance of 0.000. This showed that innovative climate had a vital positive consequence on employee creativity at Jubilee Insurance Company Kenya Limited.

4.6 Discussion of Findings

This research established that a conducive innovative climate increased employee creativity. Innovative climate relates to how employees view the organization to inspire development of novel ideas, provide sufficient resources to enable actualization of such ideas and allow use of imaginative methods in product development and service provision. This was depicted at Jubilee Insurance Company Kenya through senior management and leadership support, organizational support for innovation, team work and a favorable organizational structure. Employee creativity is the process of producing

concepts that are novel and valuable by people working together in a multifaceted social system. Employee creativity is achieved when the members of staff come up with novel ideas that contribute to the generation of new products and efficient work process. This is achieved by having synergy amongst the employees and was demonstrated at Jubilee Insurance Company Kenya Limited through creative and collaborative culture, appropriate work environment, use of suitable technology and knowledge sharing. This study illustrated that innovative climate had a vital positive effect on employee creativity at in the organization.

These outcomes are aligned to Solmaz and Subramaniam (2013) who postulated that organizational climate had considerable impact on innovation by staff. The most significant aspect of organizational climate as noted by the authors was resources, clarity of mission and leadership support. Tafesse (2019) depicted that there existed a significant association between the culture values of a company and creativity of employees. The author further noted the significance of employee cognitive skill on workforce creativity thus underscoring the importance of continuous learning and development at work. In a different study, Wang'ombe et al. (2017) showed that training opportunities and support at the place of work had a statistically inconsequential influence on organizational invention and creativity while management through evolutionary leadership had a significant impact on innovation. The authors suggested that a combination of organizational dynamics should be used to augment innovation at the place of work.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter is a summarization of results based on the study objective. This research aimed to determine the role of innovative climate on employee creativity at Jubilee Insurance Company Kenya Limited. The chapter also provides conclusion and recommendations in addition to limitations plus areas of future research.

5.2 Summary of Findings

This research aimed to determine the role of innovative climate on employee creativity at Jubilee Insurance Company Kenya Limited. A vital positive effect was established between innovative climate and employee creativity in this organisation. The study also identified factors that constituted a suitable innovative climate as being senior management and leadership support, organizational support for innovation, team work and organizational structure. The research concluded that organizations that have a suitable innovative climate experienced increased employee creativity level.

Some of the attributes that sustained a suitable innovative climate included a culture of continuous learning and development, existence of an innovation hub that nurtured creative ideas, freedom offered to employees to come up with creative and innovative decisions, methods of working that encouraged constructive communication, beneficial feedback and efficient idea generation. The existence of these attributes contributed to increased employee creativity levels at Jubilee Insurance Company Kenya Limited.

5.3 Conclusion

The study examined role of innovative climate on employee creativity at Jubilee Insurance Company Kenya Limited. Results of the study established that a conducive innovative climate had a positive effect on employee creativity at Jubilee Insurance Company Kenya Limited. The study concludes that senior management and leadership support plays a pivotal role in implementation of an appropriate innovation climate that promotes employee ingenuity. The research additionally concludes that innovative climate has a positive effect on employee creativity thus implying that a conducive innovative climate was beneficial to the organisation. The study also concludes that a favourable innovative climate acts as a catalyst that motivates employees to innovate. Consequently, firms that devoted resources to foster the right innovative climate profited from improved levels of employee creativity.

5.4 Recommendations

Organisations that fail to continuously innovate face the risk of not surviving the current competitive and fast changing business environment. To overcome this, Jubilee Insurance Company Kenya Limited has fostered a conducive innovative climate that made it experience increased employee creativity. This research recommends that Jubilee Insurance Company Kenya Limited can further enhance its innovative climate by putting in place a platform for employees to share new business ideas with management and fellow teammates in addition to facilitating knowledge sharing amongst employees. By doing this, the organization should be able to experience increased employee novelty and engagement.

Based on the findings and conclusions presented, organizations that wish to enhance organizational support for innovation can emulate Jubilee Insurance Company Kenya Limited by increasing provision of financial resources to fund innovation hubs; improving employee feedback mechanism for obtaining innovative ideas; facilitation of team work among employees; enhancing a suitable organisational culture; encouraging continuous communication by management on company strategy on innovation and development of policy statements geared towards enhanced employee creativity.

5.5 Limitations of the Study

This study utilised cross-sectional research design in gathering data to determine the influence of innovative climate on employee creativity at Jubilee Insurance Company Kenya Limited. Data from the respondents was collected at a specific period of time. This did not allow the researcher to collect data over a long time and therefore analyze differences in perception from the respondents over an extended period. This limitation can be cured through longitudinal research.

The researcher also encountered reluctance by some of the participants to provide data needed for the study. The researcher utilised introduction letters that assured the participants of privacy and confidentiality in regard to the data that they provided. The respondents were also guaranteed that the information was meant for academic use. However, the researcher was not able to achieve a response rate of 100% since some of the respondents declined to fill the questionnaires.

5.6 Implication for Policy and Practice

This study established that Jubilee Insurance Company Limited nurtured a positive innovative climate that enhanced employee creativity. Cultivating an appropriate innovative climate is vital to an organisation's creative capabilities since this impact employee ingenuity and job effectiveness. This can be boosted by continuous learning and development which promotes individual innovation ability at the workplace.

This study proposes practical suggestions for organizations that value employee creativity. Inference from the research shows that suitable innovative climate was good for the organization as it spurred employee creativity. In this regard, organisations can increase employee creativity by implementing an appropriate innovative climate. Organisations can encourage employee creativity by having in place an appropriate collaborative culture, fostering a suitable work environment, encouraging use of technology and supporting knowledge sharing amongst employees.

5.7 Suggestions for Further Research

Anchored on identified limitations, similar research should be done on other influencers of employee creativity within Jubilee Insurance Company Kenya Limited. This will help in finding out how different influencers of workforce creativity such as psychological and organizational support can be used to encourage innovation in the organization. Comparable research should also be done based on other measurable variables of innovative climate such as employee efficiency, innovative performance and product value creation. This will benefit the organization since it will have a holistic view on how a favorable innovative climate can influence growth and attainment of competitive advantage. Additionally, research ought to be done on other organizations other than

Jubilee Insurance Company Kenya Limited so as to determine how innovative climate impacts employee creativity in different organizations and sectors including private and public institutions. In undertaking additional research, scholars will identify conducive work structures and environments that enable employees to be innovative. This will empower organizations in different industries that grapple with employee creativity to make informed decisions that is supported by data.

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APPENDIX I: QUESTIONNAIRE

Dear Respondent,

This questionnaire aims to assist in data collection for conducting a study on the topic **“The Role of Innovative Climate on Employee Creativity at Jubilee Insurance Company Kenya Limited”**

This study is purely academic and you are requested to answer the questions truthfully and honestly. Your answers will be used solely for the intended purpose and will be treated with the highest level of confidence. Your kind assistance and support in this exercise is highly cherished.

SECTION A: DEMOGRAPHICS

1.1 Respondent Profile (Tick as appropriate)

1. Please indicate your gender
Male Female

2. Age
a) 20 to 30
b) 31 to 40
c) 41 to 50
d) Above 50

3. Education
a) Certificate
b) Diploma
c) Degree
d) Postgraduate

4. Number of years worked
a) 1 to 3
b) 4 to 6
c) 7 to 9
d) Above 10

5. Work category
a) Technical Staff
b) Supervisory
c) Managerial

SECTION B: INNOVATIVE CLIMATE

Kindly indicate using a tick (√) the degree to which you agree with the statements below that are an indicator of innovative climate within your organization.

Key: 5 = strongly agree, 4 = agree, 3 = neither agree or disagree, 2 = disagree, 1 = strongly disagree

Statement	5 Strongly agree	4 Agree	3 Neutral	2 Disagree	1 Strongly Disagree
a) Senior Management and Leadership Support					
My manager encourages employees to apply their minds and use new ideas at the place of work					
My manager encourages employees to engage in continuous learning and development					
My manager rewards employees who come up with efficient ways of working					
My manager includes innovation as a measurable key performance indicator in our annual appraisal					
My manager accepts and implements innovative ideas from employees					
My manager encourages employees to be creative in the way they do work and employee's ability to function creatively is highly valued					
b) Organizational Support for Innovation	5 Strongly agree	4 Agree	3 Neutral	2 Disagree	1 Strongly Disagree
My organization has an innovation hub that nurtures creative ideas across the firm					
My organization has in place a feedback mechanism for obtaining innovative ideas from employees through surveys and/or suggestion boxes					
My organization conducts reviews and implements suggestions received from employees on creative work ideas					
My organization reassures employees that they will not be penalized when their creative ideas fail					
My organization encourages creativity through continuous communication in personnel documents, policy statements and statements made by managers					
The personal character and leadership style of our supervisors encourage individual creativity at work					
c) Team Work	5 Strongly agree	4 Agree	3 Neutral	2 Disagree	1 Strongly Disagree
My organization has a diverse team of employees from different backgrounds					

My organization has ensured that each team member knows exactly what they are responsible for so that there is no overlap in projects					
My organization provides learning opportunities that enhance teamwork and innovation that leads to increased employees' engagement					
My organization encourages clear and frequent communication throughout the company that ensures that all team members are on the same page					
My organization ensures that team members are engaged and work hard by providing freedom to come up with creative and innovative decisions at work					
My organization regroups and reassigns tasks as necessary to improve the team innovation, dynamic and efficiency					
d) Organizational Structure	5	4	3	2	1
	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
My organization motivates and enables innovative employee behavior by assisting remove the blockades separating functions, product groups and businesses processes					
My organization has implemented a divisional organization structure that focuses on customer requirements, production needs and regional areas of business					
My organization has adopted a method of working that encourages constructive communication, beneficial feedback and efficient idea generation throughout the company					
My organization has given the key decision-makers the knowledge, power, and resources to direct the company's resources towards encouraging employee creativity					
Top management at my organization determine the strategic areas for development and employees contribute ideas that are aligned with the company's growth strategy					
My organization has allocated adequate resources that is used towards robust products, services, and technologies innovation					

SECTION C: EMPLOYEE CREATIVITY

Kindly indicate using a tick (√) the degree to which you agree with the statements below that are an indicator of employee creativity in your organization.

Key: 5 = strongly agree, 4 = agree, 3 = neither agree or disagree, 2 = disagree, 1 = strongly disagree

STATEMENT	5 Strongly agree	4 Agree	3 Neutral	2 Disagree	1 Strongly Disagree
a) Creativity and Collaborative Culture					
My organization encourages collaborative culture that respects and values group work, team communication, team empowerment, and influence growth of employee skills					
My organization encourages employees to be creative at their work and recognizes, rewards and celebrates great ideas					
Employees at my organization are given the necessary tools and techniques to come up with new ideas					
My organization has established an inventive and non-judgmental office culture where original ideas and discussions are steadily allowed					
My organization encourages engagement and collaboration across different departments that leads to cross functional idea generation					
My organization is open and transparent about the issues and challenges faced by the company and presents incentive for employees to offer solutions					
b) Work Environment					
	5 Strongly agree	4 Agree	3 Neutral	2 Disagree	1 Strongly Disagree
My organization ensures that employees understand the company's goals, products and services and encourages employees to develop relevant and creative ideas					
My organization has a collaborative environment that promotes conversation, problem-solving and great ideas					
My organization has fostered an environment where creativity is valued and encouraged					
My organization encourages creativity by not castigating employees when they fail and embracing lessons from those failures					
My organization regularly celebrates employee success and rewards employees who do excellent work					
My organization offers chances for learning and development of skills that encourage staff to form a culture of continuous knowledge advancement					

d) Use of Technology	5 Strongly agree	4 Agree	3 Neutral	2 Disagree	1 Strongly Disagree
My organization provides employees with all necessary technological support they require at the place of work that nurtures insights into full-fledged creativity					
My organization has leveraged on technology to achieve flexible work arrangements resulting in increased staff gratification, improved creativity and healthier work-life balance					
My organization has leveraged on digitization to shorten time taken to get work done freeing staff to dedicate more time on creative ideas					
My organization has leveraged on technology to make employees connect and collaborate more easily on work projects					
My organization has utilized technology to optimize daily work routine and enable employees focus more on new innovation					
My organization uses technology to manage performance management tools to set and review performance goals thereby restructure duties so as to work resourcefully and efficiently					
e) Knowledge Sharing	5 Strongly agree	4 Agree	3 Neutral	2 Disagree	1 Strongly Disagree
My organization has created time for employees to share new business ideas with management and fellow teammates					
My organization has created a safe space to share knowledge anonymously such as suggestion boxes or through collaboration channels such as brainstorming					
My organization has in place a mechanism of documenting and sharing feedback on creative ideas gathered from employees					
My organization has in place mechanisms that enable employees to work together on projects and engage in activities that require real-time collaboration					
My organization has in place a training and onboarding program that exemplifies knowledge sharing for new employees					
My organization has made it possible and easy for employees to document their knowledge and subject matter expertise so that it becomes easy for them to be consulted in their area of specialization					

*****END*****

**SPARING YOUR VALUABLE TIME TO PARTICIPATE IN THIS RESEARCH
IS HIGHLY APPRECIATED
THANK YOU**