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A Study on the Role of Work Environmental Factors in Enhancing Employee Creativity and Innovation

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Abstract:
This study examines the effects of workplace elements on employee creativity and innovation, including leadership, teamwork, diversity, and physical workspace. It highlights the value of inclusive and encouraging work environments with the goal of comprehending how the workplace fosters individual creativity. The study employed a descriptive research design, a structured questionnaire with convenience sampling, and non-parametric tests to analyse the data. The findings indicate that teamwork, supportive leadership, diversity, feedback, and acknowledgment all have a major impact on innovation. Reliance on subjective opinions and a small sample size are among the limitations. The study provides information for tactics that encourage innovation in businesses.

INTRODUCTION

For organizations to develop, adapt, and remain ahead of the curve, creativity and innovation are essential. Beyond just physical space, the workplace has a big impact on encouraging creativity. It consists of dialogue, supervisor support, and the sense of security that comes with exchanging novel concepts. Employees tend to flourish in an environment that values their opinions, promotes teamwork, and let them try new things. On the other hand, inflexible settings that lack trust or fail to acknowledge novel concepts can stifle creativity. Creativity can be impacted by open communication, tool availability, supportive leadership, and flexible work schedules. It's not always simple to establish a supportive work environment, though. It calls for an environment where people are inspired, trusted, and encouraged, with leaders who pay attention, incentives for creative thinking, and areas that foster creativity. The purpose of this study is to investigate the aspects of the workplace that either foster or hinder creativity as well as how they interact.

OBJECTIVES

- To find out the relationship between workforce diversity and employee creativity in the company.
- To assess how physical workspace design influences innovation and creativity among employees.
- To study the impact of team collaboration and leadership in fostering employee creativity and innovation.
- To understand the influence of organizational culture on employee creativity and innovation.

SCOPE

Encouragement of employee creativity and innovation depends on a positive workplace. A place where fresh ideas can flourish is created by elements including office design, corporate culture, teamwork, and workplace variety. Comfortable and valued employees are more likely to produce original ideas and creative solutions. Emphasizing these elements can help to create an innovative culture that results in improved success and development. The effects on creativity of diversity, employee opinions, teamwork, office layout, and corporate culture are investigated in this paper. It also looks at how awards and appreciation inspire staff members to be creative. The results can offer businesses insightful advice on how to support innovation and enhance their workplaces.

REVIEW OF LITRRATURE

Nwabufo, I., & Obodozie, N. (2025) The importance of collaboration in the contemporary workplace was investigated in this study, with particular attention paid to how it affects employee engagement, productivity, and innovation. It emphasized how technology, leadership, and communication foster a collaborative culture through a review of the literature. The results demonstrated that teamwork improves resilience, knowledge sharing, and problem-solving skills, all of which contribute to long-term success. Effective methods for improving teamwork were found, which increased organizational agility for long-term competitive advantage, strengthened team cohesion, and increased employee satisfaction.

Zhiqiang, H. (2024) This study examined the effects of employee empowerment, teamwork, and transformational leadership on team innovation in software companies. Through collaboration and empowerment, transformational leadership has a direct and indirect positive impact on innovation, according to a quantitative approach using data from 400 employees analyzed using SPSS and AMOS. According to the study's findings, strong teamwork, empowered workers, and visionary leadership are important factors that spur innovation in the tech sector.

Luhgiatno, L. (2023) With a focus on cross-functional and external collaboration, this study investigated how workplace cooperation boosts organizational productivity and innovation. It looked at the role of technology and issues like interpersonal conflicts, technological barriers, and cultural differences through a review of the literature. The results demonstrated that effectively managed teamwork increases productivity and provides a competitive edge. The study came to the conclusion that encouraging cooperation and resolving obstacles to collaboration are essential for fostering innovation and attaining organizational success.

Maier, L., Baccarella, et.al., (2022) This study examined the relationship between innovative workspace design and organizational attractiveness from the viewpoints of firms and applicants. To validate results, it combined an international survey with an experimental study. The findings demonstrated that, particularly among highly creative people and in high-value settings, creative workspace design improves attractiveness by influencing perceptions of creativity and innovation. According to the study's findings, designing a creative workspace is an effective way to draw in talent and provides useful advice for businesses.

Khan, M. S., Saengon, et.al., (2021) This study looked at how performance in private universities in Malaysia and Thailand was related to organizational learning culture, workforce diversity, knowledge management, and innovation. The results of a quantitative analysis using SMART-PLS demonstrated that knowledge management, diversity, and learning culture all greatly boost innovation, which in turn improves organizational performance. According to the study's findings, these components are essential

for fostering innovation in educational settings, particularly when dealing with crises like the COVID-19 pandemic.

RESEARCH METHODOLOGY

The methodology used in this study was a descriptive research design. Using the Morgan Table, 145 employees were chosen through purposive sampling from a population of 250. Data was collected from the participants using a structured questionnaire that included demographic questions, Likert scale and Ranking scale questions. Non-parametric tools such as the Kruskal-Wallis H-Test and Spearman's Rank Correlation were employed for analysis because the Kolmogorov-Smirnov normality test did not reveal that the data was normally distributed.

DATA ANALYSIS AND INTERPRETATION

PERCENTAGE ANALYSIS

Table 1: Demographic profile of respondents

Categories	Sub categories	No. of respondents	rcentage (%)
Age	18-25 years	70	48
	26-35 years	47	32
	36-45 years	20	14
	> 45 years	8	6
Gender	Male	96	66
	Female	49	34
Employment Status	Full-time	103	71
	Part-time	31	22
	Gig worker/freelancer	9	6
	Self-employed contractor	2	1
Experience	< 1 year	45	31
	1-5 years	65	45
	6-10 years	23	16
	> 10 years	12	8
Level Of Education	High School Diploma Or Equivalent	19	13
	Bachelor's degree	57	39
	Master's degree or higher	69	48
Total	**All categories**	**145**	**100.00**

FINDINGS

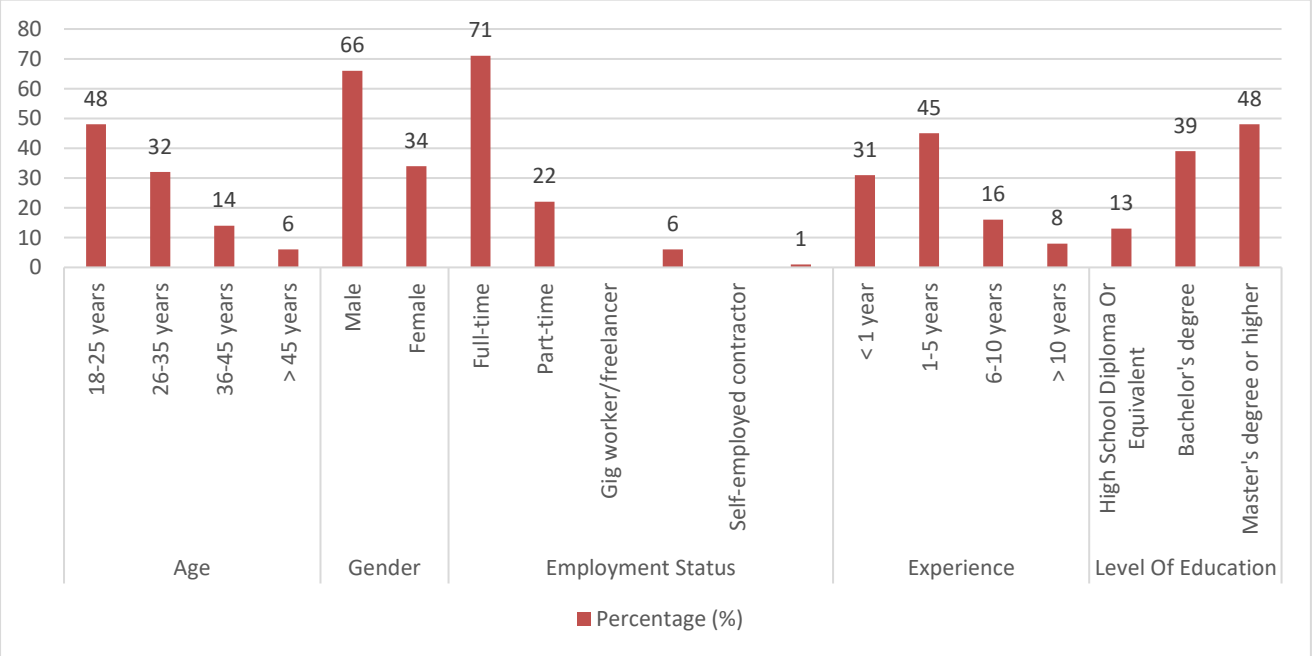
According to their age distribution, 48% of the respondents are between the ages of 18 and 25, 32% are between the ages of 26 and 35, 14% are between the ages of 36 and 45, and 6% are over the age of 45. Male respondents make up 66% of the sample, whereas female respondents make up 34%. Of those surveyed, 71% are employed full-time, 22% part-time, 6% are gig workers or freelancers, and 1% are self-employed contractors. In terms of work experience, 31% have less than a year's experience, 45% have one

to five years, 16% have six to ten years, and 8% have more than ten years. Regarding educational qualifications, 13% of respondents hold a high school diploma or equivalent, 39% hold a bachelor's degree, and 48% hold a master's degree or higher.

INFERENCE

- Those between the ages of 18 and 25 make up the majority of respondents (48%).
- The majority of respondents (66%) are Male.
- The majority of respondents (71%) are employed full-time.
- Most respondents (45%) have 1 to 5 years of experience.
- The majority of respondents (48%) hold a Master's degree or higher.

Figure 1: Demographic profile of respondents



6.2 SPEARMAN'S RANK CORRELATION

Null Hypothesis H0: The variables are not correlated with each other.
Alternative Hypothesis H1: The variables are correlated with each other.

Table 2: Showing spearman's rank correlation.

Correlations				
			Effective communication and collaboration with team members supported by a good physical layout, influence creativity and innovation.	Team members actively listening and response leads to employee creativity and innovation.
Spearman's rho	Effective communication and collaboration with team	Correlation Coefficient	1.000	.471**

	members supported by a good physical layout, influence creativity and innovation.	Sig. (2-tailed)	.	.000
		N	145	145
	Team members actively listening and response leads to employee creativity and innovation.	Correlation Coefficient	.471**	1.000
		Sig. (2-tailed)	.000	.
		N	145	145
**. Correlation is significant at the 0.01 level (2-tailed).				

Interpretation

Based on the test results, the variables' significance value (p-value) is less than 0.05, or $P < 0.05$. Consequently, the null hypothesis is rejected. There is a correlation between the variables.

KRUSKAL-WALLI'S H-TEST:

Null Hypothesis H0: There is no significant difference between the mean ranks of different employment status regarding the perception that flexibility of the workspace allows working in a creative and innovative way.

Alternative Hypothesis H1: There is a significant difference between the mean ranks of different employment status regarding the perception that flexibility of the workspace allows working in a creative and innovative way.

Table 3: Showing Kruskal-Walli's H-Test.

Ranks			
	Employment Status	N	Mean Rank
Flexibility of the workspace allows working in a creative and innovative way.	Full-time	103	74.84
	Part-time	31	63.11
	Gig worker/freelancer	9	83.06
	Self-employed contractor	2	86.25
	Total	145	

Test Statistics[a,b]	
	Flexibility of the workspace allows working in a creative and innovative way.
Kruskal-Wallis H	3.020
df	3
Asymp. Sig.	.388

a. Kruskal Wallis Test
b. Grouping Variable: Employment Status

Interpretation

We are unable to reject the null hypothesis (H0) because the 0.388 > 0.05. There is no significant difference between the mean ranks of different employment status regarding the perception that flexibility of the workspace allows working in a creative and innovative way.

SUMMARY OF FINDINGS

- Those between the ages of 18 and 25 make up the majority of respondents (48%).
- The majority of respondents (66%) are Male.
- The majority of respondents (71%) are employed full-time.
- Most respondents (45%) have 1 to 5 years of experience.
- The majority of respondents (48%) hold a Master's degree or higher.
- The variables are correlated with each other.
- There is no significant difference between the mean ranks of different employment status regarding the perception that flexibility of the workspace allows working in a creative and innovative way.

SUGGESTIONS

- Organizations should encourage employees to share ideas, communicate openly, and take calculated risks without fear of failure. Innovation is greatly increased in an atmosphere that is psychologically safe.
- Conducting training sessions and workshops that emphasize creativity, critical thinking, and problem-solving will give staff members the tools they need to come up with and carry out creative ideas.
- Fostering cooperation between groups with various roles and backgrounds unites different viewpoints, resulting in more creative and complex solutions.
- It is important to train and encourage managers and team leaders to provide regular, constructive feedback. This promotes a growth mindset and increases confidence in taking innovative actions by assisting staff members in identifying their areas of strength and growth.

CONCLUSION

This study uses data from 145 participants across different departments and levels to examine how work environment factors affect employee creativity and innovation. The results demonstrate that factors like open communication, a flexible workplace culture, collaborative areas, and recognition initiatives are essential for encouraging originality and creative thinking. Empirical research validated a robust positive correlation between innovative outcomes and supportive workplace conditions, highlighting the importance of strategic investments in environmental enhancements ranging from workspace design to leadership style in boosting employee engagement and propelling organizational expansion. According to the study's findings, fostering an environment that encourages innovation is crucial for sustained success and long-term competitiveness.

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