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Inspiring Creativity in Diverse Organisational Cultures: An Expatriates’ Integrity Dilemma

Abstract

Employee creativity can bolster organisational competitiveness and survival. Although, when in host countries, expatriate top management leaders (ETML) are often challenged to constantly exhibit integrity that positively impacts the creativity of employees, despite prevalent organisational cultures’ (OCs) influences. Varying influences of distinct OCs and questionable ETML integrity has also been argued to have unpredictable influences on the creativity prowess of several emerging economies like Nigeria. It is thus, unclear from the literature, how ETML and distinct OCs act to inspire employee creativity. This study investigated the relationship between ETML integrity, Organisational Culture (OC) and employee creativity. A cross-sectional survey design was administered to 439 participants from 22 manufacturing organisations in Nigeria, and data analysis was executed by leveraging partial least square path modelling (SmartPLS3). Results indicated that ETML integrity and adhocracy OC have positive associations with employee creativity. Equally, clan and market OC reflect negative associations with employee creativity. Surprisingly, ETML integrity dampens the positive relationships between adhocracy OC and hierarchy OC, and employee creativity. Furthermore, ETML integrity reinforces the association of clan OC and market OC with employee creativity. This study, offers substantive and significant contributions that can be applied to emerging economies with similar concerns and context.

Keywords: Trustworthiness; Creative Ideas; Integrity; Employee Creativity; Organizational Culture
Inspiring Creativity in Diverse Organisational Cultures: An Expatriates’ Integrity Dilemma

Organisational culture (OC) is posited to be “the pattern of variations within a society, or, more specifically, as the pattern of deep-level values and assumptions associated with societal effectiveness, shared by an interacting group of people” (Martha, Carolina, Joseph, Niels, & Pei-Chuan, 2002, p. 276). Although, the concepts of OC, employee creativity and integrity have distinctively received numerous attention over the years, much is yet to be done to deepen insights into how expatriate top management leaders (ETML) may deploy their integrity in order to further bolster employee creativity (Ba Bantu-Gomez, 2002; Peng & Wei, 2016; Ogbeibu, Senadjki, & Gaskin, 2018a). Likewise, the literature on what role(s) ETML integrity actually play(s) under distinct OC dimensions is sparse and thus, signals for deeper attention (Blunt & Jones, 1997; Ogbeibu, Senadjki, & Peng, 2018b). While OC, employee creativity and integrity have been individually exemplified across several multinational enterprises (MNEs), ETML yet struggles to drive an increased employee creativity in light of differing influences of disparate OCs (Jan & Hazel, 2013; Peng & Wei, 2016). Given their substantive significance, MNEs in developed and developing economies such as the United States of America, Canada and Malaysia are beginning to accord increased considerations to the phenomenon of OC, employee creativity and ETML integrity (Abugre, 2018; Chien & Ann, 2015; Dong, 2002; Huston & Sakkab, 2006; Peterson, 2005).

However, in a developing economy like Nigeria, probable benefits of according sufficient attention to the OC, ETML integrity and employee creativity phenomenon is yet to be reaped. As far back as the 1950’s to 1960’s, Nigeria was known to be at the same level of innovative development with countries like Pakistan, Brazil, Indonesia and even Malaysia. However, recent reports show that, Nigeria ranks below them all (Cornell University, INSEAD,
WIPO, 2015; Egbochuku, 2001). Nigeria has also fallen behind several other African countries like Mauritius, Ghana, and even Botswana, in terms of her innovations and creativity capability (Cornell University; INSEAD; WIPO, 2016). Likewise, Nigeria does not even appear among over 139 countries highlighted in the 2015 Global Creativity Index (GCI) (Ogbeibu et al., 2018a).

Dimnwobi, Ekiesiobi, and Mgbemena (2016) accentuate that MNEs play a major role and could be capable of reviving Nigeria’s creative economy. MNEs grounded on manufacturing are also engines for national innovation growth and increased economic wealth (Ikemefuna & Abe, 2015). MNEs present platforms for engendering employee creativity and increased innovativeness (Popoola & Fagbola, 2014). Yet, reports show that manufacturing performance in Nigeria has terribly underperformed in recent years. Before late 1980’s, the Nigerian central bank ranked the creativity prowess of the Nigerian manufacturing sector at 78.8%. Over the years, it has further seen a growing deterioration and has fallen to about 29.3% (Ogbeibu et al., 2018a). Gabriel and Kpakol (2014) and Ogbeibu et al. (2018a) posit that one major reason for this decline is the application of unsupportive OC to engender employee creativity and several MNEs are known to adopt and employ a major hierarchy form of OC (Owoyemi & Ekwoaba, 2014). Moreover, studies (Gupta, 2011; Julia, Daniel, & Raquel, 2016) lament that this evokes a negative impact on employee creativity.

The phenomenon of employee creativity occurs at an individual level and deals with the conception of creative ideas, building upon existing philosophies, and proffering innovative approaches to produce original solutions (Ogbeibu et al., 2018b). Further, employee creativity is useful for ensuring an organisation’s short and long term survival (Peng & Wei, 2016). Employee creativity consists of an employee’s expertise, creativity skills and task motivation (Amabile, 1997). Employee creativity requires a constant flow of creative ideas in order to be continuously engendered (Gilson & Litchfield, 2017). Although, in several MNEs in Nigeria,
creative ideas are often repressed and or lost as ETML are often unreceptive to them (Akume & Abdullahi, 2013). Studies (Adeniji, Osinbanjo, & Oludayo, 2015; Ejimabo, 2013) accentuate that several ETML often exhibit less, or lack the integrity required to show anticipated level of support towards employee creative ideas. This has caused employees to often wilfully suppress their ideas and refrain from exchanging them. Mayer, Davis, and Schoorman (1995) opined that integrity deals with an awareness of the trustor that a set of standards and values that is found to be acceptable by the trustor is strongly adhered to by a trustee.

In this regard, ETML ought to have a repute of strong integrity that is observable via credible reports and past actions. ETML demonstration of strong integrity is also expedient to drive the willingness of employees to commit towards creative ideas exchange that can engender employee creativity (Konanahalli et al., 2014; Peng & Wei, 2016). Studies (Hoch, 2013; Palanski & Vogelgesang, 2011) thus advocate that integrity has a positive effect on employee creativity. Yet, it is important to note that ETML integrity may reflect distinct effects when strongly exhibited under diverse OC dimensions, and this may often be due to the interplay of values among organisational members (Campbell, 2004). Cameron and Quinn (2011) therefore, advocated four distinct OC dimensions which are clan, adhocracy, market and hierarchy respectively. This was reflected in their competing values framework (CVF).

In Cameron and Quinn’s (2011) CVF, the clan OC reflects a receptive atmosphere where values of employees are shared among each other. Employees within the clan OC often share values that are similar to those shared within a family (Cameron & Quinn, 2008). The adhocracy OC mirrors an entrepreneurial workforce, where the nature of job is characterised by high levels of creativity. It mostly consists of risk takers with a strong sense of innovation and scientific research (Heritage, Pollock, & Roberts, 2014). The market OC constitutes a workforce, driven by goals and result achievement. ETML under this OC, are usually focused towards achieving productiveness and competitiveness. Additionally, hierarchy OC mirrors a
very official, structured and controlled work environment. It entails a highlight of prearranged guidelines, routines, and strict policies that control employee behaviour (Cameron & Quinn, 2011). Actually, the CVF has been applied by several studies to examine the phenomenon of employee creativity (Julia et al. 2010, 2011; Obenchain & Johnson, 2004). Nevertheless, the methodology applied by several of these studies (Julia et al. 2010, Naqshbandi & Kamel, 2017, Obenchain & Johnson, 2004) suggests issues of endogeneity, as not all four dimensions of the CVF were examined (Antonakis, 2017). We therefore, examine the relationship between ETML integrity and employee creativity. We also seek to investigate how ETML influences the varying associations of all four OC dimensions with employee creativity.

THEORETICAL FOUNDATION AND HYPOTHESES

This study draws on the Amabile’s (1997) componential theory of individual creativity (an individual level phenomenon) to guide its analysis. This theory asserts that employees possess natural capabilities that make them capable of initiating creative efforts. Despite their distinct domain and time, they can at least produce moderate creative behaviours. Three dimensions have been asserted in this theory. They are expertise, creativity skills and task motivation (Amabile, 1997). The author emphasized that expertise is a dimension that supports all creative efforts and also constitutes technical proficiencies, factual knowledge, and unique talents across diverse task domains. Creativity skills are cognitive styles of processing information, exploring and suggesting novel solutions to problems. Conversely, task motivation is viewed as intrinsic and extrinsic. The craving to accomplish set goals that are kept away from defined tasks is known as extrinsic task motivation. These goals might either be recognition or promised rewards. While, intrinsic motivation is often driven by strong interest and participation in work. It could be as a result of curiosity, challenge or deep satisfaction. This theory accentuates that OC is capable of influencing the outcome of employee creative behaviours (Amabile, Conti, Coon, Lazenby, & Herron, 1996).
Amabile et al. (1996) and Amabile (1997) highlighted that OC can either engender or inhibit employee creativity. However, the authors failed to determine what kind of OC is, or can actually inhibit or engender employee creativity. With the absence of an in-depth analysis to determine the dimension of OC that either inhibits or engender employee creativity, organisations might be misguided by the belief that OC as a whole does inhibit or engender employee creativity. Deeper insights as to how OC actually relates to employee creativity is thus, further limited. This theory also overlooks the concept of ETML integrity, and its role in engendering employee creativity. Consequently, this study tries to contribute to the theory by bridging these gaps.

**The Impact of OC on Employee Creativity**

The phenomenon of OC and its impact on employee creativity has received a growing attention in recent years (Krishnakumar, 2017). Findings of extant research show an increasing lack of consensus in the association between OC and employee creativity (Amiri, Qayoumi, & soltani, 2014; Hemmatinezhad, Shafiee, Sharari, & Hemmatinezhad, 2012). This has left a divide in the diversity of perceptions of whether OC is actually associated with employee creativity and what kind of impact OC could possibly have. Thus, findings of extant research show that OC has non-significant or negative impacts on employee creativity (Hemmatinezhad et al., 2012; Mobarakeh, 2011; Yazdi, 2007). Contrary to this, studies also found that OC has significant and positive effects on employee creativity (Amiri et al., 2014; Einsteine & Hwang, 2007; Karamipour, Mehraban, & Jahani, 2015). Similarly, Gupta (2011) found that an innovation centred and future oriented kind of OC has a positive impact on employee creativity. The conflicting results do suggest that the relationship between OC and employee creativity ought to be given further considerable attention.
Although some studies (Amiri et al., 2014; Hemmatinezhad et al. 2012) may have yielded significant findings, yet evidences of several mixed results make it difficult to achieve confluence concerning OC and employee creativity discrepancies (Gong, Huang & Farh, 2009; Jaussi & Dionni, 2003; Woodman, Sawyer & Griffin, 1993). As a way to inspire confluence, the dimensions of OC is further espoused, based on the CVF. Congruent to Cameron and Quinn (2011) CVF, the clan OC might mirror a negative impact on employee creativity. This could be as a result of constant redundancies of shared ideas within respective homogenous clusters. It could also be due to dire lack of fresh ideas from a rather homogenous workforce (Fernandes & Polzer, 2015). Conversely, the adhocracy OC mirrors a culture that might strongly support creativity and innovativeness. Although, with a strong focus on bureaucracies and legalities, and operational efficiencies, rather than task autonomy, the hierarchy and market OC thus, reflects negative relationships with employee creativity (Ogbeibu et al., 2018b).

This study, therefore, theorise the following:

H1: Clan Organisational Culture dimension is negatively associated with employee creativity.

H2: Adhocracy Organisational Culture dimension is positively associated employee creativity.

H3: Market Organisational Culture dimension is negatively associated with employee creativity.

H4: Hierarchy Organisational Culture dimension is negatively associated with employee creativity.

**The Moderating Effects of Integrity**

Integrity deals with the perceptions employees share about the openness, honesty and reliable standards of their ETML (Po-Ling & Cheng-Yuan, 2014). Employees ought to be able to perceive the notion that ETML also adhere sternly to established policies and ethics which
employees also regard as acceptable (Mayer et al., 1995). ETML who strive to constantly exemplify high moral standards, honest actions and acknowledge their personal mistakes and limitations are more likely to inspire high confidence levels among employees. ETML may leverage such instances to make employees become more engaging in creativity initiatives (Bauman, 2013). ETML who exhibit an acceptable degree of integrity may often attract the trust of employees who may in turn be willing to share their creative ideas with them. Moreover, under an OC that strongly supports employee creativity, an acceptable degree of integrity could help to continuously engender employee creativity (Peng & Wei, 2016). Despite a supportive OC dimension, what remains unclear is the extent at which ETML ought to exemplify their integrity under specific OC dimensions. Likewise, exhibiting too high or too low levels of integrity could be either detrimental or more supportive of employee creativity engenderment (Barthwal, 2013). Therefore, the following postulations are highlighted.

H5: Integrity positively moderates the relationship between clan OC dimension and employee creativity.

H6: Integrity positively moderates the relationship between adhocracy OC dimension and employee creativity.

H7: Integrity positively moderates the relationship between market OC dimension and employee creativity.

H8: Integrity positively moderates the relationship between hierarchy OC dimension and employee creativity.

**Effect of Integrity on Employee Creativity**

A major reason for the relevance of integrity in this study, is that it deals with ETML justifiable reputation for sincerity and honesty, commitment to set standards, and reliability of words and actions (Palanski & Vogelgesang, 2011). Integrity has been examined to mirror several
interpretations by distinct researchers (Peng & Wei, 2016). It could influence the degree at which integrated OC and employee creativity values are strengthened to engender employee creativity, or weakened to cause a decline in employee creativity (Hoch, 2013). Peng and Wei (2016) accentuate that ETML with strong integrity are often known to produce supportive OC and working climate that can engender employee creativity. It has also been empirically established that ETML that exhibit strong integrity are more likely to trust and share creative ideas that aid to engender employee creativity (Simons, Leroy, Collewaert, & Masschelein, 2015). Similarly, studies (Lee, Veasna & Wu, 2013; Ma, Cheng, Ribbens, & Zhou, 2013; Peng & Wei, 2016) have stressed that actions of top management leaders which reflect strong integrity does have a positive effect on employee creativity. This study, therefore, conjecture that:

H9: Integrity is positively related to employee creativity

Figure 1. Conceptual Framework

Figure 1 outlines the effects of integrity on the relationship between OC dimensions and employee creativity. Studies have examined employee creativity as a unidimensional or multidimensional phenomenon (Birdi, Leach, & Magadley, 2016; Wenxing, Pengcheng, Jianqiao, Po, & Jianghua, 2016). This has also contributed to an increase in an already growing
fragmentation of perceptions within the creativity paradigm (Hennessy & Amabile, 2010). This fragmentation is also as a result of lack of homogeneity of philosophies concerning the features that qualifies a creative employee (Kaufman & Beghetto, 2009; Sanda, 2017). Likewise, with respect to the vexing discrepancies rising within the creativity undergirding, and for the sake of this study’s aims, employee creativity would be examined as a unidimensional construct. This would therefore involve the analysis of all distinct dimensions within the employee creativity construct, and a subsequent scoring and integration of their respective latent variable scores to reflect just one variable which is employee creativity (Lowry & Gaskin, 2014).

**METHODOLOGY**

**Sample Size and Data Collection Procedure**

This study’s target population includes research and development (R/D) and information technology (I/T) employees from Twenty-two multinational manufacturing organisations in Nigeria. In light of the several locations of the target population, the kind of OC employed in each headquarter, is what is applicable in each headquarters’ respective divisions nationwide (Ezirim, Nwibere, & Emecheta, 2010). Hence, results of this study can be generalised. The MNEs are located in 7 distinct states of Nigeria. The Twenty-two MNEs are recognised and indexed by the Manufacturers Association of Nigeria (Manufacturers Association of Nigeria, 2017).

To obtain a stratified proportionate sampling of employees within each MNE, the Krejcie and Morgan (1970) determinant of sample size was employed to guide the sample size measurement. 510 copies of questionnaires were distributed. Only 439 completed copies of the questionnaires were returned and also found suitable for further analysis. This indicates an 86% rate of response and this rate is consistent with that of extant research (Jubril, Raji, Banjo, & Olayinka, 2014; Maduka & Okafor, 2014). Age of respondents were between 20 to 60 years
(M = 2.07, SD = .86). The total number of male respondents is 52.2%, compared to 47.8% females. This suggests that male employees are not overrepresented in this study. Similarly, 51.5% of respondents are within R/D departments and this rate is only slightly higher than 48.5% of respondents who are from I/T departments. Participant’s qualifications ranged from Ph.D. holders (4%), master’s degree holders (39.4%), undergraduate degree holders (52.6%), and only 4% had a diploma or an equivalent.

Six research assistants (RA) were recruited for data collection purposes. The RA’s were trained on this study’s aims, and scope. Six senior researchers and experts were consulted to evaluate questionnaire items. Thereafter, a pilot study was carried out. 50 employees participated in the pilot study. The use of 50 employees is congruent to the approach of extant literature (Artino, La Rochelle, Dezee, & Gehlbach, 2014). Data of pilot study was obtained from employees of 3 distinct divisions of 3 dissimilar manufacturing organisations. SPSS software version 22 was employed to analyse pilot test results. 14 items were dropped out of 60 items because they had loadings below the threshold of .70 (Yong & Pearce, 2013; Sarstedt, Ringle, Smith, Reams, & Hair, 2014). Additionally, actual process of data collection also involved establishing several contacts with the Human Resources Managers (HRM) of respective manufacturing organisation. For the purpose of the questionnaire aims, distribution and collection procedures, an official request had to be made to each HRM. Employees were consulted by the RA’s for a swift five-minute update. Each employee was given an envelope that contained a questionnaire. Employees were instructed to complete and return the questionnaires in the closed and sealed envelopes to their HRM. Sealed envelopes were afterward obtained by the RA’s for subsequent collation purposes.

Measures
The use of questionnaire that was prepared in English was employed for data collection purpose. The questionnaire comprised of a 7-point Likert scale which ranged from strongly disagree to strongly agree. To examine ETML integrity, six statements with reliability scale range (RSR) of .88 to .89 were adapted from Mayer and Davis (1999). Adopted from Cameron and Quinn (1999) and further administered by Hertage, Pollock and Roberts (2014), a pool of 24 items was produced with RSR of .71 to .80 to investigate the OC dimensions. Moreover, ten items for creativity skills (CT\textsubscript{1} – CT\textsubscript{10}) were adapted from Runco, Plucker and Lim (2001). Ten items for employee expertise (EX\textsubscript{1} – EX\textsubscript{10}) were adapted from Kaufman (2012), and another 10 items for task motivation (TMOT\textsubscript{1} – TMOT\textsubscript{10}), were adapted from Robinson et al. (2014). According to the study of Birdi et al. (2016), RSR for expertise, creativity skills, and intrinsic motivation is 0.76, 0.90, and 0.79 respectively. Congruently, in this present study, reliabilities for each item and construct has also been calculated (See Table 1). As exemplified in Table 1, the rhoA ranged from 0.94 to 0.98. Henseler (2017) opine that the rhoA (Compared to Cronbach Alpha (CA)) is the most important and only consistent reliability measure of PLS construct scores. The author posit that CA is regarded as a lower boundary criterion for examining construct scores reliability because it basically undervalues true reliability. Likewise, Composite Reliability (CR) ranged from .95 to .97. The rhoA and CR results exceed the least requirement of 0.7. This consequently confirms all the constructs’ reliability and internal consistency in this study.

Analysis

A Variance Based Structural Equation Modelling (VB-SEM) technique have been employed in this study’s analysis. The smart Partial Least Squares (PLS) 3 software was used to examine the exploratory and confirmatory factor analysis (EFA and CFA) of this study. A major reason for using the smart PLS 3 is due to the reflective and formative nature of this study’s conceptual underpinning. Lowry and Gaskin (2014) and Hair, Sarstedt, Hopkins, and Kuppelwieser (2014)
recommends the use of PLS-SEM over Covariance Based (CB)SEM when estimating models with formative indicators. The authors further advocated that analysing formative indicators with CB-SEM usually generates problems of identification (See Hair et al. (2014) for further details on PLS-SEM). The SPSS software version 22 was also utilised to examine this study’s demographics and descriptive statistics.

**Results and Discussion**

The descriptive statistics in Table 1 indicates the values of the standard deviation (SD) and the mean. A mean value of 5.6 out of 7 suggests that a majority of respondents mainly agreed that their top management leaders exhibit integrity in their respective organisations. The SD shows that there isn’t much difference among the constructs under study as the scores are relatively close to one another. It could therefore mean an even dispersion of the constructs which thus indicates data distribution normality. Moreover, an examination of the measurement model requires the use of metrics of initial output to output that are utilised in assessing outer measurement models features. The outer measurement model is identified by the constructs and measurement items. Figure 2 indicates that all measurement items exceed their required minimum of 0.7 (Sarstedt et al., 2014). This indicates that all measurement items substantially contribute to their constructs respectively. The AVE for all constructs also surpassed the threshold of 0.50, thus signifying constructs convergent validity (Hair, Sarstedt, Ringle, & Mena, 2012).

To test for probable multicollinearity issues, the VIF has also been analysed (Table 1). With a VIF range of 1.019 to 1.053 for all exogenous constructs, the results indicate that the values fall substantially below the least threshold of 9 (Yong & Pearce, 2013). Therefore, by a lack of multicollinearity, sufficient construct validity is confirmed. To estimate for discriminant validity, the Heterotrait-Monotrait Ratio (HTMT) has been applied. Henseler, Ringle, and
Sarstedt (2015) advocated that the HTMT is a higher boundary criterion for probing discriminant validity. As a factor correlation estimate and in order to clearly differentiate between 2 factors, HTMT must be significantly lesser than 1 (preferably < 0.850) (Henseler, Hubona, & Ray, 2016). Table 2 indicates a range of 0.037 to 0.183. The values therefore suggest that the criterion for discriminant validity has been met since all constructs are clearly independent of one another.
### Table 1. Summary of Descriptive Statistics, and Reliability and Validity of Measurement Model

<table>
<thead>
<tr>
<th>Construct</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>CR</th>
<th>AVE</th>
<th>ALL EXOGENOUS CONSTRUCTS' VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADHOCRACY</td>
<td>439</td>
<td>5.6317</td>
<td>1.42500</td>
<td>0.956</td>
<td>0.958</td>
<td>0.819</td>
</tr>
<tr>
<td>INTEGRITY</td>
<td>439</td>
<td>5.6390</td>
<td>1.57839</td>
<td>0.953</td>
<td>0.962</td>
<td>0.808</td>
</tr>
<tr>
<td>CLAN</td>
<td>439</td>
<td>5.9176</td>
<td>1.31583</td>
<td>0.956</td>
<td>0.965</td>
<td>0.845</td>
</tr>
<tr>
<td>CREATIVITY SKILLS</td>
<td>439</td>
<td>5.2179</td>
<td>1.63729</td>
<td>0.940</td>
<td>0.951</td>
<td>0.733</td>
</tr>
<tr>
<td>EXPERTISE</td>
<td>439</td>
<td>5.8960</td>
<td>1.57486</td>
<td>0.963</td>
<td>0.960</td>
<td>0.752</td>
</tr>
<tr>
<td>HIERARCHY</td>
<td>439</td>
<td>5.9194</td>
<td>1.55818</td>
<td>0.962</td>
<td>0.956</td>
<td>0.878</td>
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<tr>
<td>MARKET</td>
<td>439</td>
<td>5.2916</td>
<td>1.76172</td>
<td>0.970</td>
<td>0.975</td>
<td>0.885</td>
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<tr>
<td>TASK_MOTIVATION</td>
<td>439</td>
<td>5.1944</td>
<td>1.65302</td>
<td>0.981</td>
<td>0.950</td>
<td>0.731</td>
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<tr>
<td>Valid N (listwise)</td>
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</tbody>
</table>

Notes: CR (Composite Reliability); AVE (Average variance Extracted); VIF (Variance Inflation Factor)

### Table 2. Measurement Model Fit and Heterotrait-Monotrait Ratio (HTMT) Test

<table>
<thead>
<tr>
<th></th>
<th>ADHO</th>
<th>CLAN</th>
<th>CS</th>
<th>EXP</th>
<th>HRY</th>
<th>INT</th>
<th>MKT</th>
<th>TASK MOT</th>
<th>Item s</th>
<th>Saturated Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADHO</td>
<td></td>
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<td></td>
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<tr>
<td>CLAN</td>
<td>0.037</td>
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<td></td>
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<tr>
<td>CS</td>
<td>0.139</td>
<td>0.181</td>
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<td></td>
<td></td>
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<tr>
<td>EXP</td>
<td>0.109</td>
<td>0.191</td>
<td>0.063</td>
<td></td>
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<tr>
<td>HRY</td>
<td>0.022</td>
<td>0.059</td>
<td>0.055</td>
<td>0.183</td>
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<td></td>
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<tr>
<td>INT</td>
<td>0.086</td>
<td>0.147</td>
<td>0.144</td>
<td>0.179</td>
<td>0.105</td>
<td></td>
<td></td>
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<tr>
<td>MKT</td>
<td>0.141</td>
<td>0.136</td>
<td>0.222</td>
<td>0.132</td>
<td>0.053</td>
<td>0.133</td>
<td></td>
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<tr>
<td>TASK MOT</td>
<td>0.040</td>
<td>0.190</td>
<td>0.253</td>
<td>0.192</td>
<td>0.077</td>
<td>0.138</td>
<td>0.053</td>
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</tbody>
</table>

Notes: ADHO (Adhocracy); INT (INTEGRITY); CS (Creativity Skills); EXP (Expertise); HRY (Hierarchy); MKT (Market); TASK MOT (Task Motivation)
This study follows the recommendations of Henseler et al. (2016) to estimate the fitness of the measurement model. The authors advocated that the saturated model and Standardized Root Mean Square Residual (SRMR) at a 95% bootstrap quantile ought to be analysed. Likewise, Henseler (2017) advocated that the only approximate model fit criterion employed for PLS path modelling is the SRMR. Therefore, SRMR value of 0.058 which is below the threshold of 0.08 (Hu & Bentler, 1999) consequently validates this study’s measurement model.

While this study’s measurement model relates an evaluation of reflective measurement scales (outer model), employee creativity has been analysed as a unidimensional (formative)
construct in the structural (inner) model. Due to the formative latent nature of the employee creativity construct, the method for its examination ought to be considered carefully. This is in order to allow for predictability of all exogenous constructs highlighted in the measurement model (Hair, Ringle, & Sarstedt, 2013). This study, therefore, employed the two-stage approach advocated by Ringle, Sarstedt, and Straub (2012). This method is also congruent with the recommendations of Hair et al. (2013). Ringle et al. (2012) initiated a method by which latent formative constructs may be estimated. The first stage deals with obtaining of latent variable scores of all measurement model constructs. The second stage reflects the structural model. In the second stage, all measurement model constructs are represented by their latent variable scores, respectively. Furthermore, the latent construct (employee creativity) is then estimated. Thus, the obtained latent variable scores representing employee creativity dimensions are then used individually as manifest variables of the latent formative construct (employee creativity). In this case, employee creativity dimensions are fully represented, and positioned to predict employee creativity. This allows ETML integrity and other OC constructs to be able to predict employee creativity respectively.

In order to analyse the structural model, diverse empirical considerations for effect sizes, $R^2$ values, and statistical significance should to be taken into account. To examine path coefficients’ statistical significance, Hair, Ringle, and Sarstedt (2011) recommended a minimum $t$-statistics value of 1.65 at $p \leq .1$ confidence interval. $R^2$ values of 0.75, 0.50, and 0.25 indicates substantial, moderate, and weak values respectively (Sarstedt et al., 2014). Lowry and Gaskin (2014) suggests that effect sizes of 0.02, 0.15 and 0.35 mirrors a small, medium and large effect, respectively. Likewise, using 5000 subsamples, the consistent PLS bootstrapping option have been initiated to obtain significance levels (Hair et al., 2014).
To check for the degree of variance explained by all 5 exogenous constructs, the coefficient of determination ($R^2$) has been examined (Figure 3). $R^2$ result (.219) indicates a weak degree of variance explained in employee creativity. Nevertheless, recall that Hair et al. (2013) stressed that suitable $R^2$ levels are contingent upon the type of study in question. Notwithstanding the explained level of variance, bootstrapping results suggests that the $R^2$ value is statistically significant ($t$-statistics 2.854, $p \leq .01$). This means all 5 exogenous constructs mirror significant explanations of the employee creativity variance. For purposes of further interpretations, they are thus, regarded as meaningful (Hair et al., 2014).

In Figure 3, the adhocracy OC exerts the strongest positive association with employee creativity. This is also followed by ETML integrity. Market OC relates the strongest negative relationship with employee creativity and followed by clan OC. Contrariwise, hierarchy OC indicates no association with employee creativity. Significance levels of path coefficients
(Table 3) indicates that ETML integrity and adhocracy OC have positive associations with employee creativity. This confirms the initial postulations of H$_2$ and H$_9$ at $p \leq .05$ and $p \leq .001$ respectively. Clan OC is shown to have a negative relationship with employee creativity and thus, confirms the original postulation of H$_1$ at $p \leq .01$. Similarly, the theorisation of H$_3$ is supported at $p \leq .001$ while H$_4$ is not statistically significant. H$_4$ is thus not supported.

**Table 3.** Structural model path analysis

<table>
<thead>
<tr>
<th>CONSTRUCTS IN STRUCTURAL MODEL</th>
<th>IN PE</th>
<th>Effect Size ($f^2$)</th>
<th>T Statistics</th>
<th>P-Values @ &lt; 0.1</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADHOCRACY -&gt; EMPLOYEE CREATIVITY</td>
<td>-0.115</td>
<td>2.099</td>
<td>0.036</td>
<td>Supported</td>
<td></td>
</tr>
<tr>
<td>INTEGRITY -&gt; EMPLOYEE CREATIVITY</td>
<td>0.040</td>
<td>4.289</td>
<td>0.000</td>
<td>Supported</td>
<td></td>
</tr>
<tr>
<td>CLAN -&gt; EMPLOYEE CREATIVITY</td>
<td>0.034</td>
<td>2.664</td>
<td>0.008</td>
<td>Supported</td>
<td></td>
</tr>
<tr>
<td>HIERARCHY -&gt; EMPLOYEE CREATIVITY</td>
<td>0.004</td>
<td>0.812</td>
<td>0.417</td>
<td>Not Supported</td>
<td></td>
</tr>
<tr>
<td>MARKET -&gt; EMPLOYEE CREATIVITY</td>
<td>0.140</td>
<td>3.462</td>
<td>0.001</td>
<td>Supported</td>
<td></td>
</tr>
<tr>
<td>MODERATING EFFECTS INTEGRITY (ADHOCRACY - EMPLOYEE CREATIVITY)</td>
<td>-0.475</td>
<td>0.191</td>
<td>3.204</td>
<td>0.001</td>
<td>Not Supported (Insignificant)</td>
</tr>
<tr>
<td>INTEGRITY (CLAN) -&gt; EMPLOYEE CREATIVITY</td>
<td>0.152</td>
<td>0.034</td>
<td>2.325</td>
<td>0.020</td>
<td>Supported</td>
</tr>
<tr>
<td>INTEGRITY (HIERARCHY) - EMPLOYEE CREATIVITY</td>
<td>-0.122</td>
<td>0.020</td>
<td>2.667</td>
<td>0.008</td>
<td>Not Supported (Insignificant)</td>
</tr>
<tr>
<td>INTEGRITY (MARKET) -EMPLOYEE CREATIVITY</td>
<td>0.537</td>
<td>0.162</td>
<td>4.172</td>
<td>0.000</td>
<td>Supported</td>
</tr>
</tbody>
</table>

Notes: PE (Point Estimates)

To explore the nature of moderation effects, Figures 4, 5, 6 and 7 are thus examined. Note that the red, blue, and green lines in the interaction graphs of the highlighted Figures, indicate the moderator’s low, mean, and high positions respectively. Results of Figure 4 and
Table 3 indicates that top management leaders’ integrity inverts the positive relationship between adhocracy OC and employee creativity. This is such that when top management leaders’ integrity is low, employee creativity faces an increase, as compared to a decrease in employee creativity when top management leaders’ integrity is high. Table 3 shows that top management leaders’ integrity has a medium moderating effect size. This shows the degree of change that could occur in employee creativity when adhocracy OC stays constant and integrity is increased by 1. Although, H₆ is not confirmed due to its significant negative moderation effect (Table 3).

It is a growing belief that ETML ought to, and are expected to exhibit high standards of integrity (Zhou & George, 2003). The slope of the mean in Figure 4 suggests that ETML are already exhibiting a growing degree of integrity. Thus, a probable cause for the negative moderating effect of integrity could be due to top management leaders’ high expectations and pushing of employees to exhibit similar high standards of integrity. High expectations and demands associated with exhibiting high integrity may exceed employees’ ability or perceived as detrimental to employees’ perceived integrity, during and or after the expectations are met. Nevertheless, studies have argued that employee creativity may suffer certain consequences when employees are faced with too high expectations (Baer, 2012; Zhou & George, 2003). A very common consequence could be increased workplace stress levels of employees, and this could result in a steady deterioration in employee creativity (Hon, Chan, & Lu, 2013). In the face of increased workplace stress, employees may become mentally unproductive and as such cannot contribute creatively towards employee creativity initiatives (Castro et al., 2012). Congruently, the result of H₆ is congruent with the discourse of studies (Podsakoff, LePine, & LePine, 2007) that have espoused in line of the negative association of integrity with employee creativity.
Figure 4. Moderating effect of ETML integrity on the relationship between adhocracy OC and employee creativity

Figure 5. Moderating effect of ETML integrity on the relationship between clan OC and employee creativity

Figure 6. Moderating effect of ETML integrity on the association between market OC and employee creativity
Figure 7. Moderating effect of ETML integrity on the relationship between hierarchy OC and employee creativity

Figure 5 suggests that ETML integrity inverts the negative effect of clan OC on employee creativity. This is such that, under a clan OC, a high integrity would result in an increase in employee creativity, but employee creativity experiences a substantial decline when integrity is low. As reported in Table 3, top management leaders’ integrity mirrors a small moderating effect size on the relationship between clan OC and employee creativity. Lowry and Gaskin (2014) stressed that even small effects suggest important model relationships, when initiating statistical estimations. H5 is confirmed as it reflects a significant positive moderating effect (Table 3). Similarly, Figure 6 indicates that ETML integrity inverts the negative effect of market OC on employee creativity. This is also such that, under a market OC, an increase in ETML integrity would cause an increase in employee creativity. While a decrease in ETML integrity would mean a pronounce decline in employee creativity. Table 3 also shows that top management leaders’ integrity has a medium moderating effect size on the relationship between hierarchy OC and employee creativity. H7 is thus confirmed, as it reflects a significant positive moderating effect (Table 3).

Conversely, Figure 7 shows that ETML integrity inverts the positive effect of hierarchy OC on employee creativity. This is such that, under a hierarchy OC, an increase in ETML integrity causes a decline in employee creativity, and a decrease in ETML integrity would cause
an increase in employee creativity. Table 3 shows that ETML integrity has a small moderating effect size on the relationship between hierarchy OC and employee creativity. H8 is therefore, not confirmed as it reflects a significant negative moderating effect as opposed to the initial positive postulation (Table 3). Furthermore, since SRMR is still the pinnacle of model fitness in PLS SEM, SRMR result of 0.071 (t-statistics 9.920, \( p \leq .01 \)), consequently validates the structural model fit of this study (Henseler, 2017).

In Figure 7, the slope of the mean suggests a positive increase in ETML integrity. Despite an increase in ETML integrity, employees may yet feel their creative ideas are suppressed by strong influence of bureaucracy and rigid procedures in a strong hierarchy OC. This could subsequently dampen employee’s perceptions of ETML integrity (Weibel, 2007). It could thus be a tough challenge for ETML to foster a climate of openess, fairness and honesty when their flair for strict control is still been perceived as a strong impediment to employee creativity. Employees who attain job satisfaction from being able to fully exploit, share and implement their creative ideas, may perceive ETML as being too head strong, untrustworthy and as bullies. Subsequently, this might instil a decline in the growth rate of employee creativity as most employees may become passively involved rather than actively involved in employee creativity initiatives. In further support of this notion, Chun (2006) and Peng and Wei (2016) found that integrity was actually negatively correlated with innovation and employee creativity.

CONCLUSION

By employing the two stage approach proposed by Ringle et al. (2012) in a varied cultural context, this study, has helped to shed more light on dealing with higher order constructs when applying the Smart PLS 3 software in SEM analysis. The present study found ETML integrity and adhocracy OC to be positively associated with employee creativity. Further, the authors
found clan and market OC to be negatively related to employee creativity. However, hierarchy OC has no significant association with employee creativity. This study demonstrated that ETML integrity has a significant and negative moderating effect on the relationship between adhocracy, hierarchy OC and employee creativity. Conversely, ETML integrity has been demonstrated to positively moderate the relationship between clan OC, market OC and employee creativity. This study shows that ETML integrity is quite relevant under clan and market OC’s. This is because it actually inverts the negative relationships between clan and market OC’s and employee creativity. Likewise, ETML ought to ensure an acceptable degree of integrity is exhibited, as exhibiting too high integrity under an adhocracy and hierarchy OC reflects negative moderating associations with employee creativity.

**Theoretical Contributions**

This present study is among the first to empirically examine the direct and moderating effects of ETML integrity on the impact of OC dimensions on employee creativity in MNEs in Nigeria. Varying OCs has been demonstrated to reflect both negative and positive, insignificant and significant effects on employee creativity. Extant research has analysed the OC phenomenon from a unidimensional perspective (Jan & Hazel, 2013) and explored its descriptive features (Hogan & Coote, 2014). Reports of several empirical investigations (Julia et al., 2010, Naqshbandi & Kamel, 2017, Obenchain & Johnson, 2004) that reflect the use of the CVF have especially resulted in issues of endogeneity. This is a consequence of the lack of not evaluating all four dimensions of the CVF. It has thus, fostered a subjective approach of critically examining the OC phenomenon. Despite the reports of relevant findings, the results are nevertheless limited to mostly a narrow perception of what OC truly is. It could thus be argued that results obtained from some extant literature (Julia et al., 2010, Naqshbandi & Kamel, 2017; Obenchain & Johnson, 2004) may be limiting and misleading. This is in view that readers may
be further misguided to create a perception that OC primarily demonstrates only a specific type of impact on employee creativity.

Therefore, this study bridges these gaps and contributes to the OC empirical underpinning, by examining the impacts of all four OC dimensions (based on the CVF) on employee creativity. This study has shown that relying on a growing theoretical perception that OC, as a whole, either engenders or inhibits employee creativity (Amabile et al., 1996; Amabile, 1997) is rather misleading and limiting. This study has further contributed significant theoretical insights by demonstrating that while adhocracy OC substantially engenders employee creativity, clan and market OC play significant negative roles. Additionally, hierarchy OC is otherwise an impediment. This study extends the insights of impacts of OC dimensions, by demonstrating that ETML integrity inverts the negative relationships between clan OC, market OC and employee creativity. It also highlights that under adhocracy and hierarchy OC, employee creativity is dampened by ETML integrity.

Implications

Results of this study mirrors significant contributions that top management leaders and policy makers ought to consider. This study shows that adhocracy OC is a more substantial and positive predictor of employee creativity. When trying to engender employee creativity, ETML ought to recognise the need to not exert too high levels of integrity under an adhocracy and hierarchy OC (Figures 4 and 7). This is because of the significant negative moderating effects of ETML integrity. Expectations and demands associated with integrity should be rather flexible to help mitigate for probable increases in employee workplace stress levels. Similarly, the hierarchy OC may have to be avoided and the adhocracy OC otherwise adopted, if the objective is to engender employee creativity within Nigerian manufacturing organisations. Nigerian manufacturing organisations with strong clan and market OC, could consider
improving their ETML integrity if they desire to engender their employee creativity. This study has shown that ETML integrity nullifies the negative associations between clan and market OC and employee creativity.

Limitations and Future Directions

Despite the replicability of this study in similar contexts across other developing economies like Nigeria, the present study has its limitations. The scope of this study is centred on an individual level analysis. This might not have allowed for more information that could have been obtained if it was based on an organisational level analysis. This calls for further analysis by future studies. Far broader insights into the employee creativity phenomenon could be uncovered as investigations from an organisational perspective may mean introduction and examination of new constructs.

Results of this study ought to be generalized with caution. Information obtained via data collection did not come from specific manufacturing organisations across all thirty-seven states of Nigeria. The results are nevertheless, reliable since all included twenty-two organisations are recognised nationwide. This study has been developed based upon employee perceptions. Future studies might examine top management leader’s opinions about their respective organisational culture, creativity and integrity of employees. Investigations could also be carried out in similar or distinct sectors across diverse national contexts.

References


