

Leading The Way to Cultural Effectiveness:
An Exploration of Organisational Culture
Supporting Innovation and Employee Well-being,
Towards Mutual Effectiveness.

Submitted by: Sophia Watts

Student Number: 2012612

Date: February 2023

Program: MSc International Innovation Management

Module: Masters Project

Module Code: ACFA 7003

Table of Contents

Abstract.....	4
Chapter 1 – Introduction.....	5
1.1 Research Background and Purpose	5
1.2 Research Methodology	6
1.3 Research Aims and Objectives	8
Chapter 2 – Literature Review: Culture Connecting Organisational Innovation and Employee Well-being.....	9
2.1 Methodology	9
Table 1. Search Sheet.....	9
2.2 Innovation and Well-being in Wider Society	10
2.3 Employee Well-being, Innovation, and Organisational Performance	10
2.4 Cultural Diversity and Inclusion	12
2.5 Creativity	13
2.6 Leadership	14
2.7 Person-Job Fit.....	15
2.8 Chapter Summary	16
Chapter 3 – Organisational Culture	18
3.1 Characteristics of Organisational Culture	18
Table 2. Cultural Elements Identified in Prior Research	19
3.2 National Culture	20
3.3 Diversity.....	20
3.4 Trust and Communication	21
3.5 Leadership	22
3.6 Chapter Summary	23
Chapter 4 – Organisational Innovation Culture	24
4.1 Innovation in Organisations	24
4.2 Impacts and Influence of Culture on Innovation	25
4.3 Creativity and Innovation.....	26
4.4 Individuals and Innovation.....	28
4.5 Leadership and Innovation.....	30
4.6 Chapter Summary	33
Chapter 5 - Employee Well-being Culture	34
5.1 Introduction to Employee Well-being.....	34
5.2 Forms of Well-being	34
5.3 Well-being Practices in the workplace.....	36

5.4 Balancing Organisational Performance and Employee Well-being	38
5.5 Leadership and Employee Well-being.....	40
5.6 Chapter Summary	42
Chapter 6 – Summary of Findings.....	43
6.1 Introduction	43
6.2 Organisational culture	43
Figure 1. Nurturing an Effective Organisational Culture.....	44
6.3 Organisational Innovation.....	45
Figure 2. Characteristics Supportive of Effective Innovation Culture.....	45
6.4 Employee well-being	46
Figure 3. Relationships Between Employee Well-being and Effective Organisational Culture.....	47
6.5 Synthesis of Findings.....	48
Chapter 7 – Organisational Culture in Practice	50
7.1. Introduction and Methodology	50
7.2 Case studies.....	50
Table 3: Comparative Summary of Common Cultural Traits from Case Studies.....	55
7.3 Employee Interviews	56
Table 4: Comparative Summary of Common Cultural Traits from Employee Interviews....	62
7.4 Chapter Summary	62
Chapter 8 – Discussion	63
8.1 Introduction	63
8.2 Research Findings.....	63
Table 5: Alignment of Cultural Traits Supportive of Innovation and Employee Well-being	65
8.3 Methodological Review.....	70
Chapter 9 – Conclusion.....	72
9.1 Conclusion and Further Research	72
9.2 Limitations.....	73
References	74
Appendix A – Participant Consent Form	78
Appendix B - Employee Interview: Participant 1; Transcript Extracts.....	80
Appendix C - Employee Interview: Participant 2; Transcript Extracts.....	84
Appendix D - Employee Interview: Participant 3; Transcript Extracts.....	89

Abstract

An organisation's culture is instrumental in business success or failure, therefore, fostering a culture for organisational success should be a strategic priority. A culture equally supportive of innovation and employee well-being, important influencers, could have optimum positive impact on business performance and sustainability. A proposal was made that through alignment of cultural traits, a foundation for fostering a mutually effective culture can be created. The primary objective of this study was to present hypotheses, providing a basis from which further research can be conducted, to validate the theories. This study refined previous empirical research on cultural traits supporting innovation and employee well-being, to discover parallels and links considered conducive to mutually enhancing these factors. Additionally, primary research was conducted exploring organisational culture in practice, to compare literary findings with real world cultures. An alignment of cultural traits for each objective was shown. The research also indicated that nurturing a mutually effective culture requires clarity of organisational purpose, universal stakeholder engagement, and a balanced approach to strategy and decision-making. Cultural design featuring the aforementioned elements is indicated as a foundation for guidance. Thus, the feasibility of fostering an effective organisational culture to mutually support innovation and employee well-being is theoretically validated. Consequently, hypotheses concerning the development of a mutually effective culture were proposed. Additionally, the role of leadership emerged as a significant cultural influence, acting as a mediator in creating a complimentary relationship between employee and organisational needs.

Chapter 1 – Introduction

1.1 Research Background and Purpose

Culture is fundamentally the underlying intangible dynamisms that influence everyday activities, encompassing assumed behaviours and actions, deemed appropriate, or not, within the arena. An organisational culture is determined by the complexity of the combination of individuals, defined practices, and processes, and the way the organisation endeavours to manage these. An organisation's culture is instrumental in business success or failure, and as such is an important factor in the business strategy. Organisational culture exists regardless of whether it is consciously acknowledged or not. It is unique, and can change, vary, and evolve, when different circumstances or forces are introduced to it (Büschgens, Bausch, and Balkin, 2013; Mullins and McLean, 2019, p.564, 574; Nguyen *et al.*, 2019; Lister *et al.*, 2021). Therefore, fostering a culture for organisational success should be a strategic priority.

Innovation is widely acknowledged as a key activity for business sustainability and success (Athota and Malik, 2019, p.15; Binder, 2013; Hughes *et al.*, 2018; Nguyen *et al.*, 2019). Much research has been conducted on cultural traits that best facilitate innovation in organisations. Positive employee well-being is acknowledged as an important factor which impacts business performance (Inceoglu *et al.*, 2018; Mullins and McLean, 2019, p.26-27; Lister *et al.*, 2021). Organisational cultures and practices which support positive employee well-being have also been widely researched. Recognising the importance of the impact of these two factors – innovation and employee well-being – a logical conclusion is that developing a culture which fosters innovation, whilst simultaneously nurturing positive employee well-being, could have optimum positive impact on business performance and sustainability.

Whilst there is an abundance of research available on innovation and employee well-being cultures individually, for organizations to work towards an encompassing

culture, the findings and suggestions from prior empirical research need to be cross-referenced and synthesised. This study will refine previous empirical research on cultural traits supporting both innovation and employee well-being, comparing the findings to discover any parallels or links considered conducive to mutually enhancing these factors. Prior research has been conducted on the impact of employee well-being on innovation and vice versa (Athota and Malik, 2019; Binder, 2013; Lister *et al.*, 2021; Nguyen *et al.*, 2019; Wang, Yang, and Xue, 2017). However, research and guidance which considers both organisational factors as equal goals of cultural development appear lacking. There is evidence to suggest that when well-being is considered in organisational cultural development and Human Resource Management practices, this tends to be as a means for performance, rather than a primary focus of company ethos (Athota and Malik, 2019; Guest, 2017; Inceoglu *et al.*, 2018). The broad spectrum of research on the two topics presents a challenge for practitioners seeking guidance. Researchers have addressed this by endeavouring to refine and simplify the vastness of each topic, highlighting the main factors for practitioners to focus on. This study will build on the work of other researchers by further refining, and additionally combining, key findings.

1.2 Research Methodology

Three primary topics will be studied in this research: organisational culture, innovation, and employee well-being. 'Organisational culture' has been defined in this study as the intangible environment that exists within the organisation, which influences the way business operations are conducted. This research takes the perspective that 'innovation' relates to the act of actuating new ideas in an attempt to achieve a novel beneficial outcome (Hughes *et al.*, 2018; Nguyen *et al.*, 2019), and that 'employee well-being' relates to the employee's conscious and subconscious experience within the workplace, impacting their physical, mental, and social health (Guest, 2017; Mullins and McLean, 2019; Pagán-Castaño, Maseda-Moreno, and Santos-Rojo, 2020). The study will encompass the various factors and impacts

related to innovation and employee well-being, influential of the culture. These include organisational characteristics and practices; employee diversity, talent, and behaviour; creativity; leadership; and indicators, forms, and typologies of well-being.

The study will comprise predominantly a review of literature, accompanied by a small sample of organisation case studies and employee interviews. Therefore, the study is not conducive to producing quantitative data. An initial literature review on research concerning culture connecting innovation and employee well-being will ascertain the scope of existing material. An expanded study of literature will follow, exploring organisational culture, and culture supportive of innovation and employee well-being independently. The findings will be synthesised, aiming to provide insights into the feasibility of fostering a mutually beneficial effective culture. Additionally, primary research will be conducted, gathering qualitative data, to explore organisational culture in practice. Case studies will be created from the researcher's external perspective, exploring the cultural practice communicated by well-known organisations. Interviews with individuals from Welsh companies will aim to elucidate on organisational culture from the employee perspective. The synthesis of theoretical findings will be compared with the outcomes from working cultures to indicate practical alignment.

The focus on innovation and employee well-being is in the organisational context; although wider considerations will be touched upon, this focus will be the main direction of research. Whilst an awareness of the overarching impact of national culture on individuals and organisations is acknowledged, a broad-brush approach will be taken in this study. The researcher recognises the potential biases that could impact the results of the study, including organisational context as a key variable (Nguyen *et al.*, 2019), and endogeneity bias (Hughes *et al.*, 2018) relating to the qualitative nature of the study.

1.3 Research Aims and Objectives

The aim of this research is to identify links and parallels of organisational cultural traits supporting innovation and employee well-being. The proposal is that through alignment of cultural traits, a foundation for fostering an effective culture, equally supportive of innovation and employee well-being, can be created. Additionally, the research aims to provide theoretical validation for the feasibility of fostering a mutually effective culture in practice. The primary objective of this study is not to create conclusive guidance but to present hypotheses, providing a basis from which further research can be conducted, to validate the theories.

The structure of this dissertation is as follows. Chapter 2 presents an initial literature review on organisational culture connecting innovation and employee well-being. In Chapters 3 to 5, organisational culture, innovation, and employee well-being, are explored via an expanded review of literature. The findings are summarised and synthesised in Chapter 6. Chapter 7 presents primary research on organisational culture in practice. These chapters precede a discussion on all findings and a methodological review in Chapter 8. This dissertation concludes, with research limitations and recommendations for further research in Chapter 9.

Chapter 2 – Literature Review: Culture Connecting Organisational Innovation and Employee Well-being

2.1 Methodology

A literature review of prior empirical research was conducted to discover the scope of material available on the study topic, and to gain insights into the findings. A search strategy was determined; the university online library database was used to perform the literature search with the key subjects – innovation and well-being - used as search terms. The search was refined by narrowing the publication date range and sorting by relevance. Variations on the search terms used provided further refinement, followed by a manual assessment of applicability to the research topic. The summary of results returned are displayed in the search sheet (Table 1). Whilst the searches returned a vast number of articles considering innovation and well-being separately, the volume of articles concerning the two subjects together was much lower. For the most relevant results, the abstracts of the articles were evaluated for suitability and marked for further exploration. The findings of this literature are now discussed.

Search Term	Date Range	Number of results
innovation culture well-being	2015-2023	6,225
wellbeing innovation culture	2019-2022	122
“innovation culture” and “well-being”	2015-2022	91

Table 1. Search Sheet.

2.2 Innovation and Well-being in Wider Society

Research on innovativeness and subjective well-being by Binder (2013) explores these subjects in the societal context. Whilst not directly relevant for the current study, it is interesting to consider associations between innovation and well-being in society and how these may translate to the organisational context. The study highlights the importance of innovation for progress and economic growth, which can have a positive impact on societal well-being. Conversely, the associated risks and uncertainty involved in the innovation process can generate negative well-being effects. The author notes that potential future gains from innovation could put any shorter-term negative impacts on well-being into perspective, as potentially fleeting and outweighed by the longer-term benefits of innovation outcomes.

When considering innovation and well-being in the organisational context, it may be prudent for leaders and managers to have an awareness, and assess the severity, of potential impacts on well-being through the innovation process, to determine how best to mitigate these, balancing the concern for employee well-being with the need or drive for innovation.

2.3 Employee Well-being, Innovation, and Organisational Performance

Research focused on antecedents and indicators of organisational innovation and employee well-being is increasing. Both factors are individually recognised as impactful on organisational performance and suggested links are emerging between the two (Choi, Tran, and Kang, 2017; Wang, Yang, and Xue, 2017; Athota and Malik, 2019; Nguyen *et al.*, 2019). Circumstances experienced by individuals can have a positive or negative impact on their well-being, which in turn can affect their ability to exhibit innovative behaviour. Nguyen *et al.* (2019) specifically noted that the personal impacts of good work-life balance, self-efficacy, and performance recognition were

shown to have a resultant influence on individuals' innovativeness in the workplace, via reduced stress, confidence in ability, and increased motivation (Krishnan, 2012).

Well-being has been linked to individual resilience in a cyclical relationship; positive well-being suggests individuals are better able to cope with challenging life experiences, demonstrating resilience, which in turn further enhances personal well-being. Resilience enables increased adaptability and determination in individuals, indicating stronger capacity to cope with the uncertainty and risk associated with innovation (Binder, 2013; Athota and Malik, 2019, p. 22-23, 25; Nguyen *et al.*, 2019).

Wang, Yang, and Xue (2017) found a link between subjective well-being and innovation behaviour in individuals through the mediating influence of knowledge sharing. Their research echoes other studies indicating that positive subjective well-being is correlated to increased inclination for knowledge sharing (Chen *et al.*, 2016; Jena, Pradhan, and Panigrahy, 2018; Kremer, Villamor, and Aguinis, 2019). The individual's increased experience of positive emotions leads to benevolent feelings towards others, demonstrated in such supportive behaviour (Wang, Yang, and Xue, 2017). The mechanism of knowledge sharing is positively linked to innovation, as it enables increased knowledge acquisition as well as potential for collaborative idea generation and problem solving (Wang, Yang, and Xue, 2017; Kremer, Villamor, and Aguinis, 2019; Villaluz and Hechanova, 2019).

These examples point to the fact that employees' well-being impacts their overall ability to perform in the workplace. Work elements explored in literature that suggest specific links between employee well-being and organisational innovation include cultural diversity and inclusion, creativity, leadership, and person-job fit; these are now discussed in more detail.

2.4 Cultural Diversity and Inclusion

Cultural diversity in the body of employees is suggested as being beneficial to successful business operations, for example by bringing a wide range of perspectives and ideas into the organisation, generating increased knowledge, and reducing myopia (Kremer, Villamor, and Aguinis, 2019; Villaluz and Hechanova, 2019; Lister *et al.*, 2021). The consideration and celebration of employees' diversity, in development of organisational norms and policies, is important to create a sense of inclusion across the workforce. Whilst it is unlikely that a single approach to organisational policy could be successfully ascertained to optimally encompass the diversity of all employees (Binder, 2013; Lister *et al.*, 2021), perceiving diversity to be valued rather than homogenised could improve individuals' sense of cultural well-being.

An increased sense of inclusion within the workplace can enhance employee well-being, enabling drivers which can lead to innovation (Lister *et al.*, 2021). For example, employee voice, a facilitator of knowledge sharing, is encouraged when individuals feel psychologically safe within the environment, a state achieved through trust as an outcome of apparent inclusion (Choi, Tran, and Kang, 2017; Jena, Pradhan, and Panigrahy, 2018; Kremer, Villamor, and Aguinis, 2019). Employee commitment can be enhanced when individuals experience team unity and personal purpose in relation to organisational goals, inspiring motivation to utilise their skills (Athota and Malik, 2019, p. 31; Lister *et al.*, 2021).

Widening the organisation's talent pool to increase cultural diversity benefits employee well-being, via increased inclusion and mitigated intolerance. Innovation is benefited, directly through increased knowledge and indirectly through improved well-being. Therefore, an organisational focus on nurturing cultural diversity is positively related to business performance.

2.5 Creativity

Creativity is reportedly an antecedent to innovation and has been positively linked to work performance (Amabile and Pratt, 2016; Choi, Tran, and Kang, 2017; Hughes *et al.*, 2018; Kremer, Villamor, and Aguinis, 2019; Zhang *et al.*, 2021). Research by Zhang *et al.* (2021) was undertaken to also explore the relationship between creativity and well-being. Two elements of creativity, radical and incremental, were studied; the findings confirmed a positive relationship between creativity and performance, and a positive association between *incremental* creativity and well-being. The findings did not indicate a positive relationship between specifically *radical* creativity and well-being, although a negative relationship was neither proven (Zhang *et al.*, 2021). The researchers concluded that creativity as a single construct does positively influence work performance and well-being, but the element of incremental creativity is a stronger predictor of positive well-being than radical creativity.

The significance of these findings, when considering innovation and employee well-being, is the indication that whilst tasks involving radical creativity may result in positive work performance, they may have a negative impact on employee well-being. Factors associated with radical creativity, such as increased uncertainty, risk, and stress, are suggested as the cause of this impact (Athota and Malik, 2019, p. 24; Zhang *et al.*, 2021), which may outweigh well-being enrichment resulting from creativity, for example positive affect (Amabile and Pratt, 2016).

An awareness of adverse effects on individuals resulting from creative tasks, enables management and leaders to assess how to approach such activities, mitigating the potential detriment to employee well-being (Athota and Malik, 2019, p. 26, 29-30; Zhang *et al.*, 2021). Further, the risk that a negative impact on well-being may result in the inhibition of the individual's capacity to innovate can be reduced. Leadership is therefore instrumental in successfully facilitating creativity and innovation, via safeguarding employee well-being.

2.6 Leadership

Despite leadership being recognised as an instrumental factor in positive employee well-being and increased innovation behaviour (Inceoglu *et al.*, 2018; Jena, Pradhan, and Panigrahy, 2018; Villaluz and Hechanova, 2019), it is reported that research exploring the three subjects together is lacking (Choi, Tran, and Kang, 2017). Having already noted that the impacts of employee well-being can affect an individual's innovative performance (Nguyen *et al.*, 2019), and that a sense of inclusion within the organisation is related to this (Lister *et al.*, 2021), it is logical to explore the influence of leadership styles on innovation and employee well-being.

Inclusive leadership is one specific style cited as having a positive impact on both employee well-being and innovation. Inclusive leadership has a focus on building relationships between leader and followers, resulting in employees' increased perception of trust and support from their leader. Open communication, consideration for employee needs – material, emotional, and developmental – and receptivity to follower voice are all reported as distinguishing elements of inclusive leadership, compared to other supportive styles. It is this employee focus, with an emphasis on needs rather than behaviours, which has a positive impact on both their well-being and ability to innovate (Choi, Tran, and Kang, 2017).

Leaders who demonstrate receptivity to followers' voice facilitate good communication, encouraging individuals to express needs and concerns, knowing that they will be responded to (Valizade *et al.*, 2016; Taheri, Jami Pour, and Asarian, 2019). This perceived receptivity also invites ideas and opinions, encouraging knowledge sharing (Kremer, Villamor, and Aguinis, 2019). Support can be provided by the leader to enable individuals to meet the task requirements by giving clarity on expectations, responding to expressed needs with appropriate resource provision, and stimulating self-confidence and motivation (Krishnan, 2012; Inceoglu *et al.*, 2018).

Leader-follower trust is developed through this demonstration of employee empathy and reciprocal behaviours (Krishnan, 2012; Valizade *et al.*, 2016). The result is a strong leader-follower relationship, creating an environment within which employees feel supported, motivated, and empowered. Ultimately a positive well-being influence

is enabled, supportive of the engagement and resilience required for innovation (Choi, Tran, and Kang, 2017; Jena, Pradhan, and Panigrahy, 2018; Afsar and Umrani, 2020; Lister *et al.*, 2021). Thus receptivity, support, and trust are key leadership traits to develop in nurturing a culture to strengthen employee well-being and innovation.

2.7 Person-Job Fit

Positive leader-follower relationship building can be demonstrated by, and facilitate, the leader's success in determining person-job fit. Choi, Tran, and Kang (2017) explored person-job fit as a factor specifically related to both positive employee well-being and increased innovation behaviour. Person-job fit is the level of successful matching of individuals with a particular job or task. The individual's skillset, expertise, ideals, and capabilities are coordinated with the task requirements. The construct encompasses a two-way alignment: the individual meeting the needs of the job, and the job role satisfying the needs of the individual.

From the perspective of employee well-being, the individual's sense of fit with the job can reduce negative impacts, such as stress and uncertainty, whilst boosting confidence, ultimately leading them to feel satisfaction and happiness in the role (Amabile and Pratt, 2016; Guest, 2017; Taheri, Jami Pour, and Asarian, 2019). Further, the individual's positive self-assessment of fit can encourage and facilitate motivation and capability for learning and development, leading to progression and achievement (Afsar and Umrani, 2020). An enhanced sense of self-efficacy in one's work can increase confidence and motivation for suggesting and experimenting with new ideas, via an optimistic outlook on potential successful results, as opposed to fearing failure (Amabile and Pratt, 2016; Kremer, Villamor, and Aguinis, 2019; Afsar and Umrani, 2020; Pagán-Castaño, Maseda-Moreno and Santos-Rajo, 2020). This encouragement for creative thinking, motivation for applying ideas, and increased propensity for risk taking, can positively impact innovative behaviour (Amabile and Pratt, 2016; Choi, Tran, and Kang, 2017).

A distinction is made between actual job fit, based on factual compatibility, and perceived job fit, relating to the individual's subjective assessment. Perceived job fit is likely to have greater impact on well-being and sense of self-efficacy. Increased

employee empathy gained through the leader-follower relationship can initiate enhancement of overall person-job fit, through appropriate resource provision and increased self-confidence building (Choi, Tran, and Kang, 2017). Therefore, as an individual's overall fit with an assigned task can impact both their well-being and ability to perform, the leader's influence on person-job fit could help or hinder employee well-being and innovative capacity.

2.8 Chapter Summary

The key findings from this literature review are summed up in the following statements.

- There are clear links emerging between employee well-being and organisational innovation capacity, predominantly relating to the impacts of well-being on the individual's performance ability.
- In the organisational context, leadership's awareness of the potential detrimental impacts that the innovation process may cause to employee well-being, enable the implementation of appropriate mitigating safeguards.
- An organisational focus on nurturing cultural diversity is beneficial to business performance. Increased inclusion and tolerance are influential of improved employee well-being, consequently enabling innovation activity. Further, diversity directly enhances innovation via the potential for increased organisational knowledge.
- Creativity is a primary mechanism for innovation. Leadership is instrumental in enabling the effective correlation between creativity and innovation, via efforts to ensure employee well-being.
- Receptivity, support, and trust, linked to open communication, are leadership traits that are indicative of an organisational culture focused on supporting both employee well-being and innovation.

- The level of leadership's consideration and competency for delivering appropriate person-job fit can enable or impede an individual's well-being and capacity for innovation, due to their actual or perceived compatibility with the assigned task.

It is clear from these findings that employee well-being and innovation are linked, and a focus on both factors is connected to positive organisational performance. However, research primarily discusses employee well-being in relation to its facilitating, or limiting, influence on innovation. Employee well-being consideration appears predominantly as a means for improved innovation and organisational performance. Although an argument could be made that this may encourage increased organisational focus on employee well-being, potentially delivering a cultural environment which has mutually positive outcomes, one must question whether an organisation will truly ensure holistic employee well-being if it is not a primary concern.

Having highlighted the importance of employee well-being and innovation for organisational success, logically, alignment of cultural traits supportive of both elements could foster a mutually effective culture. The following chapters further explore the topic of organisational culture, with a specific focus on innovation and employee well-being, to assess the viability of this proposal.

Chapter 3 – Organisational Culture

This chapter explores the construct of organisational culture and its' importance and influence on performance. A literature search was conducted to uncover findings from empirical research on the elements that comprise and impact organisational culture, and the effects culture can have on the organisation and employees. The key findings are now discussed.

3.1 Characteristics of Organisational Culture

In this study organisational culture is defined as the inherent intangible organisational environment influencing the way business activities are performed. Culture is considered influential of business performance, inspiring research on specific cultural traits and their impacts on business activities and goals (Büschgens, Bausch, and Balkin, 2013; Valizade *et al.*, 2016; Nguyen *et al.*, 2019; Lister *et al.*, 2021). Literature distinguishes organisational culture and organisational climate. Organisational culture defines the collective underlying values that develop organically, reflecting the actions of the people in the organisation over time (Hofstede, Hofstede, and Minkov, 2010, p.178-179). Organisational climate can be considered as the resultant expression of those values, evident in attitudes and activities of organisational members (Büschgens, Bausch, and Balkin, 2013). For this study, largely, reference to organisational culture will be considered a single construct, encompassing both culture and climate.

Whilst considered a holistic entity (Hofstede, Hofstede, and Minkov, 2010, p.178-179) researchers have explored the various elements of which culture is comprised. The following examples are compared in Table 2. Lister *et al.* (2021) built on prior research to discuss three domains of organisational culture, which were interpreted as relating to belonging, hope, and trust from the employee perspective. Employee

perception and response to company culture influences their performance, and, consequently, overall organisational performance, thus an important consideration (Villaluz and Hechanova, 2019). Research design by Nguyen *et al.* (2019) considered five dimensions of a successful organisational culture; four cultural traits were identified by prior research (Denison and Mishra, 1995), with well-being additionally proposed. These five influential traits could inform organisational cultural design to satisfy goals and assess the effectiveness of the existing culture to that end (Nguyen *et al.*, 2019).

Research Reference	Cultural Elements Identified
Lister <i>et al.</i> (2021)	Cultural Empowerment = Belonging; Cultural Identity = Hope; Cultural Expectations and Relationships = Trust.
Nguyen <i>et al.</i> (2019)	Mission; Involvement; Consistency; Adaptability; Well-being.
Quinn and Rohrbaugh (1983)	Competing Value Dimensions: Structure; Focus; Means-ends

Table 2. Cultural Elements Identified in Prior Research

Büschgens, Bausch, and Balkin (2013) discussed Quinn and Rohrbaugh's (1983) Competing Values Framework, which proposes opposing influences within organisational culture. The framework enables culture to be assessed against these key dimensions and associated traits (Quinn and Rohrbaugh, 1983). The research supported the frameworks' relevance in categorising organisational culture and predicting cultural effectiveness for specific organisational goals, thereby having the potential to guide cultural design (Büschgens, Bausch, and Balkin, 2013).

However, it is noted that as culture is developed organically, reflecting past and present occurrences, ultimately it is the complexity of actions by all stakeholders which determine cultural change (Büschgens, Bausch, and Balkin, 2013; Lister *et al.*, 2021). Thus, organisational culture is resultant of human behavioural response to organisational values and practices, and therefore a complex, constantly evolving entity.

3.2 National Culture

Awareness of national culture's impact on research, regarding bias, and on organisational culture should not be overlooked (Hofstede, Hofstede, and Minkov, 2010, p. 159-160; Choi, Tran, and Kang, 2017; Nguyen *et al.*, 2019). Personal development is influenced by circumstance, therefore national cultural norms impact individual attitudes and behaviours, and resultantly organisational standards (Hofstede, Hofstede, and Minkov, 2010, p. 156-157; Choi, Tran, and Kang, 2017). From an organisational perspective, awareness of potential bias and limitations that arise from national cultural norms may elucidate how barriers can be overcome. Considering employee cultural diversity, greater awareness facilitates positive work relationships, employee support, and increased organisational tolerance (Choi, Tran, and Kang, 2017; Nguyen *et al.*, 2019). Consideration of the impact of national culture on individuals, expectations, and the effectiveness of norms and practices, is key for organisational cultural success.

3.3 Diversity

Employee diversity exists to a greater or lesser degree in all organisations (Valizade *et al.*, 2016; Taheri, Jami Pour, and Asarian, 2019; Lister *et al.*, 2021). Promotion of workplace cultural diversity has been linked to positive business performance and employee well-being (Lister *et al.*, 2021). Exploring organisational culture through the employees' lens is suggested a more beneficial approach than primary focus on organisational needs. Increased awareness of the impact of employee diversity on the effectiveness of cultural design, leads to understanding that a singular approach is unlikely to yield universal conformity (Hofstede, Hofstede, and Minkov, 2010, p. 174, 193; Taheri, Jami Pour, and Asarian, 2019; Lister *et al.*, 2021). Diversity should be considered within organisational leadership, as singular management perspective could create bias, limiting inclusivity, and inhibit the organisation's capability overall (Hofstede, Hofstede, and Minkov, 2010, p. 164-165; Lister *et al.*, 2021). In practice,

this indicates that employee focus, inclusive of diversity and coupled with adaptability, may be key mechanisms for leadership in nurturing positive organisational culture.

3.4 Trust and Communication

Trust and communication are highlighted as important cultural traits for organizational performance. The importance of trust is noted for its impact on employee behaviour (Valizade *et al.*, 2016; Jena, Pradhan, and Panigrahy, 2018; Lister *et al.*, 2021). Interpersonal trust relationships can be present in the workplace, between colleagues or leader-follower, but this is distinct from organisational trust, relating to the level of trust in the organisation itself experienced by employees (Valizade *et al.*, 2016). Building organisational-employee trust is positively related to enhancing employee engagement and work behaviour, increased likelihood of employee retention, and improved employee well-being (Jena, Pradhan, and Panigrahy, 2018; Lister *et al.*, 2021). Employee engagement is developed through the individual's perceived experience of a supportive work environment throughout their time in the organisation. This may stem from alignment of personal and organisational values, perceived fair treatment of employees, and learning and development opportunities (Jena, Pradhan, and Panigrahy, 2018). Both organisational norms and leadership are influential in developing employee engagement and increased trust (Jena, Pradhan, and Panigrahy, 2018; Lister *et al.*, 2021).

Communication is key to building positive, trustful, workplace relationships, related to positive organisational performance, through clarity of goals and expectations (Jena, Pradhan, and Panigrahy, 2018). Clear communication of the organisation's vision helps engage employees through instilling a sense of meaningfulness in their work, whilst clarity on expectations reduces uncertainty, and aids directional focus (Choi, Tran, and Kang, 2017; Inceoglu *et al.*, 2018; Jena, Pradhan, and Panigrahy, 2018). Communication should be bi-directional when building positive employment

relationships. Encouraging employee voice facilitates trust by showing receptivity and acknowledgement of employee ideas and concerns (Valizade *et al.*, 2016). Further, consideration of employee perspectives in developing organisational policies and strategies demonstrates a sense of organisational value in the individual, enhancing employee commitment, a key factor of organisational performance (Valizade *et al.* 2016; Choi, Tran, and Kang, 2017). Communication and trust influence employee behaviour. Mutual trust is required between the organisation and its' employees to create good employment relationships. Open communication enables a supportive working environment, which can result in a relationship of mutual trust.

3.5 Leadership

As organisational culture develops from the actions and attitudes of the organisation's internal stakeholders (Hofstede, Hofstede, and Minkov, 2010, p.178-179), leadership is logically a significant influence on the culture. The behaviour of leaders has a direct impact on the work team (Choi, Tran, and Kang, 2017; Inceoglu *et al.*, 2018). Leaders act as a key mediator between employees and the organisation in developing trust, as they perform the function of facilitating good bi-directional communication (Valizade *et al.*, 2016; Choi, Tran, and Kang, 2017; Jena, Pradhan, and Panigrahy, 2018). Their position creates opportunity for greater awareness of follower needs, providing resources and motivation, and elucidating on teamwork contributions towards achieving organisational goals. Thus, leaders enable a supportive and engaging work environment (Inceoglu *et al.*, 2018; Jena, Pradhan, and Panigrahy, 2018). To successfully achieve positive performance across the organisation, these leadership traits, alongside value alignment, should be common at all leadership levels, ensuring consistency, fairness, and cohesion in working towards satisfying organisational goals (Choi, Tran, and Kang, 2017; Villaluz and Hechanova, 2019).

Owing to its significant influence on culture, establishing the right leadership fit for the situation is essential. Various leadership styles have been researched for their suitability in relation to specific organisational goals. Highlighting apposite traits within leadership styles to employ for increased flexibility and appropriate fit, may be more beneficial in tailoring leadership for positive outcomes (Choi, Tran, and Kang, 2017; Hughes *et al.*, 2018; Afsar and Umrani, 2020). Behaviour is instrumental in influencing organisational culture, therefore awareness and understanding of the impact of leader's behaviour on individuals in the work team, will aid positive cultural development.

3.6 Chapter Summary

Organisational culture is a complex, constantly evolving entity, comprised of many factors, resultant of human behavioural response to organisational values and practices. Understanding the existing underlying culture, and clarity on organisational focus, are key to assessing and nurturing cultural effectiveness; awareness of influential factors such as national culture and employee diversity provides valuable insight. Building positive relationships between employees and the organisation creates an engaging work environment, delivered through mutual trust and understanding via open communication. Awareness of organisational purpose can generate individual motivation and a sense of meaningfulness. Specific leadership skills are instrumental in developing a positive, effective organisational culture. Understanding how culture develops, and limitations to change, are highlighted as part of the process. The following two chapters explore benefits, challenges, and impacts of organisational culture, specifically in relation to organisational innovation and employee well-being.

Chapter 4 – Organisational Innovation Culture

4.1 Innovation in Organisations

In this study, innovation is defined as the act of actuating original ideas with the intention of achieving novel beneficial outcomes. The term ‘innovation’ encompasses the process of innovation activity and its’ outputs, including tangible or intangible products and services (Chen *et al.*, 2016; Hughes *et al.*, 2018; Nguyen, *et al.*, 2019; Afsar and Umrani, 2020). Innovation is widely acknowledged as being important for business performance and sustainability, helping companies to remain competitive, develop resilience to local and global challenges, entertain and exploit new opportunities, and stay relevant to changing market demands (Wang, Yang, and Xue, 2017; Kremer, Villamor, and Aguinis, 2019; Afsar and Umrani, 2020).

The act of innovation is influenced and enhanced by individual cognitive skills, or combined abilities of a team, in utilising and synthesizing existing and gained knowledge to generate novel outputs (Wang, Yang, and Xue, 2017). Consideration of how to enable and enhance innovation in the workplace, from individual level upwards, could be deemed a crucial success factor when nurturing contemporary organisational culture (Wang, Yang, and Xue, 2017; Villaluz and Hechanova, 2019). An organisation may employ innovation as a means to achieving goals, a primary organisational focus, or both. It is suggested that the optimum environment for each context may differ, for example in relation to propensity for risk-taking. Clear awareness and understanding of organisational goals in relation to innovation is required, to determine the suitable approach for cultural effectiveness (Büschgens, Bausch, and Balkin, 2013).

4.2 Impacts and Influence of Culture on Innovation

An organisation's ability to innovate is positively related to the business strategy; innovation is enabled or inhibited by the level of cultural focus on supporting innovative activities. A proactive focus on innovation must be part of the organisation's mission to ensure that the relevant conditions to facilitate innovation are present (Villaluz and Hechanova, 2019; Afsar, and Umrani, 2020). In efforts to develop an innovation culture, traits which can enhance or limit innovation capacity should be considered.

Achieving employee organisational commitment through alignment of individual and organisational values, enhances leadership efforts to encourage innovative work behaviour, normalising innovation as part of team socialisation (Büschgens, Bausch, and Balkin, 2013; Nguyen *et al.*, 2019). A clearly communicated mission is cited as a significant factor for driving innovation (Villaluz and Hechanova, 2019) but needs to be demonstrated through an openly supportive environment for innovation activities, perceived as such by all employees (Chen *et al.*, 2016; Jena, Pradhan, and Panigrahy, 2018; Afsar and Umrani, 2020).

Amabile and Pratt (2016) explored a positive link between a sense of meaningfulness in work and creativity, a precursor to innovation (Choi, Tran, and Kang, 2017; Hughes *et al.*, 2018; Kremer, Villamor, and Aguinis, 2019; Zhang *et al.*, 2021). Meaningfulness may, in part, be instilled through leadership's communication of the organisational mission, giving the employees purpose and clear direction (Jena, Pradhan, and Panigrahy, 2018; Villaluz and Hechanova, 2019). However, a sense of meaningfulness may differ between individuals, due to diverse personal background, impacting the effectiveness of the mission as a driver for innovation (Amabile and Pratt, 2016). An awareness of varying perspectives may enable leaders to engage employees more effectively in pursuit of organisational goals.

A sense of psychological safety is another influential cultural trait, which impacts innovation performance via well-being, for example related to the employees' confidence in voicing ideas (Amabile and Pratt, 2016; Kremer, Villamor, and Aguinis, 2019; Afsar and Umrani, 2020). If the existing culture is conducive to creating a sense of psychological safety, the positive effects may be experienced by the

employees subliminally. However, in the opposite case negative impacts may become obviously apparent.

The importance of varying perspective is emphasised, as efforts deemed positive from one perspective may be perceived differently from another (Valizade *et al.*, 2016). For example, research conducted in the Vietnam IT industry indicated that for employees, satisfying functional and personal needs were significant influences on innovation, whereas for management, engagement and cohesion of the team were considered more influential (Nguyen *et al.*, 2019). Taking a holistic approach in considering culture, encompassing the perspectives of all internal stakeholders, is indicated as a more successful method to enable a positive outcome in nurturing organisational culture for innovation.

4.3 Creativity and Innovation

‘Creativity’ and ‘innovation’ can often be found together, used interchangeably or as interconnected terms (Hughes *et al.*, 2018), however a distinction can be made. ‘Creativity’ describes the act or process of idea generation; ‘innovation’ relates to the applied utilisation of ideas to produce novel beneficial outcomes (Amabile and Pratt, 2016; Hughes *et al.*, 2018). Although there is evidence supporting the link between the constructs (Amabile and Pratt, 2016; Choi, Tran, and Kang, 2017; Hughes, *et al.*, 2018; Afsar and Umrani, 2020) an awareness of their distinction enables consideration that they may have distinct influences (Hughes *et al.*, 2018).

The established relationship between creativity and innovation suggests that creativity can occur without innovation, but that innovation is preceded by creativity (Hughes *et al.*, 2018). A caveat to this is the suggestion that innovation built on a pre-existing idea, for example through innovation adoption, could preclude the need for creative idea generation (Büschgens, Bausch, and Balkin, 2013; Hughes *et al.*, 2018). However, a dispute to this decoupling can be made in reflection of the requirement for creative thinking within the innovation process (Kremer, Villamor, and Aguinis, 2019). It is indicated that an environment encouraging creativity

enables innovation to occur (Kremer, Villamor, and Aguinis, 2019). Factors and drivers for supporting creativity, and resultant innovation, include employee voice, knowledge sharing, motivation, and learning (Amabile and Pratt, 2016; Kremer, Villamor, and Aguinis, 2019; Afsar and Umrani, 2020; Zhang *et al.*, 2021).

4.3.a Employee Voice and Knowledge Sharing

Employee voice and knowledge sharing are linked in their influence on creativity and innovation. Encouraging employee voice generates employees' sense of involvement in work tasks, resulting in increased engagement and motivation, enhancing creative activity. Varying ideas and perspectives improve problem solving, aid decision making, and facilitate knowledge sharing. Resultantly a vast bank of team knowledge is created from which to draw on, increasing learning and encouraging creative thinking, thus facilitating innovation. Employee voice is enabled through creating a psychologically safe environment, devoid of fear of rebuke in idea sharing which inhibits idea generation and innovation (Amabile and Pratt, 2016; Chen *et al.*, 2016; Kremer, Villamor, and Aguinis, 2019 Afsar and Umrani, 2020).

4.3.b Motivation

Motivation is purported a base driver for both creativity and innovation, in providing the enthusiasm to embark upon the task. Amabile and Pratt (2016) suggested that intrinsic motivation is required for individual creativity and innovation activity, more so than extrinsic motivation, although some dispute of this is acknowledged in relation to the influence of diverse background on personal values. Perceived meaningfulness influences individual intrinsic motivation, acting as a mediator between leadership and individual creativity. This highlights the influence of employee engagement on work performance, via alignment of organisational and personal values. Advancement in work considered meaningful can generate positive affect, enhancing individual intrinsic motivation for creativity. This effect is implicated even from small accomplishments, polarized by the effect on motivation from setbacks. However, it is indicated that meaningfulness can mitigate the demotivating effects of failure in the process (Amabile and Pratt, 2016).

4.3.c Learning

Employee voice, knowledge sharing, and motivation can be linked through learning. Venturing thoughts and questions creates opportunity for discussion of ideas, compounding existing individual knowledge, and highlighting knowledge gaps. This can lead to motivation to learn, further eliciting employee voice and knowledge sharing in seeking information and communicating newly learnt knowledge with the team. Thus, learning can be considered an important factor in creativity, and resultant innovation (Afsar and Umrani, 2020). Learning increases individual knowledge alongside creating motivation for problem solving and skills development, encouraging confidence in risk-taking; key individual characteristics linked to innovation activity (Afsar and Umrani, 2020). It is logical to suggest that learning should be encouraged in the organisation, through creating an environment supportive of increased learning opportunities, and developing the motivation to learn in individuals. A learning-focused culture, as opposed to productivity-focused, may be required where innovation generation is instrumental to organisational goals (Afsar and Umrani, 2020). Creating a cultural environment which encourages creativity enables innovation to occur; employee voice, knowledge sharing, motivation, and learning are all linked to innovation activity through their influences on creativity.

4.4 Individuals and Innovation

An organisation's members are central to its innovation capacity. The interface of innovation occurs where organisational culture meets the individual. This signifies importance when assigning individuals to innovation projects.

4.4.a Individuals, Knowledge sharing, and Innovation

Knowledge sharing's importance in facilitating innovation has been established (Kremer, Villamor, and Aguinis, 2019). An individual's ability to share knowledge

derives from prior learning, experience, and receptivity to increased knowledge attainment; a key talent consideration in recruitment (Wang, Yang, and Xue, 2017; Villaluz and Hechanova, 2019). Absorptive capacity defines an individual's capability to receive, retain, understand, and recognise appropriate relevance of their knowledge, enabling effectiveness when knowledge sharing. Hence, a higher level of individual absorptive capacity is positively linked to effective innovation ability (Wang, Yang, and Xue, 2017). Effective knowledge sharing for innovation is enhanced by employing individuals who have high levels of prior knowledge and absorptive capacity. The benefit of creating a learning-supportive environment, enabling the development of existing team members' absorptive capacity, is thus enhanced (Wang, Yang, and Xue, 2017).

4.4.b Individuals, Diversity, and Innovation

Employee diversity positively benefits organisational knowledge capacity, widening the breadth of combined knowledge in the organisation (Kremer, Villamor, and Aguinis, 2019). However, considering diversity in recruitment alone will not impact innovation performance; a corresponding focus on inclusivity in the organisational culture is also key (Lister *et al.*, 2021). Inclusion is experienced through a sense of belonging and influences individual well-being. Employees who perceive diversity as celebrated in the organisational culture will experience a heightened sense of belonging and psychological safety, enhancing their perception of organisational trust. The resultant impact is increased willingness and likelihood of employees to venture ideas, and improved engagement in the work task, thus enhancing innovation (Jena, Pradhan, and Panigrahy, 2018; Kremer, Villamor, and Aguinis, 2019; Villaluz and Hechanova, 2019; Lister *et al.*, 2021).

4.4.c Individuals, Engagement, and Innovation

Employee engagement is positively linked to innovation, via motivation to satisfy organisational goals. Engagement is achieved through inspiring employees with a sense of purpose, enhanced through organisational commitment, resulting from organisational trust (Jena, Pradhan, and Panigrahy, 2018; Villaluz and Hechanova,

2019; Afsar and Umrani, 2020). High task complexity is linked to increased innovation activity by enhancing task engagement. Complex challenges require increased skills utilisation and may involve increased experimentation and risk, potentially generating a greater sense of excitement (Afsar and Umrani, 2020). This may result in a heightened sense of achievement on successful completion, increasing motivation to perform. This poses the question of how to ensure employee motivation in incremental innovation activities. The answer may reaffirm the importance of instilling a sense of meaningfulness in the work task, alongside an inclusive culture, inspiring a sense of valuable contribution to organisational goals, regardless of magnitude (Amabile and Pratt, 2016; Lister *et al.*, 2021).

Individual innovation capacity should be considered in assessing suitability for innovation tasks. Therefore, employee focus considering talent, personal development, and a supportive environment can create a culture for innovation to flourish.

4.5 Leadership and Innovation

Leadership actions significantly impact organisational culture, and the role of leader can perform many functions – organiser, motivator, facilitator, enabler (Kremer, Villamor, and Aguinis, 2019; Afsar and Umrani, 2020). Empirical research on leadership conducive to innovation often involves exploring the impact of specific leadership styles. However, research outcomes vary and, although contextual factors may play a role, exploring the specific traits found within leadership styles positively associated with innovation may provide greater clarity (Hughes *et al.*, 2018; Afsar and Umrani, 2020).

4.5.a Leadership, Employee Focus, and Innovation

Transformational leadership is positively linked to innovation through elements the style delivers, including focus on employee needs, inspiring curiosity and creative

thinking, and building good inter-personal relationships. These traits enable the leader to engage the team, cohesively working towards organisational goals, thus connecting individual and organisational interests (Chen *et al.*, 2016; Choi, Tran, and Kang, 2017; Hughes *et al.*, 2018; Afsar and Umrani, 2020). Employee focus provides clarity regarding the diverse predilections of individuals in the team. The leader acts as a motivator, utilising this knowledge to increase mission relevance and meaningfulness for every team member, sparking interest, creating conditions for proactivity (Afsar and Umrani, 2020).

4.5.b Leadership, Social Capital, and Innovation

Employee focus is related to enhancing human capital: employee skills, knowledge, experience, and abilities; a vital resource for organisational success and sustainability (Boxall, 2013; Chen *et al.*, 2016). Social capital encompasses internal and external organisational relationships and activities between individuals. Social capital benefits competitive advantage by enabling utilisation of human capital; increasing knowledge sharing, motivation within the team, and bringing diverse external expertise and alliances into the organisational sphere (Chen *et al.*, 2016). Social relationship building is a key leadership skill, involving ability to break through internal and external boundaries, building team trust and open communication internally, and creating knowledge sharing networks with external actors. The leader's capability in influencing internal social capital, and increasing external social capital through employee skills development, enhances team, and therefore organisational, resilience (Chen *et al.*, 2016). The leader enables innovation by enhancing team ability to perform through the creation of trustful relationships, open communication, and providing increased knowledge and resources. (Chen *et al.*, 2016).

4.5.c Leadership, Empowerment, and Innovation

Inclusive leadership involves building leader-follower relationships encompassing trust, reciprocity, and support; primary factors facilitating innovation behaviour (Choi, Tran, and Kang, 2017). A relationship of mutual trust encourages employee voice; a

receptive and responsive leader inspires individual confidence to express views and ideas. Increased awareness of employee personal and practical needs enables the leader to provide resource and motivational support for creativity and problem solving. Openness to upward communication potentially facilitates increased employee autonomy as the leader assumes a more supportive and motivational, rather than directional, role (Choi, Tran, and Kang, 2017; Kremer, Villamor, and Aguinis, 2019; Villaluz and Hechanova, 2019; Afsar and Umrani, 2020). This relates to employee empowerment. The support of leadership required varies in relation to the level of empowerment experienced in the team; lower employee empowerment, as opposed to higher employee empowerment, requires greater leadership direction to drive innovation (Afsar and Umrani, 2020).

4.5.d Shared Leadership and Innovation

Insights gained via positive leader-follower relationships aid leadership determination of best fit between individuals and work tasks; the combination of the match between person, resource availability, and task enables successful innovation activity (Choi, Tran, and Kang, 2017). These insights create opportunity for leaders to action shared leadership in the team, identifying individual task-specific knowledge and experience levels which add value to task success. Leadership skills in determining best fit and for developing fluctuating leadership capability in the team enables shared leadership (Afsar and Umrani, 2020). The construct of shared leadership to facilitate innovation recognises that hierarchy is less important to innovation success than talent (Kremer, Villamor, and Aguinis, 2019).

4.5.e Leadership, Impact, and Innovation

Creating an innovation culture requires organisational innovation focus, with innovation leadership demonstrated throughout. However, leaders at the departmental level are indicated as having greater direct impact on the team due to increased clarity of specific task and employee requirements. Consequently, even in organisations where innovation focus is not supported holistically, leadership at team level has the potential to create innovation-supportive conditions, by building a

specific environment within which innovation can flourish, which may differ from organisational norms. Equally, the opposite is true, that leadership behaviour at team level can negate the effectiveness of an innovation-supportive culture (Amabile and Pratt, 2016; Afsar and Umrani, 2020). Therefore, organisational innovation is ultimately enhanced or inhibited by leadership behaviour.

4.6 Chapter Summary

Organisational innovation capacity is enhanced or inhibited by cultural traits. Clarity on innovation goals helps provide direction for effective cultural approach, successfully achieved through greater consideration of all internal stakeholder perspectives. Creativity precedes and initiates innovation; employee voice, knowledge sharing, motivation, and learning are influencing factors of creativity, therefore a culture supportive of these traits facilitates innovation. Individuals are central to organisational innovation capacity; increasing levels of individual innovation capability through recruitment, development, engagement, and support of talent generates a culture where innovation can thrive. Organisational focus on innovation, aligned at all leadership levels, enhances an innovative culture. The actions of leaders are impactful on cultural development; therefore, leadership behaviour is significantly influential of organisational innovation capacity.

Chapter 5 - Employee Well-being Culture

5.1 Introduction to Employee Well-being

Employee well-being encompasses an individual's physical, mental, and social health, influenced by their conscious and subconscious experience of the workplace (Guest, 2017; Mullins and McLean, 2019; Pagán-Castaño, Maseda-Moreno, and Santos-Rojo, 2020). Awareness of employee well-being's impact on organisational performance is reflected in an abundance of research on the subject (Krishnan, 2012; Choi, Tran, and Kang, 2017; Guest, 2017; Inceoglu *et al.*, 2018; Pagán-Castaño, Maseda-Moreno, and Santos-Rojo, 2020). Interest in employee well-being has come into sharper focus over the past couple of years; the vast and unpredictable reduction of the workforce during the pandemic has highlighted how vital employees are to a functioning business (Lister *et al.*, 2021). However, reportedly attention on improving employee well-being in organisations tends to be more for the benefit of the organisation than to benefit the employees (Guest, 2017; Inceoglu *et al.*, 2018; Lister *et al.*, 2021).

5.2 Forms of Well-being

5.2.a Holistic Well-being

An individual's overall well-being is impacted by past and present experiences in personal and professional life. Although the focus of this research concerns organisational effects on well-being, it is acknowledged that life beyond the workplace plays a part (Binder, 2013). The three interrelated elements of well-being should all be considered when assessing organisational impacts (Pagán-Castaño, Maseda-Moreno, and Santos-Rojo, 2020).

Physical well-being refers to the positive or detrimental physiological impacts of the work environment; negative examples include high blood pressure and exhaustion,

resulting from workplace stress and anxiety (Choi, Tran, and Kang, 2017; Pagán-Castaño, Maseda-Moreno, and Santos-Rojo, 2020). The relational aspect of the work environment indicates social well-being, concerning interpersonal relationships between employees, and between individuals and leadership. The quality of social well-being is influenced by factors including support, impartiality, and trust (Guest, 2017; Pagán-Castaño, Maseda-Moreno, and Santos-Rojo, 2020). Psychological well-being concerns the individual's mental functioning associated with life experiences. It can be defined as hedonic, for example relating to job satisfaction and positive affect, or eudemonic, concerning a sense of meaningfulness or purpose in one's work. Both elements are important as personal development influences the sustainable well-being of employees beyond the more present effects of job-satisfaction (Binder, 2013; Choi, Tran, and Kang, 2017; Guest, 2017; Wang, Yang, and Xue, 2017; Inceoglu *et al.*, 2018; Jena, Pradhan, and Panigrahy, 2018; Taheri, Jami Pour, and Asarian, 2019).

Consideration of psychological well-being is reported an increased organisational focus, for the influence of associated positive affect on individual performance and attitudes (Jena, Pradhan, and Panigrahy, 2018). A subset of psychological well-being, subjective well-being is the perception and evaluation of one's experiences. Perception may not reflect reality, which could be deemed a primary concern in nurturing culture, as an individual's perception of well-being can have a causal impact on actual well-being (Wang, Yang, and Xue, 2017; Taheri, Jami Pour, and Asarian, 2019).

5.2.b Subjective Well-being

An individual's subjective well-being is determined by their evaluative perception of their life circumstances. In the work context this can be influenced by their perception of performance, job satisfaction, and a sense of being valued and included (Krishnan, 2012; Taheri, Jami Pour, and Asarian, 2019; Pagán-Castaño, Maseda-Moreno, and Santos-Rojo, 2020). Positive subjective well-being results in organisational benefits including positive attitude, supportive social behaviour, and increased task enthusiasm and engagement (Wang, Yang, and Xue, 2017; Taheri, Jami Pour, and Asarian, 2019). As subjective well-being is affected by perception

rather than reality, the context of an individual's life setting can be an influence. The ability of humans to naturally adapt to their current situation, can result in the individual experiencing a degree of positive, or negative, well-being which does not logically correspond with the reality of their surroundings (Binder, 2013). Instilled cultural norms, social and national, could be one such masking influence.

In the organisational context, accurate assessment of employee subjective well-being is challenging. By nature, it is inconstant and cannot truly be determined without personal bias, which may reflect the individual's present mood or attitude towards the work environment (Binder, 2013). However, as subjective well-being conveys cognitive awareness of one's well-being, it is likely to have the biggest effect on the individual's attitudes and performance (Wang, Yang, and Xue, 2017; Taheri, Jami Pour, and Asarian, 2019). By eliciting open communication with employees on their sense of well-being, organisations can gain greater clarity and understanding of how the impact of the overall work environment is perceived by the diverse work team. Alongside leadership, employees play an active role in efforts to enhance subjective well-being (Taheri, Jami Pour, and Asarian, 2019).

5.3 Well-being Practices in the workplace

5.3.a HRM and Well-being

The organisational approach to managing employees is termed Human Resource Management (HRM), of which well-being is a part (Pagán-Castaño, Maseda-Moreno, and Santos-Rojo, 2020). Elements to ensure employee well-being are required by legislation, which is suggested to reflect that organisations may not ethically make well-being a primary concern (Guest, 2017). Attitudes towards the importance of employee well-being are changing; organisations recognise a need to consider the well-being impact of work activities, rather than purely focus on outputs, due to positive associations with organisational performance and resilience (Jena, Pradhan, and Panigrahy, 2018; Lister *et al.*, 2021). However, it is reported that many HRM practices identify well-being as a means for organisational performance and so are created to this end (Guest, 2017). Although some aspects of well-being are

potentially improved through these practices, for example relating to personal development, if impacts on well-being are not holistically considered, there can also be negative effects (Guest, 2017; Pagán-Castaño, Maseda-Moreno, and Santos-Rojo, 2020). Regard for all well-being aspects when assessing development of HRM practices, can highlight where action to mitigate negative impact may be required (Pagán-Castaño, Maseda-Moreno, and Santos-Rojo, 2020).

5.3.b HRM, Employee Focus, and Well-being

AMO Theory (abilities, motivations, and opportunities), Job Demands and Resources Theory, Social Exchange Theory, High Commitment, and High Involvement Management, are all HRM models reported as being linked to both employee well-being and performance. However, there is some dispute over how much the majority of these approaches really benefit employee well-being (Guest, 2017; Pagán-Castaño, Maseda-Moreno, and Santos-Rojo, 2020). Common across these models is the focus on the employee; understanding their personal and practical work needs and providing the necessary support and resources. Key features of these models include trust, empowerment, personal development, recognition, and support, which lead to motivation, positive attitude, and commitment (Pagán-Castaño, Maseda-Moreno, and Santos-Rojo, 2020). However, researchers have found that positive well-being outcomes of such models are inconsistent (Guest, 2017; Pagán-Castaño, Maseda-Moreno, and Santos-Rojo, 2020). The indication is that unless organisations develop practices with employees' holistic well-being at the forefront, organisational performance may be improved but levels of employee well-being may vary.

5.3.c HRM, Employee Perception, and Well-being

The employees' perception of workplace practices impacts their subjective well-being and their level of trust in, and commitment to, the organisation (Valizade *et al.*, 2016; Guest, 2017; Pagán-Castaño, Maseda-Moreno, and Santos-Rojo, 2020). Employee engagement is reported as key to facilitating organisational trust and an indication of the level of trust experienced by the individual. Once engaged individuals may feel more motivated to perform to meet organisational goals (Jena,

Pradhan, and Panigrahy, 2018; Villaluz and Hechanova, 2019). Potential positive and negative impacts on all elements of well-being should be considered in policymaking if the employees' welfare is to be recognised as a priority, rather than means, to the organisation. Such an approach may result in increased employee engagement, demonstrated through reciprocal positive performance behaviours. In practice, this requires a careful balance between meeting practical needs of the business, and well-being needs of the employees (Guest, 2017).

5.4 Balancing Organisational Performance and Employee Well-being

HRM concerns the organisation's practices and policies relating to employee management, influencing how individuals act day to day, ultimately impacting the organisation's culture (Hofstede, Hofstede, and Minkov, 2010, p.178-179; Pagán-Castaño, Maseda-Moreno, and Santos-Rajo, 2020). Awareness of impact on employee well-being could create guidance for leadership in decision-making to ensure the positive intentions of work practices are realised.

5.4.a Trust

Building trust between the employees and the organisation will help to alleviate any sceptical views on leadership intentions. Encouraging employee voice is a vital element of good communication in development of trust; employees feeling their thoughts and opinions are welcomed, valued, respected, and responded to, forms an open dialogue (Valizade *et al.*, 2016; Guest, 2017; Taheri, Jami Pour, and Asarian, 2019). Open communication can facilitate transparency, enabling clarity from all perspectives. A greater sense of inclusivity within the organisational may then be experienced by employees, generating increased feelings of self-value and purpose, ultimately leading to greater employee commitment and trust. Resultantly the successful development of a well-being-supportive environment can be facilitated,

with potential to positively influence performance (Valizade *et al.*, 2016; Wang, Yang, and Xue, 2017; Taheri, Jami Pour, and Asarian, 2019; Lister *et al.*, 2021).

5.4.b Mutuality

A mutuality approach encompasses a sense of mutual trust and reciprocal behaviour between organisations and their employees. Strong inter-personal relationships between employees and leadership pave the way for greater understanding of perspectives and needs, via good communication, resulting in shared consideration and compromise towards mutual work-satisfaction (Valizade *et al.*, 2016; Guest, 2017; Pagán-Castaño, Maseda-Moreno, and Santos-Rajo, 2020).

Boxall's (2013) research explores how the traditional economic transactional employment relationship, of organisations needing a workforce and individuals needing employment, can be enhanced into a relationship of want rather than need. Three elements of suitability within the employment relationship are discussed: capability, commitment, and contribution; in each case 'match' is considered. The organisational perspective concerns the employee's skills, attitude, and potential to meet the business needs. The employee's perspective considers job satisfaction related to the utilisation and progression of talent, and alignment of personal and professional needs. Boxall's research suggests this process of assessment will reflect context. The specific needs for different job roles will require individual evaluation, indicating the necessity for flexibility and adaptability in leaders' decision-making (Boxall, 2013). Successfully employed, mutuality modelling could provide a tool for leadership to manage the balance between business and employee interests, leading to a mutually beneficial outcome.

5.4.c. Mutual Gains

Mutuality can increase organisational competitive advantage. Employee focus facilitates the attraction and retention of talent and enhances individual engagement and commitment, delivering value for the organisation (Boxall, 2013). Research on positive employment relationships supports this theory, indicating that employee well-being and organisational performance can be equally satisfied through a

balanced mutual gains approach (Valizade *et al.*, 2016; Guest, 2017). Support, collaboration, and trust are all cultural elements reported as being instrumental in developing a truly mutually beneficial outcome (Valizade *et al.*, 2016; Guest, 2017; Jena, Pradhan, and Panigrahy, 2018). Interactions between leaders and followers ultimately influence the employment relationship (Krishnan, 2012; Inceoglu *et al.*, 2018), therefore the approach required by leadership to this end should be explored.

5.5 Leadership and Employee Well-being

5.5.a Leadership Behaviour and Employee Well-being

Leadership behaviour has an impact on employee well-being, relating to personality and social interactions, and attention to addressing employee needs has a significant influence on the employee workplace experience (Amabile and Pratt, 2016; Choi, Tran, and Kang, 2017). Leadership behaviour which demonstrates and considers influences on employees' holistic well-being is advised, as focus solely on singular elements can have contrasting impacts, thus reducing the effectiveness of the endeavour on overall well-being (Inceoglu *et al.*, 2018; Pagán-Castaño, Maseda-Moreno, and Santos-Rojo, 2020).

5.5.b Leadership Characteristics and Employee Well-being

Inclusive leadership and transformational leadership are two styles highlighted in research as relating to employee well-being, via impacts of key traits (Krishnan, 2012; Choi, Tran, and Kang, 2017; Jena, Pradhan, and Panigrahy, 2018). Inclusive leadership results in the creation of a safe social work environment produced through supportive leadership characteristics, demonstrating receptivity and trust. This supportive environment enables employee voice, development of trustful relationships, and open communication (Choi, Tran, and Kang, 2017).

Transformational leadership can instil a sense of purpose in work tasks and provide opportunity for personal growth. This increases the followers' perception of

leadership's interest in their welfare, resulting in positive affect, increased self-efficacy, and empowerment (Krishnan, 2012; Jena, Pradhan, and Panigrahy, 2018; Afsar and Umrani, 2020). Common to both leadership styles is a focus on developing positive leader-follower relationships, featuring trust, support, and value, facilitated by good communication. Supportive relationship-building is therefore indicated as a key leadership approach to nurture positive employee well-being.

5.5.c Leadership, Person-Job Fit, and Employee Well-being

Creation of a supportive environment cannot be effective if individuals are misaligned with the tasks required of them, potentially negatively impacting their well-being through stress and dissatisfaction in under-achievement (Amabile and Pratt, 2016; Choi, Tran, and Kang, 2017; Guest, 2017). Competency in matching task to individual appropriately is a leadership skill, which stems from the insights gained via positive relationships (Choi, Tran, and Kang, 2017; Pagán-Castaño, Maseda-Moreno, and Santos-Rojo, 2020). Appropriate task allocation, alongside demonstrating and inspiring confidence in the employee's capability for task requirements, enhances individual sense of self-efficacy, thus satisfying both 'actual' job-fit and 'perspective' fit. This is achieved through recognising training needs and delivering constructive feedback (Choi, Tran, and Kang, 2017).

The overall leader-follower relationship has an impact on the employee's workplace experience, and resultant well-being. Communication is a key facilitator of positive relationship building, enabling supportive leadership behaviour via development of trust, and instilling a sense of value in the employee.

5.6 Chapter Summary

Employee well-being comprises an individual's physical, mental, and social health, influenced by their workplace experience. Organisational impacts on all three elements should be considered to ensure holistic well-being. Subjective well-being, a subset of psychological well-being, is linked to the individual's perception of workplace practices and is indicated as having greater influence on an employee's attitude and performance. Mutual trust elicits reciprocal behaviour between the organisation and its employees. If employee well-being is perceived as an organisational focus, increased employee engagement and commitment may result. Supportive relationship-building between leader and follower is indicated as instrumental in nurturing positive employee well-being, facilitated by open communication. Employee well-being and organisational goals could be equally achieved through developing a mutual gains approach, via nurturing a culture involving support, collaboration, and trust. This requires high leadership capability and adaptability in developing a balanced approach to achieve a mutually positive outcome.

Chapter 6 – Summary of Findings

6.1 Introduction

The literature studied has provided a greater understanding of how organisational culture develops and evolves. Specifically, cultural effectiveness to enhance organisational innovation and employee well-being has been explored. The key findings on each topic are now summarised and synthesised, to provide insights into how a mutually beneficial effective culture could be fostered. Diagrams have been created to provide a visual description of the interrelated activities and considerations discussed.

6.2 Organisational culture

Culture continually evolves, reflecting the history of the organisation. From its inception, every action by its stakeholders begins to influence cultural development. Organisational aspects such as national culture and the level of work team diversity will have an influence on the behaviours of the stakeholders, and resultantly the culture. Even though organisational culture is effectively organic, it can be specifically nurtured. However, as culture is impacted by the complexity of all actors involved, each with their own diverse personalities and interests, efforts to change culture cannot be guaranteed as effective. An understanding of the existing culture and the impacts on it highlights areas for positive development. Figure 1 highlights the key elements involved in proactively developing culture.

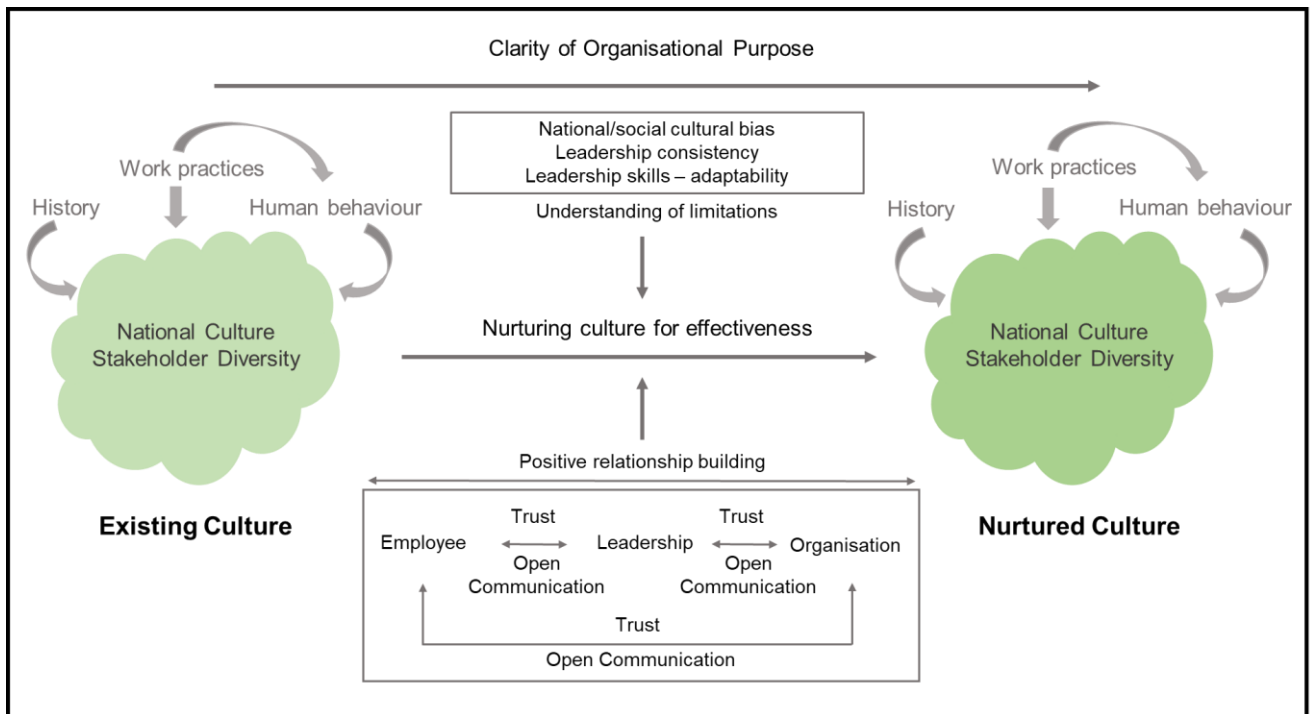


Figure 1. Nurturing an Effective Organisational Culture

Clarity of organisational purpose creates direction to guide strategy and decision-making, enabling cohesive focus of stakeholder endeavours. As shown, building positive relationships has a significant impact. Feeling confident to communicate freely, perceiving concerns, ideas, and opinions will be welcomed and responded to, develops interpersonal trust. Cyclically, open communication generates and enhances trust, which further facilitates open communication. Greater knowledge, understanding, and awareness can be gained and, if responded to effectively, positive workplace relationships are created. Resultantly a foundation for enhancing universal stakeholder engagement in collective pursuit of common goals is built.

Leaders are instrumental in such relationship building. Leadership behaviour aids development of mutual trust via the ability to demonstrate bi-directional open communication and to actively promote and facilitate this trait within the work team. Understanding of employee needs, heightened through the positive leader-follower relationship, provides opportunity to tailor support appropriately. Awareness of diverse employee perspectives enables the leader to instil a sense of individual relevance to organisational contribution. Leadership adaptability skills are thus significant in influencing cultural change. All levels of leadership should be consistent in attitudes and intentions to avoid creation of barriers. Understanding the limitations

to cultural change will help to mitigate the potential inhibiting effects on fostering cultural effectiveness.

6.3 Organisational Innovation

In fostering an effective culture for innovation, a holistic approach towards innovation goals should be demonstrated by all levels of leadership. A clearly communicated mission, demonstrated and apparent through work practices, is important for organisational focus and aligning engagement of all internal stakeholders. Figure 2 highlights cultural characteristics supportive of innovation, which are discussed.

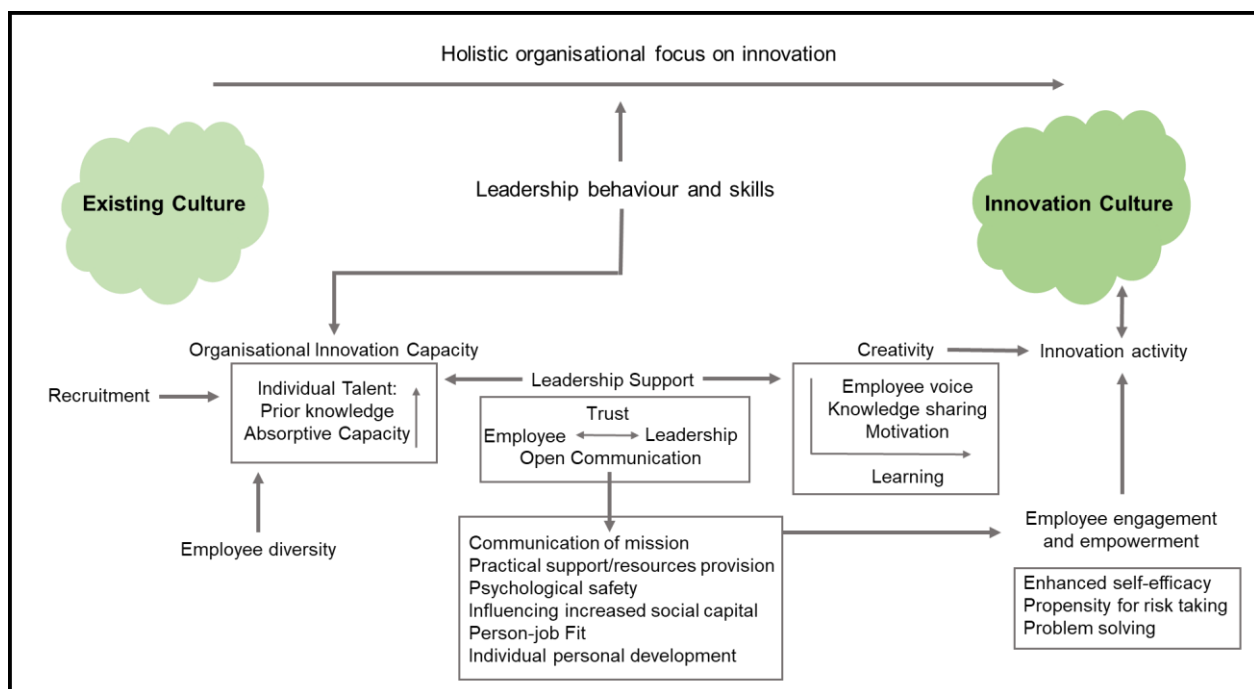


Figure 2. Characteristics Supportive of Effective Innovation Culture

Organisational innovation capacity correlates with employee talent. High levels of existing knowledge and absorptive capacity are positively linked to innovation behaviour. These skills should be sought by recruitment and developed within the organisation. A diverse workforce benefits the organisation's collective knowledge by broadening experience and perspective. A culture of inclusivity encourages

employee voice and knowledge sharing within the team, via creation of a psychologically safe environment.

Creativity is connected to innovation. Supportive leadership behaviour is instrumental in developing a culture within which creativity can flourish, encompassing employee voice, knowledge sharing, and motivation, all linked and enhanced by learning. An employee focus provides awareness of skills development required, to enhance individual sense of self-efficacy. Open communication builds trustful relationships, aiding employee engagement in working towards organisational goals. Increased understanding of individual perspective provides leadership opportunity to enhance intrinsic motivation by instilling a sense of meaningfulness in work activities.

A positive leader-follower relationship features clear communication, resource provision, personal development, and trust. Effective leadership skills for enhanced innovation also include appropriate coordination of person-job fit, developing capability for shared leadership, and influencing increased social capital. Supportive leadership results in employee empowerment, which can encourage individual traits for innovative behaviour such as problem solving and propensity for risk-taking. The role of leadership has a significant influence on enhancing or inhibiting organisational innovation capacity.

6.4 Employee well-being

Employee well-being impacts organisational performance. Holistic employee well-being encompasses three main elements – physical, psychological, and social well-being. Well-being is shaped by life experiences within and external to the workplace. Subjective well-being is a subset of psychological well-being, influenced by the individual's perception of their life experiences. All elements should be considered to safeguard individual welfare holistically; however, subjective well-being potentially has the biggest impact on an individual's attitudes and behaviour in the workplace. Organisations should engage with their employees to ensure they are experiencing

positive subjective well-being, alongside consideration of the other elements. Despite best intentions, a negative individual perception of practices will negatively impact employee subjective well-being and, resultantly, behaviour. Consideration of holistic well-being in designing work practices, encompassing employee perspectives, will help to ensure effectiveness. Figure 3 conveys the relationships between employee well-being and effective organisational culture.

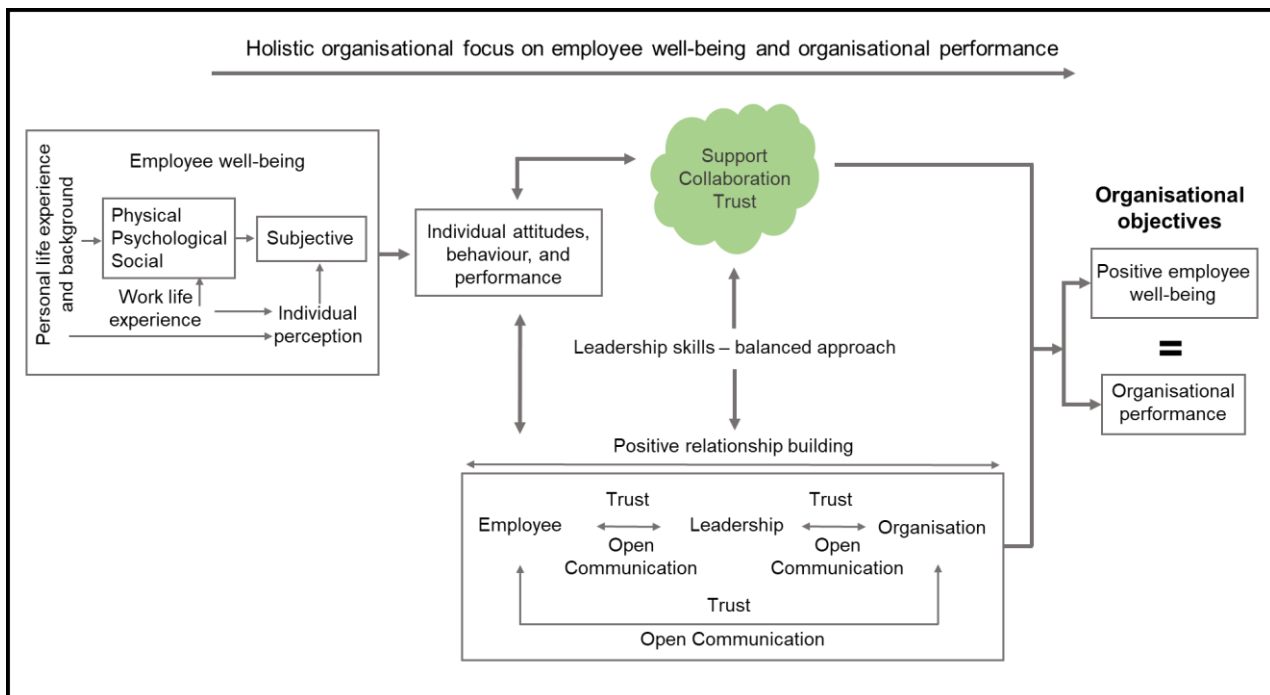


Figure 3. Relationships Between Employee Well-being and Effective Organisational Culture

A clearly demonstrated organisational focus on employee well-being aids development of trust between employee and organisation, positively impacting both parties. As shown, leadership skills and behaviour are instrumental in this process, influencing the creation of positive employment relationships. Open communication facilitates understanding, awareness, and transparency, leading to the development of mutual trust. A positive employment relationship improves the employee's workplace experience, thus enhancing their perception of, and actual, well-being.

An equal focus on employee well-being and organisational performance creates opportunity to develop a mutual gains approach, the objective being a positive outcome for both parties. The mutual trust developed through relationship building feeds into the underlying culture, which can lead to supportive and collaborative

behaviour. Employee perception of organisational concern for well-being inspires reciprocal proactive behaviour in pursuit of organisational performance objectives. Employees are not passive in this process; a mutual gains approach requires efforts from all stakeholders to successfully achieve the intended positive outcome. Leadership plays an important role in creating an environment which supports holistic employee well-being, whilst simultaneously initiating performance motivation. A balanced and adaptable approach is required to equally satisfy the well-being needs of the employees and the practical needs of the business.

6.5 Synthesis of Findings

To foster an effective culture, clarity of organisational purpose or intention is essential. A holistic approach is required, instilled in all internal stakeholders. The organisational focus should underpin the business strategy, practices, and processes. Leadership is instrumental in this process. Leadership activities, from recruitment through direction, development, support, and inspiration, demonstrate behaviours which influence employment relationships, acting as catalysts for organisational endeavour. The capability of leaders to understand the contextual requirements and adapt their approach accordingly is significant. Employee talent and intrinsic motivation predicts individual performance. It is the leader's function to maximise individual potential to ensure that human capital is effectively utilised, whilst overseeing activities to ensure employees' well-being is enhanced and sustained. Ultimately, the skills and behaviour of leadership creates a satisfying work environment and experience for employees.

The findings indicate the possibility of fostering an effective organisational culture, equally supporting employee well-being and organisational performance via a mutual gains approach. This involves a balanced focus on both objectives, encompassing equal awareness of potential beneficial and detrimental impacts in decision-making. Aligning engagement of all internal organisational actors is also necessary; individuals working collaboratively, demonstrating mutual trust and support.

Theoretically, this principle could be applied in fostering an effective organisational culture which equally supports employee well-being and organisational innovation performance. Clarity of organisation purpose, universal stakeholder engagement, and a balanced approach to strategy and decision-making are required. These proposals are drawn from literary research. To indicate practical validity, real world organisational cultures will be explored. Comparing theoretical findings with working cultures will indicate whether these are aligned in practice.

Chapter 7 – Organisational Culture in Practice

7.1. Introduction and Methodology

Whilst academic theory has indicated insights on cultural effectiveness, it is useful to consider cultural practice in real world organisations and explore associated impacts. To do this thoroughly would require an in-depth exploration into culture in selected organisations over a long enough period to incorporate fluctuations. This was not deemed possible for this study. To provide an indication of whether the research findings have practical validity, real world organisational practice was studied through a mixture of case studies and employee interviews.

The case studies allow the researcher to explore what well-known organisations, noted for their cultures in relation to innovation and employee well-being, are communicating to the world about their approach. The interviews explore the employee perspective on culture from inside other organisations. Welsh companies were selected for the employee interviews to mitigate any national culture bias.

7.2 Case studies

7.2.a Introduction

Google, Pixar, and Patagonia are widely acknowledged as successful innovative organisations. Exploring the cultures these organisations reportedly nurture will provide insights into cultural traits and practices which may help to influence success in other organisations. An Etic approach was taken for these case studies (Batat, 2019, p. 194-195) by exploring what is promoted by the organisations in relation to their cultural approach. The findings are now reported.

7.2.b Google

Google is a product and service provider utilising digital technologies to satisfy its mission, “to organize the world’s information and make it universally accessible and useful” (Google, n.d.a). The organisation recognises that culture is ever evolving and there is a need to nurture, review, and reaffirm cultural norms throughout the organisation’s operational life (Cerf, 2020).

Google places importance on organisational culture for facilitating innovation by providing support, development, and motivation of employees via a meaningful mission, engaging, and empowering them to act in pursuit of organisational objectives (Wojcicki, 2011; Cerf, 2020). Innovative mind-set is a talent sought in recruitment, enabling increased organisational ideation capability, to instigate the innovation process, supported by providing time, space, and resources for learning and experimentation (Wojcicki, 2011). Failure is tolerated in the development process as a learning tool, providing the psychological safety to encourage risk-taking, as part of an iterative process for improvement.

Data is considered an asset to validate the feasibility of ideas and solutions (Wojcicki, 2011; Cerf, 2020). Various data types are gathered across organisational aspects, including regular employee feedback, providing information and insights (Cerf, 2020). Organisational transparency provides qualitative data, enabled by informative communication and clarity in decision-making. Physical and social barriers are broken down to encourage open communication, facilitating knowledge sharing and collaborative thinking (Wojcicki, 2011). Cross-functional collaboration is encouraged, alongside receptivity of ideas, and knowledge is sought from both internal and external sources at all hierarchical levels (Wojcicki, 2011; Cerf, 2020). Diversity is welcomed, acknowledged as instrumental in increasing the organisational wealth of ideas and perspectives. The organisation strives for cohesion via common purpose in working towards positive outcomes.

Employee voice is encouraged, and receptivity of feedback increases employee engagement and creates trust. Acknowledging and celebrating contributions to success helps enhance individual motivation and ensure a sense of inclusion, value, and satisfaction in the workplace (Cerf, 2020). These aspects can all influence positive employee well-being. Increasing a sense of belonging in the work

environment is a key focus at Google; diversity and improved representation are cited as factors increasingly advocated in recruitment, alongside targeted planning to improve organisational inclusivity (Google, n.d.b).

Consideration of holistic employee well-being is indicated by an employee benefits program, supporting employees' physical, financial, social, and psychological wellbeing. Features include personal development opportunities, flexible working, funding for charitable and community work, and family support (Google, n.d.c).

However, some potentially beneficial employee extras, could be viewed cynically as mechanisms for increased employee observation and data capture, for example via company-paid mobile phones.

7.2.c Pixar

Pixar is a film animation studio, celebrated as an innovation leader in their industry (Pixar, n.d.a; Pixar, n.d.b). The organisation's goal is to:

“make great films with great people [...] to reflect the diversity of the society we live in and the worldwide audiences for whom we make our films”.

(Pixar, n.d.a)

People-focus and diversity are key features of Pixar's culture and approach; they acknowledge diversity is important for innovation, providing the opportunity for expansive ideation and storytelling (Pixar, n.d.c; Razzetti, 2020). The organisation strives to produce films that reach beyond mere entertainment, to resonate and connect with the audience. Their approach employs authenticity derived from ideas sparked by the experiences of their employees (Pixar, n.d.d). Creativity is key to their process and product; therefore, the organisational culture is nurtured to support the source of creativity, the employees. Resultantly their approach to innovation and employee well-being appears largely intermingled.

Good communication is delivered in a mix of styles and configurations, providing idea sharing, constructive feedback and support, resulting in collaborative problem-

solving (Razzetti, 2020). For example, Pixar's 'Braintrust' method facilitates the creative process, leading to innovation. Principles which guide the supportive method create a psychologically safe environment by removing the power structure, bringing all participants to a peer level (Fortune Magazine, 2015). Open communication, trust, support, receptivity, honesty, and encouraging voice are all cultural traits demonstrated through this problem-solving process.

A culture of psychological safety is created. In the pursuit of excellence, allowing for and encouraging failure within Pixar's internal iteration process provides risk management, helping to ensure the organisation's quality standards are satisfied upon film release. Fear of failure is highlighted as a perpetually emerging barrier which requires continual leadership support in facilitating the creative process (Fortune Magazine, 2015). Social barriers are also broken down through actively expanding awareness of diverse identities via learning opportunities, including an annual Inclusion Summit (Pixar (n.d.d).

Continual support, guidance, personal development, and enabling increased autonomy are cultural traits that may be observed from the Pixar approach, indicating a facilitating style of leadership. Underpinning this is a focus on universal employee inclusion. Diversity is key to Pixar's purpose in helping to raise awareness and tolerance through their storytelling. Community outreach projects supporting increased tolerance are an established organisational practice (Pixar, n.d.d). This emphasises the importance of diversity to the organisation demonstrated by a holistic approach, providing a sense of meaning and purpose to the employees in their work, potentially increasing employee engagement.

7.2.d Patagonia

Patagonia are known predominantly as a sustainable outdoor clothing brand but have been diversifying into regenerative agriculture to better satisfy their purpose; "We're in business to save our home planet" (LinkedIn Talent Solutions, 2019; Chouinard, 2023). This mission truly underpins the organisation's approach, informing every decision and policy, which feeds into an employee-focussed culture where innovation is acknowledged as key in positive progression (LinkedIn Talent Solutions, 2019; Carucci, 2021).

The organisation is built on culture; an awareness is made that it is the skills, ideas, and attitudes of the employees who enable the potential to achieve the organisation's mission. The organisation employs individuals whose values align with the culture but can also add value, and Patagonia creates the environment for those individuals to flourish (LinkedIn Talent Solutions, 2019; Patagonia, 2023a). Employee well-being is of primary concern; features include their 9/80 work schedule for improved work-life balance, quality on-site childcare and support for working mothers helping to ensure gender equality, and provision for engaging in passions such as outdoor pursuits, volunteering, and environmental protests (LinkedIn Talent Solutions, 2019; Patagonia, 2023a). The rationale is based on 'regenerative recruitment'; having clarity of organisational purpose enables focused recruitment to uphold those values, and by ensuring employee well-being holistically, the organisation supports talented and passionate individuals in living up to their potential.

The approach is less about how to engage employees to work cohesively towards the organisation's mission, and more about enriching the lives of individuals to enable them to do so (LinkedIn Talent Solutions, 2019). With such a strong, impactful, and meaningful mission it is understandable that HR is viewed internally more as community building (LinkedIn Talent Solutions, 2019). However, is there a risk that the recruitment focus may inadvertently limit organisational capacity, through determining employee-fit based on people's lifestyles and interests? It is acknowledged that skills and expertise are also a requirement in the recruitment process (Patagonia, 2023a) but the approach indicates that conformity to community spirit is a necessity.

Patagonia's culture does appear effective, as indicated from the employee perspective via low turnover (LinkedIn Talent Solutions, 2019). In advertised employee testimonials, key themes include meaningfulness, autonomy, positive social relationships, knowledge sharing, learning, inspiration, support, and a sense of belonging (Brook, 2023; Lu, 2023; Mouyade, 2023; Simonet, 2023). Although approach to innovation is not obviously communicated, evidently at Patagonia innovation is derived from the organisation's facilitating approach to its' talent and driven by mission. Indicators of cultural traits which facilitate innovative capacity include endeavour for improvement, collaborative problem solving, non-conformity,

flexibility, motivation, propensity for risk taking, commitment, and knowledge sharing (LinkedIn Talent Solutions, 2019; Carucci, 2021; Chouinard, 2023; Patagonia, 2023a; Patagonia, 2023b; Simonet, 2023).

7.2.e Summary

Google's approach is strongly focused on innovation. Employee well-being is considered, although the impression given is that this may be primarily related to enhancement of innovation activity. Pixar's employee focus is linked to the key driver, diversity. Although elements of employee well-being are supported to enhance creativity, it is unclear if holistic well-being is considered. Patagonia have a clear focus on employee welfare; innovation is a means to achieve their mission, enabled via employee well-being. The predominant cultural traits highlighted from the case studies are summarised in Table 3. Although not universally common, these can be grouped into key encompassing features. Clarity of organisational purpose generates direction, inspiration, motivation, and meaningfulness in work. Open communication encourages knowledge and idea sharing, enabling cross-functional collaboration. An employee focus enhances and engages valuable talent within the organisation. These are delivered through creating a supportive environment, providing trustful relationships and a sense of belonging.

Cultural Traits	Google	Pixar	Patagonia
Clear mission/purpose	X	X	X
Psychological safety	X	X	
Feedback receptivity	X	X	
Learning through failure	X	X	
Open Communication	X	X	
Employee development	X	X	X
Employee voice	X	X	
Trustful relationships	X	X	X
Knowledge attainment	X		X
Inclusion/Belonging	X	X	X
Cross-functional collaboration	X	X	X
Diversity	X	X	
Holistic well-being consideration	X		X
Autonomy		X	X
Supportive leadership		X	X

Table 3: Comparative Summary of Common Cultural Traits from Case Studies

7.3 Employee Interviews

7.3.a Methodology

Organisations based in Wales who have a focus on innovation and/or employee well-being were identified as suitable for the research study and contacted to introduce the purpose of the study. Three individuals from separate organisations agreed to participate. The organisations vary in size and span industries: office furniture manufacturing, renewable energy, and scientific equipment manufacturing. A Participant Consent form was devised (Appendix A), highlighting the requirements of individuals participating and clarifying how the data would be protected and used in the study. Signed consent was received by all participants before the research was conducted.

The interview was designed as a casual conversation to elucidate the participants' experience of organisational culture in their place of work. Prompting questions were used to keep the conversation flowing but the participant was encouraged to speak freely. The interviews were conducted online via video call, with a recording made of the interview and transcripts for reference. Selected excerpts of the transcripts are shown in Appendices B-D. The outcomes are now reported.

7.3.b Participant 1 (Appendix B)

Participant 1 (P1) is an Innovation Manager at mid-management level in a not-for-profit organisation. Although not a team leader, P1 manages teams within specific projects as the project lead. The organisation's purpose is clearly communicated; values are actively pursued by employees, who are assessed against these in annual performance reviews. Innovation activity underpins everyday operations and employees are naturally encouraged to be innovative through the work they undertake, recognising the importance and value of innovation regardless of scale.

"It's kind of instilled in all of us to [...] support innovation across all [...] levels".

(P1, 2023)

Good employee-manager relationships suggest a strong employee focus in the organisation. Personal development is highlighted; in the annual self-assessment process employees identify objectives and training needs, to discuss and agree with managers. This indicates a facilitating and supportive leadership approach, providing a level of employee empowerment. Employees provide evidence of how prior objectives have been met, which feeds into the organisation's bonus scheme. In P1's experience objectives are often set around value-added activities rather than direct work performance; activities that enrich the lives of the employees and the local community, whilst raising the profile of the organisational and sector. This may relate to the organisation's not-for-profit status.

"it's ways in which you can demonstrate you've gone above and beyond what's in your job description".

(P1, 2023)

The apparent culture of the organisation demonstrates good communication, flexibility, and a supportive environment. Many employees work remotely so communication is key to ensure the smooth running of projects and the well-being of individuals. Employees are given a certain amount of autonomy, with support and direction from the managers as required, indicating flexibility within the leadership style and organisational culture. Flexibility also features in response to employee personal and professional needs, for example concerning work patterns.

"maybe it's because it helps make them a more attractive place to work".

(P1, 2023)

Diversity within the organisation is welcomed and the beneficial contribution of talent from differing professional backgrounds is recognised. P1 reports their experience of well-being in the organisation is positive and, although potential for further improvement, there are many beneficial schemes and processes in place

encompassing aspects of well-being, which distinguishes the organisation from others.

7.3.c Participant 2 (Appendix C)

Participant 2 (P2) is not yet a team leader; their role as Product Portfolio Manager sits just below senior leadership. Cross-departmental communication features heavily in P2's role and across the organisation:

“it's great because I get to see the insights from different people and see their perspectives in terms of what we're doing”.

(P2, 2023)

A prior lack of clear communication had resulted in conflict, so increased transparency is beneficial. The organisation has responded to needs for improvement, resulting in enhanced development processes and stakeholder satisfaction. Despite shareholder change and global expansion, they have managed to maintain the community culture instilled from the inception of the organisation as a family business. Open communication, low bureaucracy, and encouraged employee voice all indicate a psychologically safe environment and collaborative feel.

“We work together as a team, doesn't matter which department you're in”.

(P2, 2023)

Knowledge sharing is facilitated in the organisation via a mix of skills, expertise, and abilities, coupled by transparency and communication. External connections enhance knowledge attainment and ideation, identifying opportunities and creating drivers for innovation. Although always part of the culture, the organisation is currently transforming from a fluid approach to being more proactive in encouraging innovative behaviour. Implementing processes to facilitate idea sharing via good

communication and feedback, indicates a sense of valued employee opinion and development of trustful employee-organisation relationships.

“I think that's really helped with the culture within [the organisation] because people are feeling more confident, so to speak up”.

(P2, 2023)

Positive progression towards enhancing employee well-being includes a health benefits scheme, bonus scheme, and introduction of awards for recognition. Intermittent cross-departmental socialising opportunities help build positive interpersonal relationships which aid workplace communication, enhancing knowledge sharing and problem solving. Managers are reported as approachable and flexible, responsive and supportive of employee needs. However, P2 is aware of the potential negative impact of leadership behaviour on the team subculture, due to personality clashes and breakdown of communication. Despite acknowledging scope for improvement, P2's experience of the overall culture is positive.

“it's very much ingrained into who we are as a company is to just keep progressing [...]. We won't stagnate, we won't stay still [...]. We make it better. What's the next stage?”.

(P2, 2023)

7.3.d Participant 3 (Appendix D)

Participant 3 (P3) is Head of Sustainability, currently a team of one at senior management level, and has worked in the organisation for 20 years. The organisation is currently in a transitional period, having recently been sold to a large corporation. Sustainability has always been the organisational focus led by a strong family-run feel, with innovation existent in the organic culture.

“it's always felt like you were building something together”.

(P3, 2023)

Despite the new owners' intention to maintain the essence of the organisation, change is inevitable, creating a disconnect between employees and purpose. Positives and negatives result from change. Benefits include business learning, development, and growth opportunities. However, the challenge is how to maintain the spirit of the existing organisation whilst incorporating change and expansion.

“How do we still make sure that we've really got a strong sense of purpose. And so we can carry on being as kind of happy and motivated”.

(P3, 2023)

Change has required the organisation to adapt; the current focus is to develop a new manifesto, centred on sustainability, beyond product design to a holistic organisational approach. This provides a renewed sense of purpose and also helps to direct strategy and decision-making. Positive employee well-being focus plays a part; employee focus groups, an employee committee, and a well-being committee provide opportunities for cross-organisational discussions on employee welfare. Improved communication, increased awareness of employee perspective, and organisational transparency are delivered through these practices. P3 highlights areas for improvement, for example a current focus on creating local community links.

“making sure we act a bit like a tree that we recognise that we are in an environment ourselves and if we strengthen the environment around us then you know that will benefit the tree as well”.

(P3, 2023)

Supporting the local community provides many organisational benefits, including enhanced employee well-being via increased sense of meaningfulness in work, greater awareness and open discussion on diversity, and knowledge sharing and collaboration opportunities. Despite being an organisation focused on sustainability, P3 notes an imbalance towards economic sustainability, due to a bias of sales directors on the board.

“Our environmental bubble’s getting bigger, our people bubble - that needs a little bit more air in it”.

(P3, 2023)

This emphasises a need for a holistic organisational purpose to ensure equal focus on maintaining values in business strategy, enhancing levels of organisational integrity. However, increased employee focus has highlighted where gaps and opportunities for improvement appear, indicating the success of open communication.

7.3.e Summary

The predominant cultural traits communicated by the participants are summarised in Table 4. Many similar traits were highlighted from which key themes emerge. Perceiving meaningfulness in work provides a sense of purpose, for example through eudemonic satisfaction in community supportive activities. Open communication is important for knowledge sharing, collaboration, and common understanding, facilitating work tasks and positive social relationships. Perceived organisational concern for employee well-being generates feelings of individual value and recognition. Positive employee-manager relationships, featuring flexibility and responsiveness to employee needs help to build a supportive environment for talent to thrive.

Cultural Traits	P1	P2	P3
Sense of purpose	X		X
Good employee-manager relationships	X	X	
Employee well-being consideration	X	X	X
Community links	X		X
Community/family atmosphere		X	X
Collaboration		X	X
Open communication	X	X	X
Flexibility/adaptability	X	X	
Knowledge sharing		X	X
Supportive environment	X	X	
Cross-department communication		X	X

Table 4: Comparative Summary of Common Cultural Traits from Employee Interviews

Whilst the interviews imparted common traits, each participant emphasised a particular element. Employee enrichment and empowerment were emphasised by P1, indicated by the support and flexibility of leadership, and encouragement of personal pursuit. Communication emerged as of primary importance to P2, in facilitating a sociable and well-functioning work environment. Sense of purpose was clearly impactful for P3, the importance of which was accentuated when this appeared unclear. This highlights the importance of consideration of individual perspective in cultural effectiveness.

7.4 Chapter Summary

Cultural traits in real world organisations were explored from an external perception and from internal perspectives. Although approaches and responses differed, similar themes emerged between different organisations and between the two sets of research: clear organisational purpose, providing a sense of meaningfulness; open communication; an employee focus and perceived concern for employee well-being; and a supportive environment facilitated by positive employee-leader relationships. These findings indicate that a complementary relationship between nurtured cultural traits and the alignment of employee perception create the conditions for cultural effectiveness. These findings will be compared with the findings from academic literature in the following chapter.

Chapter 8 – Discussion

8.1 Introduction

Research was undertaken on organisational culture, specifically in relation to enhancing innovation and employee well-being. The purpose of the study was to discover parallels or links between cultural traits considered effective for both objectives. The research sought support for the proposal that alignment of cultural traits could create a foundation for fostering an effective organisational culture, delivering a mutually beneficial outcome. An initial literature review was conducted on the scope of the study topic. The findings revealed that organisational focus on employee well-being is primarily related to its beneficial influence on innovation and organisational performance. To gain insights on how an approach to fostering a mutually beneficial culture could be achieved, an exploration of prior empirical research literature was conducted on the topics independently, and the findings synthesised. To indicate practical validity of the outcomes, an exploration into real world working cultures was made, via case studies and employee interviews. A discussion on these sets of qualitative data is presented in this chapter.

8.2 Research Findings

8.2.a Literature Review: Culture Connecting Organisational Innovation and Employee Well-being

Chapter 2 evidenced that employee well-being is impactful on individual innovation capacity. Organisational efforts to support employee well-being, coupled with proactive mitigation of innovation impacts, promotes individual performance. Increased cultural diversity and inclusion, support for creativity, leadership influence, and appropriate person-job fit, were all highlighted as specific cultural traits linking innovation performance and employee well-being.

Cultural diversity widens the talent pool, broadening the organisation's wealth of knowledge and perspectives. An individual's sense of inclusion enhances well-being. Perception that cultural diversity is celebrated in organisational practices, encompassing difference of perspective, enhances employee trust and commitment, stimulating motivation. Creativity is linked to innovation activity. Creativity is stimulated by individual engagement and motivation, factors which are linked to perceived meaningfulness and sense of purpose. Additionally, creativity is connected to well-being via positive affect. Employee voice, knowledge sharing, motivation, and learning are all associated with innovation via creativity, facilitated through positive employee well-being. However, Zhang *et al.* (2021) indicated *radical* creativity may negatively impact well-being. Leadership's awareness of work impacts on individual welfare is thus emphasised.

Positive employment relationships build trust via open communication. A psychologically safe environment, related to organisational inclusion, instils confidence in employees to voice ideas and share knowledge. Communication facilitates leadership awareness and support of employee needs, resource provision, and personal development, increasing engagement. Receptivity, support, and trust are three key leadership traits associated with a culture to enhance both employee well-being and innovation, connected by open communication. If holistic employee well-being is not considered in designing work tasks, safeguarding cannot be ensured. A positive leader-follower relationship enables leader clarity on individual compatibility with task requirements, alongside appropriate individual development to increase employee self-efficacy. Hence, leadership capability regarding appropriate person-job fit enhances or inhibits individual well-being and performance capacity.

The primary themes that emerge from these findings centre around the organisation's stakeholders: the employees and leadership. Individual talent enables the organisation to achieve its objectives, and leaders play a crucial role in supporting and enabling talent to flourish. This indicates that an employee focus supported by the skills and behaviour of leadership influence a culture for organisational success.

8.2.b Synthesis of findings: Fostering an Effective Organisational Culture Encompassing Mutual Gains

The literature review findings support the importance of employee well-being and innovation for organisational performance, but do not resolve the enquiry of how both can be equally satisfied. Literature exploring organisational culture, and culture specifically related to enhancing innovation and well-being individually, was studied in Chapters 3 to 5. The research findings were synthesised in Chapter 6 to offer insights into approach for an effective, mutually beneficial, culture. Table 5 evidences the alignment of cultural traits highlighted as influential in supporting innovation performance and employee well-being as independent organisational objectives.

Cultural Traits	Innovation Performance	Employee Well-being
Cultural Diversity and Inclusion ; featuring trust, commitment, and motivation	X	X
Creativity ; stimulating engagement and motivation	X	
Positive Employment Relationships ; encompassing trust, open communication, employee-needs awareness, resource provision, personal development, and engagement	X	X
Leadership receptivity, support, and trust	X	X
Person-Job Fit ; featuring increased self-efficacy	X	X
Holistic Employee Well-being Consideration		X
Sense of Purpose and Meaningfulness	X	X
Communication	X	X
Employee Voice	X	X
Knowledge Sharing	X	
Motivation	X	X
Psychological Safety	X	X

Table 5: Alignment of Cultural Traits Supportive of Innovation and Employee Well-being

The cultural traits examined support, and enhance, the literature review findings. Concern for holistic employee well-being was not clearly endorsed in relation to supporting innovation, although the influence of well-being aspects on innovation performance were discussed. A need for a greater awareness of holistic employee well-being in organisations focused on innovation is implied. In literature concerning employee well-being, connections to creativity and knowledge sharing were not specifically indicated, although this does not preclude an influential relationship. Knowledge sharing is implied in association with open communication and employee

voice. Creativity is linked to individual well-being via positive effect (Amabile and Pratt, 2016).

The findings support the importance of the relationship between individual talent and leadership for organisational success. The alignment of cultural traits indicates a commonality between culture to support innovation and employee well-being, however the key differential is the organisational focus. Although elements of employee well-being and innovation may interrelate via these traits, as indicated, if the organisation focus is predominantly innovation this will dictate the outcome. Innovation may be enhanced, but employee well-being may only be partially enhanced or even negatively impacted. In pursuit of a mutually effective outcome therefore, the organisational focus must be equal on innovation and well-being. Consequently, in addition to employee focus and supportive leadership, clarity of organisational purpose is required to foster an effective culture. Specifically, in relation to fostering an effective culture mutually supporting innovation and employee well-being, organisational focus on both objectives must be equal, reflected in strategy.

As evidenced in the synthesis of findings (Chapter 6), effective culture is generated by the organisation's stakeholders. The leaders' role is significant. Leaderships' capacity for appropriately recruiting, developing, supporting, and motivating individual talent influences individual and organisational performance. Leadership behaviour impacts the organisational culture and the employee experience. A leader's success in building supportive employment relationships, perceived positively by the employees, increases engagement and individual propensity to deploy their talent in pursuit of organisational objectives. A holistic approach by all stakeholders in satisfying the organisation's purpose is required. Adaptability is highlighted as a key leadership skill for balanced consideration in decision-making.

A proposal was hence made that it is theoretically possible to foster an effective organisational culture mutually supporting innovation performance and employee well-being. Clarity of organisation purpose, universal stakeholder engagement, and a balanced approach to strategy and decision-making, form a foundation for guiding organisational cultural transition to this end.

8.2.c Organisational Culture in Practice

Comparing the findings discussed in literature with insights gained from real world cultures (Chapter 7) provides an indication of alignment in practice. Research was conducted via a combination of case studies and employee interviews from separate organisations to elucidate on organisational and employee perspectives.

The importance of clarity of organisational purpose to foster an effective culture was supported by case study findings. The organisational purpose or mission provides strategic direction and generates inspiration and motivation, linked to a sense of meaningfulness. For example, Patagonia's mission is holistically supported through the organisation's approach, which guides its community-style cultural development (LinkedIn Talent Solutions, 2019; Carucci, 2021). Clarity of purpose also stimulates organisational support and focus on employee personal development, enhancing and enabling individual talent in pursuit of the organisation's objectives. Similarly, individual skills and attributes are sought through recruitment to enhance organisational performance capacity. The importance of sense of purpose was also reflected from the employee perspectives, relating to increased engagement and work satisfaction from perceived meaningfulness. Conversely, the negative impacts on employee motivation and subjective well-being from a *loss* of purpose were specifically highlighted (P3, 2023). Thus, it is indicated that clarity of organisational purpose is instrumental in fostering an effective culture, additionally enhancing employee well-being.

Universal stakeholder engagement is related to clarity of organisational purpose via the potential to inspire and motivate. Support of this notion is evidenced in the case studies, related to an enhanced employee focus, resulting from positive employment relationships. Leader-follower trust is demonstrated by the creation of a supportive working environment within which talent can thrive. For example, cultural diversity and a sense of inclusion are highlighted in real world cultures as a source of knowledge and inspiration, facilitating creativity. Encouragement of interpersonal relationships and increased inclusivity create opportunities for collaborative working, enabled by open communication. Effectively, perceived organisational support of employee personal and professional needs enhances the propensity for reciprocal behaviour via increased employee commitment. Similar themes emerged from

employee perspectives, including a sense of community, collaboration, and individual value, related to the organisational culture and supportive leader-follower relationships. Communication was strongly emphasised as a facilitating cultural feature. The potential for negative leadership impact was also highlighted (P2, 2023), reaffirming the significant cultural influence of leadership behaviour and the importance of leadership alignment. These insights support the proposal that universal stakeholder engagement is an influential cultural characteristic for achieving organisational objectives.

As none of the real world organisations researched claim to have a clear mutual gains objective, the need for a balanced approach to strategy and decision-making for this end could not be fully explored. Perceived concern for employee well-being was highlighted in all organisations studied. Generally, organisational efforts to enhance well-being appeared to relate to the necessity to ensure a thriving workforce for organisational performance. However, from the employee perspectives, the common response was that although there is room for improvement in relation to employee well-being, the efforts made by their organisations were acknowledged, appreciated, and associated with supporting individual engagement and performance ability. These findings indicate an active increase of focus on employee well-being in these organisations could lead towards development of a mutual gains outcome, by infusing well-being enhancement into everyday practices.

An additional insight gained from the study of real world cultures was that alignment of organisational objectives with employee perspectives creates a complimentary relationship. Even if mutual gains is not the organisational goal, an awareness of, and empathy with, employee perception can help to ensure organisational strategy and practices do not negatively impact employee well-being. Further, such an encompassing approach is indicated to enhance employee engagement and commitment through increased trust, aiding cultural effectiveness.

8.2.d Concluding Comments and Recommendations

The purpose of this research was to explore links and parallels in organisational culture supportive of innovation and employee well-being, validating the feasibility of fostering a mutually effective culture. An alignment of cultural traits for each objective was shown. The research also indicated that nurturing a mutually effective culture requires clarity of organisational purpose, universal stakeholder engagement, and a balanced approach to strategy and decision-making. Designing cultural strategy encompassing these elements, and featuring the specific cultural traits highlighted, is therefore indicated as a foundation for guidance. Thus, the feasibility of fostering an effective organisational culture to mutually support innovation performance and employee well-being is theoretically validated.

The following hypotheses are created from this research:

- An effective organisational culture mutually supporting innovation performance and employee well-being can be fostered.
- Clarity of organisational purpose, universal stakeholder engagement, and a balanced approach to strategy and decision-making are required to nurture an effective culture.
- Cultural traits which enhance and support employees via positive employment relationships are instrumental to fostering a successful mutually effective culture.

The role of leadership emerged as a significant cultural influence, acting as a mediator in creating a complimentary relationship between employee and organisational needs. Hence it is recommended that development of leadership skills, including enhanced behavioural self-awareness, should be a strategic organisational priority.

8.3 Methodological Review

The research for this study was conducted primarily via review of prior empirical research literature, supported by a small sample of case studies and employee interviews to explore the study topic in practice. Qualitative data was collected through these methods.

8.3.a Literature reviews

Searches were conducted via the university online library service. The researcher acknowledges that additional search platforms may have generated a wider range of results. The results generated were manually refined, based on the article abstracts. The researcher acknowledges that, although widely researched, it was not feasible to review all articles in the field for relevance, encompassing all search topics. Therefore, articles dismissed as irrelevant to the study may have contained points valid for the research.

8.3.b Case Studies

Research was conducted from an external perspective, predominantly from the organisations' own websites, supported by additional online articles and blogs. The researcher acknowledges that this method of research does not rule out author bias and cannot be considered conclusively reliable.

8.3.c Employee Interviews

The researcher considered the use of questionnaires in collecting data. This method was rejected as it was felt that an interview format gave the participants the opportunity to express themselves more freely. This facilitated discussion of aspects of organisational culture which were deemed most important from participant perspectives, which was the intention of the research. Conducting interviews online via video call enabled the recording of the interview and transcripts, ensuring reliable referencing. If the interviews had been conducted in person, this may have allowed

the researcher access to additional insights through observation of the participant's work environment.

The interview research method was found to be very informative and engaging, and therefore deemed beneficial to the research process. Key comments and phrases considered relevant to the study topic were highlighted. If the research study was conducted again, a larger sample of participants, including from a variety of role levels within each organisation would be desirable, encompassing multiple perspectives for increased validity. A combination of questionnaires and follow-up interviews may form an effective alternative research method involving wider participation.

Chapter 9 – Conclusion

9.1 Conclusion and Further Research

The purpose of this study was to explore prior empirical research on effective organisational culture to support innovation and employee well-being. The aim was to identify links and parallels of traits in organisational culture, supporting the proposal that alignment of said traits could create a basis for fostering an effective culture equally nurturing both organisational objectives. Additionally, the study aimed to theoretically validate the feasibility of fostering a mutually effective culture in practice, by comparing the literary findings with real world organisational cultures. This study was not intended to create conclusive guidance; the objective was to satisfy the aims by presenting hypotheses to direct further research.

These aims were satisfied via the study; alignment of cultural traits was demonstrated, and the feasibility of fostering a mutually supportive culture for innovation and employee well-being was theoretically validated. Consequently, hypotheses concerning the development of a mutually effective culture were proposed. Additionally, the role of leadership was highlighted as significantly influential of organisational culture effectiveness.

As the hypotheses proposed are based predominantly on theoretical findings, it is recommended that these be explored through further research to validate their feasibility in practice. Research design could incorporate investigation of cultural models proposed and explored by other researchers (Quinn and Rohrbaugh, 1983; Nguyen *et al.*, 2019; Lister *et al.*, 2021), which may enhance successful cultural design.

9.2 Limitations

9.2.a Limitations to Organisational Influence on Employee Well-being

It is acknowledged that an individual's past life experiences, and circumstances outside of work, impact well-being, which may limit the organisation's influence on enhancing employee well-being.

9.2.b Organisational Context

Every organisation is unique and therefore fostering an effective culture is context-dependant. Researchers and practitioners should take specific organisational context into account in designing cultural effectiveness. A universal approach cannot be wholly effective.

9.2.c Case Studies and Interviews

Assumptions were made based on the information communicated. Potential for individual subjectivity bias is acknowledged. Inclusion or omission of factors cannot be considered conclusive.

9.2.d National Culture

Although awareness was made of the geographical source of research material it is acknowledged that individual and organisational norms, attitudes, and behaviour may be influenced by cultural bias, reflected in the outcomes of sources studied.

References

- Afsar, B. and Umrani, W.A. (2020) 'Transformational Leadership and Innovative Work Behaviour: The Role of Motivation to Learn, Task Complexity and Innovation Climate', *European Journal of Innovation Management*, 23 (3), pp. 402-428. DOI:10.1108/EJIM-12-2018-0257
- Amabile, T. and Pratt, G. (2016) 'The dynamic componential model of creativity and innovation in organizations: Making progress, making meaning', *Research in Organizational Behaviour*, 36, pp. 157-183. <https://doi.org/10.1016/j.riob.2016.10.001>
- Athota, V.S., and Malik, A. (2019) *Managing Employee Well-Being and Resilience for Innovation: Evidence from Knowledge-Intensive Service Industries*. 1st edn. E-Book: Springer International Publishing
- Batat, W. (2019) *Experiential Marketing: Consumer Behaviour, Customer Experience and the 7Es*. Oxon/New York: Routledge.
- Binder, M. (2013) 'Innovativeness and Subjective Well-Being', *Social Indicators Research*, 111 (2), pp. 561-578. DOI:10.1007/s11205-012-0020-1.
- Boxall, P. (2013) 'Mutuality in the management of human resources: assessing the quality of alignment in employment relationships', *Human Resource Management Journal*, 23 (1), pp. 3-17. DOI: 10.1111/1748-8583.12015.
- Brook, H. (2023) *Harry Brook*. Available at: <https://eu.patagonia.com/gb/en/our-people/harry-brook.html> (Accessed: 9th February 2023).
- Büschgens, T., Bausch, A., and Balkin, D. B. (2013) 'Organizational Culture and Innovation: A Meta-Analytic Review', *The Journal of Product Innovation Management*, 30 (4), pp. 763-781. DOI: 10.1111/jpim.12021.
- Carucci, R. (2021) 'How Patagonia's Purpose Is Once Again Raising The Bar On Doing The Right Thing', *Forbes* [Blog] . 21st April. Available at: <https://www.forbes.com/sites/roncarucci/2021/04/21/how-patagonias-purpose-is-once-again-raising-the-bar-on-doing-the-right-thing/?sh=78a584e8777c> (Accessed: 8th February 2023)
- Cerf, V.G. (2020) 'Growing A Culture Of Innovation: 5 Lessons From Google', *Forbes* [Blog]. 16th September. Available at: <https://www.forbes.com/sites/googlecloud/2020/09/16/growing-a-culture-of-innovation-5-lessons-from-google/?sh=670d403d5d74> (Accessed: 27th January 2023)
- Chen, L. et al. (2016) 'Transformational Leadership, Social Capital and Organizational Innovation', *Leadership and Organization Development Journal*, 37 (7), pp. 843-859. DOI:10.1108/LODJ-07-2015-0157.
- Choi, S.B., Tran, T.B.H., and Kang, S. (2017) 'Inclusive Leadership and Employee Well-Being: The Mediating Role of Person-Job Fit', *Journal of Happiness Studies*, 18 (6), pp. 1877-1901. DOI 10.1007/s10902-016-9801-6.
- Chouinard, Y (2023) *Earth is now our only shareholder*. Available at: <https://eu.patagonia.com/gb/en/ownership/> (Accessed: 9th February 2023).
- Denison, R.D., and Mishra, A.K. (1995) 'Toward a Theory of Organisational Culture and Effectiveness', *Organizational Science*, 6 (2), pp. 204-223. DOI: 10.1287/orsc.6.2.204

Fortune Magazine (2015) *This is what makes Pixar so successful according to Ed Catmull* [video]. Available at: <https://www.youtube.com/watch?v=VMMKWVlUqm8&t=1658s> (Accessed: 10th February 2023)

Google (n.d.a) *From the garage to the Googleplex*. Available at: <https://about.google/our-story/> (Accessed: 11th February 2023).

Google (n.d.b) *Who we are shapes the work we do*. Available at: <https://about.google/belonging/at-work/> (Accessed: 27th January 2023).

Google (n.d.c) *Benefits at Google*. Available at: <https://careers.google.com/benefits/> (Accessed 27th January 2023).

Guest, D.E. (2017) 'Human resource management and employee well-being: towards a new analytic framework', *Human Resource Management Journal*, 27 (1), pp. 22-38. DOI: 10.1111/1748-8583.12139.

Hofstede, G., Hofstede, G.J., and Minkov, M. (2010) *Cultures and Organisations: Software of the Mind*. 3rd edn. E-Book: McGraw Hill.

Hughes, D.J. et al. (2018) 'Leadership, creativity, and innovation: A critical review and practical recommendations', *The Leadership Quarterly*, 29 (5), pp. 549-569. <https://doi.org/10.1016/j.leaqua.2018.03.001>

Inceoglu, I. et al. (2018) 'Leadership behaviour and employee well-being: An integrated review and a future research agenda', *The Leadership Quarterly*, (29) 1, pp. 179-202. <https://doi.org/10.1016/j.leaqua.2017.12.006>

Jena, L.K., Pradhan, S., and Panigrahy, N.P. (2018) 'Pursuit of organisational trust: Role of employee engagement, psychological well-being and transformational leadership', *Asia Pacific Management Review*, 23 (3), pp. 227-234. DOI:10.1016/j.apmr.2017.11.001.

Kremer, H., Villamor, I. and Aguinis, H. (2019) 'Innovation leadership: Best-practice recommendations for promoting employee creativity, voice, and knowledge sharing', *Business Horizons*, 62 (1), pp. 65-74. <https://doi.org/10.1016/j.bushor.2018.08.010>

Krishnan, V.R. (2012) 'Transformational leadership and personal outcomes: empowerment as mediator', *Leadership and Organization Development Journal*, 33 (6), pp. 550-563. DOI:10.1108/01437731211253019

LinkedIn Talent Solutions (2019) *Beyond Stoked: The power of living values wildly* [Video]. Available at: <https://www.youtube.com/watch?v=AtyZ8xGc-Wo> (Accessed: 12th February 2023).

Lister, C. et al. (2021) 'Cultural Wellbeing Index: A Dynamic Cultural Analytics Process for Measuring and Managing Organisational Inclusion as an Antecedent Condition of Employee Wellbeing and Innovation Capacity', *Journal of Organisational Psychology*, 21 (4), pp.21-40. DOI: 10.33423/jop.v21i4.4542.

Lu, L. (2023) *Le Lu*. Available at: <https://eu.patagonia.com/gb/en/our-people/le-lu.html> (Accessed: 9th February 2023)

Mouyade, F. (2023) *Frederic Mouyade*. Available at: <https://eu.patagonia.com/gb/en/our-people/frederic-mouyade.html> (Accessed: 9th February 2023)

Mullins, L. and McLean, J.E. (2019) *Organisational Behaviour in the Workplace*. 12th edn. Harlow: Pearson Education Limited.

Nguyen, V.T. et al. (2019) 'The Effects of Organizational Culture and Commitment on Employee Innovation: Evidence from Vietnam's IT Industry', *Journal of Asia Business Studies*, 13 (4), pp.719-742. DOI: 10.1108/JABS-09-2018-0253.

P1 (2023) Online Video Interview with Sophia Watts, 30th January.

P2 (2023) Online Video Interview with Sophia Watts, 13th February.

P3 (2023) Online Video Interview with Sophia Watts, 15th February.

Pagán-Castaño, E., Maseda-Moreno, A. and Santos-Rojo, C. (2020) 'Wellbeing in work environments', *Journal of Business Research*, 115, pp. 469-474, <https://doi.org/10.1016/j.jbusres.2019.12.007>

Patagonia (2023a) *Culture/Life*. Available at: <https://eu.patagonia.com/gb/en/culture.html#:~:text=We%20don't%20want%20someone,tho se%20who%20need%20the%20limelight>. (Accessed: 9th February 2023).

Patagonia (2023b) *Core Values*. Available at: <https://eu.patagonia.com/gb/en/core-values/> (Accessed: 9th February 2023).

Pixar (n.d.a) *Careers at Pixar*. Available at: <https://www.pixar.com/careers-at-pixar> (Accessed: 10th February 2023).

Pixar (n.d.b) *Our Story*. Available at: <https://www.pixar.com/our-story-pixar> (Accessed: 10th February 2023).

Pixar (n.d.c) *Pixar Supplier Diversity*. Available at: <https://www.pixar.com/supplier> (Accessed: 10th February 2023)

Pixar (n.d.d) *Diversity, Inclusion, Belonging and Outreach*. Available at: <https://www.pixar.com/inclusion> (Accessed: 10th February 2023).

Quinn, R.E. and Rohrbaugh, J. (1983) 'A Spatial Model of Effectiveness Criteria: Towards a Competing Values Approach to Organizational Analysis', *Management Science*, 29 (3), pp.157-183.

Razzetti, G. (2020) 'How Pixar Designed a Culture of Collective Creativity', *Fearless Culture* [Blog]. 5th January. Available at: <https://www.fearlessculture.design/blog-posts/pixar-culture-design-canvas#:~:text=The%20Core%20of%20Pixar's%20Culture%3A%20Values%20and%20Purpose&text=The%20film%20company%20believes%20that,great%20films%20with%20great%20people.%E2%80%9D> (Accessed: 10th February 2023).

Simonet, M. (2023) *Manon Simonet*. Available at: <https://eu.patagonia.com/gb/en/our-people/manon-simonet.html> (Accessed: 9th February 2023).

Taheri, F., Jami Pour, M. and Asarian, M. (2019) 'An Exploratory Study of Subjective Well-being in Organizations - A Mixed Method Research Approach', *Journal of Human Behaviour in the Social Environment*, 29 (4), pp. 435-454. <https://doi.org/10.1080/10911359.2018.1547671>

Valizade, D. et al. (2016) 'A Mutual Gains Perspective on Workplace Partnership: Employee Outcomes and the Mediating Role of the Employment Relations Climate', *Human Resource Management Journal*, 26 (3), pp. 351-368. DOI: 10.1111/1748-8583.12113

Villaluz, V. C. and Hechanova, Ma. R. M. (2019) 'Ownership and Leadership in Building an Innovation Culture', *Leadership and Organization Development Journal*, 40 (2), pp. 138-150. DOI: 10.1108/LODJ-05-2018-0184

Wang, J., Yang, J., and Xue, Y. (2017) 'Subjective well-being, knowledge sharing and individual innovation behavior: The moderating role of absorptive capacity', *Leadership and Organization Development Journal*, 38 (8), pp. 1110-1127. DOI:10.1108/LODJ-10-2015-0235.

Wojcicki, S. (2011) 'The Eight Pillars of Innovation', *Think with Google* [Blog]. July. Available at: <https://www.thinkwithgoogle.com/intl/en-gb/future-of-marketing/creativity/8-pillars-of-innovation/> (Accessed: 27th January 2023).

Zhang, Y. *et al.* (2021) 'Radical and incremental creativity: associations with work performance and well-being', *European Journal of Innovation Management*, 24 (3), pp. 968-983. DOI:10.1108/EJIM-12-2019-0351.

Appendix A – Participant Consent Form

Participant Consent Form

Project:

MSc International Innovation Management; Dissertation Research

Topic: Study of Organisational Culture for Innovation and Employee Wellbeing

University:

University of Wales Trinity St. David

Researcher Contact Details:

Sophia Watts

E: 2012612@student.uwtsd.ac.uk

By ticking the boxes and signing this consent form I declare that:

1. I confirm I have read the Participation Information sheet dated 12 th January 2023 supplied with this consent form for the above study.	
2. I understand what is expected of me, have had the opportunity to ask questions, and any questions have been satisfactorily answered.	
3. I understand that my participation in the study is voluntary and that I am free to withdraw from the study at any time.	
4. I consent for the research to be recorded for the purposes of the study.	
5. I consent for the information recorded in the study to be anonymously included in the Dissertation for reference and verification of academic rigour.	
6. I understand that information collected may be looked at by the researcher, the researcher's supervisor, and examining committee members, and I give my permission for this.	
7. I understand that my participation in this study will not be associated with any kind of risk or benefit.	
8. I understand that my data will be treated with care and confidentiality and understand that my identity and the identity of others I may talk about will remain anonymous.	
9. I willingly give my consent to take part in the above study.	

Name of Participant:

Date:

Signature:

Participation Information Sheet

12th January 2023

Project Topic: Study of Organisational Culture for Innovation and Employee Wellbeing

What is this research about?

This research is part of academic research for the culmination of a master's degree in International Innovation Management from University of Wales Trinity St. David, in the form of a Dissertation. The research topic is an evaluation into the cultural best practice for facilitating organisational innovation and for positive employee wellbeing, to bring together the findings to highlight any parallels or links between the two. The researcher's proposal is that by developing a culture which fosters innovation whilst simultaneously nurturing positive employee wellbeing, this could mutually benefit the employees and organisation, and result in increased positive impact on business performance and sustainability.

How will the research be conducted?

The research will be in the form of informal interviews, conducted by the researcher via Microsoft Teams. The interviews will be audio and video recorded, with live transcript recording. The data recorded will be stored securely, and will be deleted when no longer required. The interviews will be confidential and anonymised to protect the individuals and companies involved.

How will the data be used?

The information recorded in the research may be referenced within the Dissertation and select quotes may be used to support observations and statements made by the researcher. A copy of the written transcript from the interview may be included in the appendix of the report for evidence of academic rigour.

What does anonymity and confidentiality mean in practice?

The audio and video recording made of the interview will be looked at by the researcher, and also may be looked at by the researcher's supervisor and examining committee members if required but will not be disclosed to other individuals. This data will be deleted once no longer required by the researcher.

Where the recorded transcript is included within the Dissertation, any identifiable data such as personal names will be redacted. Any reference to the participant within the Dissertation or associated company/organisation will also be anonymised with reference made in general terms, such as the industry the company/organisation is working within and the job level of the participant.

What is expected of me as a participant?

In agreeing to participate in this research study, you will be expected to meet with the researcher online via Microsoft Teams for a single informal interview, at a mutually agreed date and time, to discuss your awareness, experience, and perception of how the company you own/work for approaches organisational culture for innovation and/or employee wellbeing. You may be prompted with open questions and will be invited to give your comments freely and conversationally. If you do not wish to answer specific questions or divulge certain information/opinions, you have the right not to do so. It is expected that the interview will take around 30 mins, but you have the right to end the interview before the allotted time if you so wish.

Appendix B - Employee Interview: Participant 1; Transcript Extracts

P1 = Participant 1

R = Researcher

R: And so, just as in context, can you confirm the role level, so manager, team leader? Where do you sort of sit in the hierarchy in your team?

P1: I would say sort of mid-level probably is fair and so my role is innovation manager and so mostly what I do is manage client as well as managed projects. I think it's probably the shortest way in which I can describe what I do.

R: Do you have any team members under you? Are you a team leader at all in that respect?

P1: I don't directly manage anyone, so I don't have anyone that reports to me, but when staff are working on my projects I am kind of indirectly, well, I manage them whilst they work on that project if that makes sense.

R: In general. Are you aware of any particular, across the whole organisation, traits you know, keywords they might use, or values they might try and communicate?

P1: For values that you know, it's just kind of part of our company's DNA I guess that they try to instil in all of us and the main ones are integrity and collaboration. Try to think with the other two are.

Can't remember what the other two are, but it does feed into our work, and ultimately it's also important in the sense that we are asked at the end of each year to demonstrate how we've worked against those values and as part of our professional developmental review process every year.

P1: By and large what we do day-to-day is innovation, so as a company our main role is to, we're a not-for-profit company and we exist to help other companies develop new products and services. And by their nature their generally, because they're new they tend more often than not tend to be innovative, and so we are actively encouraged to be innovative naturally? Because we're dealing often with innovation but also I think you often need to have an open mind as well.

I guess that's kind of how naturally, it's kind of instilled in all of us to, you know, support innovation across all like organisation levels.

It's difficult to assess things like potential at the often at the early stages of these conversations, but some projects or companies you work with, it might be very clear straight away where this could go and what its potential might be whereas other companies you might need to, I don't know, convince colleagues or something, but there's certainly that culture exists that you're allowed to, you know, spend time doing these things with people. And there is also like, you know, as most companies do, we do have certain targets and things like that ultimately can feed into the work that we do as well, but certainly at that initial engagement stage you know that that is definitely encouraged, and it might be that you know you have a small company and you help form a consortium, for example, to help them develop that product for example, and then it becomes a much more attractive project as well for us to work on. Certainly even at the kind of low level it's encouraged, I would say.

R: Okay, and in terms of things like budgets and training, do they provide opportunities like that, sort of more like practical resources and how much is that experience for you?

P1: This is talking about my own professional development now so. There is budget to go on, I think, one training course per year within the company. It does need to be, you know, signed off and approved.

I think there is a budget and the budget needs to cover all staff as well. So if you've got, you know, a disparity between some stuff you know there's no limits defined, but then ultimately there is a limit. It's just that kind of some staff use it more than others. Perhaps in certain years and it's available to you, but there are limits. It's just you have to talk with your employer about whether it would be possible or not.

P1: I would say generally it is self-led, but then it depends on your manager. I think as well because I think there are instances, in fact I know of instances where definitely colleagues have said that their line managers recommended that they do this course for example. Or there have also been occasions where there's budget available within the organisation to go on.

It comes into your sort of PDR process you'd identify if there was a training need that you had, each year you discuss it with your line manager and you would explore whether or not you could do take on that training, for example, but it probably would be mostly self-led, I would say, but there is also kind of coming from the other side as well to an extent.

P1: Every year you set yourself objectives and they get reviewed at six months. And you know, if they're still applicable or seem reasonable to you know what's left and your the remaining six months and you keep them but you. You can also change them at that point and then at the end of the year, as part of that PDR process, you yourself kind of provide evidence as to how you've met those objectives and ultimately you do give yourself a score. It's like it basically has a one to five score and your line manager does the same thing, and then you also have a conversation about it and kinda just agree a score basically. Ultimately, it's also what's used to inform, like, we have like a bonus scheme at work as well, so it's used to inform that and you know, and as well as just kind of, I would say, most of the objectives we set ourselves are strangely, I would say like a little bit extracurricular type activities which is not a bad thing. It's all related to our job, but it might be, it's often it's ways in which you can demonstrate you've gone above and beyond what's in your job description.

P1: It's very rarely about like yeah in X number of you know projects or whatever it's more about, I can show that for example, recently we've been doing a lot more in schools, for example, so it's kind of evidence in fact that we're working with local communities. So I've had objectives around that in the past and that probably doesn't directly, you know, benefit the company in the sense that it's gonna lead to more projects, but indirectly it is all helping in the sense that I guess it's raising the profile of the company.

P1: In my personal experience, I'm, I would say fairly autonomous, but equally my line manager is always there if I need them and so you know, it's also I would say a little bit of a consequence of the fact that I mostly work from home and that's also true for most of my colleagues and so we're not necessarily, for example, we don't have a, you know, weekly one to one and it's more of an ad hoc when we kind of have catch ups like that. I speak to him pretty much everyday, but it's more about like projects and stuff like that and you know it might be there's occasions where you, "can you stay on the line for 5 minutes to chat about something else", for example, and as I said, I can't just there's not a barrier there where I feel like I can't just at any point, say "can we have a chat" and as I said, you know, we have a chat same day sort of thing that's straight forward enough, but it's maybe also just a

consequence of the fact that perhaps I haven't felt that I need that support necessarily, and because I would, what I'm trying to say is that's not necessarily the same relationship that other people have with their line managers across the organisation. I know that some of my colleagues where their line manager, you know they do have a weekly catch up, and while that might mostly be about projects, I think it is also an opportunity just to kind of chat about wellbeing and stuff like that too. And check in.

P1: I did actually used to have a weekly catch up with my line manager but it got to a point where it felt like it was, it wasn't actually necessary. So it was kind of just natural and in a sense. But if I wanted to start again, it wouldn't be, you know, he'd happily do that kind of thing as well. So yeah, flexible.

R: Are you aware of any influence like things that you've learned from how your leaders have been with you? Or is it just more your natural persona, like your natural skills or from outside the team?

P: I've had experience of the rest think where I can see why maybe projects have been harder than others or haven't gone as smoothly as others, and I've you know, tried to take the learnings from those and then apply them to the projects that I lead on. For example, I'm not saying that all of my projects are plain sailing either by any means, but just even some basic things like communication and things like that. And again, coming back to the sort of new working ways with... So not only do most of I'd say, the majority of my colleagues are working from home, but also a lot of my colleagues are based elsewhere in the country as well so. And we're organisation of about 300 people in all but only 15 of us are based in Wales or so, and then occasionally or because we're quite small office, we're relying on people in the other parts of the business to help deliver projects. And so, even if we were, what I'm trying to say is, even if we were in the office, I'd still be needing to kind of check in and with people like that too.

But do it in such a way that you're not feeling like you're constantly keeping tabs on them as well, but just kind of reaching out. You know some cases, some projects are run, we have regular catch ups just to chat about having to go in. Others are a bit more ad hoc where that is maybe not deemed necessary or appropriate and it's just a case of, yeah, communicating in such a way that you kind of make it clear that, if you do need support, let me know sort of thing and also try to get our feedback on how it's going and without sounding like you are kind of keeping tabs on them massively. So yeah, I think communication is probably the biggest thing I know, especially in an organisation like ours it's so spread out and has moved mostly to remote working style.

R: Do you find it is quite a lot of like diversity in the team. Like a lot of different backgrounds or you know, do you work with anyone internationally or is it everyone's more UK based? Is there anything like that maybe presents any challenges or?

P1: I mean I would say we are fairly you know reasonably different. You could always be better, I think, but I think we are reasonably, so primarily we are in engineering company. What we do is mostly engineering projects. And I've worked in engineering all of my life, like your whole professional life, which is like over 10 years and I've worked with companies where it's very I would say not particularly diverse, and then this is a company that's actually not bad for this sector so. We do have people from, you know, a wide range of backgrounds. I say it's not necessarily, I think it's it comes back to some of the work we're doing in schools is that, while engineering is maybe where majority people have come from, it's also clear that if you want to work in this sector, you don't necessarily need to be an engineer either.

And there are plenty of my colleagues that aren't engineers and have, you know, really important jobs in the organisation and so that's a message that we tried to get out.

I think we're, we could be better, but I'm certainly it's like um gender wise it's more diverse than other organisations I've worked for in this sector and again, that's like something that comes back to working with the schools and things as well, but we're not bad on that front.

R: Are there any specific, points or projects or things that they try and put in place in terms of wellbeing then?

P1: Generally we've got some good conditions around our employment. Like I've already mentioned, like the flexibility for example, which I think you know a lot of organisations now are offering after the pandemic, and it's certainly, I did join this company before the pandemic, only just admittedly, but we were fairly nonflexible then and now we're pretty much entirely flexible I would say. [...] like family-friendly policies.

I've just changed my working pattern as well, and so I'm now working same hours, but over four days I'm working, so I've come compressed days and which is something that I discussed with my line manager and with HR was again, it's like everyone's entitled to make a flexible working request.

I think at this something that's gaining traction now is the four day week. But I spoke to my company about it. We had a conference like there's a process. I spoke to my line manager as well and they said that was OK. They said that, you know, because of my role and things, that they thought that they should be able to still perform my job as I was beforehand in this new arrangement, so I literally just started that last week. So as I said, that's something that you should be able to have a conversation with every employer but they don't have to give it to you like and it depends. I'm lucky in the sense that my role was when I felt I could do in in this new pattern. So, so that's something.

Am we have 30 days annual leave plus the bank holidays, which again I think it's fairly generous and it's quite good. We also have the ability to take the public holidays when we want.

Just the flexibility I think is the main thing I would say.

P1: I've been working for more than 10 years, and in that time I've worked for a few employers and definitely this one is the best in terms of like wellbeing, side of things.

In addition to you know standard first aid as we've got mental health, these are just like champions that have undergone training in the organisation to kind of become a mental health first aider and then we have a list on our companies internet. And if you do ever want to speak to anyone about you know anything then you can. You can reach out to one of them so that's quite good. And but yeah, then generally you know on a wellbeing point of view, I know that I've got you know friends that work for other organisations and there are things that they have that my company doesn't have that sound really nice, but then equally I know a lot of people that don't get a lot of the things that I benefit from. And so I think it is quite good. [...] maybe it's because it helps make them a more attractive place to work.

I guess there is also increasing focus on some of these things now than maybe there wasn't 10 years ago. For example. I certainly had never heard of a mental health first aider 10 years ago. [...] I think the pandemic is just kind of accelerated what was probably going to happen anyway, and like I think we were always going to move to more flexible working approach, but I think the pandemic maybe made that happen sooner rather than later.

Appendix C - Employee Interview: Participant 2; Transcript Extracts

P2 = Participant 2

R = Researcher

R: And just for context, can you confirm where your role sits within the company in terms of its like sort of hierarchical level?

P2: Yes. So I'm a product manager.

And I've been with the company for 10 years, so I'm not quite fully senior. I'm not part of the senior leader steering team as they call themselves SLT Senior leading team. But I have quite a bit of influence in them now and yeah, so I do get my voice heard quite a bit now compared to what I would have done five years ago.

R: Okay. And are you responsible for any team members or are you a manager of people at all?

P2: Not manager people as of yet. There is a plan for that and so mine is just the portfolio of products. But I am a key member of a team.

I deal a lot with the finance teams, the engineers, software guys and the production shipping, so pretty much I've got contact with everybody cause I have to be able to manage my product.

R: There's a lot of cross-department communication going on then.

P2: Yes, I've had to do that. So for my role, which is good, it's great because I get to see the insights from different people and see their perspectives in terms of what we're doing, especially because I have to do a lot of the new product development and the new product introduction. So when introducing it, of course, that is all of the different teams within the company at least need to be informed, if not actually taking part in that process, so I have to make sure that everybody feels like they're getting their voice heard and that communication is happening.

Which is good cause we haven't always had that and there has been issues in the past. We've done a launch and one team will be like why have you done it that way and then you've got conflict and a bit of he said she said going on whereas now we're establishing more processes as the company's getting bigger and growing we're putting these processes in place to make sure everybody is getting their voice heard and then it's a lot easier to get things out to market but then everybody feels more comfortable with the situation as well.

R: Yeah. So would you say you're quite a facilitator of that communication in your role yourself. So that's a big part of what you do?

P2: [Organisation] was established as a family company. So it was a husband and wife started the company 25 years ago. And it's grown, expanded. So we're still classed in SME, but we have sites in America, in Germany and China, Canada. And then we were taken over by stakeholders. I think it's about 7 years ago, but they also are a family run business, so they came with the same ethos so that we still have that close knit community feel to us and everybody who's joins the company always says it's a really encouraging place to work because we always talking to each other and we don't have that large company bureaucracy

going on. There's not as much red tape. People are allowed to voice opinions and they're not instantly shot down.

R: Okay so you've mentioned that sort of coming from the initial family ownership kind of model. And are there specific cultural traits that they try to encourage or nurture from that?

P2: I think it's more of a natural thing because the founders are still involved in the company. They're still about, although they've taken a step back, but what they've really fostered that we are a company. We work together as a team, doesn't matter which department you're in, we are always working together. That has migrated into that. The other teams. So yes, we've got our finance team, yes, we've got our engineers, but we try to make sure that those lines of communication are always remain open.

Hasn't always worked. There of course is going to be times where, things change.

But overall, there has always been that family orientation behind us and that working together we are a team, not just a company.

R: Hmm. So, it sounds like you've got quite a positive experience overall of the culture in the company?

P2: Yeah. Yeah, mostly. Yeah, there are a little niches. There's one particular department where it's a lot of males. And so you do have some toxic masculinity happening in just that isolated group. [...] It would be nice if they could get some more females in that group to balance out and stop that. But the kind of role it is, is very male orientated, so.

R: OK. And obviously I know there is a mix of males or females in the company, it is that quite sort of equal or does it tend to be more male or female led or dominant one way.

P2: Depending on the department [...] I feel like it's quite evenly mixed between us.

R: And so in terms of then specifically innovation, I mean I assume there are sort of policies or practises in place that encourage innovation or.

P2: We're in the process of actually putting them down on paper because up until about 12 months ago, there was nothing concrete written down. Like you had an idea. You go and speak to your manager. It eventually gets filtered through somehow some way.

So what we've done in the last 12 months is we've created an ideation group. So we've got people from different departments. We gather once a month and go through any ideas that have been passed through to us. And we've got a website, an e-mail address now where people internally can e-mail their ideas through this really simple form and we collect all the ideas, so nothing then gets lost and we can then.

As the steering group, what we do is we all read through the ideas and say okay this one yes, absolutely. Makes sense. We'll do this one and the other ones, we'll say no, we're not going to do that. We feed that back to the person then so that they know that their idea has been heard and we give them a reason as to why we're not going to progress it at this time. And it is just goes into a depository where we can come back to a later date should we actually need that. So to me, that's been a really positive change. And in the immediate past because it's allowing everybody to know that it's OK to make it an idea, give an idea across whether you're one of the production line people or if you're high up in the sales team or in the finance team like everybody can actually get their voice heard. So I think that's really helped with the culture within [Organisation] because people are feeling more confident, so to speak up.

P2: Where we're now trying to get that visibility across all teams, it means that we can also say okay well, this team's working on this project. This team is also working on a very similar project. Why are we not crossing over why you're not sharing that? So OK, with the new setup, it means that we've got a clearer overview of what's happening. So we can actually work together in those teams.

Or at the same time also have one team focusing on one project, another team working on another project. So we've got twice the, not capacity, but resources worked, so you get the productivity happening at the same time.

R: And so I guess you're saying you find that a much more sort of positive experience. And I suppose in your role particularly that probably makes things a lot clearer, a lot easier to kind of get ahead.

P2: Yeah, yeah, as long as we keep those lines of communication open. And that's the key thing for any of this, is making sure you've got that communication happening because when you don't have that you get this misunderstanding that this team members going "why aren't you doing this?" And we try now to make sure we've got full visibility between the teams.

R: [...] and are there sort of measures in place or ways of monitoring innovation performance or individual performance or anything like that?

P2: We have our own personal key performance indicators, which we set up with our managers and so that's to monitor our own personal growth and ability to in working, where we can have improvements. And between the different departments, I can't think of anything in particular.

R: And so I guess overall what is your experience of innovation in the company? I mean, obviously I know it's a big part of what you do, but I guess you think it feels quite positive, quite successful.

P2: It is for [Organisation]. Yes, I think because we're a small company and we've got a fantastic team of people who have quite a lot of knowledge, that it's easy to have those conversations. Especially we've got some people who really, really technically minded and you can go and ask them okay, is this even feasible? Then you've got some of the more creative types who are okay. Well, this is fantastic. This is how we can market as to different customers and we can go get the insights from those different people. And so for my pickup company personally, yeah, it's a great way of working.

R: And is there, cause you talked about a lot of knowledge within the departments and sharing information between departments, and is there a lot of collaboration with external partners or external companies or is it tend to be more insular?

P2: We do try, so we've used in the past knowledge transfer programmes with some universities. So one of our products actually came from a knowledge transfer from [Redacted] University. And I mean it was more that they bought an instrument from us and then we found out they were doing something with it. And they're like, ohh, that's actually really good. Let's utilise that because a lot of what we sell is science equipment. And they will go into laboratories, but also universities and then we can talk to the lecturers there. And the researchers and we can see what else is happening. And that then leads into what's the next development going to be for us. So we do get a lot of input from not only the industry but also research laboratories about what they're seeing as the next big problem that we can then fix with our products.

R: Okay. And so thinking now about employee wellbeing in the company and I mean other than the normal legal, HR responsibilities are there, is there any sort of policies or practises in place, schemes that sort of support wellbeing?

P2: Yeah, they've signed us up for a health benefits. So, everybody's on the health benefits scheme, which allows us to have access to doctors and scans and dental and all of that then gets reimbursed, which I think it has helped. Most people are on a bonus scheme as well against their KPIs. So gives more encouragement there as well to try and get more sales. Ohh what else you got? Well, we casually have some social events which is nice to get everybody together. Um, we recently did mini golf which was quite fun and they're planning pinballing soon. So those things are quite sporadic, though that's not a regular.

But it's nice to have the, say different people from teams come together to do the social events because again, it just helps them with the communication within work, because once you've known people on a more personal level, it's easier to approach them with any questions and queries you have.

R: And because you have a lot of remote workers in the company. [...] Is there a good connection there or is there a focus on that?

P2: I can't say for the other teams. They're not sure how they manage that for myself. So what we did, especially during lockdown. And we were all forced to work from home. So we set up regular one to one meetings. So I have a regular one to one with my boss, but then we also set up weekly tea and a chat, half an hour, once a week, everybody in the team just sits down and say, right, don't worry, just let's just have a little natter. And so I think that helps.

And cause we lost that social aspect of being in the office in just being able to go and make a cup of tea and have that chat. So we had to establish that in a different way. And I think that helps. But we only did that in our individual teams. So for myself it worked really well. I don't know how well it worked for other people.

[...] they have been good in try to finding workarounds for staff within need that additional help.

R: Yeah, and where you've mentioned that, you know generally people feel quite like safe and willing to voice their ideas and their opinions. Does that translate also then into their sort of personal struggles or challenges [...] is there kind of like that openness there with the leaders?

P2: Yes [...]. The managers who tried to make sure that they are approachable so you can go and speak to them about any concerns and they can then find workarounds for you and if you need to have flexi time um, that's only probably in the last two years they've started allowing flexi time with your hours, but they have now adopted that and we're in the process of doing a consultation about changing into a nine day two week working thing. So the again trying to find ways to look after the staff and be more encouraging.

R: [...] what is your personal experience of the subculture for wellbeing in the company? Like, what's the atmosphere like in work in?

P2: So from my team it's absolutely great. Like we're friendly, we do socialise now and again not as often it would be nice to. But it's just yeah, we're professional in a friendly manner in my team. I'm just trying to think of what some of the other teams. I know there's some bickering happening between some people and that's just the way the dynamics are in different teams.

I guess you'll always have that depending on who your manager is and who their line manager is, because in one team you've got, one of the managers and his Direct Line manager, they do not get on to the point where they won't communicate with each other and it's having a knock-on effect of the team below them.

I guess it's really depends on who your manager is and what their ethos is [...].

R: Yeah, yeah. OK. And I guess then if there was maybe anything you thought could be changed or improved on in the company either relating to employee wellbeing or in sort of approach innovation, is there anything there that comes to mind?

P2: No, I think we're taking the right steps to already make those improvements by having the ideation group and having these forms of people can go to and they can go to the line manager. I think we're already Progressing in a positive way to do that. So right now I can't think of anything new we could be doing.

R: [...] is there anything else then about culture and wellbeing and innovation in the company that you'd like to say about a positive, negatives, anything that comes to mind in general?

P2: [...] So it's very much ingrained into who we are as a company is to just keep progressing like. We won't stagnate, we won't stay still and say okay. Well, we've produced this. Let's not do anything else. We are constantly saying okay. Well, we've produced this ago. We make it better. What's the next stage?

R: And is there a lot of like celebration of innovation successes, you know, acknowledgement individuals successes, things like that?

P2: Looking better again in recent years. [...] This year they did an award ceremony, so they had a couple of character categories and that was the first year we've actually done any awards. So they are now showing more recognition and we have a monthly sub-former that you can nominate your colleagues for as well, and then they get a bit recognition but doing something outstanding within their team.

Um, so I feel like it's, that could be somewhat better, I guess, if more people were taking part in it, but they are doing something.

Appendix D - Employee Interview: Participant 3; Transcript Extracts

P3 = Participant 3

R = Researcher

R: And so just for context, can you just confirm where your role level sits in the company?

P3: So I'm probably a part of the senior management team. So I'm head of sustainability is my official job title.

R: Great. And are there any team members that you manage, are you a line manager at all or you got anyone in your care?

P3: Not yet. I'm a team of 1 at the moment, but that's a short term thing.

R: And so just thinking about in general the sort of organisational culture and is there any sort of particular cultural traits they try and nurture or particular ways of doing things? Is there any experience you have of that?

P3: [...] when it comes to company culture it's interesting. I think you need to see it in with a little bit of context around it because as we've grown over those 20 years, feeling like a small family business and it's a bit like, you know, the old analogy about putting a frog in a saucepan and slowly turning the heat up. Although the business has gotten bigger and bigger and bigger over 20 years, it still felt like a sort of a family run, family owned, very flat structure. So the culture has always been a very intrapreneurial.

The directors have always given the smart people within the business that whatever they are, a lot of latitude just to do good things and to push themselves and to yeah. So it's felt like a very design led innovation led business over those 20 years and that's with a strong family culture as well looking after each other.

So that for the last 20 years has always been the case. The interesting thing is how that transitions when you're no longer a privately owned business.

And so we can't quite answer that at the moment because we're still in that transition and we're still trying to find our feet and how do we? We're still battling with how do we maintain the culture that we are used to, when the rules of the game have kind of changed a little bit. Yeah, because it's weird because over the last 20 years, you know, we've had a very charismatic managing director and you've always felt like I've not got any equity in the business. So I've not felt like I'm slogging my guts out to make money from, you know, to build my own personal fortune. Cause the reality is most of all of that equity doesn't belong to me or anyone else. It belongs to kind of three or four people. But it's always felt like you were building something together.

How do we still make sure that we've really got a strong sense of purpose. And so we can carry on being as kind of happy and motivated. And yeah, as we have been.

R: This is very interesting then that you're in that sort of really transitional time. And then I guess, I mean without, obviously, that you need to go into too much sort of business detail, but you know since then they've bought the company and I mean does it still operate like as [Organisation] or is there much external influence from the parent company, how is that sort of still in fluid or has that changed or?

They made a point of saying we bought you for very good reason. We bought you because you're creative and innovative and you bring qualities to our business that we haven't got. So we don't want to turn you into us.

Yeah. And the reality is over the last three years, they have turned us into them a little bit or. Yeah. Yeah. Because we are slowly but surely adopting some of their work practises.

And to a certain extent, there are benefits that come from that.

Um, we don't want to act like a big corporate company.

So we're desperately trying not to become too corporate about it, but there are some interesting efficiency benefits about being a corporate company with lots of resources in lots of different areas. So yeah, it's interesting, but it's very much seesaw. There's good things and there's bad things.

It certainly benefited us financially [...] this is the first year where our export business will be bigger than our UK business.

P3: And that will just continue, that seesaw will continue to get heavier outside of the UK because we're able to sell through their network of distributors. So you know that's the biggest benefit is what it means to where [Organisation] reaches now.

I think we well, what we're trying to do is really realign, I mean sustainability here at the moment is absolutely everything to us and, you know, we in the design team here of have always been given a lot of latitude to not only steer our product design when it comes to sustainability, but really what we look and smell like as a brand around sustainability. So for us we've put a huge amount of effort over the last year in almost writing a manifesto. We've called it a manifesto for the design community within [Organisation], a creative manifesto, but really it's a manifesto for the business and it is a new sense of purpose around sustainability.

So that's what we're focusing on at the moment is can we realign ourselves 150% around sustainability?

R: Hmm. Okay. So I guess really that does sort of feed into being more innovative or increasing your innovation because to be able to sort of have that focus, you have to think differently, don't you, about how you approach design, how you approach manufacturing, how you approach the supply chains [...] Would that be fair to say?

P3: Yeah. Well, I think it's just turning up the volume on that because we would probably say that you know sustainably led design has always been in [Organisation] DNA at least for the last 10 years especially.

[...] we've been putting a lot of effort into our product design. So that thinking about extended product life cycles you know designed for circularity, for many, many years as well. So what we're doing now is, I guess just turning up the volume on that further and then saying, yeah, well, that's gotta be everything now, not just the product, but you know how we bring our products to market.

You know the business models that we use need to be as circular as the products. Our supply chains, great observation. Already our supply chains, they need to be on board.

R: Okay and so I suppose thinking then about the sort of employee well-being cited in the company specifically. And are there any, I mean obviously apart from the normal HR legal

sort of requirements, are there any particular practises or programmes in place that they've put for employee wellbeing or any focus there that you're aware of?

P3: It's an interesting one because we're doing a bit of a survey at the moment. We've got a bunch, a whole bunch of focus groups underway at the moment. So we're trying to kind of capture a flavour of how our workforce is feeling at the moment and what are the topics that are high on their agenda. Do they align with what we think that they ought to be or might be? So we've got, I mean we've got an employee committee. So we're constantly trying to make sure there's good lines of communication between what the senior teams thinking and how that trickles down to the shop floor and everything, so we've got an employee committee. We've got a wellbeing committee. Who's 100% focus is to try and encourage a high level of wellbeing right throughout the year. So we, you know, and helpfully I'm on the wellbeing committee. So it's kind of what events can we put on, what communication can we drip out to our workforce to just constantly promote ideas around you know the variety of different topics that make up well-being, like you know whether it's physical health, whether it's mental health whether it's what environment are people are working in?

[...] we've got a really nice profit share scheme that distributes profits at absolutely everybody, no matter who you are.

Yeah. So we pay quite well, you know, so all of those usual sort of tick boxes.

I think what we need to get better at though is, strengthening our links with the local communities well, we're putting quite a lot of effort into that at the moment.

[...] making sure we act a bit like a tree that we recognise that we are in an environment ourselves and if we strengthen the environment around us then you know that will benefit the tree as well.

To genuinely support the businesses that are around us and also again it plays into the wellbeing of our staff. You know our staff really like feeling like they work for a business which is doing some good, you know making good products and supporting people where they can.

And that all comes from having a wellbeing committee who, you know, we only meet once every two weeks, but it means that you've got people from across the business that are dedicated to thinking of, you know, just putting some time to thinking about how we can promote these ideas and yeah, and make sure that they actually happen.

R: And so I suppose, it sounds like you've got quite a positive perspective then on the company culture in general, but yeah, in your personal experience are there any comments you'd like to make about, you know, what you particularly find good or anything like you say like you could you feel could be better or there's more scope for?

P3: Well, it always feels like we could do more. You know, this. I'm pretty sure I know that you'll be more than well aware of that kind of classic sustainable development model where you've got the three bubbles. One of our bubbles is much bigger than the other. You know, we're very good. You know, our senior team when they have a board meeting. Firstly, our Board of Directors, is very heavily biased towards sales, so we've got more sales directors than anything else, and then it's just a bit of imbalance there. So when they get to go and have a board meeting, you know they talk about sales and business growth and all of those other big important things and which you'd expect. But the balance of that bubble is probably, that's very big bubble. Our environmental bubble's getting bigger, our people bubble that needs a little bit more air in it [...] we always feel like we need to be putting a bit

more air in that people bubble and how we, not just our internal people but how we are as a part of a wider community around us. So I still think there's work to be done. There's work to be done to make sure just like sustainability that you keep it real, you keep it, it's authentic and it's genuine, not just to look good in an ESG or an impact report at the end of the year.

I'd say the biggest opportunity for us at the moment, I think learning and development is big you know, we recognise that internally and we're actually and we're dealing with it. You know, we've got a kind of task force together that are looking at that.

We've got a person that's focused on sustainability. We haven't got a person that's focused on internal learning and development or people development or anything like that or we haven't got an ESG manager.

R: [...] is there anything else you'd like to add in general or if not we can leave it there.

P3: I think the only thing I haven't mentioned is we've, we have tried, we have in the past used some formal kind of like ESG. [...] I've put a proposal to our Board of directors that we adopt the UN Sustainable Development Goals. You know, I think that's a much more robust and far-reaching framework in order to kind of to help a business like ours shape their ESG activity because it kind of it says right. Well of course, yeah, it's not just about. We're just about supporting your staff and your local community, although that of course is important. But what's happening elsewhere in the world? You know, how can we close that gap between rich and poor? Yeah. Anywhere. So, yeah, that's it. I think that's hopefully where we'll be heading to having a kind of a broader view as well as well as maintaining very strong links with our because it. It's amazing when you start to kind of meet your neighbours and develop these links, how symbiotic it can be as well.