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Investigating the Effect of Positive Organizational Behavior on Innovation

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Abstract: Positive Organizational Behavior (POB) and Innovation are two important emerging approaches in the organizational sciences. In today's competitive world, innovation is considered as a key factor to success and survival for organizations. So far, the literature has recognized various items that affect innovation in organizations. Present research has been conducted to analyze the relation of positive organizational behavior with Innovation in Kalleh Company from Iran. Purpose of this study expands upon a developing field in positive organizational psychology by focusing on development within Innovation. Structural Equation Modeling (SEM) was used for data analysis. The results of study showed a significant effect of positive organizational behavior on innovation in Kalleh Company. Study results showed five of the six dimensions of (POB); emotional intelligence, self-efficacy, subjective well-being optimism and resilience have significant and positive impact on Innovation. In addition, one of the six dimensions of (POB), hope have not effect on innovation. Thus, this study proposes insightsfor managers how to enhance their employees' capabilities and positive organizational behavior through constant measurement as well as using improvement plans in order to provide higher innovation. The current research also provides more suggestion for future studies that could consider consequences of innovation in their career.

Key words: Positive organizational behavior, self-efficacy, hope, optimism, resilience, subjective well-being, emotional intelligence, innovation

INTRODUCTION

Research in the areas of positive psychology, positive organizational behavior and more recently Psychological Capital (PsyCap) may provide pathways to help individuals not only to cope with but to effectively thrive during and beyond periods of adversity (Goertzen and Whitaker, 2015). Today, firms need innovation to grow and have been encouraged to develop their innovative activities by the behavioral patterns (Sweetman *et al*., 2011). But despite, the obvious importance of innovativeness and the fact that the concept of innovation is widely researched, there is surprisingly little agreement over what innovativeness really is and how to enhance it. The definition of "innovativeness" is rarely discussed; there are many interpretations and approaches, leading to ambiguity and confusion in practice (Tajeddini and Trueman, 2014; Tajeddini and Tajeddini, 2012a, b; Tajeddini *et al*., 2006). Therefore, it has become of the utmost importance for organizations to be both adaptive and innovative. More specifically, Brannback (1999) notes that if companies are to achieve growth in the future, innovativeness is the only line of action. Positive organizational behavior have highlighted the positive strengths (such as psychological capital, work related flow) of the employees, managers, and leaders for enhancing the optimum outcomes of work behaviors (e.g., enhanced performance, creativity and innovation) (Zubair and Kamal, 2015). Positive Organizational Behavior (POB) is an area that has gained much attention in recent years (McGee, 2011). The purpose of positive psychology is to begin to catalyze a change in the focus of psychology from pre-occupation only with repairing the worst things in life to also building positive qualities (Seligman and Csikszentmilhaly, 2000). Thus, positive psychology studies the strengths and virtues that enable individuals and communities to thrive. More than ever, before managers would agree that employees make a critical difference when it comes to innovation, organizational performance, competitiveness

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and thus, ultimately business success. What can organizations do to attract and keep creative, dedicated, and thriving employees who make organizations flourish? Which working conditions inspire employees to be engaged, give their best, go the extra mile and persist in the face of difficulties? (Bakker and Schaufeli, 2008). Thus, employees are needed who feel energetic and dedicated, and who are absorbed by their work. In other words, organizations need engaged workers. Further, POB-researchers are interested in peak performance in organizations and examine the conditions under which employees thrive. In the past, organizations paid less attention to investment on human resources while today attention to human capital has gained increasing importance. Promotion of human capital requires investigation of the inner aspects of human being.

The aim of this study is to investigate the effect of positive organizational behavior dimensions on Innovation in Kalleh Company from Iran. This study has a dual value: first, it contributes to the research knowledge of organizational behavior in the Industrial/Organizational psychology (I/O) field and second, it identifies the relationship between positive organizational behavior and innovation. Identifying the relationship between these two values contributes to the field knowledge, solves the research problem of this study and fills this gap. The study describes implications for managers who are attempting to develop positive psychological capacities and Innovation in their staff. The importance of positive organizational behavior can be addressed from two perspectives. In individual aspect, since positive organizational behavior affects all aspects of life, all people should have a general awareness of its basic facts. On the other hand, focusing on this capital in organization enables the personnel to learn the ways of adapting with life hardships.

Theoretical considerations and previous literature: This study briefly reviews the underlying concepts adopted by this research such as the positive psychology, positive organizational behavior, innovation and the effect of positive organizational behavior on innovation.

Positive psychology: Positive psychology as "a science of positive subjective experience, positive individual traits and positive institutions, promises to improve quality of life and prevents the pathologies that arises when life is barren and meaningless" (Ziyae *et al*., 2015). Positive psychology is not psychological "states" (e.g., emotions) that neither change in momentary situations, nor are they "traits" (e.g., personality traits, intelligence) that are fixed and unchangeable, rather, they are state-like capacities and therefore are relatively malleable (Goertzen and Whitaker, 2015). As a result of the researches in the area of positive psychology and positive organization school, the reflection of positive psychology in the area of organization and especially in positive organizational behavior researches; the term psychological capital came into being (Luthans *et al*., 2006). "Psychological capital" is a term having come into being as a combination of skills such as self-efficacy, hope, optimism, endurance that are open to improve and it means more than the combination of the skills mentioned here in above (Aliyev and Tunc, 2015). The notions of positive psychology, faithfully reflects the dominant ethos of American culture, namely, the need to "think positive" to be happy, healthy and wise which is succinctly called by Held (2001) as "tyranny of the positive attitude in America". Building on the work of Seligman and Csikszentmilhaly (2000) on positive psychology, Luthans proposes POB as focusing on positive feelings in general and on the sub-concepts of confidence/self-efficacy, hope, optimism, subjective well-being/happiness and emotional intelligence in particular (Yammarino *et al*., 2008). To positive psychologists, authenticity involves both owning one's inner thoughts, beliefs and emotions and acting in a way that reflects one's true self, i.e., saying what you really think and feel and behaving accordingly (Gardner and Schermerhorn, 2004).

Psychological capital is defined by Luthans *et al*., (2007a) as: an individual's positive psychological state of development characterized by:

- Having confidence (self-efficacy) to take on and put in the necessary effort to succeed at challenging tasks
- Making a positive attribution (optimism) about succeeding now and in the future
- Persevering toward goals and when necessary, redirecting paths goals (hope) in order to succeed
- When beset by problems and adversity, sustaining and bouncing back and even beyond (resiliency) to attain success

The application of positive psychology to the workplace seems especially fitting in light of today's turbulent environment where organizations and their employees must continually adapt in order to survive (McGee, 2011). The implications of positive psychology for workplace, however, remained a neglected issue in the "mainstream positive psychology"; the handbook of positive psychology by Snyder and Lopez (2002) has just one chapter out of 25 on the work domain. However, parallel developments notably by Luthans (2002a) in the

name of Positive Organizational Behavior (POB) and Cameroon *et al.* (2003) in the name of Positive Organizational Scholarship (POS) have tried to fill this gap.

Positive Organizational Behavior (POB): POB offers a scientific, integrative framework that can help measure, explain and develop positivity in the workplace, even amidst today's predominant uncertainty and negativity (Badran and Youssef-Morgan, 2015). POB emphasizes the need for more focused theory building, research and effective application of positive traits, states and behaviors of employees in organizations. We believe that it can help the entrepreneur to recover more easily from the loss of his/her business In a world where economic uncertainty, constant competition and perpetual technological advances prevail, companies can gain a sustainable competitive advantage by developing psychological capital of their human resources (Luthans *et al.*, 2007b). The field of POB has emerged from the recently proposed positive psychology approach. Psychology has been criticized as primarily dedicated to addressing mental illness rather than mental ''wellness'-the four D's approach. This prevailing negative bias of psychology is illustrated by the fact that the amount of publications on negative states outnumbers that on positive states by a ratio of 14:1 (Myers, 2000). Pan *et al.* (2014) defined POB as certain employee's behavior which is able to promote positive organizational function and to improve individual and organizational performance. Its core meaning includes the following points:

- Employees' POB benefits the organization. It is an external behavior resulting from the interaction of individual positive peculiarity and organizational environment
- POB can promote exertion of organizational functions
- POB is able to improve individual and organizational performance

Failing to recognize the positive aspects of work is inappropriate and as Turner *et al.* (2002) have argued "it is time to extend our research focus and explore more fully the positive sides, so as to gain full understanding of the meaning and effects of working".

When the sense of possession toward organization meets employees' need, they will spend a great deal of energy and resources to obtain certain target object which can become their "home", to make positive judgments to the target object and finally to show POB (Pan *et al.*, 2014). The POB focuses on building human strengths at work rather than only managing weaknesses. POS is more concerned with understanding human excellence and exceptional organizational performance (Nelson and Cooper, 2009). Like positive psychology, POB does not proclaim to represent some new discovery of the importance of positivity but rather emphasizes the need for more focused theory building, research and effective application of positive traits, states, and behaviors of employees in organizations (Luthans and Youssef, 2007). Cole (2010) described POB more explicitly with the use of the term Positive Emotional Climate (PEC) whereas emotions have a directrelationship with the employee's perception of their work task. Emotions also influence the employees' level of performance.

Innovation: Innovation isconsidered a source of competitive advantage and economic growth and worthy of study under the conditions of increased global competition, technological change, fast-changing market situations and continuous customer/client demand for quality services (Damanpour and Wischnevsky, 2006; Tajeddini and Trueman, 2008). Innovation is not only part of business activity but also crucial in the capability to discover, evaluate and exploit market opportunities available to entrepreneurs (Huarng and Mas-Tur, 2015). According to innovation diffusion theory, innovative people react differently in their adoption behavior towards a creative idea or new practice. Due to the dynamic nature of most markets, it is nearly impossible to find an industrythat is not engaged in continuous or periodic innovation (Beinert, 2006). Innovative individuals are more likely to act jointly to meet the expectations of the service provider instead of worrying about its vulnerabilities (Dai *et al.*, 2015). The ability to innovate in technology helps to create new products, improve existing products, develop knowledge, and achieve business objectives more efficiently. In the long term, innovation reduces costs, risks and time (Mas-Tur and Soriano, 2014). Fierce competition in the global market has made innovation and differentiation anecessity for every company (Tajeddini and Trueman, 2008). Tacit knowledge from the constant and continual interaction of family and firm (Konig *et al.*, 2013) makes firms "better able to extend capabilities and produce more novel innovations". In turn, relying on strategic behavioral controls is positively related to the use of long-term strategic criteria in the course of deciding how to allocate a family firm's resources, with the use of long-term criteria leading to flexible decisions supporting innovation (Hatak *et al.*, 2016; Carnes and Ireland, 2013). Innovation has a strong link to entrepreneurism since, firms need to have an innovative culture to engage in innovative behavior

(Hult *et al*., 2004; Menor and Roth, 2007). The firm's innovative culture-in other words, its innovativeness-reflects whether the organization is in favor of developing and/or adopting innovations or alternatively resists this process (Santos-Vijande *et al*., 2013). The 'greening of the organization' and 'green innovation' can be thought of as two separate strategies geared toward the same goal (Gabler *et al*., 2015, Cronin *et al*., 2011). Despite the importance of innovation, Smith (2006) points out, "there are not many texts on innovation." Marketing studies at the organizational level of analysis are similar to innovation studies conducted by organizational sociologists (Tajeddini and Trueman, 2014).

The effect of positive organizational behavior on innovation: Luthans is one of the founding fathers of positive organizational behavior and defined the field as "the study and application of positive oriented human resource strengths and psychological capacities that can be measured, developed and effectively managed for performance improvement in today's workplace". Psychological capital has been proposed as the key construct to realize this goal. Four psychological states such as self-efficacy/confidence, hope, optimism and resiliency have been identified by the authors to tap the essence of psychological capital (Nelson and Cooper, 2009). Psychological capital has been proven to have a significant effect on enhancing innovation in an organization (Jafri, 2012; Abbas and Raja, 2 011; Rego *et al*., 2012). Jafri (2012) believes that psychological capital and its dimensions (i.e., self-efficacy, hope, resilience and optimism) affects employees' innovative behaviorto a large extent and could even predict their innovative behavior; therefore, innovative behavior seems to be an essential factor for all the organizational levels in order for fostering innovation; besides, innovation is crucial for an effective and efficient performance of the organization (Abbas and Raja, 2011). In another study by Luthans and Avey with a purpose of investigating the effect of psychological capital on innovative performance, it was revealed that innovative performance could be predicted and developed through psychological capital and its dimensions (i.e., self-efficacy, hope, resilience and optimism).

The effect of self-efficacy on innovation: Not only do the successful and unsuccessful experiences affect self-efficacy but also self-efficacy affects successful and unsuccessful experiences. While having successful experiences affects self-efficacy, a high self-efficacy enables a successful performance to appear (Aliyev and Tunc, 2015). Many studies (Hmieleski and Corbett, 2006; Hmieleski and Carr, 2007; Jafri, 2012) have identified the positive relationship between the self-efficacy of innovative managers and firms' growth.

The effect of hope on innovation: Hope is described as a "motivational state that is based on the interaction between three factors: goals, agency and pathways" (Luthans and Youssef, 2004; Goertzen and Whitaker, 2015). Jafri (2012) had shown a positive relationship between hope and innovative behavior. Also, Ziyae *et al*. (2015) not found a positive relationship between hope and employees innovation behavior. In fact, hopeful employees, despite different problems in their work place, are very enthusiastic about innovation (Luthans *et al*., 2007a, b).

The effect of optimism on innovation: Optimism Optimists take credit for favorable events in their lives, strengthening their self-esteem and morale which in turn may lead to greater creativity (Lyubomirsky *et al*., 2006; Zubair and Kamal, 2015). Optimism directly affects employees' creativity and innovation (Rego *et al*., 2012). Jafri (2012) found out a positive relationship between optimism and employees innovative behavior. Ziyae *et al*. (2015) also found not out a positive relationship between optimism and employees innovative behavior.

The effect of resilience on innovation: Resilient processing of setbacks can help build the coping mechanisms necessary for enlisting the right material, cognitive, affective and social resources to overcome challenges and continue to meet goals (Badran and Youssef-Morgan, 2015). Resilient leaders encourage their subordinates to risk-taking and innovative behavior (Peterson *et al*., 2009). Jafri (2012) and Ziyae *et al*. (2015) also had shown a positive relationship between resilience and innovative behavior.

Conceptual framework and research hypotheses: According to Luthans (2002a,b), positive organizational behaviorincludes five dimensions of self-efficacy, hope, optimism, subjective well-being and emotional intelligence. The field of POB has emerged from the recently proposed positive psychology approach. As a result of the researches in the area of positive psychology and positive organization school, the reflection of positive psychology in the area of organization and especially in positive organizational behavior researches; the term psychological capital came into being. Also, psychological capital according to Luthans *et al*. (2007a) includes four dimensions of self-efficacy, hope, optimism and resiliency. Therefore, based on these six dimensions

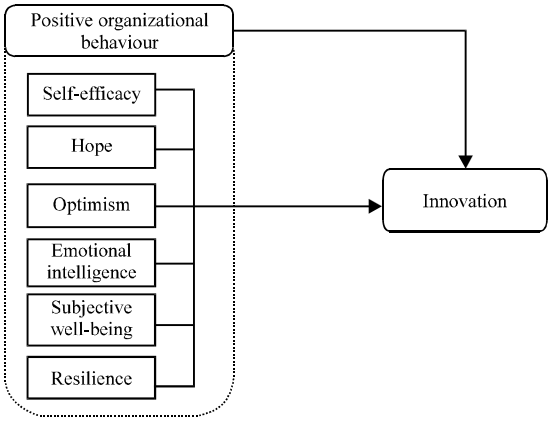

Fig. 1: Research conceptual framework

(self-efficacy, hope, optimism, subjective well-being, emotional intelligence and resiliency) the present research hypotheses and conceptual framework are discussed as (Fig. 1).

Hypotheses:

- H_A: positive organizational behavior has a significant positive impact on innovation. Considering the decomposition of positive organizational behaviorinto its component units; H_A can be divided into the following:
- H_1: Self-efficacy has a significant effect on innovation in Kalleh Company
- H_2: Hope has a significant effect on innovation in Kalleh Company
- H_3: Optimism has a significant effect on innovation in Kalleh Company
- H_4: Resilience has a significant effect on innovation in Kalleh Company
- H_5: Subjective Well-being has a significant effect on innovation in Kalleh Company
- H_6: Emotional intelligence has a significant effect on innovation in Kalleh Company

MATERIALS AND METHODS

Setting and sample: Since, this study seeks to investigate the causal relationships between positive organizational Behavior and innovation in Kalleh Company from Iran, the purpose of this study is considered as an empirical one in terms of objective and its research methodology is descriptive-correlative type. More specifically, Structural Equation Modeling (SEM) was used for data analysis. The population includes 210 managers and professional employees working in Kalleh Company from Iran. Independent and dependent variables in this study, respectively include positive organizational behavior and innovation in kalleh company.

Table 1: Reliability and average variance extracted for principal construct

Research variables	CR	AVE
Self-efficacy	0.77	0.53
Hope	0.82	0.61
Resilience	0.86	0.56
Optimism	0.88	0.60
Subjective well-being	0.84	0.57
Emotional intelligence	0.77	0.54
Innovation	0.91	0.63

Measurement: The study instrument includes questions about the 6 proposed dimensions from positive organizational behavior; self-efficacy, hope, optimism, subjective well-being, emotional intelligence, resilience and innovation dependent variable for Kalleh Company in Iran. Responses to the items; self-efficacy, hope, optimism, subjective well-being, emotional intelligence, resilience and innovation were elicited on 5 point scales rangingfrom "5 strongly agree" to "1 strongly disagree".

To operationalize the Self-efficacy, hope, optimism and resilience dimensions suggestions from Luthans *et al*. (2007b) study were employed. For the measurement of well-being, 6 items developed by (Kashdan, 2004; Hills and Argyle, 2002) and for the measurement of Emotional intelligence four items developedby were employed. Finally, to measure the innovation component nine items developed by (Dorabjee *et al*., 1998) were employed. The final scale consists of 43 questions to capture the 7 dimensions.

The survey instrument was originally developed in English and back-translated to be employed in Iranian culture. Its wording and the face validity of the questions were examined by two other management researchers. To evaluate the validity and internal consistency of the measurement scales: Cronbach's alpha was applied for inter-term consistency of independent and dependent variables and confirmatory factor analysis was performed to test the one-dimensional qualities of the scales and construct validity of each of them. The reliability coefficients computations resulted in and overall Alpha coefficient score of 0.91 at the aggregate level for positive organizational behavior study variable and overall Alpha coefficient score of 0.92 for innovation at the aggregate level for each study variable (Table 1). In these findings each coefficient is shown to exceed the cut-off value of 0.70 as recommended by Nunnally (1978).

Table 2 present the measurement model results, including information about reliability and average variance extracted for principal construct. Values >0.50 for the Average Amount of Variance (AVE) and >0.70 for the composite reliability to be used (Azar *et al*., 2012). All constructs in the revised instrument showed high reliabilities (composite reliability >0.70) and the Average Variance Extracted (AVE >0.50) were in all cases.

Table 2: Scale items, reliabilities and confirmatory factor analysis results

Scale Items	Standardized loadings	t-values	a
Self-efficacy			0.82
I feel confident analyzing a long-term problem to find a solution	0.72	7.32	
I feel confident in representing my work area in meetings with management	0.80	8.02	
I feel confident presenting information to a group of colleagues	0.67	7.08	
Hope			0.71
At the present time, I am energetically pursuing my work goals	0.71	7.01	
I can think of many ways to reach my current work goals	0.86	8.70	
At this time, I am meeting the work goals that I have set for myself	0.76	7.84	
Resilience			0.88
When I have a setback at work, I have trouble recovering from it, moving in	0.78	0.70	
I usually manage difficulties one way or another at work	0.71	9.12	
I can be "on my own," so to speak, at work if I have to	0.75	10.14	
I usually take stressful things at work in stride	0.80	11.32	
I can get through difficult times at work because I've experienced difficulty before	0.70	8.77	
Optimism			0.84
When things are uncertain for me at work, I usually expect the best	0.72	8.16	
If something can go wrong for me work-wise, it will	0.73	8.30	
I'm optimistic about what will happen to me in the future as it pertains to work	0.86	9.78	
In this job, things never work out the way I want them to	0.71	8.05	
I approach this job as if "every cloud has a silver lining"	0.83	9.04	
Subjective well-being			0.83
I am well satisfied about everything in my life	0.71	7.95	
Life is good	0.84	9.80	
I find beauty in some things	0.78	8.32	
I always have a cheerful effect on others	0.68	7.30	
Emotional intelligence			0.78
I have a good sense of why I have certain feelings most of the time	0.53	5.23	
I have good understanding of my own emotions	0.78	6.91	
I really understand how I feel	0.86	8.93	
Innovation			0.92
Staff here receives support and encouragement when presenting new ideas	0.80	13.63	
Staff generally shares their ideas here because they are listened to and encouraged	0.96	19.34	
Initiative often receives a favorable response here so staff feel encouraged to generate new ideas	0.85	14.87	
Staffs here are usually accepting of new ideas	0.75	11.68	
Staffs here have enough time to think about their ideas	0.65	8.65	
The pace of work here allows for the testing of new ideas	0.71	10.57	

The $\chi^2 = 466.59$, df = 234, p-value = 0.16029, RMSEA = 0.037; NNFI (non-normed fitindex) = 0.943; CFI (comparative fit index) = 0.915; GFI (goodness of fit index) = 0.930; AGFI (adjusted goodness of fit index) = 0.907; Each item is measured on a five point Likert scale. All loadings are significant at 0.001 levels or better

RESULTS AND DISCUSSION

Psychometric properties of the measures: The Structural Equation Modeling (SEM) approach by LISREL methodology with LISREL 8/54 software were used. LISREL was selected to assess the relationships between the endogenous and exogenous variables and to determine the predictive power of the research model. Structural equation modeling is a very general, chiefly linear, chiefly cross-sectional statistical modeling technique. Factor analysis, path analysis and regression all represent special cases of SEM (Hair *et al*., 1998). LISREL for windows is a windows application for structural equation modeling, multilevel structural equation modeling, multilevel linear and nonlinear modeling, formal inference-based recursive modeling and generalized linear modeling. Confirmatory factor analyses were employed to address the issues of dimensionality, convergent and discriminant validity (Anderson and Gerbing, 1988). Items having standardized loadings >0.50 and/or items having no significant inter itemcorrelations were deleted. According to the initial results of the confirmatory factor, analysis items from self-efficacy; q_2:"I feel confident contributing to discussions about the company's strategy", q_4: "I feel confident helping to set targets/goals in my work area", q_5: "I feel confident contacting people outside the company (e.g., customers) to discuss problems";items from hope; q_7:"If I should find myself in a jam at work, I could think of many ways to get out of it", q_9: "There are lots of ways around any problem", q_{10}: "Right now I see myself as being pretty successful at work"; items from Resilience; q_{18}: "I feel I can handle many things at a time at this job"; items from Optimism; q_{22}: "I always look on the bright side of things regarding my job"; items from subjective well-being; q_{29}: "I have very warm feelings toward almost everyone", q_{30}: "I feel I have a great deal of energy"; items from emotional intelligence; q_{34}: "I always know whether or not I am happy" and items from Innovation; q_{35}: "staff usually feel welcome when presenting new ideas here", q_{36}: "Time is available to explore new ideas here", q_{37}: "Most staff have time to think through new ideas here", were eliminated.

The final results of the confirmatory factor analysis demonstrated a reasonable fit of the 7 factor model to the data on the basis of a number of fit statistics

Table 3: Correlation matrix of research variables

Variables	Mean	SD	Self-efficacy	Hope	Resilience	Optimism	Subjective well-being	Emotional intelligence	Innovation
Self-efficacy	4.01	0.91	1.00	-	-	-	-	-	-
Hope	3.26	0.77	0.59	1.00	-	-	-	-	-
Resilience	3.85	0.75	0.83	0.77	1.00	-	-	-	-
Optimism	4.48	0.96	0.75	0.67	0.72	1.00	-	-	-
Subjective well-being	3.61	0.81	0.60	0.59	0.85	0.74	1.00	-	-
Emotional intelligence	3.72	0.68	0.53	0.62	0.50	0.54	0.68	1.00	-
Innovation	3.45	0.79	0.61	0.58	0.65	0.61	0.70	0.55	1.00

Table 4: Standardized structural path analysis results

Hypothesis	Standard parameter estimates	t-value	Sig. (p)
H_A: Positive organizational behavior→innovation	0.56	4.92	>0.01
H_1: Self-efficacy→innovation	0.18	8.41	>0.01
H_2: Hope→innovation	0.10	- 0.70*	>0.01
H_3: Optimism→innovation	0.16	5.82	>0.01
H_4: Resilience→innovation	0.21	4.69	>0.01
H_5: Subjective well-being→innovation	0.32	16.43	>0.01
H_6: Emotional intelligence→innovation	0.50	16.41	>0.01

*Not accepted

(χ^2) = 466.59, df = 234, χ^2/df = 1.99, p-value = 0.16029, RMSEA = 0.037, NNFI = 0.943, CFI = 0.915, GFI = 0.930, AGFI = 0.907).

Chi-square ratio to the degree of freedom should be <3,the amount of which is calculated is 1.99. As indicated in Table 1, the magnitudes of the standardized loadings ranged from 0.51-0.96 and all t-values were significant (>2). In addition, Table 2 demonstrates that all reliability coefficients were deemed acceptable, since they exceeded the bench mark of 0.70 as recommended by Nunnally (1978).The results show that 7 dimensions are loaded significantly in Kalleh Company. Therefore, assessment tool has the proper validity and reliability and the model can be stored based on the proposed amendments with the LISREL.

Correlation analysis results: Composite scores for each study variable were calculated by averaging scores across items representing that construct. Table 3 demonstrates the correlation coefficients among study variables. The correlation coefficients ranged from 0.50-0.85. None of the correlation coefficients were equal to and/or above 0.90, providing empirical support for discriminant validity. Means and standard deviations of study variables are also presented in Table 3.

Test of hypothesis: The significance level in LISREL software is ≥1.96 which shows that the hypotheses are significant. Research hypotheses would be supported if the score becomes above 1.96.The path analysis shown in (Fig. 2; Table 4) indicates that six of the six dimensions ofpositive organizational behavior; subjective well-being (estimates = 0.32, t = 16.43, p>0.01), emotional intelligence (estimates = 0.50, t = 16.41, p>0.01), self-efficacy (estimates = 0.18, t =8.41, p>0.01), optimism (estimates = 0.16, t = 5.82, p>0.01) and resilience

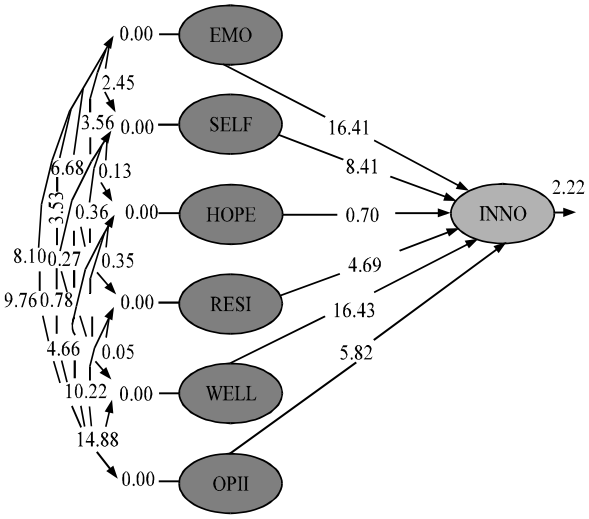

Fig. 2: Structural model (t-value) of positive organizational behavior dimensions on innovation; χ^2 = 466.59; df = 234; p-value = 0.16029; RMSEA = 0.037

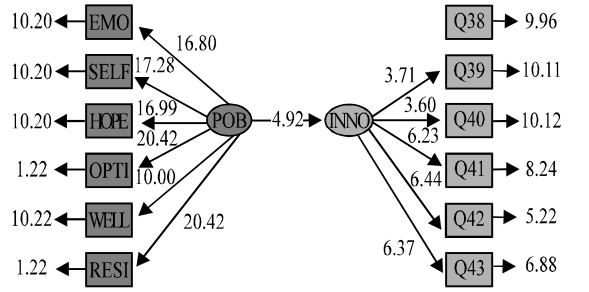

Fig. 3: Structural model (t-value) of positive organizational behavior on innovation; χ^2 = 466.59; df = 234; p-value = 0.16029; RMSEA = 0.037

(estimates= 0.21, t = 4.69, p>0.01)have significant and positive impact on Innovation that provide support for H_1, H_{3-6}. In addition, hope (estimates = 0.10, t = -0.70, p>0.01) have not significant and positive impact on Innovation, thus reject for H_2. Positive organizational behavior (estimates = 0.56, t = 4.92, p>0.01) have significant and positive impact on innovation that provide support for H_A (Fig. 2 and 3).

CONCLUSION

Today, organizations seek for innovation in order to survive in the competition scene. Due to the relationship between the individual elements of positive organizational behavior on innovation and applicability of the suggested their scale on the Kalleh Company has been examined in this study. Our scale comprises 43 variablesrepresenting the seven dimensions of self-efficacy, hope, optimism, resilience, subjective well-being, emotional intelligence and innovation. Five of the six dimensions of positive organizational behavior; emotional intelligence, self-efficacy, optimism, resilience and subjective well-being have significant and positive impact on innovation. Thus, results shown subjective well-being, emotional intelligence, self-efficacy, optimism and resilience, respectively have significant and positive impact on Innovation in Kalleh Company. Findings of self-efficacy study confirm the previous theories such as (Hmieleski and Corbett, 2006; Hmieleski and Carr, 2007; Jafri, 2012). Findings of optimism study confirm the previous theories of Rego *et al*. (2012) and Jafri (2012) that they found out a positive relationship between optimism and employees innovative behavior but reject studies Ziyae *et al*. (2015). Also, findings of resilience study confirm the previous theories by Jafri (2012), Peterson *et al*. (2009) and Ziyae *et al*. (2015). Finally, hope of positive organizational behavior, findings of hope study reject the previous theory of Jafri (2012) that also had shown a positive relationship between hope and innovative behavior but this confirm the previous theory of Ziyae *et al*. (2015). Findings of this study reject the previous theories of Luthans *et al*. (2007a, b), Ziyae *et al*. (2015) and Sweetman *et al*. (2010), regarding the fact that Positive organizational behavior elements have synergy. In other words, the overall positive organizational behavior is not bigger than the combination of its elements.

The results of this study also provide worth while insights for understanding the dimensions of positive organizational behavior (i.e., self-efficacy, hope, optimism, resilience, subjective well-being and emotional intelligence) altogether and innovation in Kalleh Company. Managers are suggested to enhance their employees' capabilities and positive organizational behavior constant measurement as well as using improvement plans in order to provide higher productivity. In addition, due to the key role of innovation, managers of Kalleh Company are proposed to support new ideas to obtain competitive advantage through applying and promoting innovative culture. The state-like nature of positive organizational behavior makes it accessible for human resource development efforts. Its underlying agentic component makes it particularly relevant for promoting initiative, independent thinking and positive change in a transient political, economic and social environment.

LIMITATIONS

Thus this study provides opportunities for future research. First, researchers should replicate this study with different samples in different industries and considering other potential antecedents of the positive organizational behavior. Conceptually, positivity and its underlying assumptions have been critiqued as culturally based and thus not necessarily as relevant to non-Western societies. However, recent empirical findings show that these cultural differences may be smaller than anticipated. The current study also provides more valuable insights for the future studies which should examine the performance outcomes of innovation in company and the variables that can moderate the relationship between the positive organizational behavior and innovation. It is also recommended that future research may need to make efforts on the comparative studies to identify and test systematically variables that could effect on innovation in different industries.

IMPLICATIONS

This study can have several implications for research and practice. Beyond addressing the limitations of the present study, there are several implications for future research that examines the potential impact of positive organizational behavior and innovation. There is a growing body of research investigating antecedents of positive organizational behavior. For instance, research indicated that workplace support facilitates positive organizational behavior development among employees, however comparatively little is known about the actual process by which perceptions of workplace support translate into increased positive organizational behavior. The combination of all positive organizational behavior dimensions suggests this fact to the policy makers to pay attention to all elements as a whole and not one by one. Therefore, a systematic approach is preferred to enhance the employees' positive organizational behavior in industry. Additionally, there are potential implications for practice among organizations. Today's job environment is characterized by constant change. Change is often a source of anxiety. Developing an individual's positive organizational behavior capacities can provide them with meaningful confidence and other psychological tools to effectively navigate organizational change. Many organizations adopt training and development programs often focus on enhancing employees' knowledge and

skills necessary for current or future job needs. Given the rapidly growing body of research on positive organizational behavior and its relationship with positive organizational outcomes, organization ought to seriously consider incorporating strategies aimed at enhancing employing positive organizational behavior capacities. Furthermore, with respect to intra-correlations between the dimensions of positive organizational behavior, managers can increase each of the dimensions through creating and reinforcing a productive environment in order to enhance the positive organizational behavior and then innovation in their organizations.

SUGGESTIONS

Based on the above point of view, we advise managers who work in organizations lacking POB and innovation tokeep the following points in mind: training or encouraging employees to participate in decision making may help them cultivate a positive feeling of POB and innovation.

Enhancing or encouraging employees to take part in new ideas and to run the company with employers which will be in favor of enhancing their sense of responsibility toward the company and activating their positive attitude toward work. Especially, the enterprises are supposed to pay more attention to this point because there is a wide income gap between employers and employees. Besides, due to a sense of serious organizational unfairness and the economic uncertainty, employees feel that they are wage earners or have been exploited, they lack the sense of belonging and long-term career planning and they are constantly job-hopping.

The organizations should give a fair evaluation and a fair treatment to their employees so that employees will feel their work achievements are valuable and recognized.

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