

ORGANIZATIONAL CLIMATE AND INNOVATIVE BEHAVIOUR: AN EMPIRICAL STUDY OF THE BAKERY INDUSTRY IN OSUN STATE, NIGERIA.

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ABSTRACT

This study investigates the impact of organizational climate on innovative behavior among registered bakeries in Osun State, Nigeria. Adopting a cross-sectional survey design, the research sampled 208 bakery managers/owners from a population of 896 registered bakery establishments in Osun state. Data were collected through structured questionnaires and analyzed with descriptive and inferential statistics. Correlation and multiple linear regression analyses were utilized to test the study's hypotheses using the Statistical Package for Social Science (SPSS). The findings reveal that organizational climate dimensions, including management support, communication and organizational structure, have a significant positive impact on innovative behavior of bakery owners/managers in Osun state. The study concluded that it is necessary to promote a conducive organizational environment by means of effective communication, flexible organization, and proactive management behaviors to increase innovation and competitiveness in the bakery industry.

Keywords: *Organizational climate, Innovative behavior, Communication, Management Support, Organization structure.*

INTRODUCTION

Innovation entails creating, developing, and inserting new ideas, products, services, technologies, or processes in any organization. For over a decade, innovative practices have been widely recognized as providing the basis for competitive advantage and are crucial for organizations competing in competitive markets (Azeem et al., 2021). Innovation is now acknowledged as one of the critical success factors for organizations' survival, sustainability, and growth in the current dynamically changing global environment (Florek-Paszkowska et al., 2021). Many organizations in all sectors try to incorporate innovation as a way of being unique, creating better output, and addressing new consumer demands and emerging trends within the market (Damanpour, 2018). Organizational climate, which is known as the employees' perceptions of a firm's attitudes, culture, and beliefs, is critical in influencing innovative conduct among organizational members. The organizational climate also impacts the perceived and actual levels of organizational readiness to support creative endeavors, including idea generation, the inception of innovation, acceptance of innovations, and enhancement of innovations (Shanker et al., 2017).

From the perspective of small and medium enterprises (SMEs) markets, including bakeries, freshness in product offerings is critical to staying relevant and growing sustainably. In the bakery industry, innovation occurs at several levels, which involves introducing new products, new

methods of baking and technology, new packaging and distribution methods, and new methods of handling customers. Innovation is crucial for the food sector in Nigeria, mainly because of growing competition, changing customers' preferences, and the inflated price of raw materials. However, the organizational climate factor is an outstanding determinant of bakeries' ability to adopt and implement innovations within the firms successfully. Due to the characteristics of small bakeries in Osun State, the innovation is not quite linked to any radical technological changes but more to adaptive and incremental one. These are the implementation of new types of bread to match the local preferences, changing of the baking processes to endure the unstable power supply, the implementation of cost-saving types of packaging, and the enhancement of customer service based on informal management of relationships. There are strong influences of culture and operations of the Nigerian bakery on such kind of innovation, most of which are owner-managed, family-focused, and labour-intensive. As a result, the organizational culture of these bakeries is decisive in the empowerment of the employees to present ideas of improvement, test new ideas or make exceptions when it comes to routine operations. A positive organizational climate means noninstructional communication, a considerable degree of mutual trust and confidence between the managers and the organization's members, and a positive attitude toward experimentation and taking calculated risks (Ssebagereka, 2023). On the other hand, a hostile climate may sabotage change efforts, suppress innovation, and cause ineffective or out-of-date practices in businesses. Since bakeries found in Osun State exist in a highly rigid, labor-intensive sector and need to be faster to encourage innovation, the study aims to determine how organizational climate influences innovative behavior within these organizations.

One of the most severe challenges that bakeries in Osun State currently confront is the organizational climate, which has a colossal impact on the abilities of employees to perform innovative behaviors (Onokpite, 2022). On most occasions, the owners and managers of the bakeries may need to realize the need to create a culture that supports creativity and innovation. However, they may rely mainly on day-to-day activities and give scant regard to strategic planning and optimization of business processes (Chirumalla, 2021). Such resistance causes organizations to slow down since their employees may need to be encouraged to develop innovations and variations on how work is conducted. Additionally, most of the bakery industries in Osun State are small and medium-sized enterprises, most of which need help to fund and initiate the innovation process. However, when introducing new ideas into the workplace, a lack of a favorable organizational climate may keep the innovative ideas of bakery employees from being implemented. Apart from communication breakdown within the bakery, lack of leadership backing, proper employee training, and access to some of the new technologies used in baking were reasons there was a problem (Deinmodei et al., 2021). As a result, many bakeries cannot always tap into and reap all the good dividends that innovation presents, such as efficacy, high-quality products, and increased customer satisfaction. This is an issue, primarily because the literature currently available on innovation adoption should be more mindful about the particular nature of the dilemma facing bakeries and other small enterprises in Nigeria. In fact, there is a vast amount of literature on organisational climate analysis regarding innovativeness in large organisations. Nevertheless, little literature has been written on bakery industries, in particular those in third world nations. Such lack of empirical information prevents the ability of the owners and managers of bakery to make sound decisions as to what they could do to make their organisational climate better, and, by extension, increase their innovativeness. Earlier research on innovation uptakes has been mainly concentrated on big companies and technologically advanced sectors such as food production without considering the barriers that SMEs may be facing (Efebo, 2024; Moslehpoor et al., 2018; Shanker et al., 2017; Rintari, 2019).

There are various contributions of the current study to the body of knowledge. First, it provides information about the bakery sector which has not been extensively discussed in the innovation literature. Second, it advances the knowledge of organisational climate by demonstrating how bakery culture, organisational leadership, and employee engagement are correlated with innovative behaviour. Lastly, the paper presents empirical research findings that can be applied to improve the implementation of innovations in small-scale businesses to improve productivity, thus enabling the bakery enterprises in the state of Osun to experience both growth and development amid harsh market competition. The research therefore seeks to address this gap by focusing on the following sub-themes: the impact of management support on innovative behaviour, the impact of communication on innovative behaviour, and the impact of organisation structure on innovative behaviour between the owners or management of bakeries in Osun state.

LITERATURE REVIEW

Conceptual Review

Management Support

Astuty and Udin (2020) opined that management support entails active and public support by leaders toward workers and business groups, as well as encouragement of groups and workers for better attainment of business objectives. Positive behavior toward them includes covering for someone and supervising, leading, communicating, motivating, and coaching or training positively (Rothwell et al., 2023). Management support is a tool for professional growth in enhancing the working standards of the environment and the organization's aims and goals (Ridwan et al., 2021). Based on a review of the antecedents of supportive environments, Dorta-Afonso et al. (2021) noted that employees who work under supportive conditions are likely to report higher levels of job satisfaction, work commitment, and motivation. Management support constitutes a robust positive relationship since people tend to remain with employers who are receptive to them and their ideas (Dlamini et al., 2022). Kotter (1996) posited that for change initiatives to be embraced, targeted management support must be visible and sustained during the change process (Silva et al., 2023). If the management supports the new organizational directions, the employees' behaviors will likely correlate with them. Employee-perceived organizational support is an antecedent of stress when leaders show care and concern, follow up and checkups, and support their staff; such staff is psychologically assured and will not experience stress (Maung, 2022). They encompass compassion and sympathetic or professional responses to personal or occupational issues. Support with resource allocation management may include such work as being responsible for employees having all the resources they need for their jobs. When managers don't allocate enough resources then, it creates stress; people get tired quickly and work less efficiently (Ridwan et al., 2021). Baqir et al. (2020) suggested that workers who feel supported and appreciated by their supervisors are in a position to show loyalty to their company.

The main concept highlighted in the literature is that organizational commitment is best observed through an organizational culture that fosters trust, acknowledgment, and the availability of proper resources. These can all be enforced by practicing bakery managers or owners to motivate employees in their tasks while being creative and enhancing organizational success.

Communication

Organizational communication is the lifeblood of organizations. It is a procedure whereby persons exchange information and meanings and integrate such into their mutual operations to *Bahria University Journal of Management and Technology.2025, Volume 9, Issue 1*

achieve specific results. Communication is a central activity that is central to virtually all aspects of business and organizational activity, such as decision-making, problem-solving, leadership, teamwork, and finally, change management (Gupta & Goyal, 2021). Communication is how organizations operate and deliver services optimally due to reduced chances of making mistakes or even highly likely organizational failures. Susita et al. (2020) state that communication refers to the receiver's exchange and perception of meaning. Organizational communication relates to coordination and control practices (Zackrison et al., 2015). From this view, communication is regarded as a managerial process that guarantees activities to be pursued in exchange for planned objectives. Managers employ communication in assignments, setting policies, supervising work output, and coaching employees.

People perform well when they know where they fit within the organizational framework and what is expected. Owusu (2023) posited that confusion or ambiguity and high anxiety levels are mitigated due to how management communicates in an organization, and employees' morale and productivity increase. When entering the communication process, it is crucial to characterize all potential participants and study their current activities. They aid in establishing how the new technology will affect them and facilitating the presentation of these effects in the best manner possible. Managers also must explain how they will respond to implementing or implementing processes that may adversely impact stakeholders. In addition, it is also imperative to actualization that relevant stakeholders be sensitised about new technology.

In this aspect, communication plays a significant role to ensure order and organisation of behaviours among employees and their alignment with organisational goals.

Organization Structure

According to Rogers (2021), organisations adopt new ideas which influence long-term growth and development as they are expressed in organisational structures. The organisation of such company should be adaptive enough to fit such innovations into the business model of the company. As Ikegami (2022) noted, the current implementation models are highly top-laden and require combined management of the organisation to enhance their performance. Organisational structure refers to how resources, communication, and decision making in an organisation are allocated to achieve the strategic approach of adopting and using innovations (Joseph and Gaba, 2020). The leaders can also view innovation adoption as a strategic process that requires a significant resource investment, the necessary corporate architecture. By way of example, Schermerhorn and Bachrach (2020) believe that management by walking around means that managers physically access the employees base to hear their concerns and ideas. Ghosh et al. (2023), green management invites the application of environment-friendly systems where the organization processes reflect environmental sustainability. This way, sustainable practices are also incorporated into the structure, beginning with cross-functional teams in manufacturing and ending with supply chain management.

Further, Ameer and Halinen (2019) have noted that competition and an organization's structure are the primary functions of top management. Executives, who are leaders at the top management level, who control the company's strategic direction, and who are often the most experienced, determine how institutionalization of innovation occurs within the company. Du Plessis (2023) also points out the need for senior managers to manage the vision and strategy of the firm and ensure that decisions made at this level are effectively implemented at this level, translating organizational vision and strategy to the operational levels of the company. In the view of Grant (2024), these older financial managers play an essential role in developing the *Bahria University Journal of Management and Technology.2025, Volume 9, Issue 1*

organization's strategic position, especially in this context where they bring in a financial perspective for evolution. Organizational entities' functions are to organize resources, financing, and risk – essentials for preserving the organization's economic stability and viability into the future (Kaaria, 2022).

Innovative Behaviour

Innovativeness is the deliberate, intentional initiative by people or teams from within an organization or unit to introduce novelty into an organization's operations by producing, testing, and adopting practices, goods, or services (Fubara, 2020). It is an iterative process that occurs over several phases; it entails more than just coming up with creative ideas; the ideas are nurtured until they produce value for the organization. This is important to the developmental process of organizations, especially seeing that, at some point, they have to respond to changes within the environment (Rogers, 2021). Creativity is widely viewed as a significant force behind sustainable development; researchers explore its ability to assure organizational sustainability, advantage, and prosperity (Malek et al., 2021). However, innovative behavior is not just about introducing innovation; it entails ideas on how various players in an organization or department develop innovations in their places of work. Innovation involves employees implementing novel ideas to create new goods and services and improve organizational procedures, its relationship with customers, and the application of suitable technology that fits its strategic plan (Amit & Zott, 2020). Strategic decision-makers who work at the organizational prime level determine the essential plans and objectives in line with the company's mission (Aldaremi, 2022). Managers, commonly known as the grandmasters of innovation, possess the power to guarantee that change initiatives gain the support they require to be implemented successfully. In essence, by cultivating a culture that encourages strategic creativity and innovation, managers reduce resistance to change and guarantee that the organizational changes are embraced as the core business (De la Cruz Jara et al., 2024).

Management Support and Innovative Behaviour

Creative behavior is fostered in an organization where management supports creative behavior (Nasifoglu Elidemir et al., 2020). This may involve advocating for integrated work approaches, creating integration groups, and guaranteeing that the workforce is educated and can be trained to become innovative. Akbari et al. (2021) showed that managers' support means employees display innovative behavior, like introducing new methods, developing new products, and enhancing processes. Amabile (1997) made known what he called the "Componential Theory of Creativity," where he established that a copious amount of encouragement from the managerial level remains a chief determinant in creative and innovative action. Managers are expected to create conditions for self-organizing work, knowledge challenges, and incentives for innovative solutions. El-Kassar et al. (2022) identified a positive relationship between the amount of creative contextual support rendered by the supervisors and the quantity of creative output of the employees. This is because the performance of different tasks by different employees reveals that these employees are more likely to offer innovation when encouraged and checked by the leaders. Barham et al. (2020) investigated the influence of top management in promoting innovation within organizations with different types of business. From their studies, the researchers observed that overall organizational support for managers was a good predictor of implementing new products and processes. They pointed out that support from the management is central to determining the culture required for the promotion of innovation.

Aldabbas (2023) reported that management support plays a role in creativity and that other factors like structure, culture, and press have a more substantial effect. Astuty and Udin (2020) showed that management support, particularly transformational leadership, produces a positive or negative change in creative performance depending on the organization, which made them recommend that management support of innovation may be contingent on factors such as organization type, company size, and other innovation support infrastructures. Although management support is acknowledged as a fundamental requirement for innovation, its impact could decline once options are defined and transformed into actionable proposals; decisions are influenced more by constraints of market forces, internal capabilities, and external competitors (Maslach Leiter, 2022). Since previous research has provided mixed results, this research hypothesizes that:

H_01 : There is no significant relationship between management support and innovative behavior.

Communication and Innovative Behaviour

Yang et al. (2022) pointed out that the working teams that reported high communication behaviors, such as communication frequency and openness, were likely to exhibit high levels of innovativeness. Presbitero (2021) established that communication in teams played a significant role in people's creativity since communication enhances the sharing of ideas and perspectives on the team by people across the team. Usmanova et al. (2021) posited that organizational communication increases knowledge sharing and promotes innovative behavior. According to their research, those who frequently communicate with their co-workers, especially on ways of solving a particular task, are more likely to be creative when finding a solution to a business problem. Likewise, Zouaghi et al. (2020) showed that when isolated to R&D teams, communication with people outside the organizational R&D team was positively associated with innovation, which means that communication beyond the organization's borders provided new information that led to product innovation. However, Kishore (2022) observed that there is often an information overload when communication is carried out to excess, especially within a formal organizational structure, potentially retarding the process of innovation. Also, Capriotti et al. (2021) pointed out that communication facilitates the identification of ideas but does not dictate whether or not they will be implemented. For instance, in organizations with a good culture of collaboration, communication is expected to facilitate innovation because employees are encouraged to forward ideas and cooperate (Lam et al., 2021). However, in formal and bureaucratic structures of organizations, communication can be protracted and hampered by structural and cultural barriers hindering communication dissemination to foster innovation (Oliveira, 2020). When communication is impacted, it may be due to having strong leadership support or a favorable organizational culture, thus promoting more innovation than communication without the support of leadership or said culture, respectively (Gupta & Goyal, 2021), as indicated in the study. Since previous research has provided mixed results, this research hypothesizes that:

H_02 : Communication has no significant relationship with innovative behavior.

Organization Structure and Innovative Behaviour

In their article about mechanical and organisation systems, Sandhu and Kulik (2019) claimed that a structure of organisations that has decentralised decision-making, informal communication, and fluid roles are conducive to innovation. Conversely, hierarchical, highly formalised, and rigid, mechanical structures suppress the free flow of ideas and do not allow creative thought. A decentralised organisational structure will permit autonomy, risk-taking, and *Bahria University Journal of Management and Technology.2025, Volume 9, Issue 1*

collaboration across departments, which are all essential elements of innovative behaviour (Darvishmotevali, 2019). In decentralised structures, employees are free to experiment, make decisions and claim ownership of their ideas, which encourages creative solutions. In addition, these structures are less formalised, which allows a quicker decision-making process and quicker responses to evolving situations in the environment (Conroy & Peterson, 2013). According to a study by Gonzalez (2022), organisations that are organised in an organic way are more likely to embrace innovations compared to organisations that are organised in a mechanistic way. The study indicated a positive correlation between decentralised decision-making, open line of communication and employee autonomy and the ability to generate and implement new ideas. Correspondingly, Gaspary et al. (2020) concluded that more innovative were organisational structures, which had low levels of formalisation and high levels of participation in the decision-making process, as they offered employees the opportunity to experiment and take risks.

More evidence in favour of the positive correlation between organic structure and innovation is presented by Maier (2020), who even stated that the so-called adhocracy structure, which is highly informal, decentralised, and projects-focused, is the most suitable structure to facilitate innovation. But not every study has been able to identify robust evidence between organisational structure and innovative behaviour. Le et al. (2023) have suggested the organisational structure as an example to potentially influence the adoption of innovations, but the implications are generally less important compared to other types of drivers, such as organisational culture, leadership, and environmental pressures. Similarly, the article by Iranmanesh et al. (2021) also proved that decentralised structures are associated with the stronger idea generation but do not presuppose the achievement of successful innovation implementation, thus, making the innovation process complex and necessitating not only generation of ideas but also their development, testing, and commercialisation. Eklund (2022) research also concluded that decentralised structures were not always effective in promoting organisational-level innovation, but these mechanisms might facilitate employee creativity. Based on the conflicting evidence from previous research, this paper proposes the hypothesis that:

H_03 : Organizational structure has no significant relationship with innovative behavior.

Theoretical Review

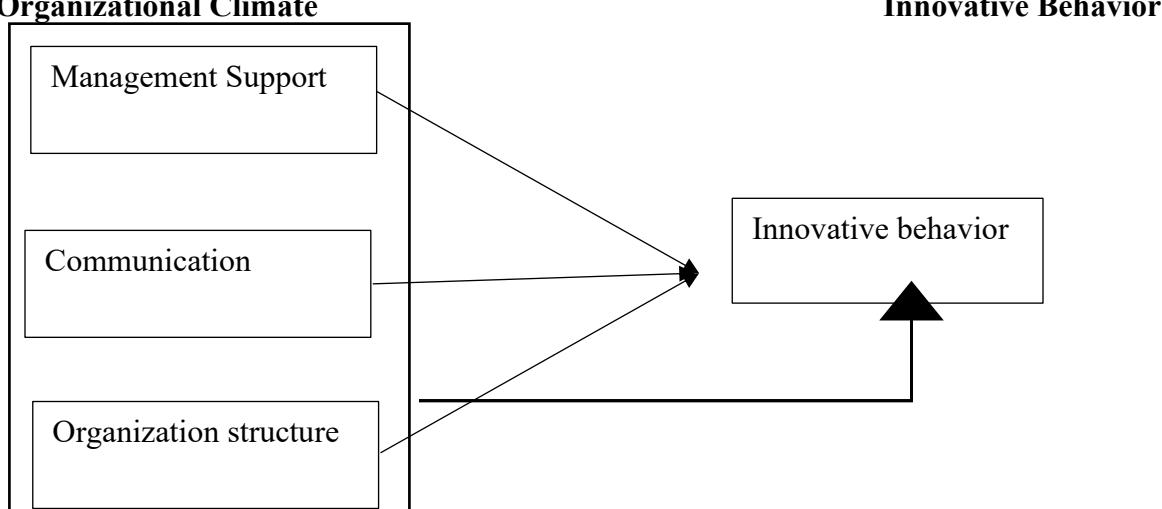
This research is centralized on organizational climate theory. This theory is concerned with organizational policies and practices, leadership, communication, and other factors viewed by employees that influence organizational performance indicators like productivity, satisfaction, and creative performance.

The first revealed concepts and definitions of the organizational climate are attributed to Lewin et al. (1939), who utilized this concept under social climate. They coined the term climate, which defined the overall character of an organization's environment, given its leadership and organizational culture. This fundamental conception was, however, developed and refined over time. Litwin and Stringer (1968) pointed out that organizational climate refers to the beliefs and values of the organizational members, which shape the perceived work environment. Schneider (1973) advanced this by defining organizational climate as an individual's psychological experience of their workplace environment, which also stresses the subjective aspect of climate. Koles and Kondath (2015) have pointed out that the organizational climate construct provides substantial theoretical enrichment in studying organizational and individual behavior. In recent years, some authors have described the relationship between the organizational climate and innovation activity. When the organizational environment is positive – when employees have

access to open, frequent lines of communication with a supportive manager and when the organization has a rather loose structure – such an innovation can occur. Employees will likely exhibit creative behavior when they receive support, understand their assigned tasks, and avail of necessary resources for the given job. Rocha and Chelladurai (2008) state that organizational support was positively related to job satisfaction, commitment, and motivation, influencing innovative behavior. Organizational innovation is the development of new ideas, processes, or products in an organization, and organizational climate influences the extent to which employees participate in the activities. According to Amabile et al. (1996), elements of the environment promoting innovation are, among others, support of risk-taking, self-manpower, and idea encouragement. On the other hand, there is a negative or restrictive attitude towards creativity that suppresses it.

Considering the organizational climate and employees' innovative behavior, the context of the bakery industry in Osun State is chosen for this research. The operational environment is partly traditional since the sector involves baking bread and other baked foods. Still, at the same time, the market is influenced by new trends, customers' preferences, and the new technologies that can be used in the baking process. Organizational climate theory affords an adequate framework for analyzing organizational factors that may affect such behavior as innovativeness. Therefore, this research seeks to provide the literature gap about the organizational climate, innovations, and their relationship to innovation in the bakeries established in Osun State, Nigeria. Organizational climate can be supportive or non-supportive; a supportive environment can encourage the director or manager to engage in innovative activities that benefit the organization. Thus, this study will produce data supporting these theoretical postulates and provide suggestions to bakery owners and managers.

Figure 1
Conceptual Framework of the Study
Organizational Climate



Source: Author's Conceptualization (2025).

METHODOLOGY

This part presents the study's research design for determining the correlation between the organizational climate and innovative behavior of bakery managers in Osun State, Nigeria. The

study involved questionnaire data from the state's registered bakery managers. The study used a cross-sectional survey design that enables managers across the bakeries to administer questionnaires at a specific time. Consequently, the presented design is suitable for exploring the state-of-the-art impact of the organizational climate on innovative behavior.

The questionnaire was divided into the following sections, obtaining demographic data including age, education level, number of years of experience working in bakery companies, and size of the mainly managed bakery. They were relating the perceptions of certain aspects of organizational climate, such as management support, communication, and organization structure. These perceptions shall be measured in a Likert scaled format ranging from 1-strongly disagree to 5- strongly agree. They assessed the level of managers' identification with innovation processes, particularly the use of new forms, goods, services, and technologies in the bakery. The questionnaire was adapted from the existing organizational climate and innovative behavior scales. In the case of Organizational climate, items were adopted from the OCQ (Litwin & Stringer, 1968) and (Eisenberger et al., 1986). For innovative behavior, items from Janssen's (2000) innovative work behavior scale were adopted.

The study population was all registered bakery managers and owners in Osun State, Nigeria who were 896 in total according to the Association of Master Bakers and Caterers of Nigeria, Osun State chapters. In the research, purposive sampling was used to sample 208 respondents. The purposive sampling was selected due to the particular nature of the study where the researcher needed only to have individuals who have the decision-making power in their respective bakeries since it is these individuals who influence the organizational climate and champion new practices. Having the managers and the owners alone guarantees that the data reflects the views of those who have the knowledge and the power to affect the outcomes of the innovation related. Although a more generalizability would be achieved through a probability sampling (stratified or simple random sampling, etc.), it was deemed inappropriate in this setting because we had to target respondents with particular organizational jobs. The inclusion criteria in the sample were: (1) registered bakery manager/owner in the Osun State, (2) one year of management experience in the bakery, and (3) familiarity with operations and process-related to innovation processes. The sample size of 208 was calculated using the Raosoft (2004) formula, which provides a 90% confidence interval, because it balances representativeness and practical limitations. Structured questionnaires were used in data collection and records analyzed using descriptive and inferential statistics. The study hypotheses were tested by using correlation and multiple linear regression analysis and analysis was done using Statistical Package of Social Sciences (SPSS).

RESULTS & DISCUSSION

Demographic characteristic of Respondents

The study collected demographic information from respondents. The result is presented below:

Table 1:*Demographic characteristics of respondents*

Category	Sub-Category	Frequency	Percent
Age Group (in years)	20-30	13	6.3
	31-40	78	37.5
	41-50	65	31.3
	Above 50	52	25.0
Educational Qualification	OND/NCE	48	23.1
	HND/B.Sc.	108	51.9
	M.Sc./MBA	29	13.9
	Others.	23	11.1
Number of Employees in the Bakery	Less than 20	35	16.8
	20-40	102	49.1
	Above 40	71	34.1
Years of Experience	Below 10years	27	13.0
	10- 20 years	106	51.0
	Above 20years	75	36.0
Total		208	100.0

Source: Field Survey, 2025.

The table contains demographic description of bakery managers/owners working in 208 bakeries in Osun State. The age distribution indicates that the majority of the respondents are in the active working age bracket and this reflects managerial capacity that can be used to carry out the normal bakery business but this does not automatically mean that the business is sustainable. The experience years cited indicate that the person is familiar with the bakery processes and business operations, but not necessarily equipped with a lot of technical knowledge of the production processes. The education level shows that the respondents were adequately educated and were in a position to understand and respond to the questionnaire correctly. Moreover, the majority of bakeries employ an intermediate number of workers, which can be discussed as the characteristic of the small and medium-size businesses in the Nigerian bakery sector and that can be taken into consideration as the valuable background to understand the organizational culture and innovative behaviour.

Table 2:*Correlational Matrix of Components of organizational climate and innovative behavior*

		management support	communication	organization structure	innovative behavior
management support	Pearson Correlation	1	.657**	.973**	.627**
	Sig. (1-tailed)		.000	.000	.000
	N	208	208	208	208
communication	Pearson Correlation	.657**	1	.248**	.897**
	Sig. (1-tailed)	.000		.000	.000
	N	208	208	208	208
organization structure	Pearson Correlation	.973**	.248**	1	.263**
	Sig. (1-tailed)	.000	.000		.000
	N	208	208	208	208
innovative behavior	Pearson Correlation	.627**	.897**	.263**	1
	Sig. (1-tailed)	.000	.000	.000	
	N	208	208	208	208

**. Correlation is significant at the 0.01 level (1-tailed).

Table 2 indicates that the organizational climate dimensions, including management support, communication, and organization structure have significant positive correlations with the innovative behavior, which is in line with the organizational climate theory, which highlights the importance of shared perceptions and managerial practices in influencing employee behavior. There are positive relationships between communication and management support and innovative behavior and this indicates that open communication channels and favorable managerial behaviors result in an environment that is favorable to idea generation and experimentation among owner-managed bakery business with small size. The fact that organizational structure has a lesser relationship with the innovative behavior implies that formal arrangements are less salient in encouraging innovation in these relatively flexible and informal contexts, in which interactions and interpersonal aspects are more important. It is important to note that the correlation between management support and organizational structure is very high ($r = 0.973$) which may suggest multicollinearity. This level of intercorrelation is likely to inflate standard errors and to reduce the

stability of individual regression coefficients despite the fact that the overall model will be significant. To overcome this, the regression analysis was done through calculating Multicollinearity diagnostics, such as Variance Inflation Factor (VIF) and tolerance values. The diagnostics were found to be within reasonable ranges and the standardized beta coefficients could be approached with caution but the conceptual overlap between management support and organization structure in small bakery settings where management power can involve both leading and structuring, needs to be considered.

Test of Hypotheses using Multiple linear regression.

Table 3:

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.919 ^a	.844	.842	.515

a. Predictors: (Constant), organization structure, communication, management support

The regression model was estimated to study the degree at which the organizational structure, communication, and management support predict innovative behavior among the bakery owners and managers in Osun State. Before interpretation, major regression assumptions were evaluated. Tolerance and variance inflation factor (VIF) values have been used to determine multicollinearity and the values were found to be within reasonable acceptable levels, meaning that the estimates were not distorted by collinearity among predictors. Diagnostic tests also showed that there are no severe violations of normality, homoscedasticity, or even independence of errors, which proves that the model is adequate to make inferences. The model accounts a significant percentage of the variance in the innovative behavior ($R^2 = 0.844$) indicating that it is a great explanatory factor. Although high R^2 is not characteristic of the behavioral studies, it can be explained by the fact that in small, owner-managed bakery enterprises, the dimensions of organizational climate are tightly connected and directly related to daily, innovative behavior. This finding is consequently indicative of the high contextuality and proximity of organizational climate in small firms and not that it has universal generalizability. In this respect, the R^2 is understood with caution to highlight its applicability in the particular empirical situation. In general, the findings suggest that the joint model of organizational structure, communication and management is a strong conceptual explanation how innovative behavior in the bakery industry can be explained within Osun State. Nevertheless, the results are to be considered situation-specific, and it is recommended to conduct further research on the model to confirm the suitability of the test in other industries and organizations.

Table 4:ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	292.868	3	97.623	368.189	.000 ^b
	Residual	54.089	204	.265		
	Total	346.957	207			

a. Dependent Variable: innovative behavior

b. Predictors: (Constant), organization structure, communication, management support

The ANOVA results indicate that the regression model is statistically significant ($F = 368.189$, $p < 0.001$), confirming that the set of organizational climate variables jointly explains variation in innovative behavior. Beyond statistical significance, the dominance of the regression sums of squares relative to the residual sum of squares demonstrates a large effect size, indicating that the model captures a substantial proportion of the systematic variability in innovative behavior. In practical terms, this suggests that organizational climate factors which are particularly management support, communication, and organizational structure are not only statistically relevant but also materially influential in shaping innovative behavior within small bakery enterprises in Osun State. However, the strength of the model should be interpreted within the context of owner-managed SMEs, where organizational climate elements are closely embedded in daily operations, thereby amplifying their practical impact.

Table 5:
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
1 (Constant)	.240	.119		2.021	.045
management support	.851	.122	.846	6.984	.000
Communication	.882	.028	.901	31.495	.000
organization structure	.884	.124	.864	7.150	.000

a. Dependent Variable: innovative behavior

Source: Researchers' Survey, 2025

Table 5 presents the regression coefficients showing the individual effects of management support, communication, and organizational structure on innovative behavior among bakeries in Osun State. The results indicate that all three predictors have positive and statistically significant effects on innovative behavior at the 5% significance level. Specifically, management support exhibits a strong positive influence on innovative behavior ($B = 0.851$, $\beta = 0.846$, $t = 6.984$, $p < 0.001$), suggesting that increased managerial encouragement and support are associated with higher levels of innovative behavior. Communication also demonstrates a positive and significant effect ($B = 0.882$, $\beta = 0.901$, $t = 31.495$, $p < 0.001$), indicating that open and effective communication plays a central role in promoting innovation within bakery enterprises. Similarly, organizational structure shows a positive relationship with innovative behavior ($B = 0.884$, $\beta = 0.864$, $t = 7.150$, $p < 0.001$), implying that supportive and flexible structural arrangements contribute meaningfully to innovative outcomes. The standardized coefficients further suggest that communication exerts the strongest relative influence on innovative behavior, followed by organizational structure and management support. Overall, the results provide empirical support for the role of organizational climate dimensions in shaping innovative behavior among bakery owners and managers in Osun State, leading to the rejection of the null hypotheses.

The results have good conceptual weight on the theory of organizational climate, which asserts that the readiness of employees to participate in innovative behavior is determined by their collective vision of managerial practices, communication styles, and structural design. The large contribution of management support implies that when the owners and managers of the bakery exhibit support, resource supply, and are willing to explore new suggestions, employees will tend to solve problems creatively and explore new ideas. In the setting where authority is mostly centralized and owner-managers are in several roles, as in small bakeries in Osun State, managerial support is a decisive indicator that innovation is highly appreciated and secure to be engaged in. This resonates with the previous literature that has found leadership support to be an innovation driver through mitigating fear of failure and justifying creative work (El-Kassar et al., 2022; Barham et al., 2020; Aldabbas, 2023). The communication turned out to be the most powerful dimension of organizational climate, which emphasizes the key position of communication in promoting innovative behavior in small and labor intensive businesses. Climatically, open and frequent communication will enable knowledge sharing, clarify expectations, and facilitate the rapid exchange of ideas, all of which are needed for incremental innovation under resource constraints. Formal systems are restricted and operations are more of interpersonal interaction within the Osun State bakeries and hence effective communication is the main system by which innovative ideas are generated, refined and implemented. This observation supports theoretical and empirical claims that the quality of communication is a fundamental source of innovation, especially among SMEs in which relational proximity replaces formalized innovation structures (Yang et al., 2022; Presbitero, 2021; Usmanova et al., 2021; Zouaghi et al., 2020).

The organizational structure has a positive impact that further discusses the significance of flexibility and role clarity in forming innovative behavior. Instead of strict hierarchies, bakery businesses with flexible and open structural designs allow faster decision-making and involvement of workers in more problem solving. In the framework of the organizational climate theory, these structures are indicative of autonomy and trust that are regarded as antecedents of innovative behavior. This result is in line with the existing literatures that indicate that the effects of making even minimal structural changes to SMEs, including the decentralization of minor decisions or the promotion of cross-functional contact, can have a significant effect on the outcomes of innovations (Darvishmotevali, 2019; Gonzalez, 2022; Gaspari et al., 2020; Maier, 2020).

In general, the results indicate that innovation in Osun State bakeries is more predominantly influenced by the factors of relational and behavioral climate than the formal systems, and communication is the key factor, which is supported by management practices and the flexibility of structural organization. This highlights the importance of bakery owners and managers to place greater importance on free communication channels, evident managerial assistance and flexible organizational structures to develop an innovation-favourable atmosphere. All these ideas go beyond statistical validation to provide a contextual and theoretical explanation of how the dimensions of organizational climate together contribute to innovative behavior in small businesses in Nigeria.

Economic consequences of the research findings indicate that the owners of the bakery can optimize the innovative performance through the use of supervisory practices that involve a combination of clear managerial instructions and autonomy-enhancing behaviors. According to previous studies, these balanced leadership styles decrease role ambiguity and promote employee initiative and creative decision-making, especially in small and medium-sized businesses (Shanker et al., 2017; El-Kassar et al., 2022). Regarding the organizational climate, the innovation will be more prone to occur in the environment with clear communication, regular feedbacks, and

interaction opportunities because knowledge communication and group learning is more likely to take place in these settings (Presbitero, 2021; Zouaghi et al., 2020). The results also suggest that small enterprises such as bakery are better with flexible organizational structures as opposed to hierarchical structures which are rigid. Research has demonstrated that increased responsiveness, faster, and agility due to flatter structures and decentralized decision making can be crucial in helping to innovate in resource constrained environments (Darvishmotevali, 2019; Maier, 2020). Conversely, too much hierarchical control can hinder the participation of employees and the expression of creative input hence restricting productive gains on innovation. At the policy level, the findings show how capacity-building effort contributes to enhancing innovation among small-scale food businesses. The government agencies and the industry regulators can assist the bakery owners by encouraging specific training programmes that are directed towards communication skills, participatory leadership, and simple innovation management. These interventions have been identified to increase managerial performance and innovation-oriented culture in SMEs, which eventually yield better competitiveness and sustainable economic activity (Barham et al., 2020; Aldabbas, 2023).

The theoretical implication reveals the importance of interior communication processes as the primary facilitators of innovative behaviour that is present in emerging organisations like bakeries that have restricted resources. This study also recognises the singularly important role of communication in the facilitation of innovative behaviour, even in those industries typically left out of the conventional discourse of the technological revolution. The current study also reveals that organisational structure also has an impact on innovative behaviour. This has also corroborated the idea that stereotyping behavioural employees on the basis of organisational policies and practises affects their behaviour. The study informs organisational climate theory, which states that the different aspects (management support, communication, structure) act concurrently to influence innovative behaviour, but not in a routine or straightforward way in particular fields of specialisation like bakery. Finally, the study is both practical and theoretical as it provides an insight to managers in a bakery as well as expands theoretical knowledge on how organisational climate can affect innovative behaviour in business settings.

CONCLUSION

This research paper analyzed how the organizational climate would influence the innovative behavior of bakeries in Osun State, Nigeria. The results show that communication, management support and organizational structure are major predictors of innovative behavior with communication coming out as the strongest predictor. The owners and managers of bakery who are open to communication, offer nurturant leadership, and allow flexible organizational designs are in a better position to promote creativity and experimentation on the part of employees. These observations underscore the importance of organizational climate in enhancing innovation in small and medium-sized enterprises (SMEs), not just in the bakery industry, but in other resource-deprived companies, which have to struggle with the same operational issues.

The study has limitations, such as a cross-sectional design, which restricts the possibility of causation, and utilization of self-reported data, which can be subjected to response bias. The fact that the correlation between management support and organization structure is high brings the issue of multicollinearity. Also, the research was limited to bakeries in the state of Osun and this limits the generalization of the result to other states or industries. The common method bias can also influence the results considering that both predictors and outcomes were gathered among the same respondents.

The limitations of the study can be addressed in future studies through including longitudinal designs and the ability to analyze the temporal aspects of organizational climate and innovation, including more data sources to mitigate self-report bias and applying the research in other regions or sectors. The researchers might also examine other variables, including the adoption of technology, employee efficiency, or trends in the market in order to have a more detailed picture of innovation drivers. Lastly, the comparative research on various industries or nations would make the generalizability of the results better and prove the relevance of organizational climate in the development of innovative behavior further. Overall, the analysis highlights the point that positive organizational climate in small businesses is imperative to developing innovative behavior with supportive management, good communication, and flexible structures. These results not only give practical advice to the managers of the SMEs but also form a basis to further research in an effort to enhance innovation within the limited resources business context.

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