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STRENGTHENING INNOVATIVE BEHAVIOR: THE ROLE OF SUPPORTIVE CLIMATE AND ABSORPTIVE CAPACITY

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Abstract. This study explores how to achieve innovative behavior in Indonesian SMEs in the culinary and craft sectors. We conducted a literature review and collected data from 372 SME owners. Using SEM analysis, we found that a supportive climate positively impacts both potential and realized absorptive capacity, which in turn positively impacts innovative behavior. The study's findings contribute to social exchange theory and have implications for SME sector organizations. Limitations include the data collection method, sample size and selection, research objective, cross-sectional design, and self-reported data. Future research could address these limitations and investigate other organizational factors that may influence innovative behavior in SMEs.

Keywords: supportive climate, potential and realised absorptive capacity, innovative behavior, social exchange theory.

JEL Classification: M10, O15, O31,

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1. Introduction

Organisational competition in winning specific market segments is a challenge that must be faced. Environmental conditions are dynamic and complex, so concrete steps are needed to maintain the organisation's existence (Zhu et al., 2023). Innovation is an essential element for organisations' long-term survival and success (Ottosson, 2019) and an essential characteristic for employees for problem-solving and sustainable competitive advantage (Liu et al., 2016). Creative and innovative employees can provide a broader perspective in solving problems and challenges the organisation faces (Liu et al., 2016; Zhu et al., 2023). Therefore, individual creative and innovative behaviour is essential in maintaining organisational competition.

Creative behaviour is the creation of new ideas (Li & Hsu, 2016). It was further explained that innovative behaviour refers to creating ideas, testing, and implementing new ideas or concepts into wider use (Li & Hsu, 2016; Zhu et al., 2023). Innovative behaviour is often viewed from a macro organisational perspective (Zhu et al., 2022) and elaborated on by large-scale and even multinational

organisations (Butler & Ferlie, 2020; Lim & Ok, 2021; Karatepe et al., 2020). In reality, innovative behaviour is a change in the characteristics of individual employees in the organisation (Muchiri et al., 2020; Volery & Tarabashkina, 2021; Zhu et al., 2023) and Purc et al. (2023).

Small and Medium Enterprises (SMEs) are essential in every country, contributing to economic development, employment, and poverty reduction. From a global perspective, it has been recognised that small businesses play a significant role in development and economic growth in developing and developed countries (Lita et al., 2020; Fachrunnisa et al., 2020). In many developed countries, small businesses are significant for absorbing the majority of the workforce and contributing to the formation or growth of the gross domestic product (Samsir, 2018). In Indonesia, small businesses play an essential role when it is associated with issues of economic and social problems such as high levels of poverty, significant unemployment, unequal income distribution, income distribution processes, uneven development processes, and urbanisation with all its negative impacts (Lita et al., 2020). This condition can be interpreted as small businesses' existence or development

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is expected to contribute to efforts to overcome these problems significantly (Lita et al., 2020; Samsir, 2018).

SMEs are measured as an instrument of growth, especially in developing countries. One reason includes supporting innovation activities that increase competition and productivity growth. SMEs are more creative due to higher flexibility and adaptability to market changes (Lita et al., 2020; Siswanti & Muafi, 2022). In Indonesia, big cities encourage SMEs to improve the quality of their products and explore the emergence of local products (Siswanti & Muafi, 2022). This is done because tourists who visit an area will enjoy the natural panorama and cultural treasures of the local area and local culinary offerings and handicraft products to be used as souvenirs. Therefore, regional stakeholders, especially SMEs, will strive to improve the quality and existence of culinary and craft products as one of their identities through innovative activities represented by innovative behaviour.

The innovative behaviour of SMEs is undoubtedly an urgent matter for the actors to be able to maintain, maintain, and increase the existence of the products they offer (Vlasov, 2020). SMEs' innovative behaviour must be maintained to contribute to the organisation (Alqhaiwi & Abukaraki, 2021). It was further explained that innovative behaviour is the output of various inputs and processes that occur in organisations (Stoffers et al., 2020). Therefore, organisational and individual contributions are essential in realising individual innovative behaviour.

Various studies on innovative behaviour have been explored at a larger level, such as teams and organisations (Butler & Ferlie, 2020; Lim & Ok, 2021; Karatepe et al., 2020). Meanwhile, several other studies explain that innovative behaviour should be seen from an individual perspective (Muchiri et al., 2020; Volery & Tarabashkina, 2021; Zhu et al., 2023) because individuals have a vital role in organisations. In addition, individual innovative behaviour is thought to be formed from organisational conditions (Ali et al., 2018; Dzhengiz & Niesten, 2020; Strese et al., 2016) and the individual itself (Ebers & Maurer, 2014; Zhao et al., 2020). Therefore, drawing from social exchange theory, this study aims to examine the model of increasing innovative behaviour in SMEs regarding absorption capabilities (realised absorptive capacity and potential absorptive capacity) and supportive climate at a more micro level of analysis.

This article aims to analyze the model that fosters innovative behavior in SMEs through micro-level examination, utilizing insights from Social Exchange Theory. This
study focuses on the interplay between absorptive capacitiess (both realized and potential) and a supportive
climate, aiming to understand their impact on innovation
behavior in SMEs. We have structured our research paper
in the following manner: Firstly, we provide an overview of
the research problem and objectives. Secondly, we review
the relevant literature on Social Exchange Theory, supportive climate in SMEs, absorptive capacity, and innovative
behavior to develop hypotheses. Thirtdly, we describe the
research design, data collection method, and data analysis

method used in this study. Additionally, we present the study's findings and discuss their implications for the research objectives in detail.

2. Literature review and hypothesis

2.1. Social exchange theory

Social exchange theory (Blau, 1964) explains that employees and employers establish a reciprocal relationship to maximise the benefits derived from the workplace. The exchange process assumes that employees are motivated to benefit the organisation through feelings of mutual ownership and trust that the organisation will reward them in return (Blau, 1964; Volery & Tarabashkina, 2021). Furthermore, Volery and Tarabashkina (2021) specifically explain that employees who are satisfied with the results of exchanges at their workplace will be more inclined to carry out their work tasks in new and better ways or to generate new ideas.

This research uses the social exchange theory framework to develop empirical models and hypotheses. Social exchange theory (SET) is one of the gold standards for understanding workplace behaviour (Cropanzano & Mitchell, 2005). Social exchange theory describes tangible and intangible social exchange as a process. This theory has been applied to explain a variety of states and behaviours. For example, social exchange theory is used to explain customer behaviour (Casper Ferm & Thaichon, 2021), employee performance (Kuruzovich et al., 2021), inter-organisational exchange, and trust (Lioukas & Reuer, 2015), and relationships between leaders and peers work (Miao et al., 2014). In essence, social exchange theory argues that it occurs between leaders and employees during their relationships, creating trust, influence, and loyalty (Blau, 1964; Quade et al., 2020) and Zhu et al. (2023), Alagarsamy and Mehrolia (2023).

From a behavioural innovation perspective, we use social exchange theory to propose a mechanism linking supportive climate with absorptive capacity. Social exchange theory is used because it explains the social and psychological processes underlying employee behaviour and work outcomes. Apart from that, the behaviour that is exchanged is how the leader interacts with an employee and the employee with his colleagues; therefore, employees feel motivated when a leader carries out SET, and employees feel confident in fulfilling job requirements by utilising a supportive climate in taking indications and sharing ideas to fulfil leader's expectations. When exchange partners are coworkers, employees feel confident that their ideas are valued and that their coworkers support their creative ideas. So, together, employees exercise absorptive capacity by showing a high commitment to solving problems creatively and producing solutions to defuse the situation. It can increase employee creativity by creating efficiency through social exchange. For example, on the one hand, innovative behaviour can increase employee creativity because the exchange of knowledge

with leaders, the acquisition of valuable resources, and the political influence of managers are essential for employees to take risks and adopt creative ways of carrying out their tasks (Zhao, 2015; Hu et al., 2018; Tu et al., 2018). In short, a supportive climate and absorptive capacity may contribute to employee creativity by providing necessary resources through social exchanges with leaders and coworkers that are believed to increase employee self-confidence and ability to produce innovative behaviour.

This understanding will likely make it easier for employees to understand the relationship with the leader fully. In addition, it is characterised by mutual trust and respect, which is easily observed when the interaction is unambiguous and the interaction partner can easily interpret it. In addition, an essential characteristic of corporate social media use is that it allows for collaborative conditions. So, SET explains how exchanges between leaders and employees (organisations) need to be built with supportive conditions and absorptive capacity.

2.2. Supportive climate and absorptive capacity

Zahra and George (2002) define absorptive capacity as a set of routines companies use to acquire, assimilate, transform, and exploit knowledge. The absorptive capacity can utilise different types of external knowledge, which are acquired through different forms of attachment, assimilated in different ways, and converted into products or actions in different ways (Skilton et al., 2020). Zahra and George (2002) describe four dimensions of absorptive capacity: namely acquisition, assimilation, transformation, and exploitation. First, acquisition is the starting line of the organisational absorption process and is related to the organisation's ability to identify and acquire knowledge from external and internal sources.

The second dimension, assimilation, refers to understanding knowledge to internalise its context-specific nature. The third dimension, transformation, is integrating newly acquired and assimilated knowledge with existing knowledge to understand that knowledge better. Lastly, exploitation refers to the development and implementation in an organisation of procedures to generate new value by adopting understanding (Zahra & George, 2002; Zhao et al., 2020).

These four dimensions can be further categorised into potential and realised absorptive capacity (Thomas & Wood, 2014; Zahra & George, 2002). Potential absorptive capacity involves acquiring and assimilating knowledge, whereas realised absorptive capacity consists of knowledge transformation and exploitation (Ebers & Maurer, 2014; Thomas & Wood, 2014). Potential absorptive capacity is about an organisation's practices in identifying and acquiring new knowledge from external sources and assimilating this new knowledge. In contrast, realised absorptive capacity involves developing new insights from integrating existing and newly acquired knowledge and applying these new insights into business operations

(Ebers & Maurer, 2014; Thomas & Wood, 2014).

The capacity to absorb individuals, both potential and realised, can be affected by organisational conditions (Ali et al., 2018). From various perspectives, organisational conditions can be seen from structure and culture (Strese et al., 2016), environment (Dzhengiz & Niesten, 2020), and leadership (Méndez et al., 2018; Yaseen et al., 2018). Good organisational culture and structure can help individuals in the organisation to increase their capacity to support their work (Strese et al., 2016). A conducive and participatory organisational environment makes it easier for employees to support the learning process (Dzhengiz & Niesten, 2020). The use of leadership styles in organisations can affect the learning process of employees (Méndez et al., 2018; Yaseen et al., 2018). These conditions will directly impact the organisational climate (employee work climate) (Zhu et al., 2023). Because of this, a supportive organisational climate is considered capable of contributing to an individual's absorbing capacity (Ali et al., 2018; Ebers & Maurer, 2014; Zhao et al., 2020). Based on this, the hypothesis is arranged as follows:

H1: A supportive climate has a positive influence on the individual's realised absorptive capacity.

H2: A supportive climate has a positive influence on an individual's potential absorptive capacity.

2.3. Supportive climate and innovative behavior

Perceived innovation climate, also referred to as a climate that supports innovation, is the extent to which employees feel motivated and encouraged in the company to participate innovatively (Newman et al., 2020; Naseer et al., 2021). Innovative behaviour is a multi-stage process involving formulation or creation (Li & Hsu, 2016), promotion, and implementation of new ideas (Zhu et al., 2023). Innovative behaviour, namely, developing, adopting, and implementing new ideas for products and work methods (Muchiri et al., 2020). Previous research has established the organisational climate for innovation as an essential antecedent of innovative work behaviour and firm performance (Shanker et al., 2017).

Innovative behaviour consists of three stages, namely idea generation, idea promotion, and idea realisation (Muchiri et al., 2020; Zhu et al., 2023):

- In the idea generation phase, employees who face work-related problems will find ways to improve existing processes or products and try to solve problems using alternatives and new ways.
- In the idea promotion stage, employees engaged in innovative behaviour need to promote newly developed ideas, processes, and products to potential partners.
- In the implementation phase, employees need to model the new process and attempt to routinise the process to ensure the process or product becomes part of the workplace routine.

Different organisational climates greatly influence Innovative Work Behavior and diversity through the motivational process because these climates signal to employees which superiors reward behaviours and which behaviours are sanctioned (Bogilović et al., 2021). Furthermore, Bogilović et al. (2021) explained that climate could stimulate innovative behaviour if (1) the vision can be understood, appreciated, and accepted by team members, (2) team members feel that they can propose new ideas and solutions without being judged or criticised, (3) there is debate and stimulating discussions about various possible solutions within the team which at the same time are likely to be carefully examined, and finally, (4) team members feel there is support for innovation. In a highly innovative climate, individuals are supported and encouraged to bring new ideas. In addition, a highly supportive atmosphere makes diverse team members feel safe and stimulates knowledge and information sharing, which stimulates more innovative ways of thinking (Chen et al., 2023; Karatepe et al., 2020).

Individuals experience more excellent team leader support, and support from management allows individuals to think and behave creatively (Bogilović et al., 2021; Chen et al., 2023; Pascual-Fernández et al., 2021). A supportive climate can encourage visually and cognitively diverse individuals to be more open to different perspectives, encouraging them to be creative and think critically. Therefore, a good environment (climate) can provide a stimulus to individuals in the organisation to encourage creative and innovative behaviour (Bogilović et al., 2021; Chen et al., 2023; Karatepe et al., 2020; Pascual-Fernández et al., 2021) and Baran et al. (2023). Based on the empirical discussion, the following hypotheses were developed:

H3: A supportive climate has a positive influence on innovative behaviour.

2.4. Absorptive capacity and innovative behavior

Organisations that absorb new knowledge can be innovative and flexible with high innovation performance. Research has shown that absorptive capacity drives organisational innovation performance primarily through the speed, frequency, and level of innovation (Zhao et al., 2020). The capacity to absorb and share knowledge can influence individual and organisational innovation. Each employee in the company scans the environment, brings external knowledge into the company, and then exploits the knowledge to create new products or services (Kang & Lee, 2017).

With a high potential absorptive capacity, an employee can access and adopt diverse external knowledge. This diverse external knowledge provides new perspectives and insights unavailable within the organisation (Lim & Ok, 2021). In addition, realised absorptive capacity and innovative behaviour include the transformation and exploitation of adopted external knowledge (Lim & Ok, 2021; Lowik et al., 2017; Zahra & George, 2002; Zhao et al., 2020). An employee who can adapt and use external knowledge will be able to combine external knowledge with internal knowledge to create new ideas. Additionally, conscious absorptive capacity can help promote and implement novel new ideas within an organisation, which is another part of innovative behaviour (Lim & Ok, 2021; Lowik et al., 2017; Zhao et al., 2020). Based on this discussion, the relationship between absorptive capacity and innovative behaviour is hypothesised, and Figure 1 shows the research model.

H4: Realised absorptive capacity has a positive effect on individual innovative behaviour.

H5: Potential individual absorptive capacity has a positive effect on innovative behaviour.

Figure 1 illustrates the research model utilized in this study to explore the correlation between supportive climate, absorptive capacity, and innovative behavior in SMEs. The model postulates that a supportive climate has a positive impact on both potential and realized absorptive capacity, which subsequently influences innovative behavior in a positive manner.

3. Method

Methodological stages of our study illustrated in Figure 2.

Figure 2 illustrates stages of quantitative research design of this research (Stockemer, 2019): Reseach design, Sampling, Data Collection, Data Analysis, Result and Discussion, and Conclusions. In the first stage, we use questionnaire approach, to explores connections among absorptive capacity, a supportive climate, and innovative behavior in SMEs, guided by a carefully crafted research

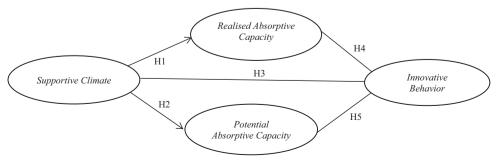


Figure 1. Research model

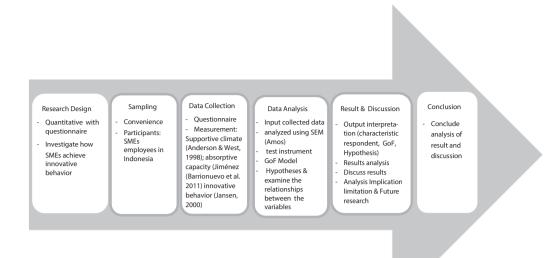


Figure 2. Methodological stages

design. Second, employing a convenience sampling method, several SME employees in Indonesia were selected as participants for the study. Third, meticulously developed survey questionnaires, validated through pre-testing, are distributed to the selected participants to gather comprehensive and reliable data. Fouth, the collected data undergoes scrutiny through Structural Equation Model (SEM) with Amos, assessing research hypotheses and scrutinizing relationship between variables. Furthermore, outcomes include characteristics of respondents, the Goodnes-of-Fit (GoF) measure, and validation or rejection of proposed hypotheses, leading to a discussion of obesrved patterns and trends (Arundel, 2023; Arbuckle, 2019). Finally, concluding stages involve drawing comprehensive conclusions based on the synthesized view of study outcomes, addressing implications, limitations, and proposing avenues for future research.

3.1. Data collection procedures

This study collected data using a questionnaire. Questionnaires were distributed to creative business actors in several regions in Indonesia, namely Makassar, Surakarta, and Yogyakarta. Questionnaires were distributed online through an application, and finally, the data collected was from 372 respondents.

3.2. Measurement

The measurement of the supportive climate construct was adopted from development carried out by Anderson and West (1998), which consists of 8 items, for example, "I get practical support for new ideas and applications"; "I get help in developing ideas." Absorptive capacity was adopted from Jiménez-Barrionuevo et al. (2011). Potential absorptive capacity consists of 10 items; some examples of these items include "There is high complementarity between resources and abilities where I work"; "Relationships between employees are characterised by a high level of

reciprocity." and realised absorptive capacity consists of 8 items with the example statement "There are abilities and skills needed to exploit information and knowledge obtained from outside". Innovative behaviour was adopted from research by Janssen (2000), which consists of 9 items, for example, "I create new ideas for difficult problems"; "I get approval for innovative ideas." The instrument is measured using a Likert scale of 1 to 5, with the options 1 = strongly disagree; 2 = disagree; 3 = neutral; 4 = agree, and 5 = strongly agree.

3.3. Data analysis

The research model was analysed using structural equation modelling with the AMOS tool. Before testing the hypothesis, the first step is to test the instrument by testing validity and reliability. After that, a model test was conducted by looking at the Goodness of Fit. After it is confirmed to be fit, it continues with hypothesis testing.

4. Results and discussion

4.1. Characteristics of respondents

The number of respondents obtained in this research was 372 respondents. In detail, it is presented in Table 1:

Table 1. Characteristics of respondents (source: primary data summary, 2022)

Information	Amount	Percentage (%)	
Age			
20–30	53	14.25	
31–40	117	31.45	
41–50	194	52.15	
>51	8	2.15	
Gender			
Male	161	43.28	
Female	211	56.72	

End of Table 1

Information	Amount	Percentage (%)	
Field of work Culinary Craft	115 257	30.91 69.09	

4.2. Instrument test

The validity test results are shown by looking at the loading factor values and the Average Variance Extracted – AVE values (Hair et al., 2019). The factor loading value of all indicators on all constructs is > 0.70, and the AVE value is > 0.50. This shows that the constructs of supportive climate, absorptive capacity (potential and realised), and innovative behaviour are all valid.

The reliability test is seen from the Composite Reliability – CR value. A construct is said to be reliable when the CR value > 0.7 indicates good reliability. A CR value of 0.60–0.70 is still acceptable, considering that the loading factor in this construct is in a good category (Hair et al., 2019). Based on this, it is concluded that all the constructs in the model are reliable. In detail, the results of the construct validity and reliability tests are presented in Table 2.

Table 2. Validity and reliability test (source: data processing output, 2022)

Construct	Loading Factor	AVE	Composite Reliability
Supportive Climate SC1 SC2 SC3 SC4 SC5 SC6 SC7 SC8	.703 .851 .708 .811 .717 .774 .712	.713	.789
Potential Absorptive Capacity PAC1 PAC2 PAC3 PAC4 PAC5 PAC6 PAC7 PAC8 PAC9 PAC10	.831 .814 .701 .786 .817 .712 .713 .732 .773	.652	.761
Realised Absorptive Capacity RAC1 RAC2 RAC3 RAC4 RAC5 RAC6 RAC7 RAC8	.733 .724 .708 .703 .737 .723 .738	.623	.812

End of Table 2

Construct	Loading Factor	AVE	Composite Reliability
Innovative Behavior		.696	.755
IB1	.711		
IB2	.703		
IB3	.731		
IB4	.723		
IB5	.714		
IB6	.707		
IB7	.702		
IB8	.753		
IB9			

4.3. Goodness of fit

The Goodness of Fit test is the following testing stage before testing the hypothesis. The Goodness of Fit test is a test that aims to measure the suitability between the observed and predicted inputs from the structural equation model (Hair et al., 2019). In making measurements, several criteria need to be considered: the expected Chi-square value is small. The standard p-value is ≤ 0.05 . The RMSEA standard value (Root Mean Square Error of Approximation) is between 0.05-0.08. GFI standard value (Goodness of Fit Index) ≥ 0.90 . AGFI Standard Value (Adjusted Goodness of Fit Index) ≥ 0.90 . Standard value of CMIN/DF (Chi-square/Degree of Freedom) ≤ 2.00 . TLI standard value (Tucker-Lewis Index) ≥ 0.90 . CFI Standard Value (Comparative Fit Index) is ≥ 0.90 , and the standard NFI (Normed Fit Index) value is ≥ 0.90 (Hair et al., 2019).

The results of the Goodness of Fit test obtained RMSE = 0.071; GFI = 0.908; AGFI = 0.921; CMIN/DF= 1.732; TLI = 0.947; CFI = 0.952; and NFI = 0.918. These results conclude that the criteria for the Goodness of Fit of this model are all fit. The detailed Goodness of Fit test results are presented in Table 3.

Table 3. Goodness of fit (source: data processing output, 2022)

Criteria	Cut Off	Output	Conclusion
Chi-square	Kecil	98.2	Fit
p-value	≤ 0.05	0.00	Fit
RMSEA	0.05 - 0.08	0.071	Fit
GFI	≥ 0.90	0.908	Fit
AGFI	≥ 0.90	0.921	Fit
CMIN/DF	≤ 2.00	1.732	Fit
TLI	≥ 0.90	0.947	Fit
CFI	≥ 0.90	0.952	Fit
NFI	≥ 0.90	0.918	Fit

4.4. Hypothesis testing

After carrying out the Goodness of Fit test and concluding that it is fit, the next stage is hypothesis testing. Hypothesis testing looks at 2 elements of statistical output, namely the Critical Ratio – C.R. value and p-Value. The relationship between variables is said to influence if the C.R. value > 1.96 and p-value ≤ 0.05 (Hair et al., 2019).

 Table 4. Results (source: data processing output, 2022)

Hypothesis	Path	C.R.	p-Value	Conclusion
H1	SC → RAC	2.875	0.010	Accepted
H2	SC → PAC	1.242	0.237	Rejected
H3	SC → IB	3.769	0.000	Accepted
H4	RAC → IB	3.215	0.000	Accepted
H5	PAC → IB	2.731	0.033	Accepted

Note: Information: SC (Supportive Climate); RAC (Realised Absorptive Capacity); PAC (Potential Absorptive Capacity); IB (Innovative Behavior).

Table 4 presents the output and information that the supportive climate influences realised absorptive capacity with a C.R. value. of 2.875 and p-value ≤ 0.05. Meanwhile, the relationship between supportive climate and potential absorptive capacity is not accepted because both C.R. and the p-value are not according to the standard. C.R. Value of this relationship is 1.242 and the p-value is 0.237. A different thing happened in the relationship between a supportive climate and innovative behavior. C.R. Value and p-value 3.769 and 0.000 respectively. This means that the supportive climate influences innovative behavior.

The statistical results for testing hypothesis 4 regarding the relationship between realised absorptive capacity and innovative behavior, in Table 4 show that the value of C.R. > 1.96 i.e. 3.215, and p-value \leq 0.05 or 0.000. So, it can be concluded that hypothesis 4 is accepted. The same results were obtained for hypothesis 5. The value of C.R. > 1.96, which is 2.731, and the p-value \leq 0.05, which is 0.033. This means that the potential absorptive capacity influences innovative behavior. Therefore, the hypotheses that were accepted in this study were hypotheses 1, 3, 4, and 5. The hypothesis that was rejected was hypothesis 2.

4.5. Discussion

4.5.1. Supportive climate and absorptive capacity

This research attempts to explain aspects of supportive climate and absorptive capacity. Expanding absorptive capacity by utilising various types of external knowledge obtained through multiple forms of engagement, supports the proposal, where the analysis found a positive correlation between a supportive climate and absorptive capacity. According to Reeve and Jang (2006), a "supportive climate" revolves around finding ways to maintain, support, and increase employees' inner support for their activities. As stated by Wang et al. (2016), a supportive climate represents the organisational climate in employee absorptive capacity, between leaders and employees having mutual trust; can collaborate, communicate openly and honestly, and build friendly relationships with each other; and can be treated fairly within the organisation".

This is reinforced by the opinion (Lagacé et al., 2019) that when the organisational climate is supportive, employees may perceive the workplace as cohesive and inclusive and participate more actively in knowledge-gathering behaviour. In addition, a supportive climate empowers employees to learn and be actively involved in absorptive capacity (Uhunoma et al., 2021) and Trentin (2023).

The higher the level of supportive climate felt by employees, the greater the proactive behaviour they will show to obtain knowledge from their leaders. Two factors can explain this. On the one hand, employees are more confident in their abilities because they are trusted by coworkers who accept their mistakes as learning experiences, allowing them to try things outside of core tasks proactively (Parker et al., 2006; Hong et al., 2016). On the other hand, a supportive climate provides more developmental feedback to employees' performance, which further contributes to their proactive behaviour patterns.

Therefore, an individual's absorptive capacity can be influenced by the individual's social network. Diversity of (social) networks can provide different experiences for individuals (Lowik et al., 2017). Ali et al. (2018) revealed that a supportive organisational structure would make it easier to exploit and transform knowledge (realised absorptive capacity) that already exists in individuals, but the process of acquiring and assimilating external knowledge (potential absorptive capacity) is very dependent on the external conditions of the organisation. This view is reinforced by the findings of Ebers and Maurer (2014), which reveal that the relationship of organisational empowerment towards individuals can influence the effectiveness of employees' absorptive capacity, especially appointments for acquiring new knowledge that employees expect (Chen et al., 2023). It was further explained that knowledge acquisition requires more effort and support than knowledge exploitation.

Lowik et al. (2017) and Ebers and Maurer (2014) explain that diversity within organisations is easier to understand because there are emotional relationships between employees compared to emotional relationships with consumers, suppliers, and other external parties. The same findings were also obtained from a study by Burcharth et al. (2015), which explains that internal organisational tolerance is easier to control and positively impacts the organisation than external tolerance. Therefore, the climate of organisational support facilitates the process of achieving realised absorptive capacity rather than potential absorptive capacity, which is more dominant related to external parties (Ali et al., 2018; Burcharth et al., 2015; Ebers & Maurer, 2014; Lowik et al., 2017).

4.5.2. Supportive climate and innovative behavior

A supportive climate can be used to predict job satisfaction and commitment (Sameer & Ohly, 2017). Organisa-

tional climate support, such as support from leaders and colleagues, working environmental conditions, and other resources, can increase innovation (Zhu et al., 2023). Cooperative and innovative environments (i.e., innovative climate, cooperative culture) encourage and stimulate innovative behaviour (Karatepe et al., 2020). This is supported by the view of social exchange theory, which shows support for the relationship between organisational characteristics and innovative behaviour.

Based on the social exchange theory, it was identified that when an organisation creates a positive working environment and climate with favourable conditions, employees are more likely to behave innovatively to help the organisation create more competitive advantages (Volery & Tarabashkina, 2021). This is in line with the findings of Sameer and Ohly (2017) and Pascual-Fernández et al. (2021), which reveal that an employee will be more intense in coming up with new ideas and trying to implement them if the employee feels supported and has a good work climate. Therefore the findings of this study provide reinforcement that organisational characteristics such as climate support (environment, culture) can stimulate employee innovative behaviour (Karatepe et al., 2020; Pascual-Fernández et al., 2021; Sameer & Ohly, 2017; Volery & Tarabashkina, 2021; Zhu et al., 2023).

Therefore, research on the supportive climate perceived by employees focuses on the contribution of a supportive climate in increasing employee intrinsic motivation, engagement, achievement, and success (Wang et al., 2016). Innovative behaviour determines the following organisational characteristics: product type, administration quality, work energy effectiveness, company relationships, and competitiveness (Mulkay, 2019). Overall, innovative behaviour is the deliberate exploration of individual behaviour to generate, promote, and implement new concepts at any level of the organisation. Employees with innovative behaviour often produce new concepts, achieve progress, and acquire new knowledge, including seeking and discovering new opportunities and solutions, encouraging the formulation of new concepts, maintaining support, generating ideas, and carrying out due diligence. Innovative behaviour is the intentional generation, realisation, and creation of new ideas within a role, group, or organisation, thereby obtaining performance benefits for the group or organisation.

So when a leader encourages an employee towards innovation. An empirical study found it to be a significant factor in increasing innovation in the workplace (Murray & Fu, 2016). On several occasions, a leader's skills have been found to encourage employees to create new ideas and innovate to increase productivity. Innovative behaviour can relate to employees' knowledge and ability to create new ideas for changes in services or products within the organisation; thus, courageous leaders will be interested in innovation to support organisational success.

4.5.3. Absorptive capacity and innovative behavior

Experts in recent research show that developing an organisation's knowledge base through external sources increases innovation (Cohen & Caner, 2016). According to Kang and Lee (2017), in organisations, most innovation is produced due to new ideas obtained by employees from outside, not discoveries from within. For example, individual employees working in an organisation scan the external environment, bring knowledge inward, and exploit that knowledge to carry out innovative activities. Individual absorptive capacity facilitates adopting and using new knowledge that can lead to innovative work behaviour (Kang & Lee, 2017). Individuals are considered the centre of absorptive capacity (Huang et al., 2015). Hence, further research to study the foundations of individual-level absorptive capacity and its influence on innovation is essential (Volberda et al., 2010).

Absorptive capacity itself is not the ultimate goal of an organisation; however, it can provide important outcomes (Escribano et al., 2009) such as innovation (Cohen & Levinthal, 1990), Amabile et al. (1996) also argue that organisational success depends more on employee knowledge, intelligence and innovation than on natural resources. Focusing on the importance of knowledge, Lane et al. (2006) stated that every individual in an organisation brings knowledge, scans the environment, and assimilates knowledge to foster new ideas and innovations. Ahmad et al. (2013) believe that individuals with higher absorptive capacity usually tend to carry out more innovative work behaviour.

Potential absorptive capacity is an individual's ability to obtain and assimilate external knowledge (Zahra & George, 2002). With a high potential absorptive capacity, an employee can access and adopt diverse external knowledge (Kang & Lee, 2017). Leal-Rodríguez et al. (2014) stated that both potential and realised absorptive capacity can provide a positive effect in acquiring knowledge and utilising this knowledge to support innovation. These findings are further strengthened by Zhao et al. (2020) that good absorptive capacity makes it easier for individuals to have creativity.

An employee who can adapt and use external knowledge to combine external and internal knowledge facilitates the creation of new ideas (Kang & Lee, 2017). It was further stated that realised absorptive capacity helps promote and implement new ideas in an organisation, which is another part of innovative behaviour (Kang & Lee, 2017). Therefore, the findings of this research confirm that absorptive capacity – potential and realised – both in organisations and the social environment can produce innovative behaviour (Kang & Lee, 2017), creativity (Zhao et al., 2020), and innovation for individuals and organisations (Leal-Rodríquez et al., 2014).

Therefore, this research's conceptualisation of absorptive capacity explains a research model relating to the role of individual-level variables, such as individual-level absorptive capacity and innovative behaviour. The acquisition

of external knowledge and utilising existing knowledge by employees provide opportunities for employees to carry out innovative work behaviour in the workplace. Thus, PAbCap indirectly influences innovative work behaviour through RAbCap, and the realisation of absorptive capacity plays a mediating role between potential absorptive capacity and innovative work behaviour. For example, Zahra and George (2002) also stated that the potential for absorptive capacity precedes the realisation of absorptive capacity and explained that without acquiring knowledge, it cannot be exploited. Our research results are consistent with existing research findings (e.g., Albort-Morant et al., 2018; Zahra & George, 2002). Research (e.g., Cepeda-Carrion et al., 2012; Leal-Rodríguez et al., 2014) also confirms that experiencing potential absorptive capacity before realising absorptive capacity is essential.

This study contributes to Social Exchange Theory by validating the reciprocal relationship between employees and employers in maximizing workplace benefits. The findings provide empirical evidence that supportive climate, absorptive capacity, and innovative behavior can be observed at the individual level (Baran et al., 2023; Purc et al., 2023). The study support the notion that a supportive organizational climate can enhance realized absorptive capacity and innovative behavior in SMEs. Managers are advised to create supportive organizational conditions in terms of structure, culture, environment, and leadership style to maximize the absorptive capacity and innovative behavior of individuals in the organization. The study's findings have implications for organizational performance as enhancing innovative behavior can lead to increased competitiveness and growth in SMEs.

However, limitation of this study's is that data collection method only used questionnaires, which may limit the depth of information obtained. Moreover, the study focused on SMEs in the culinary and craft fields, which may limit the generalizability of the findings to other industries. Future research could explore the relationship between supportive climate, absorptive capacity, and innovative behavior in other industries and contexts (Trentin, 2023; Rodrigues & Rebelo, 2023; Alagarsamy & Mehrolia, 2023). Researchers could use alternative data collection methods, such as interviews or observations, to obtain more in-depth information. Further studies could investigate the impact of other organizational factors, such as resources, incentives, on innovative behavior in SMEs. Additionally, based on the discussion, several directions for further research can be considered as follows: conducting in-depth interviews with several respondents proportionally for each SME sector in each region to obtain specific information to strengthen arguments and justifications for the research object. Expanding the research to other, broader sector beyond the SME sector (Almazrouei et al., 2023; Chen et al., 2023). Exploring the relationship between supportive climate, absorptive capacity, and innovative behavior in different cultural contexts. Investigating the impact of different leadership styles (Fachrunnisa et al., 2020; Sutrisno et al., 2022) on supportive climate and absorptive capacity.

Examining the role of organizational culture fostering a supportive climate and absorptive capacity.

5. Conclusions

This research provides empirical evidence that a supportive climate in an organisation can provide a role for SMEs in the culinary and craft fields to behave innovatively and have realised absorptive capacity. Meanwhile, the potential absorptive capacity is not affected by the supportive climate. Supportive climates such as structure and culture, leadership, and organisational environment have increased realised absorptive capacity. The better the supportive climate in the organisation, the better the process of individuals integrating existing and new knowledge. Under such conditions, it will be easier for individuals in the organisation to innovate, represented through innovative behaviour. However, the supportive climate in the organisation does not affect the capacity to absorb individual potential. This means that individuals do not mind the existence of organisational support when individuals want to seek and acquire new knowledge from external sources. The rationalisation of this finding is that business actors, especially SMEs, require them to become learners by seeking new knowledge that can help maintain existence and even increase the economic scale of their businesses.

Another conclusion is that absorptive capacity, both potential and realised, has a role in increasing the innovative behaviour of SMEs owners. This means that the absorbing capacity of individuals working in the SME sector is essential in determining individual innovative behaviour in organisations. Searching for new knowledge, assimilating it, and integrating it with existing knowledge directly plays a role in individual innovative behaviour. Therefore, individual innovative behaviour in organisations in the SME sector is determined by supportive climate and absorptive capacity (both potential and realised).

The empirical findings of this research contribute to the social exchange theory that employees and employers establish reciprocal relationships to maximise the benefits obtained from the workplace. Internal stakeholders (owners and/or employees) will contribute innovative behaviour to the organisation if they receive a supportive climate and good absorptive capacity support from the organisation. These findings validate and strengthen the theory that a reciprocal relationship will occur if each party benefits from the expectations of all parties involved. Another contribution obtained is that the findings of this research provide empirical evidence that supportive climate, absorptive capacity, and innovative behaviour can be seen at a micro level or a smaller level, namely the individual. In addition to theoretical contributions, the results of these findings have implications for the managerial decisions of SME sector organisations. Managerial parties are advised to create supportive organisational conditions in terms of structure, culture, environment, and leadership style so that the absorptive capacity and innovative behaviour of individuals in the organisation can be maximised, thereby having implications for organisational performance.

This study's weakness is the data collection method and the SME sector, which still needs improvement. Research data collection only uses absolute information through questionnaires. Specific information cannot be obtained to strengthen arguments and justifications for the research object. It is hoped that future research can conduct in-depth interviews with several respondents proportionally for each SME sector in each region. The weakness of this research lies in the SME sector, which is the object of research. Therefore, it is suggested that further research can reach other, broader sectors.

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