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# ANALYSIS THE INFLUENCE OF PROACTIVE PERSONALITY ON EMPLOYEE CREATIVITY WITH THRIVING AT WORK AS A MEDIATOR

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#### **ABSTRACT**

Creativity is one of the factors needed by companies to grow and develop in a dynamic environment during uncertain global economic conditions, including the current pandemic Covid-19 condition. This study analyzes the effect of proactive activity on employee creativity in the banking sector. This study also examines thriving at work as a mediating variable in a proactive relationship to employee creativity. The application of Proactive personality behavior reflects how individuals make changes to find solutions. Data were collected from 108 banking employees. Data analysis used the partial least square structural equation modeling (PLS-SEM) technique. The findings reveal that a proactive personality can improve both thriving at work and creativity. Therefore, it is important to support the development of a proactive personality. Moreover, organizations will also benefit from thriving in the workplace to enhance creative behavior by supporting vitality and learning within the organization.

Keywords: Proactive Personality, Employee Creativity, Thriving at Work

## 1. Introduction

In a dynamic or competitive business environment, leaders face challenges or organizational demands to maintain order, control, and stability accompanied by employee demands regarding freedom, autonomy, and flexibility. This study will analyze the effect of proactive personality on employee creativity in companies operating in the banking industry. It is expected that companies engaged in the banking sector can increase employee creativity and have a good picture of the factors that significantly affect the creativity of employees. Creativity is an essential factor in the continuity or development of a company, especially in the banking industry; the challenges faced by the banking industry in the future are increasing, varied, and dynamic. These challenges mainly arise from the Covid-19 pandemic and the large-scale social restriction policies that have followed. In addition, there are several external challenges for banking that must be faced by banking competitiveness and rapid economic development through digital finance accompanied by changes in people's economic behavior. Organizations must realize that success in a dynamic or competitive environment begins with creativity in creating new ideas, and of course, this must be beneficial for employees and teams in building cooperation (Chen, 2019). Researchers have studied creativity at both the individual and team levels. At the individual level, employee creativity is largely determined by individual traits, where the most prominent example being the proactive personality (Kim, 2019). New ideas tend to emerge through the proactive efforts of employees; proactive personalities have a relatively constant tendency to influence environmental changes that characterize individuals based on the extent to which they take the initiative to influence their environment (Elsaied, 2018). A study conducted by Lu (2016) explained that proactive personality describes the involvement of individuals in changing the conditions of an environment; proactive individuals will tend to be actively involved in finding new solutions in their work environment, which are expected to increase the efficiency and effectiveness of their environmental performance.

The findings show that a proactive personality has a significant positive influence on creativity both directly and indirectly through the mediation of development in the workplace. This research was conducted in the banking industry, where the banking industry is known as an industry that has high regulations.

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The creativity required by an organization to be relevant is very much needed in the banking industry. This study contributes by examining the role of proactive personality on employee creativity in the banking sector. With the weakening of economic activity due to the global impact of the Covid-19 pandemic, the intermediation of financial services institutions is also under pressure, so synergies are needed to maintain stability in the financial services sector and accelerate economic growth, which aims to prevent potential further damage and prevent the worst scenario from happening to the economy and the economy. National financial services sector. Through the role of the intended synergy, of course, it will be accompanied by the role of the influence of proactive personality on employee creativity which is accompanied by thriving at work as a mediation.

#### 2. Literature Review

Creativity is the ability of a person to find and create new things, new ways, and new models which are useful for himself and society. New things are not always something that never existed before, the elements may have existed before, but individuals find new combinations, new constructs that have different qualities from the previous state. So, the new thing is something that is innovative. Creativity plays an important role in human life and development. Creativity is largely based on intellectual abilities, such as talent, intelligence, and learning outcomes, but is also supported by effective and psychomotor factors (Chen, 2020).

A proactive personality is an individual who has a tendency to control his environment to produce a new solution that is beneficial for the team or individual. A proactive personality can also predict the level of participation or concern of employees in the workplace (Major, 2006). In addition, in research conducted by Thomas (2010), proactive personality is the second most important predictor of job performance after awareness (Thomas, 2010).

The concept of proactive personality is based on the observation that people with a proactive personality will try continuously to find ways to make a change in their environment, whereas other people in the environment tend to adapt by optimizing existing conditions (Handy, 1990). In the work environment, there are several employees who try to evaluate the work to find the source of the problem from the conditions at hand. Then from the problems that have been found, a new solution or initiative will emerge, but on the other hand, there are employees who are relatively satisfied with the existing conditions and only follow current (Bateman, 1993).

A study conducted by Spreitzer (2005) explains that thriving at work is a condition that is expected by individuals to have positive energy where employees experience a sense of learning and vitality. Employees who develop will feel that the insights gained from experience and behavior in the workplace can provide their own motivation and support these employees to develop themselves for the better. With reference to research conducted by Spreitzer (2005) explained that in thriving at work, there are two dimensions; the first is vitality which describes a positive feeling or energy available to continue to be motivated. The second dimension, namely learning, where the dimension describes that employees have a feeling of gaining knowledge or insight, and then the employee is able to apply their knowledge or skills. (Spreitzer, 2005).

Proactive personality and creative behavior generally have a relationship based on the individual's proactive character. Individuals who have a proactive personality tend to have a desire to change their environment to suit what the individual expects (Bateman, 1993). Individuals who have a proactive personality do this by creating new ways with more effective and efficient directions, where the goal is to improve their performance (Choi, 2005). Based on the existing literature, the first hypothesis of this study is

H1: Proactive personality has a significant positive effect on creativity.

In Alikaj's research (2021), it is explained that developing employees can have a positive influence on the proactive personality of individuals in creating new ideas. For example, the learning process carried out by employees is intended to broaden the employee's horizons and knowledge. With the increased insight and knowledge of the employee, it will have an impact on the employee being more sensitive in identifying and exploring new ways to improve performance in the workplace, or it can be said that the employee shows a higher level of creativity than others. Based on the existing literature, the second hypothesis of this study is

H2: Proactive personality has a significant positive effect on thriving at work.

In other studies, it has been found that thriving at work has a positive relationship with employee attitudes and behaviors, such as health, commitment, performance, adaptability, and orientation to change (Zhang, 2016). Based on the existing literature, the third hypothesis of this study is:

H3: Thriving at work has a significant positive effect on creativity.

Developing is a psychological state consisting of learning and vitality; these two elements are affective and cognitive components of personal psychological growth, so employees who develop in the workplace must

be proven through these two elements (Yang, 2019). Thrives in the workplace, reflects the hopes and aspirations that are invested in the job, and can be easily and clearly remembered. As the theory of self-determination suggests, people have needs for competence, relatedness, and autonomy. Internal cues can help employees to assess their progress going forward. So, when employees have prominent expectations and aspirations, they are more likely to change their attitude by learning with increased enthusiasm and thus will accelerate their creativity (Yang, 2020). Therefore, the fourth hypothesis of this study is:

H4: Thriving in work mediates the positive relationship between proactive personality and creativity.

#### 3. Research Method

This study will focus on the relationship between proactive personality on the creativity of employees in the banking sector. In making a research model that shows the relationship between the variables used in the study, the researcher adopted several models derived from several previous studies. The first model that becomes a reference is the model in the research conducted by Alikaj (2021). This study examines the relationship between proactive personality and creative behavior. In this study, the data collection process was carried out using a purposive sampling technique using the Google Forms application, while the population in this study were permanent employees who worked in the banking sector in Indonesia. Respondents are required to be permanent employees who have worked in the company for at least one year.

The variety of job titles of the respondents ranged from the initial level to the middle management level. A total of 108 people filled out a survey through the Google Form application, which was conducted using a cross-sectional study design. Respondents were asked to fill out a 31-item questionnaire which was adapted from several previous studies. All items are measured on a five-point Likert scale that ranges from 1 (strongly disagree) to 5 (strongly agree). The 13-item scale developed in Chen's research (2020) is used to measure employee creativity. To assess proactive personality behavior, a 10-item scale from Elsaied (2019) was used. Thriving measurement is taken from Porath, Spreitzer, Gibson, & Garnett (2012), which has two dimensions with a scale of 5 items for each. Smart PLS 3 software was used to analyze the data using the partial least squares structural equation modeling (PLS-SEM) technique.

### 4. Results and Discussion

Creative behavior is known as complex behavior, where this behavior will be influenced by various factors, such as individuals or organizations. Referring research conducted by (Alikaj, 2021) examined the relationship between proactive personality, thriving at work, and creative behavior. By conducting SEM analysis, the researcher tested and confirmed that employees' perceptions of thriving at work were closely related to the level of creativity of employees at work.

These results are consistent with previous research on creativity and innovation, which considers thriving at work an important psychological state which is related to how employees exhibit innovative behavior. In addition, research (Alikaj, 2021) found that a developed psychological state mediates the relationship between proactive personality and the creative behavior of employees. This finding provides similar results to previous research that considers development in the workplace as a medium for channeling creative behavior.

Respondents who participated in this study, number of men, were 67% and women 33%. Most of the respondents were 26-30 years old (33.9%), followed by the 31-35 year age group or 31.2 percent. The majority of respondents have a bachelor's degree (85.3%), while the remaining 9.2% of respondents have a master's degree and 5.5% of respondents have a Diploma. The tenure of most of the respondents in the company concerned is 3-5 years (50.5%) and the remaining 6-10 years (15.6%), 11-15 years (14.7%), more than 15 years (13.8%), or 1-2 years (5.6%). In this study, there were two stages in analyzing the data. The first analysis is an assessment of the measurement model, which is carried out to ensure that only constructs with good reliability and validity are used in the structural path model. Validity is measured based on the outer loadings of each attribute and the value of the Average Variance Extracted (AVE) variable. The recommended loading value is a minimum of 0.7. The minimum acceptable AVE is 0.50 or higher. Reliability is measured based on the value of Composite Reliability (CR). The CR values of 0.60 and 0.70 range from "acceptable to good" (Hair, 2019). The data shows that the loading value of each indicator is more than 0.7 and ranges from 0.919 to 0.970. The average value of variance

extract (AVE) for each dimension or construct is greater than 0.5 and ranges from 0.534 to 0.710. The composite reliability (CR) was shown to be greater than 0.7.

Table 1 shows the results of the measurement model assessment. The second stage of data analysis involves assessing the structural model (inner model). First, the inner VIF (Variance Inflation Factor) values were examined to evaluate the potential for collinearity. A VIF value below five is recommended (Hair, 2017). The VIF value for all attributes is below 5, so there is no collinearity. Table 2 reflects the value of VIF in. After that, the coefficient of determination (R2 value) for predictive accuracy and the cross-validated redundancy index (Stone-Geisser's Q2) for the relevance of model predictions were evaluated. R2 values range from 0 to 1. Higher values indicate better prediction accuracy. The value of Q2 must be greater than zero to indicate the predictive accuracy of the structural model (Hair, 2019). The R2 value of the model is 0.683 in employee creativity behavior. Each Q2 value is 0.477 for employee creativity behavior and 0.310 for thriving at work. The hypotheses were evaluated based on the path coefficients and t values of each hypothesis. A hypothesis is supported if the t-value is > 1.96 or < -1.96 (Hair, 2019).

The purpose of this study was to examine the effect of proactive personality on employee creativity and to assess the mediating role of thriving at work in this relationship. According to this study, a proactive personality is important for employee creativity behavior. This finding is consistent with previous findings (Alikaj, 2021). The results of this study also support previous research that proactive personality patterns encourage thriving at work (Alikaj, 2021). In addition, this study also explained that thriving at work mediates the relationship between proactive personality and employee creativity behavior.

This study shows that all hypotheses are supported. Figure 1 shows the path coefficients and t-values. The first hypothesis is the effect of proactive personality on employee creativity with a t-count value of 3.233. These results indicate that a proactive personality has a positive and significant effect on employee creativity. Thus, H1 is supported. The second hypothesis regarding the effect of proactive personality on thriving at work is significant, with a t-value of 12,358. These results indicate a positive and significant impact of a proactive personality on thriving at work. Therefore, H2 is supported. The third hypothesis that examines the effect of thriving at work on employee creativity is supported by a t-value of 5.356. These results indicate that thriving at work has a positive and significant effect on employee creativity. The fourth hypothesis (H4) is also supported by a t value of 5.012. In order to examine the mediating effect of thriving at work, it is necessary to compare its direct and indirect effects (Hair, 2017). In this research, the indirect effect is stronger than the direct effect (0.386 > 0.349). These results indicate that thriving at work partially mediates the proactive personality and creativity of employees.

#### 5. Conclusion and Implications

Researchers will use thriving at work as a variable mediating the relationship between proactive personality on employee creativity. In another study, Proactive personality had a positive effect on employee creativity. In addition, thriving at work has a positive and significant effect on employee creativity and mediates the relationship between proactive personality on employee creativity. On the theoretical side, this study will enrich the little evidence on the relationship between proactive personality and employee creativity, as well as the mediating effect of thriving on this relationship. Furthermore, this research will be conducted in developing countries (Indonesia), in contrast to previous studies, which were mostly conducted in western or developed countries. Because it is presented in a different culture with Asian characteristics, this condition enriches existing knowledge about proactive personality, thriving at work, and creativity. From a practical point of view, companies can make efforts to encourage creative behavior among employees by encouraging proactive personality. Organizations will also benefit from thriving in the workplace to enhance creative behavior by supporting vitality and learning within the organization. This study will highlight the positive impact of proactive personality and flourishing on employee creativity. Therefore, the limitation of this study is that it only focuses on proactive personality as antecedents of creativity. It is recommended that future researchers should investigate the impact of alternative variables to enrich findings regarding creativity.

## **Tables**

Table 1. Measurement Model Assesment.

Construct/ Dimension	Indicator	Loading	CR	AVE
Proactive Personality/ Unidimension			0,919	0,534
	PP1	0,611	0,919	0,334
	PP2	0,787		
	PP3	0,686		
	PP4	0,701		
	PP5	0,701		
	PP6	0,726		
	PP7	0,823		
	PP8	0,728		
	PP9	0,684		
	PP10	0,829		
Thriving at Work			0,934	0,639
	TAW1	0,777	0,72.	0,027
	TAW2	0,814		
	TAW3	0,753		
	TAW4	0,773		
	TAW5	0,833		
	TAW6	0,839		
	TAW7	0,798		
	TAW8	0,804		
Creativity			0,970	0,710
	C1	0,862	- ,	- , -
	C2	0,868		
	C3	0,868		
	C4	0,874		
	C5	0,821		
	C6	0,717		
	C7	0,860		
	C8	0,860		
	C9	0,837		
	C10	0,840		
	C11	0,852		
	C12	0,853		
	C13	0,834		

(Source: Author, 2022)

Table 2. Inner VIF Values.

	CC	PP	TAW
PP	2,047		1,000
TAW	2,047		
	(Source: Author 2	022)	

## **Figure**

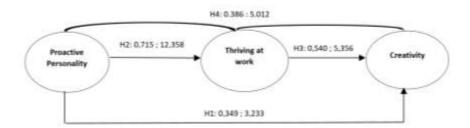


Figure 1. Summary of Hypotheses Testing (Source: Author, 2022)

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