

## **The Predictors of Employee Mindset towards Employee Innovativeness: A Comparative Study between Two Government-Linked Companies in Malaysia**

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### **Abstract**

*This pilot study was conducted to identify the predictors of employee mindset towards employee innovativeness at two government-linked companies in Malaysia which were Tabung Haji and Felda Berhad. The main purpose is to investigate the effects of employee mindset on employee innovativeness. In addition, it also seeks to have a deeper understanding on one of the main issues of GLCs performance in Malaysia which is the deficiency in innovativeness among their employees. The study found that all seven dimensions of employee mindset which were cosmopolitanism, cognitive complexity, creative thinking, work culture, entrepreneurial mindset, boundary spanning and adaptability were related to employee innovativeness, while four of these variables were the predictors towards employee innovativeness. Two sub-variables were found to be the positive predictors (cosmopolitanism and work culture) while two others (entrepreneurial mindset and work culture) were found to be the negative predictors towards employee innovativeness. It was also found that Tabung Haji employees were significantly influenced by cosmopolitanism and work culture traits while entrepreneurial mindset trait had negative influenced toward their employee innovativeness. Meanwhile for Felda Berhad's employees, only cosmopolitanism attribute had significantly influenced innovativeness while creative thinking and work culture traits had negative influence toward employee innovation. Employee innovativeness is critical for GLCs' success; cosmopolitanism and work culture appeared to be the important orientation for management and employees to foster. To assist managers to deliver superior products and services, they must be*

*courageous enough to enhance cosmopolitanism and work culture attributes to their employees as a means to increase profits for the GLCs.*

**Key-words:** Government-linked Companies, Employee Mindset, Employee Innovativeness, Cosmopolitanism, Cognitive Complexity, Creative Thinking, Work Culture, Entrepreneurial Mindset, Boundary Spanning and Adaptability.

## **1. Introduction**

Government-Linked Companies (GLCs) are said to be some of the most significant players for economic development in achieving the country's visions and missions. Hence, it is inevitable for GLCs to explore the current state of skilled labor, so that they can focus more on creativity and innovation among their employees. Skilled labor according to Leeson (2015), needs to include the traits of creativity and innovative skills among employees so that the products manufactured or services rendered are of the highest quality and fulfill customers' expectations. In achieving that aspiration, the Malaysian government launched the national transformation agenda of the GLCs in 2004 as the basis for national development program to attain the status of a developed country (GLC Transformation Program Progress Review, 2010; PEMANDU, 2012a, PEMANDU, 2012b; PEMANDU, 2013). This program largely epitomizes innovation as the key element to foster economic growth in Malaysia and to transform the country into a higher income nation (Said, Hasan, Saimin & Omar, 2017). Innovation may also involve new services, business models, processes and functions to enhance the features of current products. In retrospect however, innovation remained one of the obstacles in achieving the stipulated national agenda, even after ten years of its inception. As stated in the GLC transformation program graduation study (2015), the innovation score for the G20 countries in July 2019 was 2.7 out of 4.0.

Innovation is crucial in delivering excellent service, as GLCs are required to increase the standards and perceptions of certain customers (Smith, Fressoli, Abrol, Arond & Ely, 2016). However, the G20 countries' innovation score was less than the global best practices which was 3.2. In the resource-based sector, emphasis was focused on innovation and high value activities. In today's economic downturn especially, it is most critical for GLCs to remain competitive, employ highly innovative staff to increase profits and embrace on both domestic and global challenges.

It seems that these GLCs have now dimmed and portrayed unassuming perspectives. With the reduction of staff, the situation is further demoted (Kay & Goldspink, 2015) and it seemed to give the signal of poor performance among some of the GLCs. This may be due to the lack of innovative ideas, and that GLCs failed to employ staff who are creative and imaginative to embrace global

challenges. Established approaches can be assured, but it is worthwhile to try new stuff (Akoum, 2016). The innovative approach of employees with creative ideas should always be part of product and service development. Problems can be resolved differently and strategically through ingenious as well as positive thinking (Smith, Fressoli, Abrol, Arond & Ely, 2016). GLCs shall save time and money by employing the right and creative (employees) and techniques enabling the companies to compete in the growth of GLC's operations worldwide (Kay & Goldspink, 2015).

## **2. Literature Review**

### **2.1. Employee Mindset**

According to Manral (2011), the dimensions of employee mindset in his model are not comprehensive and were chosen selectively based on employees' ability to contribute to the distinct tasks of the innovation phase. Manral (2011) also reiterated that employee mindset can be used to overcome the constraint of Kanter's (1988) model by enhancing GLCs conditions with cognitive concept. In a certain way, employee mindset can be perceived as an experience that affects employees' innovative accomplishment in the future (Martinez & Labeaga, 2009). Regardless of the type, scale, age and place, previous researchers claimed that employee mindset is considered as a strategic factor to boost productivity as well as improving the company's efficiency (Saguy, 2016). According to Rabelo and Bernus (2015), employee mindset is created by developing new tools or new combinations that can bring new, improved products and create new markets to increase profits. The dimensions of employee mindsets are presented as a result of employees' inclination towards work-related activities (Manral, 2011; Owen, Tao, Drinane, Hook, Davis and Kune (2016) and Zhou & Shalley (2003).

Manral (2011) defined the dimensions of employee mindset as follows:

- a. Cosmopolitanism is related to the perception of the social force in the contemporary world that forces the society to compete for the innovation in a diverse situation, mission, condition and modern way of life.
- b. Cognitive complexity is defined as a problem that is at the root of developing new ideas.
- c. Creative Thinking is the business process required to create something new.
- d. Entrepreneurial mindset is the management way of thinking that helps employees to meet obstacles, make decisions and be responsible for their own performance. The management is

also responsible to enhance skills of the employees, learn from errors and continue to work on employee ideas.

- e. Boundary spanning is for the employee to shape the company independently and to provide a cross-functional team for any initiatives for innovation.
- f. Adaptability allows employees to transmit their training process through a sequence of phases to a constantly evolving world.
- g. Work Culture is a collection of large tacitly known rules and procedures advising organizing group members of what to do in a variety of unidentified circumstances and how to do it (Owen et al., 2016).

In essence, employee mindset is a process that in turn, reflects the creativity of both the management and its employees. In upholding creativity among employees, Manral (2011) included the business process as the key element of creativity and innovation, as it is required to create something new. Zhou & Shalley (2003), reiterated that creativity is understood as a human ability to create fresh and suitable ideas and positive thought. Owen, Tao, Drinane, Hook, Davis and Kune (2016) on the other hand, included the element of culture, which is seen as a collection of large tacitly known rules and procedures, advising organizing group members of what to do in a variety of unidentified circumstances and how to do it.

## **2.2. Employee Innovativeness**

Innovation is an idea, strategy, system, part, attitude, culture, technology and skill that are required to create something new. Amabile, Conti, Coon, Lazenby and Herron (1996) described innovation as a process for developing good products and services, or action that generates ideas. Creative thinking abilities can lead to the innovation of a new product, or a new process that experts can recognize or rely on (Jensen, Johnson, Lorenz, Lundvall and Lundvall, 2016). Innovation occurs when people with high levels of imagination and expertise combined new experiences gained, and then create something new or improve products or enhance services for greater efficiency. Innovation is the name of the game when improvements in management lead to current system, processes, activities in attaining competitive benefits (Ali, 2019).

Employee innovativeness involves the process of self-regulation and motivation, which goes beyond understanding or improving actions alone (Mazzucato, 2016). Mol, Birkinshaw and Hamel (2008) supported the idea by saying that the development and implementation of new methods, procedures, systems and techniques, in terms of quality, type, state and the evolving impact of

products and services. Hargrave & Van de Ven, (2017) agreed that innovation in management as the development and implementation of new practices. The innovative mindset among employees needs to be sustained especially among the GLCs in Malaysia to help both the government and policymakers to support innovative ideas from the employees, and not mere following the old school of thoughts where employees were supposed to do what they were told, instead of doing something different that benefits the organizations. Rahman (2019) backed this argument by noting that Malaysian staff are primarily deficient on seven aspects: innovation, problem solving, leadership, constructive, analytical thinking, confidence and abilities to communicate. Idea generation solves problems and generates the mechanism of creativity. In order to choose a solution, the employee must be able to recognize an existing problem, and identify various resolution methods to make it better (Kanter, 1988). In retrospect however, the road towards enhancing innovative ideas from the employees in Malaysia are being paved in the GLC Transformation Program Graduation Report (2015).

Employee mindset is basically a psychological structure seen as part of an innovation process, since it is assumed to help influence how employee's ingenuity is, in relation to their environment and people (Marin, Marzucchi & Zoboli, 2015). Nambisan, Lyytinen, Majchrzak & Song (2017) also stressed on how the differences in mindset can moderate an individual's innovativeness. Despite these findings, which suggested that the mindset of the employees is in fact, linked to innovation, other results demonstrated that organizational results, including mindset and creative results, are linked to the thinking and innovation of employees (Manral, 2011; Leonidou, Christofi, Vrontis, & Thrassou, 2018).

### **2.3. Government-Link Companies (GLCs) for the Study**

Two GLCs were selected for the purpose of the pilot study which were Tabung Haji and Felda Berhad. According to Tabung Haji Corporate Information (2021), Lembaga Tabung Haji (TH) is an Islamic institution that continuously strives to provide various facilities which are comprehensive and systematic for the welfare of Malaysian Hajj Pilgrims. Besides halal savings and efficient hajj operations management, TH also manages investment transaction to add value to our depositors. Lembaga Tabung Haji (TH) is a statutory body governed by the Tabung Haji Act 1995 (Act 535). TH's main activities are Hajj management, depository services and investment. TH strives to provide excellent hajj services to Malaysian pilgrims and its consistent track record has gained world recognition as a role model for innovative hajj management. TH has about nine million depositors and

123 branches with 10,000 touch-points nationwide. TH also operates an office in Jeddah, Kingdom of Saudi Arabia under the purview of the Malaysian Consulate (Tabung Haji Corporate profile, para. 1 and 2).

Another GLC selected was Felda Berhad. According to its corporate website (2021), Federal Land Development Authority (FELDA) was established on July 1, 1956 under the Land Development Ordinance of 1956 for the development of land and relocation with the objective of poverty eradication through the cultivation of oil palm and rubber. The FELDA function is to carry out projects of land development and agricultural activities, industrial and commercial social economy. In 1990, FELDA was no longer recruiting new settlers. Government has entrusted FELDA to stand with their own financial and become a statutory body that can generate their own income to support various development through a variety of businesses. Consequently, from 1996 onwards the government does not channel any provision to the schemes. In an effort to generate income, FELDA has launched a number of private corporate entities primarily to ensure complete value chain of its core activities. Among the largest are FELDA Holding Berhad, Felda Plantation Sdn Bhd and Felda Global Ventures (FGV) (*Felda Berhad Corporate Profile*, para. 1 and 2).

## 2.4. Research Objectives and Hypotheses

**Figure 1** shows the conceptual framework on the relationship between the variables Employee Mindset and Idea Generation of Innovation. Two research objectives were formulated for this study which were: (1) To identify the relationships between dimensions of employee mindset on idea generation of innovation and (2) To predict the dimension(s) of employee mindset towards idea generation of innovation. Several hypotheses were also formulated for this study which were:

H<sub>1</sub> There is a significant relationship between cosmopolitanism and idea generation of innovation.

H<sub>2</sub> There is a significant relationship between cognitive complexity and idea generation of innovation.

H<sub>3</sub> There is a significant relationship between the creative thinking and idea generation of innovation.

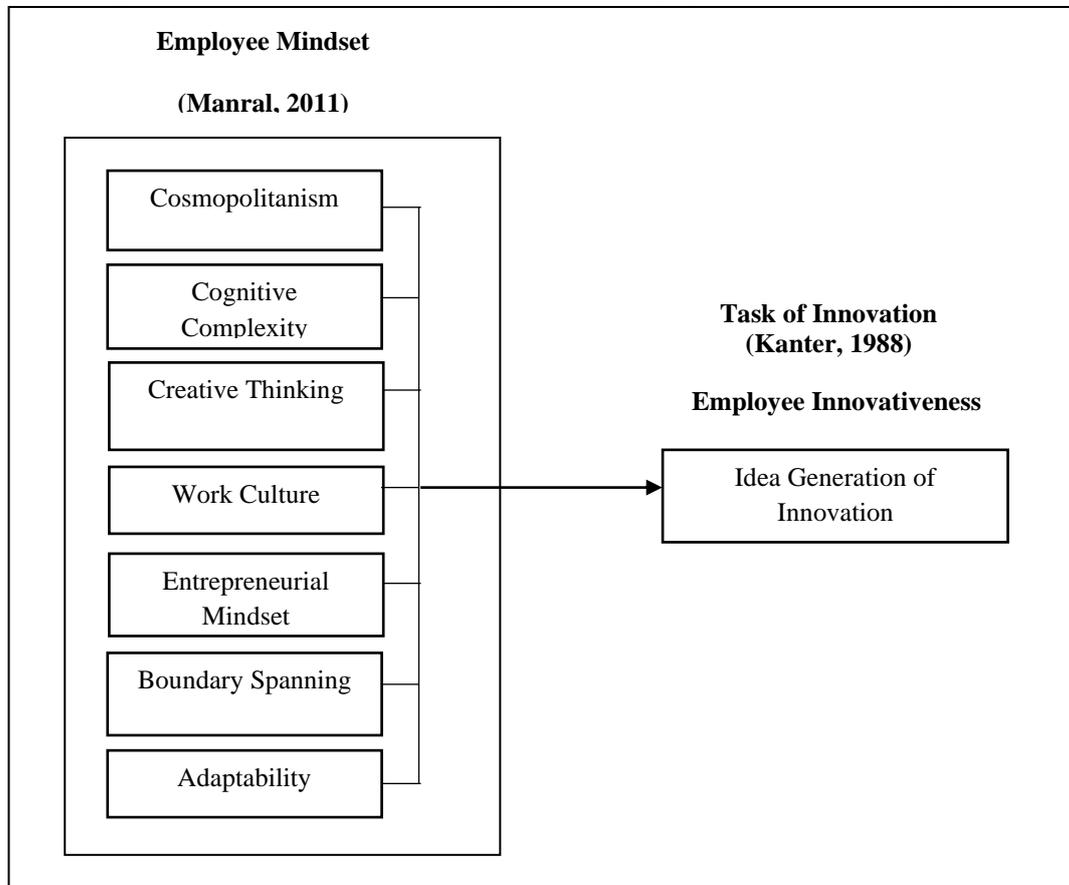
H<sub>4</sub> There is a significant relationship between work-culture and idea generation of innovation.

H<sub>5</sub> There is a significant relationship between entrepreneurial mindset and idea generation of innovation.

H<sub>6</sub> There is a significant relationship between boundary spanning and idea generation of innovation.

H<sub>7</sub> There is a significant relationship between adaptability and idea generation of innovation.

Figure 1 - Conceptual Framework on the Relationship between Employee Mindset and Employee Innovativeness



### 3. Methodology

The data for this pilot study was collected from two GLCs in Malaysia. The two GLCs were *Tabung Haji* and *Felda Berhad*. A total of 216 GLCs employees answered the questionnaires through convenience sampling. *Tabung Haji* had a slightly greater number of respondents who answered the questionnaires (91%, n=109) while 107 (90%) of *Felda Berhad* employees answered the questionnaire. The instrument for Employee Mindset consisted of 31 items while Idea Generation of Innovation consisted of 7 items. All variables were measured using a five-point Likert scale with the values ranging from 1=strongly disagree to 5=strongly agree. The summary of the response rate is presented in Table 1.

Table 1 - Summary of Respondents

Companies	Questionnaires Distributed	Questionnaires Returned	Return Rate (%)
Tabung Haji	120	109	91
Felda Berhad	120	107	90

### 3.1. Results and Discussion

### 3.2. Reliability Analysis

For employee mindset, three domains (adaptability, entrepreneurial mindset and work culture) were reported to have Cronbach's Alpha values of  $>0.7$ , which can be considered as acceptable (Hair, Black & Babin, 2010; Sekaran, 2020). All other domains had Cronbach's alpha values of 0.8 and above. The instrument used was a well-established tool commonly adopted in various studies on employee mindset. In fact, this instrument was also found to be a reliable instrument in Malaysia's settings, when the Cronbach's alpha values for all the sub-domains were all greater than 0.7 (Ong, 2014). Next, the instrument on employee innovativeness (idea generation of innovation) was found to have a Cronbach's alpha value of  $>0.8$ , which is acceptable (Hair, Black & Babin, 2010; Sekaran, 2020).

Table 2 - Reliability Analysis

Variable	Cronbach's Alpha
Cosmopolitanism	.884
Cognitive Complexity	.880
Creative Thinking	.891
Work Culture	.699
Entrepreneurial Mindset	.784
Boundary Spanning	.872
Adaptability	.750
Idea Generation of Innovativeness	.835

### 3.3. Pearson-Correlation and Multiple Regression Analysis

**Table 3** shows the findings on the correlation between seven sub-variables from employee mindset which are cosmopolitanism, cognitive complexity, creative thinking, work culture, entrepreneurial mindset, boundary spanning and adaptability toward idea generation of innovation among employees at two GLCs in Malaysia. The result pointed out that all variables were significantly related to Innovativeness with the  $r$  values of ( $r=.249$ ,  $r=.791$ ,  $r=.834$ ,  $r=.611$ ,  $r=.263$ ,

r=.471, and r=.875 p<.01) respectively. Therefore, research question one was answered and hypotheses H<sub>1</sub> H<sub>2</sub>, H<sub>3</sub>, H<sub>4</sub>, H<sub>5</sub> H<sub>6</sub> and H<sub>7</sub> were supported.

Table 3 - Correlation between Respondents' Employee Mindset and Employee Innovativeness

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>9</b>
<b>Cosmopolitanism</b>	1	.249**	.791**	.834**	.611**	.263**	.471**	.875**
<b>Cognitive Complexity</b>	.249**	1	.292**	.171**	.711**	.887**	.624**	.179**
<b>Creative Thinking</b>	.791**	.292**	1	.805**	.621**	.301**	.300**	.634**
<b>Work Culture</b>	.834**	.171*	.805**	1	.549**	.207**	.269**	.794**
<b>Entrepreneurial Mindset</b>	.611**	.711**	.621**	.549**	1	.725**	.721**	.443**
<b>Boundary Spanning</b>	.263**	.887**	.301**	.207**	.725**	1	.591**	.172**
<b>Adaptability</b>	.471**	.624**	.300**	.269**	.721**	.591**	1	.345**
<b>Idea Generation of Innovation</b>	.875**	.179**	.634**	.794**	.443**	.172*	.345**	1
**Correlation is significant at the 0.01 level (2-tailed)								
*Correlation is significant at the 0.05 level (2-tailed)								

### Regression Analyses

Findings from the regression analyses between employee mindset sub-variables which are cosmopolitanism, cognitive complexity, creative thinking, work culture, entrepreneurial mindset, boundary spanning and adaptability towards idea generation of innovation were tabulated in **Table 4**. It was found that the R<sup>2</sup> was .822, in which all of the sub-domains of employee mindset explained 82.2% of the variance (R square) for idea generation of innovation, with significant of F value of .000. In addition, the Durbin Watson value was .650, which indicated a positive autocorrelation, in line with one of the assumptions for bivariate and multivariate correlation analyses. The analysis revealed that the sub-domain of employee mindset which was cosmopolitanism was the highest predictor towards employee idea generation of innovation ( $\beta=.877$ ,  $p<.000$ ). Consecutively, work culture was found to be the second sub-variable that predicted idea generation of innovation ( $\beta=.374$ ,  $p<.000$ ), as well as, cognitive complexity which was also found to predict idea generation of innovation ( $\beta=.188$ ,  $p<.005$ ). However, two other sub-variables which are entrepreneurial mindset and creative thinking were reported to have negative but significant predictors towards idea generation of innovation ( $\beta= -.216$ ,  $p<0.00$ ) and ( $\beta= -.258$ ,  $p<0.00$ ) respectively. Finally, the sub-

variables of boundary spanning and adaptability were not found to have any significant influence towards idea of generation of innovation. In conclusion, it can be reported that three elements of employee mindset were the positive predictors towards employee idea generation of innovation (innovativeness) which were cosmopolitanism, work culture and cognitive complexity while two elements had negative but significant influence towards innovativeness which were creative thinking and entrepreneurial mindset.

Table 4 - Multiple Regression Analysis

<b>Independent variables</b>	<b>Standardized Coefficients Beta</b>	<b>t</b>	<b>Sig.</b>
<b>Cosmopolitanism</b>	<b>.877</b>	13.406	<b>.000</b>
<b>Cognitive Complexity</b>	<b>.188</b>	2.783	<b>.006</b>
<b>Entrepreneurial Mindset</b>	<b>-.216</b>	-3.262	<b>.001</b>
<b>Boundary Spanning</b>	-.058	-862	.390
<b>Adaptability</b>	-.018	-.358	.720
<b>Creative Thinking</b>	<b>-.258</b>	-4.454	<b>.000</b>
<b>Work Culture</b>	<b>.374</b>	6.074	<b>.000</b>
<b>R Square</b>		.822	
<b>F</b>		137.367	
<b>Sig. F Value</b>		.000	
<b>Durbin Watson</b>		.650	

**Table 5** summarizes the comparison between *Tabung Haji* and *Felda Berhad* employees' mindset and innovativeness. For *Tabung Haji*, it was found that all of the independent variables which were cosmopolitanism, cognitive complexity, creative thinking, work culture, entrepreneurial mindset, boundary spanning and adaptability explained 73.3% of the variance (R square) for idea generation of innovation, while for *Felda Berhad* employees, dimensions of employee mindset explained 93.1% of the variance for idea generation of innovation, which was about 20% higher than employees of *Tabung Haji*. Durbin Watson values were .581 and 1.021 respectively; both values approaching 0 – 4, an indicator of positive autocorrelation, in line with one of the assumptions for bivariate and multivariate correlation analyses. Further, the analysis also revealed that idea generation of innovation of *Tabung Haji* employees was significantly influenced by three variables which were cosmopolitanism as the most influential dimension of employee mindset ( $\beta=.693$ ,  $p<.000$ ) followed by work culture ( $\beta=.512$ ,  $p<.000$ ), in which both had regressed positively, while the last one was entrepreneurial mindset that had a significant negative influence ( $\beta= -.336$ ,  $p<.001$ ).

The last sub-variable simply meant that the employees were not into entrepreneurship trait; if they were forced to engage in any form of entrepreneur innovation or in their job scope, their

innovative thinking will not be enhanced. This is not a good news for *Tabung Haji* if the GLC wants to venture into a new or innovative product or service. Meanwhile, for *Felda Berhad*, it was found that employees' innovativeness was significantly influenced by three employee mindset sub-variables which were cosmopolitanism being the most influential ( $\beta=.971$ ,  $p<.000$ ) and work culture being the second predictor towards employee innovativeness ( $\beta= .364$ ,  $p<.000$ ), while one other predictor which was creative thinking which had significant negative influence towards idea generation of innovation ( $\beta= -.478$ ,  $p<.000$ ).

In summary, one sub-variable which was entrepreneurial mindset was found to have the highest negative influence towards idea generation of innovation among employees at *Tabung Haji*, while the sub-variable of creative thinking was found to be highest negative predictor for *Felda Berhad*. These two GLCs will have to look for alternatives and find the ways in an effort to enhance entrepreneurial mindset and creative thinking among their employees. Positive predictors of these two variables will yield greater innovative products and/or services of these GLCs.

Table 5 - Multiple Regression Analysis (Comparisons between GLCs)

GLCs	Independent variables	Standardized Coefficients Beta	t	Sig.
<b>Tabung Haji</b>	<b>Cosmopolitanism</b>	<b>.693</b>	<b>5.487</b>	<b>.000</b>
	Cognitive Complexity	.029	.205	.838
	<b>Entrepreneurial Mindset</b>	<b>-336</b>	<b>-3.395</b>	<b>.001</b>
	Boundary Spanning	.135	.901	.370
	Adaptability	-.045	-.582	.562
	Creative Thinking	-.234	-2.495	.014
	<b>Work Culture</b>	<b>.512</b>	<b>4.772</b>	<b>.000</b>
	R Square		.733	
	F	39.615		
	Sig. F Value		.000	
Durbin Watson	.581			
<b>Felda Berhad</b>	<b>Cosmopolitanism</b>	<b>.971</b>	<b>15.056</b>	<b>.000</b>
	Cognitive Complexity	.083	1.172	.244
	Entrepreneurial Mindset	.030	.369	.713
	Boundary Spanning	-.044	-.721	.473
	Adaptability	.019	.331	.742
	<b>Creative Thinking</b>	<b>-.478</b>	<b>-5.361</b>	<b>.000</b>
	<b>Work Culture</b>	<b>.364</b>	<b>5.453</b>	<b>.000</b>
	R Square		.931	
	F	191.745		
	Sig. F Value		.000	
Durbin Watson	1.021			

The comparison on the levels of employee mindset and innovativeness between both GLCs revealed some very interesting facts. For the purpose of this study, descriptive statistics were computed for both independent and dependent variables. The interpretation of the scores were based on the Best Principle (Thaoprom, 2004). Scores were divided by three ranges which are high, average and low with the computation like this:  $5-1/3=1.33$ .

Thus, the results are:

- Mean scores between 1-2.33= Low Scores.
- Mean scores between 2.34-3.67 = Moderate Scores.
- Mean scores between 3.68-5.00 = High Scores.

The assessment on the level of employee mindset for both GLCs revealed that *Felda Berhad* had a slightly higher overall employee mindset ( $M=4.09$ ,  $SD=0.611$ ) compared to *Tabung Haji* ( $M=3.98$ ,  $SD=0.481$ ) as indicated in **Table 6**. Surprisingly however, all attributes under employee mindset were found to be high for *Felda Berhad*, and all, but one sub-variable which is Entrepreneurial Mindset was found to be high for *Tabung Haji*. Entrepreneurial Mindset attribute was found to be moderate or average for *Tabung Haji* employees. This is one of the drawbacks of self-reported survey, where subjects tend to overrate their positive side higher than their negative side. However, upon further investigation, the findings revealed quite the opposite of the self-rated attributes for both GLCs.

Table 6 - Level of Employee Mindset: *Felda vs Tabung Haji*

Company	Variable	N	Mean	Std Deviation	Level
Tabung Haji	Cosmopolitanism	109	4.3922	.61836	High
	Cognitive Complexity	109	3.7179	.74699	High
	Creative Thinking	109	4.0367	.67229	High
	Work Culture	109	4.4450	.44793	High
	Entrepreneurial Mindset	109	3.6170	.79754	Moderate
	Boundary Spanning	109	3.7913	.75654	High
	Adaptability	109	3.8945	.67640	High
	<b>Overall Employee Mindset</b>	<b>109</b>	<b>3.9849</b>	<b>.48164</b>	<b>Moderate</b>
Felda Berhad	Cosmopolitanism	107	4.0701	.85699	High
	Cognitive Complexity	107	4.2593	.58067	High
	Creative Thinking	107	3.9495	.82512	High
	Work Culture	107	4.2570	.45617	High
	Entrepreneurial Mindset	107	3.8738	.90294	High
	Boundary Spanning	107	4.0701	.68748	High
	Adaptability	107	4.1729	.64282	High
	<b>Overall Employee Mindset</b>	<b>107</b>	<b>4.0933</b>	<b>.61107</b>	<b>High</b>

The findings based on the comparison between two GLCs have been supported by various innovative studies. According to Tajeddini, Altinay & Ratten (2017) and Ali (2019), the way employees innovate and their ability to successfully lead others can be influenced by their mindset. This was also supported by Tidd & Bessant (2018) who stated that employee mindset played a major role in developing employee innovativeness.

#### **4. Conclusions**

This research was conducted as a pilot study, intended to obtain the reliability scores of the instrument and all the variables under investigation, as well as to determine the relationship and the predictors of employee mindset and employee innovativeness among employees at two selected GLCs in Malaysia. Based on the statistical analyses, it was found that five dimensions of employee mindset (cosmopolitanism, cognitive complexity, work culture, entrepreneurial mindset and adaptability) had significant and positive relationships with employee innovativeness. Moreover, it was also found that the attribute of Cosmopolitanism had the greatest influence on employee innovativeness (idea generation of innovation), followed by Work Culture, Creative Thinking and Entrepreneurial Mindset. In a nutshell, employee mindset is one of the many determinants that influence idea generation or innovativeness among employees. Therefore, it would be a wise step for the management to assist employees in enhancing their innovativeness by engaging more activities that promote certain mindset among employees. In essence, employees in general were born with different mindsets, and yet, they can still be assisted to maximize their innovative and creativity potentials by matching certain elements in their own mindsets such as work culture, creative thinking or cosmopolitanism in appealing their innovative minds.

#### **5. Recommendations**

The high level of employee mindset and innovation acknowledge that human capital is currently moving forward in achieving sustainable development goals, among others, decent work structure and economic growth. In order to improve their innovativeness, employees in Malaysia particularly those in the government-linked companies should be encouraged to have better work culture and to know their own mindset. Cosmopolitanism and Work Culture need to be inculcated in the employees for better quality products and services. In addition, the results suggested that idea generation on innovation is a major determinant towards GLCs' success, regardless of the market

uncertainty. That indicates that innovative practices generally drive the success of GLCs forward. Top management are also recommended to boost the company's innovation in their attempts to achieve higher corporate efficiency and that management should aspire employees to be creative and keep the state of innovation constant. According to Tidd, & Bessant, (2018), employee mindset is an important driver for innovation in organizations. Innovativeness is critical for GLCs success; the elements of cosmopolitanism and work culture appeared to be important orientations for management and employees to foster. While entrepreneurial mindset and cognitive complexity may help managers to device superior products, processes, and ideas, it is likely that entrepreneurial mindset and cognitive complexity provide the stimulus for driving such activities.

Employees who possessed the attributes mentioned are advantageous for organizations. Additionally, the management should also plan and execute these elements which will enhance their employees' mindset and then undertake innovative practices. Both management and employees must therefore, be prepared to openly communicate their views on social force in the modern world, which requires the society to contend with creativity in a variety of circumstances, ventures, conditions and ways of life.

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