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Daily Work Environment and Organizational Innovativeness: A Case of Pharmaceutical Industry in Pakistan

ABSTRACT

In this study, we have examined the effect of the daily work environment in terms of daily hassles and daily uplifts on the pharmaceutical industry's innovativeness in Pakistan using a two-wave field survey. We also examined daily uplifts as the boundary condition that buffers the negative effects of daily hassles on organizational innovativeness. We adopted reliable measures from prior research to collect employee-reported data. The sample consisted of 112 employees of the pharmaceutical industry from across Pakistan. Hypotheses were tested using correlational and regression approaches of statistical analysis. The daily hassles revealed an insignificant effect on organizational innovativeness. The daily uplifts showed a significant positive contribution towards enhancing organizational innovativeness. The interaction effect of daily uplifts and daily hassles on organizational innovativeness was also insignificant. It points to the need for managerial practices that enhance daily uplifts and reduce daily hassles to achieve greater organizational good in enhancing innovativeness.

Keywords: *Daily Work Environment, Daily Uplifts, Daily Hassles, Organizational Innovativeness.*

Introduction

The indigenous pharmaceutical industry is the health sector's backbone, especially for a developing country like Pakistan. The healthcare sector cannot survive and function without the support of the indigenous

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pharmaceutical industry. The import-dependent pharmaceutical products are mainly cost-intensive, consumer incompatible, and challenging to deliver safely to the end consumers (Dawani & Asad, 2019). The international pharmaceutical industry introduces revolutionary pharmaceutical preparations customized to specific geographies' specific environmental, demographical, and logistical circumstances. The global pharmaceutical market size exceeds USD 1105 billion in 2016 (*Pakistan Pharmaceutical Manufacturers' Association Annual Report*, 2017). At the time of independence in 1947, there was no pharmaceutical manufacturing unit in Pakistan; these experienced significant growth in the past decade.

As of 2017, 759 pharmaceutical manufacturing companies were working in the country. The annual export of these units exceeds $200 million. The majority of these industries are functioning in Punjab and Karachi. At an annual growth rate of 15%, the industry produces essential healthcare products and strives to cater to its specific customer needs. The output volume of the industry is over USD 3.2 billion annually. Approximately twenty percent (20%) of the total consumption of medicines in Pakistan is imported. The top fifty (50) firms, predominantly multinationals, hold almost ninety percent (90%) of the market. The top hundred (100) firms hold almost ninety-seven percent (97%) of Pakistan's total medicine market. Therefore, it is evident that out of 759, more than 659 firms strive for only three percent (3%) of the national medicine market (*Pakistan Pharmaceutical Manufacturers' Association Annual Report*, 2017).

Nonetheless, the sector has not been able to grow at a pace comparable to the other developing countries in the region (Dawani & Asad, 2019). The pharmaceutical manufacturing sector has not produced enough volume and value to monopolize the national medicine market as more than twenty percent (20%) of the total consumption is imported. Correspondingly, Pakistan's export share in the region falls behind India's comparators (Dawani & Asad, 2019).

To survive in this competitive world, organizations, especially in the health sector, are compelled to rely on innovation that necessitates innovation capacity (Corrigan, Exeter, & Smith, 2013). Germany, Switzerland, and France were once the epicenters of pharmaceutical research in the world. Since 1980, the United States became the world's leading that provided the best environment for pharmaceutical research. It did this by providing supportive regulations, providing government funding, and fostering venture capital to support research and development in the sector (Daemmrich, 2009). The R & D reaped need-specific innovations in the processes, products, and ideas. Public support for research and innovation is inevitable for an industry to grow in a country. Pakistan must acquire knowledge to create knowledge through learning, adopt cutting-edge best

practices, and, most importantly, innovate the processes and products (Qurashi, Khalique, & Ramayah, 2020). Pharmaceutical manufacturing is a knowledge-intensive industry. To augment innovation and achieve a competitive edge for a knowledge-intensive organization, the effective management of individuals' information and knowledge is inevitable (Rajapathirana & Hui, 2018).

In recent times of the COVID-19 pandemic, like any other country, Pakistan's health sector faces intimidating challenges. In Pakistan, the pharmaceutical industry has an ongoing challenge to serve society's specific needs by providing affordable quality drugs to the consumers (*Pakistan Pharmaceutical Manufacturers' Association Annual Report*, 2017). The efficiency and effectiveness of the management and performance of the industry are possible through innovation. To survive and serve society, the industry must innovate to ensure appropriate quality drugs at the last mile (Qurashi et al., 2020). It has been adequately recognized that an organization's survival and growth are dependent upon organization's survival and growth, depending on its organizational innovativeness, especially for knowledge-intensive organizations like pharmaceutical manufacturing industries. The pharmaceutical industry in Pakistan has not been innovative, and the desire to turn it into a significant economic player has not been achieved. Instead of producing 'me too' products, the industry should produce value-added, innovative, and knowledge-intensive medicines (Babar, Ibrahim, Azmi, & Ahmad, 2011). The industry needs to invest in R&D and enhance organizational innovativeness to cater to consumers' specific needs (Qurashi et al., 2020). The packaging and safe delivery need to innovate to ensure that the patients get the essential drugs at the last mile.

Theory and Hypotheses

The managers make decisions that shape and re-shape the organization's environmental factors (Claire E. Ashton-James & Ashkanasy, 2005). These decisions may be about processes, procedures, resource allocations, responsibilities, and incentives. The agreement or disagreement with the management decisions or personal or group perceptions of employees about the management decisions generates emotional reactions. According to the Affective Events Theory (AET), the employees perceive organizational environmental factors as either supportive or obstructive, that is, hassles or uplifts in their performance towards their respective objectives (Weiss & Cropanzano, 1996). These perceptions result in momentary positive or negative affective responses exhibited by positive or negative emotions, respectively (Claire E. Ashton-James & Ashkanasy, 2005). These behaviors represent respective employee performance (Wegge, Dick, Fisher, West, &

Dawson, 2006). In the face of these impediments, both the scholars and the practitioners must find the management interventions that can augment the pharmaceutical industry's organizational innovativeness in Pakistan. The organization's supportive environmental factors positively influence the employee's creative behaviors/output. Hence, the hassles at work should be mitigated, and the uplifts have to be amplified (Lukes & Stephan, 2017). Therefore, to enhance the organization's innovative performance, it is pertinent to investigate how Daily Hassles & Daily Uplifts (DH & DU) influence organizational innovativeness. Nonaka's knowledge creation model of SECI is the majority recognized strategy to generate knowledge to innovate in organizational systems. The SECI process entails meaningful interactions between explicit knowledge and tacit knowledge (Nonaka, 1994). It implies that the human being, i.e., the employee is the irreplaceable element of creation and enhancement of knowledge to build and sustain the innovation capacity. The supportive or obstructive organizational environmental factors, e.g., daily uplifts and daily hassles, generate work-related attitudes that influence the well-being and, resultantly, the employee performance (Oishi, Diener, Choi, Kim-Prieto, & Choi, 2007).

Organization Innovativeness

In this knowledge-intensive era, the ability to innovate has been recognized as indispensable strength for an organization to survive, grow and compete (Frishammar, Kurkkio, Abrahamsson, & Lichtenthaler, 2012). Many past studies and practitioners alike have recognized that creativity and innovation are inevitable prerequisites for individual employees, teams, and organizations to perform and prosper (James, Clark, & Cropanzano, 1999). The inevitability of innovation for sustainability and achieving and maintaining a competitive edge has uncontested recognition (Esterhuizena, Schuttea, & Toit, 2012). The organizations aspire to achieve and maintain organizational innovativeness and focus on acquiring and using appropriate technology to enable the generation of quality ideas (Koc & Ceylan, 2007). Moreover, an organization's innovativeness depends on its effectiveness, efficiency, and information & knowledge systems. The effectiveness and efficiency of these processes and systems primarily depend on the cross-functional cooperation and integration of organizations' internal environment (Koc & Ceylan, 2007).

Innovativeness is the innovative capability of the organization. They defined organizational innovativeness as the organization's inclusive innovative capability to introduce novel processes, products, and ideas (Wang & Ahmed, 2004). Organizational innovativeness is the antecedent of innovation and represents the organization's ability to innovate (Hult,

Hurley, & Knight, 2004). Innovativeness is the "capacity" of the organization to engage itself in processes of innovation, i.e., introducing new processes and technologies, and ideas in the organization. In other words, the organization's innovativeness refers to the same resource and processes (Hult et al., 2004). Later on, Hurley, Hult, and Knight (2005) distinguished between innovativeness and organizational innovativeness. Innovativeness is a cultural willingness and recognition for innovation. Whereas organizational innovativeness is the extent to which the organization has realized the creation or adoption of innovation. Organizational innovativeness refers to the organization's capability to develop novel concepts and ideas that may facilitate the implementation of new processes or the development of new products and services. It is an all-inclusive concept that encompasses numerous approaches to the value-added newness in both the organization's processes and outcomes (Vanhala & Ritala, 2016). The innovativeness of an organization is an enduring organization-wide attribute. Genuine innovative organizations exhibit innovative behavior consistently over time (Subramantian & Nilakanta, 1996). Organizational innovativeness is conceptualized as an organization-wide strategic approach based on unified intent, receptiveness, market responsiveness, commitment, and technological capability. It helps to embark upon risk-laden actions and processes bringing change by creating and adopting novel ideas that enable innovation and qualify for a sustained competitive lead (Lynch, Walsh, & Harrington, 2010).

Organizational innovativeness is a measure of the rate at which the organization is adopting the innovations (Damanpour, 1991). The innovativeness of an organization may be measured by the average number of innovations adopted in a specified period, the average time is taken to adopt per innovation, and the organization's consistency in the time taken to adopt the innovations (Subramantian & Nilakanta, 1996). Damanpour identified thirteen dimensions of organizational innovativeness. These are specialization, functional differentiation, vertical differentiation, professionalism, complexity, formalization, technical knowledge, management support for change, internal communication, and external communication (Damanpour, 1991). Wang and Ahmed identified five dimensions of organizational innovativeness. These are behavioral innovativeness, process innovativeness, product innovativeness, market innovativeness, and strategic innovativeness. They developed a measure to assess the organizational innovativeness that captures the innovative capability's primary essentials and therefore represents the organization's total ability to innovate. They emphasized the strategic organizational orientation as a principal ingredient of the innovative capability.

The organizations' innovativeness is depicted by specific organizational characteristics that measure the extent of their innovative capabilities to introduce new products or create new product markets (Wang & Ahmed, 2004). Organizational innovativeness consists of three dimensions; the willingness of both the organization and the employee to innovate, the capability to innovate, and the possibility of innovation (Behrens & Patzelt, 2015). In addition to the organizational strategy and culture, the environmental factors of the organization are a significant antecedent of organizational innovativeness or innovative capacity. Literature shows five dimensions of the organizational environment that represent the organizational ability to produce ideas and innovate incessantly. These dimensions are proactiveness, risk-taking, creativity, organizational openness, and future orientation (Ruvio, Shoham, Vigoda-Gadot, & Schwabsky, 2014). Openness in communication, extrinsic motivation system, management encouragement, and innovative strategic focus are the essential prerequisites of organizational innovativeness (Pallas, Böckermann, Goetz, & Tecklenburg, 2013).

In this hypercompetitive environment, an organization's agility is the fundamental and most significant driver of its ability to rapidly adjust and adopt cutting-edge strategies. The organizational innovativeness of an organization enhances its agility (Ravichandran, 2018). Therefore, innovativeness has become an essential competence for the survival and growth of an organization.

Daily Work Environment

The work-related events that are considered important or significant by the employees potentially trigger employee emotions. These are the events that have potential support or obstruction in accomplishing the tasks at the job. These events are called affective events (Weiss & Cropanzano, 1996). The unimportant or insignificant events that are ignored are not affective events. When the employees judge events at work as significant, it indicates that the events are causing agreeable or unagreeable emotions. These agreeable/pleasant or unpleasant emotional reactions will influence individuals' behaviors and work-related attitudes (Weiss & Cropanzano, 1996).

The Affective Events Theory (AET) postulates that individual differences and work environments cause affective events that influence people's attitudinal and behavioral responses (Weiss & Cropanzano, 1996). These affective events primary cause of reflective transitory positive or negative emotions of the employees produce respective work-related attitudes. Therefore, the work-related attitudes that are intrinsically

affective reactions are predicted by the work environment's features (Fisher, 2002). The perceived daily work environment impacts employee's job satisfaction (Larsson, Berglund, & Ohlsson, 2016). According to AET, the work environment's persistent features, such as the nature of the work itself, yield and enhance the probability of specific affective events (Klusmann, Aldrup, Schmidt, & Lüdtke, 2020). An effective event's occurrence and severity vary from employee to employee and in various work settings. The organizational work environment's persistent irregular features cause daily hassles/uplifts for a specific work setting or employee. The perk-ups or irritants may be insignificant for another employee or in a different work setting. Moreover, the organizational environmental conditions and situations on which the work goal's achievement depends evoke affective reactions (Klusmann et al., 2020).

Daily hassle is a "minor negative event/experiences which frequently occur regularly." Simply put, the daily hassle is a noticeable work-related daily event in which an employee experiences harm or a threat to his/her well-being is defined as Daily Hassle (Stefanek, Strohmeier, Fandrem, & Spiel, 2012). Moreover, a potential hassle becomes a hassle if it is appraised as a hassle and not just because it occurs. The daily hassles are the consequences of how individual and environmental characteristics are judged and coped (Larsson et al., 2016). Conversely, daily uplift is a noticeable work-related positive event that frequently transpires regularly. In daily uplifts, the employee experiences augmentation of well-being (Oishi et al., 2007). The daily hassles at work cause stress as these negatively impact the employee's job satisfaction and well-being (Larsson et al., 2016). Daily uplifts' positive affective events mitigate adverse events: the daily hassles (Oishi et al., 2007).

Daily Hassles and Uplifts and Organizational Innovativeness

Many past studies and practitioners alike have recognized that creativity and innovation are inevitable prerequisites for both individual employees, teams, and organizations to perform and prosper (James et al., 1999). Moreover, the organizations' work environmental factors determine the innovation performance of the employees and the organization. The performance of innovation is high in organizations that provide a supportive work environment to employees (James et al., 1999).

The daily hassles are the transitory recurring obstructions or irritants that employees face while at work. Conversely, the daily uplifts are brief recurring events that perk up and make the employees happy (Larsson et al., 2016). The organizational environmental factors, i.e., daily uplifts and daily hassles, generate positive and negative work-related attitudes. These factors

may be supportive or obstructive. The support and obstruction at work influence the well-being and resultant work performance of the employees (Oishi et al., 2007). Daily hassles or uplifts' frequency depends on the organizational work environment-specific characteristics (Junça-Silva, Caetano, & Lopes, 2020). The daily hassles at work are detrimental to the employee's well-being and job performance.

Conversely, pleasure ascends from the daily uplifts at work that augments the employees' well-being and job performance (Junca-Silva, Caetano, & Lopes, 2017). The daily affective events that negatively influence worker's emotions are detrimental to individual and team performance and creativity (Pirola-Merloa, Hartelb, Mannc, & Hirst, 2002). Therefore, daily hassles reduce the organizational innovativeness of both the individuals and the organization. On the contrary, mitigation of hassles and the daily uplifts augment the individual and team innovation capacity and performance (Pirola-Merloa et al., 2002).

The perceived daily work environment impacts employee's job satisfaction (Larsson et al., 2016). Organizational innovativeness depends on instituting a positive work environment by removing or reducing daily work-related hassles and increasing daily uplifts. The organization's supportive environmental factors positively influence its innovative behaviors/output (Lukes & Stephan, 2017). Therefore, the daily uplifts that are the features of an organization's environment, positively associated with innovativeness. The organizations' effective work-related events directly influence creativity, innovation, and change-motivated behavior (Rank & Frese, 2008). These affective events include both negative and positive events. However, the positive affective events augment the creativity, innovation, and change-motivated behaviors of the employees. The negative affective events will obstruct and harm the creativity and innovation of the employees at work. Moreover, the set of pleasant affective events ease the effect of unpleasant affective events at work (Klusmann et al., 2020).

Hypothesis 1: Daily hassles are negatively associated with organizational innovativeness.
Hypothesis 2: Daily uplifts are positively associated with organizational innovativeness.

Moderating Effect of Daily Uplifts

The set of pleasant affective events ease the effect of unpleasant affective events at work (Klusmann et al., 2020). Daily uplifts' positive affective events mitigate negative events: the daily hassles (Oishi et al., 2007). As the daily hassles negatively affect creativity, innovation, and change-motivated

behaviors at work, the hassle's mitigating effect by the daily uplifts will moderate the relationship between the hassles and the innovation capacity (Rank & Frese, 2008). The positive events at the workplace mitigate the detrimental effects of negative events (Gross, Semmer, Meier, & Tschan, 2011).

Hypothesis 3: Daily uplifts buffer the negative effects of daily hassles on organizational innovativeness so that the effect would be weaker in the presence of a high level of daily uplifts.

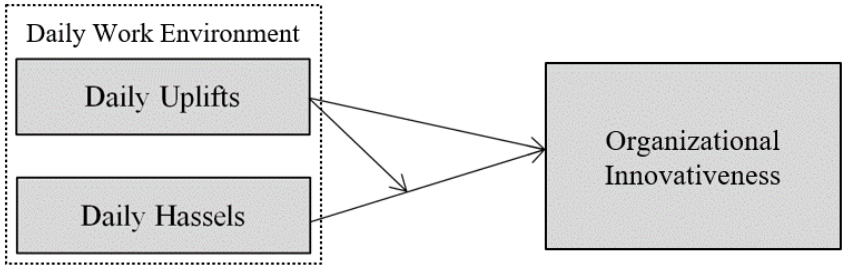

Figure 1: Proposed Model

Context, Sample and Procedure

Nearly 93 percent of the pharmaceutical industries in Pakistan compete for less than 8 percent of the national pharmaceutical market. That is primarily due to failure in producing innovative solutions for compounding problems to the specific industrial sector. Moreover, the medicine export compared to the regional competitors is meager (Dawani & Asad, 2019). The pharma industry is a knowledge-intensive industry that requires to focus on organizational innovativeness to achieve sustainability and competitiveness (Qurashi et al., 2020). The study at hand is he first to examine the role of daily hassles at work in innovativeness of the organization. Around half a million people work in the industry in the country. An estimated 5 percent of these employees are working at supervisory level or above (*Pakistan Pharmaceutical Manufacturers' Association Annual Report*, 2017). The population is the study is the employees in pharma industry in Pakistan who are working at supervisory level or above. The size of the finite population is N=25000. Therefore, the sample size at the desired confidence level of 95% and margin of error of 5% is 378.36. The data was collected through questionnaire developed and served online through Google Forms to all industries in Pakistan. In online surveys, at 3% sampling error and at 95% confidence level, in a population above 2000, 25% of the response rate is

adequate (Nulty, 2008). Therefore, the analysis was done on 112 responses which is more than 25 percent of 378.36, that is the statistically calculated sample size.

Method

This study's population comprised employees of pharmaceutical industrial units in Pakistan employed at supervisory level and above. The senior management of the industries was approached to identify the eligible respondents. The respondents who were literate and working in a responsible position were identified. The people working in supervisory roles in the pharmaceutical industry in all four provinces were randomly approached via email and social media to respond to the Google-From-based questionnaire. A repeated-measure study design was used, with psychometric instruments and a survey tool administered to each responded twice over two months. The data of 112 respondents\ (Table 1) showed participation of both male (70.5%) and female (29.5%); young managers (aging between 20 to 40 years=76%), highly educated (16 to 18 years of education=83.1%, well experienced (6 and above years=71.4%) working of various tiers of management (entry-level=52.6%, middle-level=28.6%, and senior-level=18.8%).

Measurements

Daily Hassles & Daily Uplifts

The frequency of daily uplifts and daily hassles at the workplace was measured by the 50-item measure on 7-point Likert anchors developed by Junca-Silva et al. (2020). The inter-item consistency reliability of the measure was represented by the Cronbach's alphas, whose value for Daily Uplifts ranged from 0.53 to 0.78., whereas, for Daily Hassles, the Cronbach's alphas ranged from 0.58 to 0.83 (Junça-Silva et al., 2020). According to the study results at hand, the Cronbach's alphas values of the Daily Uplifts and Daily Hassles came out as 0.942 and 0.954, respectively.

Table 1: Sample Characteristics (n=112)

Characteristic	Frequency	%	Characteristic	Frequency	%
Gender			**Job position**		
Male	79	70.5	Senior-level manager	21	18.8
Female	33	29.5	Middle-level manager	32	28.6
			Entry-level manager	59	52.6
Age			**Experience**		
20-30 Years	44	39.3	1-5 years	32	28.6
31-40 Years	35	31.3	6-10 years	30	26.8

41-50 Years	21	18.8	11-15 years	17	15.2
51-60 Years	10	8.9	16-20 years	15	13.4
61 & above	2	1.8	21 & above years	18	16.1
Education			**Organizational sector**		
BA / BSc	9	8.0	Islamabad	13	11.6
BS / MA	31	27.7	Punjab	52	46.4
MS / MPhil	62	55.4	Sindh	40	35.7
Ph.D	10	8.9	Khyber Pakhtunkhwa	6	5.4
			Baluchistan	1	0.9

Organizational Innovativeness

A twenty-item measure assessed the organizational innovativeness at 7-point Likert anchors developed by Wang and Ahmed in 2004. Cronbach's alphas represented the measure's inter-item consistency and reliability as 0.814 (Wang & Ahmed, 2004). According to the study results at hand, Cronbach's alphas value of the Organizational Innovativeness came out as 0.9091.

Analysis Procedure

We analyzed the data using Statistical Package for Social Sciences (SPSS) version 23. Descriptive statistics were computed to ascertain sample characteristics, mean, standard deviations, factor structures, average variance extracted (AVE), Cronbach's Alpha, and composite reliability were examined to determine reliability and validity of measures. The correlational analysis was conducted to determine the nature and strength of inter-construct relationships. The regressions analysis was performed using Hayes' (2013) Process Macro number 1 to examine the proposed moderating model.

Results

Descriptive Statistics and Correlations

A total of 112 employees responded to the study. There were 33 women and 79 men. More than 70 percent (70.50%) of the respondents were between the age of 20-40 years. All respondents (100%) had a university degree, and 56.5 percent had M. Phil or Ph.D. The respondents were from all four provinces, Islamabad Capital Territory (ICT) and Azad Jammu & Kashmir (AJK). However, almost 85% were from either Punjab and Sindh (Punjab = 44.9%; Sindh = 40.8%), 9.5 % from ICT, and the rest of the respondents belonged to Khyber Pakhtunkhwa (KP) and Baluchistan and AJK.

Table 2 shows the mean, standard deviations, and correlations. The mean values read with standard deviation indicated the normal distribution of data around the mean on a seven-point scale. The daily uplifts showed significant positive correlations with daily hassles ($r=.26$, $p<.00$) and

Organizational Innovativeness (r=.36, p<.00). It suggests that the higher the uplifts, the higher the hassles in the daily work environment. The daily hassles indicated no significant association with innovation capacity (r=.04, p>.10).

Table 2: Correlation Matrix and Discriminant Validity

		Items	Mean	SD	1	2	3
1.	Daily Uplifts	25	5.43	.83	**.82**		
2.	Daily Hassles	25	3.57	1.16	.26**	**.81**	
3.	Innovation Capacity	5	5.25	1.27	.36**	.04	**.88**

n=112, **p<.01, SD=Standard Deviation, bold diagonal values are the square root of average variance extracted.

Reliability and Validity of Measures

The reliability analysis revealed that Cronbach's alpha and composite reliability values fulfill the acceptable threshold of above .70, indicating sufficient reliability of measures (Table 3). We performed factor analysis to assess the validity of the measure. The AVE's square roots' values higher than the relevant inter-construct correlations (Table 2) supported the discriminant validity of measures used in this study. The minimum and maximum values of factor loadings indicate a good factor structure (Table 3). The AVE values for each variable were above .50 and lower than the respective values of Cronbach's alpha and composite reliability (Table 3), showing sufficient convergent validity of measures used in this study (Fornell & Larcker, 1981).

Table 3: Factor Analysis and Convergent Validity

Construct		Loadings		α	CR	AVE
		Min	Max			
1.	Daily Uplifts	.45	.74	.94	.94	.68
2.	Daily Hassles	.51	.80	.95	.95	.66
3.	Innovation Capacity	.77	.92	.93	.95	.79

Note: α=Cronbach's Alpha, AVE=Average Variance Extracted, Max=Maximum, Min=Minimum.

Hypotheses Testing

Table 4 shows the results of simple and multiple regression analyses conducted using the bootstrap procedure (5000 samples) to test proposed hypotheses. Model 1 of simple regression shows that daily hassles have a negligible and insignificant effect (B=.04, R^2=.02, p>.10) on Organizational Innovativeness. Hence, we have found no evidence that daily hassles could inhibit innovation capacity, and therefore H1 has been rejected. Model 2 of

simple regression shows that daily uplifts positively and significantly contribute to enhancing organizational innovation capacity (B=.23, R^2=.13, p<.01). Hence, H2 has been accepted. Model 3 shows multiple regression analysis results using Haye's (2013) Process model 1 in SPSS. In this model, the Organizational Innovativeness (dependent variables) was regressed using daily hassles (independent variable) and daily uplifts (moderating variable). The results show that the model explained 13% variance in the innovativeness, which is entirely aligned with the variance explained by the daily uplifts in model 2; daily uplifts significantly enhanced innovation capacity (B=.57, p<.01) while daily uplifts indicated a negative but insignificant effect (B=-.07, p>=.10) on innovation capacity. The interaction of daily uplifts and daily hassles indicated a positive but insignificant effect (B=.02, P>.10) on innovativeness. Hence, no moderating effect was observed, and H3 was rejected. The conditional effects are shown in Table 4 below, and the interaction plot is displayed in Figure 2.

Table 4: Moderated effect of DH on Org Innovativeness at values of DU

Model	R^2	F	Organizational Innovativeness (Effect)	95% CI at 5000 Bootstrap Samples	
				LL	UL
Model 1					
Constant	.02	.17	3.38**	2.35**	4.28**
Daily Hassles			.04	-.13	.23
Model 2					
Constant	.13**	16.08**	4.21**	3.34**	4.84**
Daily Uplifts			.23**	.12**	.35**
Model 3					
Constant	.13**	5.42**	5.25**	5.02	5.49
Daily Uplifts (DU)			.57**	.29	.86
Daily Hassles (DH)			-.07	-.28	.15
Interaction (DUxDH)			.02	-.23	.26

Conditional effect of focal predictors at values of the moderator (Daily Hassles)	Daily Uplifts	Daily Hassles	Organizational Innovativeness
	-.83	-1.16	4.87
	.00	-1.16	5.33
	.83	-1.16	5.79
	-.83	.00	4.78
	.00	.00	5.25
	.83	.00	5.73
	-.83	1.16	4.68
	.00	1.16	5.17
	.83	1.16	5.67

**p<.01, nsp>.10, CI=Confidence Interval, LL=Lower Level, UL= Upper Level.

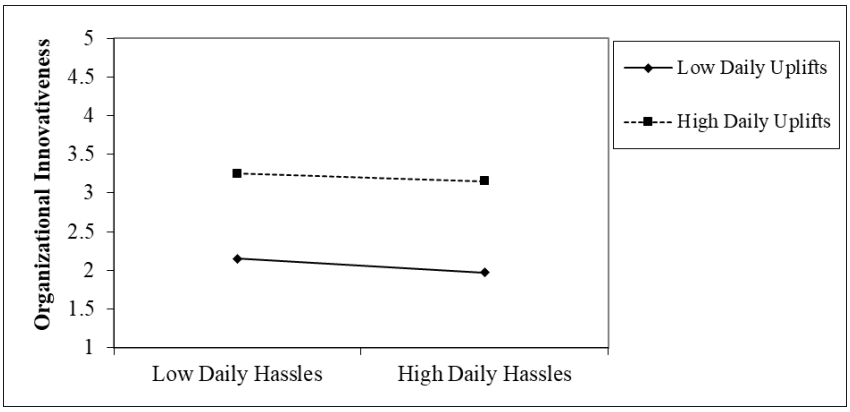

Figure 2: Moderating effect of Daily Uplifts

Discussion

The stressful events or stress positively and negatively impact the employees' innovativeness (Byron, Khazanchi, & Nazarian, 2010). The stressful events of daily hassles may also positively impact innovativeness. The employees are increasingly striving to overcome the hassles and contribute to the cumulative effect of organizational innovativeness. The perk-ups or irritants for an employee may be insignificant for another employee or in a different work setting (Klusmann et al., 2020). The study results show that the daily hassles have a negligible and insignificant effect on Organizational Innovativeness. Hence, we have found no evidence that daily hassles could inhibit innovativeness, and therefore H1 has been rejected. This is because the daily uplifts keep neutralizing the negative impact of daily hassles in routine work environments.

Daily uplifts' positive affective events augment the employee's creativity, innovation, and change-motivated behaviors (Klusmann et al., 2020). Model 2 of simple regression confirms the earlier findings: daily uplifts positively and significantly enhance organizational innovation capacity. Hence, H2 has been accepted. The interaction of daily uplifts and daily hassles indicated a positive but insignificant effect on innovativeness. Hence, no moderating effect was observed, and H3 was rejected. The results align with the earlier findings that present that the set of pleasant affective events ease the effect of unpleasant affective events at work (Klusmann et al., 2020). Daily uplifts' positive affective events mitigate negative events: the daily hassles (Oishi et al., 2007). Moreover, the daily hassles negatively impact the creativity, innovation, and change-motivated behaviors at work;

the mitigating effect of hassle by the daily uplifts will moderate the relationship between the hassles and the innovation capacity (Rank & Frese, 2008). The positive events at the workplace mitigate the detrimental effects of negative events (Gross et al., 2011). However, the insignificance of daily uplifts' impact on daily hassles may become significant as the sample size increases.

The study results affirm the Affective Events Theory (AET) that postulates that the affective events at work produce reflective transitory positive or negative emotions of the employees that produce respective work-related attitudes. These attitudes impact employee satisfaction and job performance (Weiss & Cropanzano, 1996). The results support that affective work-related event in organizations directly influence the employees' creativity, innovation, and change-motivated behavior (Klusmann et al., 2020).

Theoretical and Practical Implications

Our findings have confirmed the earlier research that the daily hassles negatively impact both the employees and the organization's innovativeness. The daily uplifts positively impact performance and innovativeness (Junça-Silva et al., 2020). Moreover, the study also confirmed the earlier findings that the daily uplifts mitigate the negative effect of hassles on innovativeness (Oishi et al., 2007). In this hypercompetitive environment, an organization's agility is the fundamental and most significant driver of its ability to rapidly adjust and adopt cutting-edge strategies. The organizational innovativeness of an organization enhances its agility (Ravichandran, 2018). The managers make decisions that shape and re-shape the organization’s environmental factors (Claire E. Ashton-James & Ashkanasy, 2005). The findings supported AET that states that affective events at work, generate affective reactions that influence performance at work. Specifically, according to the Affective Events Theory (AET), the employees perceive organizational environmental factors either supportive or obstructive, *hassles* or *uplifts* in their performance towards their respective objectives (Weiss & Cropanzano, 1996). These perceptions result in momentary positive or negative affective responses that are exhibited by positive or negative emotions, respectively (Claire E. Ashton-James & Ashkanasy, 2005), (Junça-Silva et al., 2020), (Klusmann et al., 2020). These behaviors represent respective employee performance (Wegge et al., 2006). In the face of these impediments, both the scholars and the practitioners must find management interventions that can augment organizational innovativeness. The study results affirm the Affective Events Theory (AET) and the body of knowledge on the daily hassles and daily uplifts at work and

their impact on the performance. The study results will help the management practitioners to manage the daily hassles and uplifts to enhance individual and organizational performance.

Limitations and Directions for Future Research

The study has used the inventory of the daily hassles and uplifts developed by Silva & Caetano for manufacturing organizations (Silva & Caetano, 2013). However, there is a need to develop an inventory of the hassles and uplifts specific to the pharmaceutical industry. Moreover, Silva & Caetano (2013) also studied both the frequency and intensity of the hassles and uplifts, whereas the study at hand focused on the frequency of the events only. Under certain circumstances, the negative affective events of daily hassles may enhance the creativity and innovativeness of individuals at work (George & Zhou, 2001) (Byron et al., 2010). Therefore, the positive influence of the daily hassles on organizational innovativeness requires a focused study.

Conclusion

The daily hassles have insignificant but likely potential to hamper Organizational Innovativeness. Daily uplifts enhance organizational innovativeness and have the potential to mitigate the negative effects of daily hassles on innovation capacity. The study findings highlight that environmental factors of daily hassles and uplifts at work need to be effectively managed to reap the benefits of enhanced innovation capacity at the organizational level. It is inevitable for the managers to reduce daily hassles and augment daily uplifts creating a more sustainable and conducive work environment to achieve competitive advantage through innovativeness.

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