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The Role of Organizational Cultural Determinants on Stimulating Innovation in Commercial Companies

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Abstract

The purpose of this paper is to identify the determinants of organizational culture that stimulate innovation and the strength of their effect and to provide more methodological evidences that are addressing organizational cultural determinants, which stimulate or impeded innovation in Commercial Companies. Based on the responses of the study sample that included 397 employees in (11) Palestinian companies, their age varied from 25 to more than 50 years old with administrative and executive positions, the results highlighted the role of organizational culture in stimulating innovation, thus helping the organization to achieve innovation. The study showed that there was a significant effect of organizational culture dimensions on innovation. Therefore, large- and medium commercial companies must take general, clear, and time-scheduled strategic and structural actions to promote and address the shortcoming in their customer focus levels, continued organizational learning, empowerment and clarity of changing work environment to enhance sharing knowledge to ensure an effective balance. In addition, it is necessary to emphasize interest in the development programs to gather and attract innovative workers.

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1. Introduction

This study examines the contribution of organizational culture to promote employees innovation in large- and medium-sized commercial companies, which is critical to their survival (Ahluwalia et al., 2017). In a rapidly changing global world, innovation is vital and critical to all businesses (Marques & Ferreira, 2009; Leonidou et al., 2018; Zainol et al., 2018). However, the innovation process has high risks in addition to its complex managements (Alsaad et al., 2018) makes it particularly difficult for large- and medium-sized companies, given their resource constraints and scale disadvantages (Mahto et al., 2018; Harel et al., 2020).

Previous studies and official surveys indicated a relationship between the size of companies and their innovation activities (**Franco & Haase, 2017**), so that innovation activity is greater in larger companies. Most studies of corporate innovation view small- and medium-sized companies as one cohesive group, despite significant differences in their size and their characteristics (**Bianchi et al., 2010; Jeong et al., 2018; Zainol et al., 2018; Harel, et al., 2020**). Many of these studies focused on product and innovation process rather than exploring other types of innovation, as marketing and organization (**Mosey, 2005; Oke et al., 2007; Zeb e al., 2021**). In addition, most previous studies focused on technological businesses and early stages of the companies' life cycle (**Bianchi et al., 2010; Colombo et al., 2014; Mahto et al., 2018; Zeb e al., 2021**). HRM influence organizational culture to understanding of how and when HR practices affect organizational culture through innovation (**Franco & Haase, 2017**).

Based on a preliminary review of the literature, it have been proved that there are a number of major gaps in organizational cultural literature **that need to be observed closely in this research:**

Part I: Although there is a considerable amount of research on the organizational culture determinants, especially those proposed dimensions that stimulate innovation is a critical basis for organizational culture and few studies have paid attention to understand the role of organizational culture determinants on innovation.

Part II: Organizational culture may be a leading factor in the extent to which innovation happens in an organization. Through all the theoretical models that were analyzed in light of an integrated interaction model that previous studies are discussed and developed by (**Okibo & Shikanda, 2011; Jakobus et al., 2011; Sadegh et al., 2012; Mousa, 2012; Salih, 2012; Kwamena, 2013; Strychalska-Rudzewicz, 2014;**). The research variables emerged from a different point of view, and contributed to bridging the research gap relating to previous studies and **explained below:**

First: According to the literature review gaps, there is motivated to study organizational culture dimensions for different reasons; one of them is related to the importance of dimensions are four in total; (a) knowledge sharing, (b) customer focus, (c) continuing learning, (d) empowerment. Those dimensions are scarce, or unexploited in previous studies, they regarded as the most important dimensions to study and understand the effect of organizational culture determinants on innovation.

Second: This research focused on the proposed dimensions, which rare studies contributed to the fields of measuring its influence on promoting innovation and focusing on the core values elements that have importance in building the organizational culture requirement. In addition to their consistency and harmony with the organizational factors and the study field.

Third: Based on literature review results that taken into account the influence of organizational culture determinants on innovative, it observed that some of them had a varying effects, this will illustrate the gap between previous studies and current one.

This study responds to that advocate to address those gaps by studying not only employees' motivation for innovation, but also their capability to achieve it. More specifically, it aims to evaluate the direct correlation between organizational cultures by studying the extent to which the adoption of effective, organizational culture are likely to enhance an environment conducive to create innovation, which then reflects on the organization ability to be innovation. For example, the selecting initiative employees who have new training programs could progress their innovation capabilities and thus improve the organization's overall innovation.

The second gap in the empirical research, which the current paper addressed, is the lack of in-depth insights into organizational cultures that have studied primarily at the organizational level (**Jeong et al., 2018**). Organizational culture is a major source of innovation leading to business development and job performance (**Rohlfers & Zhang, 2016; Tian et al., 2018**). Accordingly, the

present study provides a multi-level understanding of organizational cultures by examining and analyzing it at the individual and the organizational levels.

Unlike previous studies, the present study addresses those gaps by focuses specifically and separately on large- and medium-sized enterprises that despite their unique features have received relatively less attention in the literature to provide recommendations and insights for unsuccessful organizations of this type.

Present organizational culture and the innovation demands could lead to conflict situations (*The gap between the present situation and the desirable situation*). This leads to the main question of the research, ***Does the dimensions of organizational culture are implemented in large- and medium-sized businesses has a positive impact on their level of innovation?*** The study empirically examines a model that presents the relationship between those four organizational cultural dimensions (Knowledge Sharing, Customer Focus, Continuing Learning, Empowerment) and the level of innovation in the large- and medium-sized enterprises that may fundamentally differ from those applied in other enterprises, which most of the previous studies focused on (Centobelli et al., 2017; Do et al., 2018). The decision to focus on organizational culture based on the contention made in numerous previous studies that organizational culture is a major source of innovation that leads to business growth and performance (Rohlfers & Zhang, 2016; Tian et al., 2018; Zeb et al., 2021).

A conceptual model was developed. The study hypothesized four dimensions of organizational culture affecting innovation. The relationships depicted in *Exhibit N.1*. A series of research hypotheses describing the relationships between the proposed structures and were tested using data collected from employees of large- and medium-sized companies working in Gaza-Palestinian Commercial Companies.

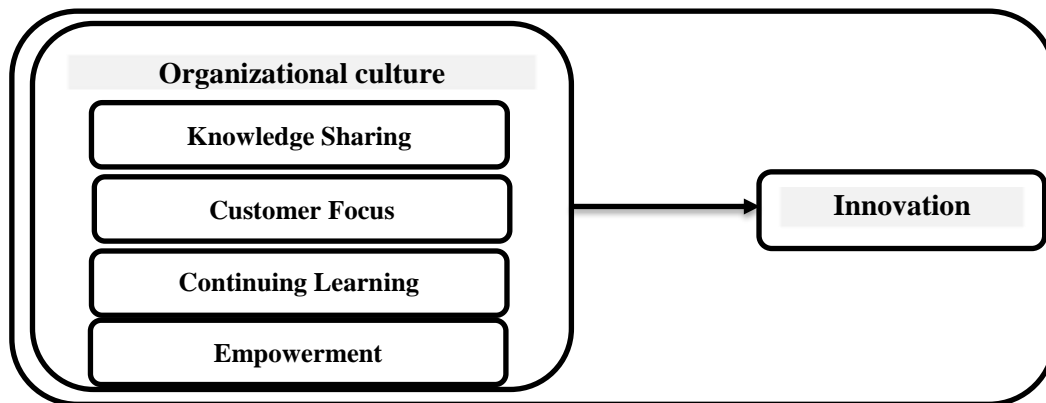


Exhibit .1: Research Framework

The residuum of paper organized as follows: the next section presents the research hypotheses and provides details about the sample, data collection, and measurements. Subsequent sections present findings, recommendations, limitations, and potential research.

2. Literature Review and Development Hypotheses

The relationships between the research model variables and the following hypotheses were developed to analyze the correlation and the impact of organizational culture determinants on innovative. The organizational culture became a trend in the academic literature examines the organizational culture that influence innovation especially, for example, in universities (Mousa, 2012; Kwamena, 2013; Strychalska-Rudzewicz, 2014), services industry (Okibo, Shikanda, 2011; Harel, et al., 2020), in IT companies (Jakobus et al., 2011; Salih, 2012), auto companies (Sadegh et al., 2012). *Organizational Culture definition is a general pattern of behavior, shared beliefs and values that have in common among the organizational members.*

Innovation capabilities is critical in obtaining and maintaining competitive advantage and linked to the organizational potential to turn new ideas into commercial value (Akman & Yilmaz 2008, p.69). Specially, innovation ability is associated with several strategic advantages. Achieving

sustainable competitive advantage is possible by constantly increasing the capacity for independent innovation in organizations. Based on the above discussion, it expected that organizational culture determinants play positive role in explaining innovation. ***Innovation definition is implementing a new idea leads to change and possibly problem-solving, idea, practice, processes, products or service, which regarded as new by the relevant unit through which change is brought to create new value within organizational culture.***

Therefore, the research question, ***is the extent to which determinants of organizational culture in large- and medium-sized companies have a positive effect on their level of innovation?*** Despite there are No evidence found for this area of research in Palestinian territories, particularly in Gaza will be examined this question using the following hypothesis:

2.1. Knowledge Sharing and Innovation

Sharing and exchanging knowledge leads to a high level of participation in learning and co-creation of new knowledge, which is vital to the development innovative ideas. (Kwamena, 2013) found that large and medium organizations have a positive relationship with knowledge sharing and innovation. This agrees with (Calantone et al., 2002; Lin, 2007; Chen & Huang 2009) found that the explicit knowledge sharing within the large and medium organizations was moderate with innovation and (Wang et al., 2004; Jansen et al., 2006) encouraged managers and employees to be part of knowledge sharing. ***Knowledge sharing definitions refers to an activity through which knowledge (information, skills, or expertise) exchanged among individual, communities, or within or between organizations.***

According to these are scholars, an organization must be innovative to survive in changing volatile work environment (Johnson et al., 1997; Tian et al., 2018). Innovation depends on many internal factors such as capabilities, learning and strategic orientation, size and structure and external factors, such as partner network, external communication, and advanced industrial environment in their location (Oskarsson, 2003). Therefore, if organizations do not boost the knowledge sharing, its innovation skills will be valueless unless they continuously contribute in the process of enhancing and improving knowledge. Therefore, knowledge sharing tends to be positively correlated with organization innovate. Based on the previous discussions, the hypothesis is formulate as following:

Hypothesis 1: Knowledge sharing have a significant direct effect on innovative.

2.2. Customer Focus and Innovation

Customer focus is an important cultural dimension of innovation. Customer focus organizations aim to learn new ways to understand and interact with customers and anticipate their future needs. (Sadegh et al., 2012) found that relationship between customer focus and innovation are almost in average influence. This agrees with (Wang & Ahmed, 2004; Yilmaz & Ergun 2008) found that customer focus and innovation were moderate with innovative culture and (Denison et al., 2000; Seen, 2012) found a strong relation with innovative culture. ***Customer focus definition, it is refer to putting customers' needs first. Customer-focused companies adopt an organizational culture dedicated to reinforcing customer satisfaction and building strong relationships with their customer.***

The need for innovation is urgent, especially for the organizations that aimed at excellence performance and maintained the continuity in a competitive environment. High tech manufacturers are fighting today to stay competitive in a volatile economy, trying to innovative markets for innovative new ideas for increasing their current and expected customer (Valencia et al., 2010, p.466). Therefore, if organizations do not enhance the customer focus, its innovation capabilities will not consequently take care of its previous and current customers. Therefore, the customer focus tend to have a positive effect on organization innovate. Based on the previous discussions, the hypothesis is formulate as following:

Hypothesis 2: Customer focus have a significant direct effect on innovative.

2.3. Continuing Learning and Innovation

Continuing organizational learning injects new ideas into the organization, increases the ability to understand new ideas and fosters innovation and the capacity to spot new opportunities (Denison et al., 2000). (Kwamena, 2013) found that successful change and the personal behavior of leaders must be consistent with organizational learning to ensure success organizational culture. This agrees with (Wang et al., 2004) found that continuing organizational learning and innovation were strong and moderate with innovative culture, and (Seen, 2012) found a weak correlation with the organization innovation. ***Continuous learning definition, it is refer to a planned process of learning new skills and knowledge on an on-going basis. It involves self-initiative and facing challenges within an organization, or personally, as in lifelong learning.***

Continuing learning the common denominators of the entire organization represents a wealth of entrepreneurship that helps the organization to build its innovation capacities. Employee innovative is an important asset that facilitates an organization in constantly adapting to a changing work environment, and creating strategic a competitive advantage (Kanter, 1983; West & Farr, 1990, p.3). Innovative individuals principally consider excellent performance. However, if organizations do not encourage learning, innovation capabilities will be uninterested in continuing organizational learning. Therefore, the continuing learning plays a positive role in explaining innovation capabilities and has a positive effect on organization innovate. Based on the previous discussions, the hypothesis is formulate as following:

Hypothesis 3: Continuing learning have a significant direct effect on innovative.

2.4. Empowerment and Innovation

Empower individuals have been proven to take more a proactive way toward influencing their work environment as empowerment is expected to be positively associated to innovation. (Sadegh et al., 2012) argued that one interesting issue that needs further clarification and research is effects empowerment, and makes organizational culture determinants increase the innovative behavior. This agrees with (Seen, 2012) who found a weak correlation between empowerment and the innovative behavior, and (Denison et al., 2000; Wang et al., 2004; Seen, 2012) found that empowerment and innovation were strongly related, and there is a strong positive relationship between management practices and innovative organizational culture in small businesses. ***Empowerment definition, it is refer to the degree of autonomy and self-determination of individual and communities. This enables them to represent their interests in a responsible and acting on their own authority.***

For instance, (Amabile, 1988, p.133) found that a sense of control over what to do enhance individuals' abilities for innovative. Furthermore, (Knight-Turvey, 2006, p.313) found that empowerment and innovation were strongly associated; there is a strong positive relationship between participative management and innovative organizational culture in small companies (Gudmunson et al., 2003; Zeb e al., 2021). Therefore, if organizations do not reinforce empowerment and innovation capabilities will not focus on it. Thus, empowerment plays a positive role in explaining the individual's capabilities and has a positive effect on innovate. Based on the previous discussions, the hypothesis is formulate as following:

Hypothesis 4: Empowerment have a significant direct effect on innovative.

Main-Hypothesis: Organizational culture determinants have a significant direct effect on innovative.

3. Methodology

3.1. Data and Analysis

The data obtained from Gaza-Palestine Commercial Companies sector. It is really a very challenging environment, and has an influence on the workforce skills, because individuals still learn how to add something new to their knowledge every day. Therefore, Commercial Companies today are knowledge-based organizations; their success and survival depend on innovation. Therefore, an effective response to these demands leads not only to change in individual skills and behavior, but also to innovative changes to ensure its existence. Thus, the change rate is accelerating; new knowledge, innovation, idea generation and global diffusion are increasing rapidly.

The reason behind looking into Commercial Companies sector is to determine the type of workforce abilities in the organizational environment. These workforces determine the organizational culture existing in their organizations, either strongly or weakly and the quality of employees, which could find in the future within the organizations. The stakeholders in commercial companies have a significant impact on changing their economic situation wherever they found themselves.

In regards to its structure, the Palestinian economy is considered as one of the emerging economies. It has number of characteristics of different components because of many factors influence whether the structure of the economy or the functional nature of it. Where the Palestinian economy acts as a complementary one to Israeli economic. It is notable that occupation always tries to weaken any constitutive activity of the Palestinian economy, and they seeks to drag down the Palestinian economy in the state of imbalance and instability (**Palestinian Federation of industries PFI May 2016**).

The study focused on the large- and medium-sized Commercial Companies in Gaza-Palestine that is most probable to involve in organizational culture determinants. Study community consists of the Commercial Companies registered at the Ministry of National Economy in Gaza, Palestine, for the possibility of conducting the field study. These organizations classified according to the Palestinian State Standards under the group of over **\$500,000** financial capital of, and over **50** employees. According to statistics obtained through the interviews with the executive director and some officials conducted to serve the purposes of the study, which illustrated as follows in (**Table No.1 & No.2**), and (**Exhibit No.2**) illustrated the characteristics of the sample.

Table (1): Companies size based on Employees & Capital

Companies	Capital of: to	N. Employees
Large companies	More than 500.000 \$	20-50 and more
Medium companies	More than 50.000 \$	5-20 employees

Table (2): Companies Classified based on Employees & Capital

Companies size	Large	Medium	Total
All Companies No.	126	157	283
Commercial Companies No.	11	122	133

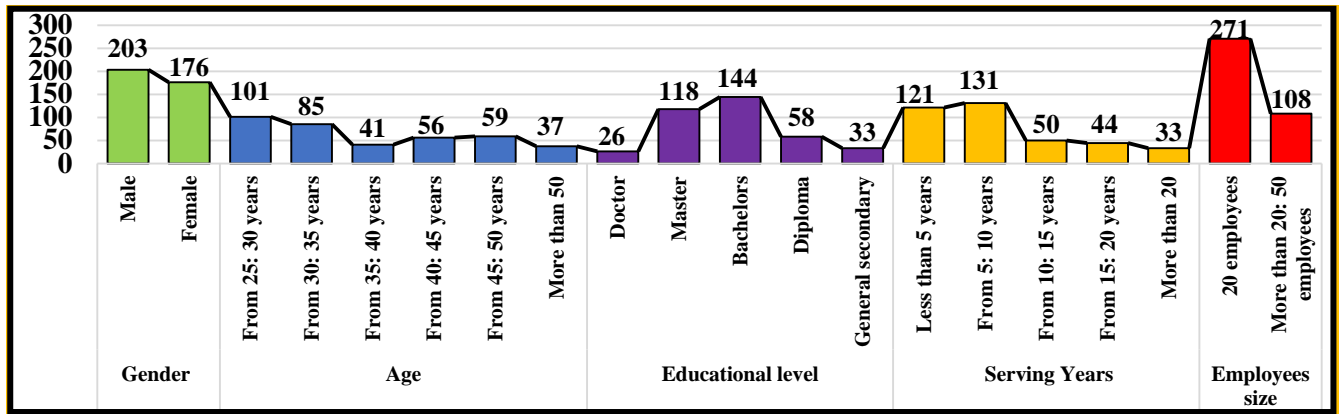


Exhibit 2: Analysis the Characteristics of the Sample (N= 379).

Statistical analysis requires a minimum sample size to be accurate measured. Accordingly, this study aims to calculate sample size of the total number of workers at large and medium Commercial Companies in Gaza-Palestine (**1302 employees from 133 organizations** the sample represents **47%** of the total number of **283 organizations**). Therefore, the conveniently sample size required is **379** individuals, included administrative and executive staff members in **11** Commercial Companies.

Data collected by personally distributed questionnaires. The significance of the questionnaire, information on confidentiality, academic use of survey participants, technical terms, and the method of filling out the form emphasized. An interview were undertake with the HR manager to ensure that the questionnaire items understood and the terminology used by Commercial Companies employees; based on their insight and suggestion, some modifications have made. The total received survey lists was **379** out of **400 (95%)**.

3.2.Measures

The predictor (independent) variable in the current study is organizational culture determinants, the dependent variable innovation is the outcome (dependent) variable. Employees were asked to express their level of agreement with each statement on a 5-point Likert scale ranging from 1 = strongly disagree to 5 = strongly agree. Organizational culture determinants were measured using items adapted from the proposed tool by (Seen, 2012; Kwamena, 2013).

Organizational culture determinants measured four dimensions:

- **Knowledge sharing** scale contained **four items** were taken from (Wang et al., 2004; Jansen et al., 2006) questionnaire, and developed by (Kwamena, 2013).
- **Customer focus** scales contained **five items** were taken from (Denison et al., 2000) questionnaire, and developed by (Seen, 2012).
- **Continuing Learning** scales contained **five items** were taken from (Denison et al., 2000) questionnaire, and developed by (Seen, 2012).
- **Empowerment** scales contained **five items** were taken from (Denison et al., 2000) questionnaire, and developed by (Seen, 2012).
- **Innovation** scales contained **six items** were developed by (Salih, 2012) questionnaire.

4. Results

4.1.Statistical Techniques, the Validity and Reliability

According to (Table 3), shows the correlation coefficient for each dimensions and whole questionnaire. The P-Values (Sig.) are **less than 0.05**, so the correlation coefficients of all the fields are significant at $\alpha = 0.05$. Therefore, organizational culture dimensions are valid to measure what it was set for it to achieve the main objective of the study, and it is correlation coefficients between (**0.759–0.897 & 0.992**). Alpha Cronbach's values of organizational culture dimensions were range from (**0.596-0.854 & 0.917**). It was consider high; the result ensures the reliability of questionnaire

dimension, and Alpha Cronbach's equals (**0.929**), which indicates an excellent reliability of the entire questionnaire.

Table (3): Correlation Coefficient

N.	Item	Pearson	P-Value (Sig.)	Cronbach's Alpha α
1.	Knowledge sharing	0.759	0.000*	0.613
2.	Customer focus	0.818	0.000*	0.646
3.	Continuing Learning	0.867	0.000*	0.672
4.	Empowerment	0.850	0.000*	0.596
Total Organizational Culture		0.992	0.000*	0.917
Innovation Variable				0.711
Questionnaire Variables				0.929

4.2.Descriptive statistics

The research uses a one sample T-Test to examine the direction of respondents' response on questionnaire questions. Test if their opinion in the content of the sentences is **significant** (Proportional Mean **greater than (60%)** and the P-Value **less than 0.05**). In addition to their opinion of sentences content is **neutral** (P- Value is **greater than 0.05**), or their opinion of sentences content is *negative* (Proportional Mean **less than (60%)** and the P-Value **less than 0.05**). which illustrated as follows in (table 4).

Table (4): Means and Test Values for Organizational Culture dimensions

Item	Mean	S.D	Proportional Mean (%)	Test value	P-value (Sig.)	Rank
Knowledge sharing	3.00	0.61	60.08	0.13	0.450	4
customer focus	3.10	0.53	62.04	3.77	0.000*	1
continuing learning	3.08	0.51	61.54	2.91	0.002*	2
empowerment	3.06	0.52	61.26	2.39	0.009*	3
Organizational Culture dimensions	3.09	0.30	61.72	5.55	0.000*	/
Innovation	3.06	0.55	62.49	2.24	0.013*	/

First: Knowledge Sharing dimension, the fourth rank, clear evidence of organizational culture in Gaza-Palestinian Commercial Companies did not encourage managers and employees to be part of the knowledge sharing. The study showed the relative weight at a low positive level of the respondents' views in "**Knowledge sharing**" is (**60.08%**), but (**Calantone et al., 2002**) relative weight of the respondents' views is (**75%**). Thus, the ratio indicates a moderate extent availability of the knowledge sharing factors that increase the innovation level. This result agreed with (**Kwamena, 2013**), stated that this reduces the organization's capacity to catch innovative employees for the knowledge sharing and ideas required to be innovative. Therefore, the organizational culture enhances knowledge sharing through supporting exchange ideas, interaction with employees allows for building innovation capacities, and the organizations with diverse ideas for knowledge sharing have a better chance to come up with innovative employees than otherwise.

Second: Customer Focus dimension, the first rank, clear evidence that data collected allow to conclude that organizational culture in Gaza-Palestinian Commercial Companies must boost communicating with their customers. The study showed the relative weight at a low positive level of the respondents' views in "**Customer focus**" is (**62.04%**), but relative weight to the respondents' views of (**Wang et al., 2004, 74%; Seen, 2012, 46%; Sadegh et al., 2012; 91%**). The ratio indicates a moderate extent availability of customer focus elements that increase the innovation level. This result is consistent with (**Sadegh et al., 2012**) found that effectiveness of customer focus at organizations that tend to build a strong customers relationship with customers. That, because customer focus is well perceived throughout the organization, leads to the development of dynamism and willingness to take new challenges. In addition, (**Seen, 2012**) found that a weak

correlation between customer focus and innovation was unexpected. Thus, organizational culture promotes customer focus can encourage staff communicating with customers through interaction to enable building organizational innovation capacities and the organizations that possess this core value has a better chance to discover unmet customer’s needs and new customer segments or identify deprived customer segments.

Third: Continuing learning dimension, the second rank; clear evidence that data collected allow to conclude that organizational culture in Gaza-Palestinian Commercial Companies needed to increase their continuing organizational learning. The study showed the relative weight at a low positive level of the respondents' views in "**Continuing Learning**" is (61.54%), but relative weight to the respondents' views of (Wang et al., 2004, 76%; Seen, 2012, 48%; Sadegh et al., 2012, 80%). Thus, the ratio indicates a moderate extent availability of the continuing organizational learning factors that increase the innovation level. This result disagrees with (Sadegh et al., 2012) who found that there are no significant positive relationships between continuing organizational learning and innovation. Also agrees with (Seen, 2012), found that organizational learning greatly contributed significantly to innovation and serves as an important reference for the organizations. Therefore, organizational culture in Commercial Companies, increasingly different, they need innovate and continue organizational learning more progressively of increasing their ability to contribute at a higher or differential level to be a good reference for organizations in the future.

Fourth: Empowerment dimension, the third rank; clear evidence that data collected allow to conclude that organizational culture in Gaza-Palestinian Commercial Companies urgently need to involve the employees in their planning processes. The study showed the relative weight at a low positive level of the respondents' views in "**Empowerment**" is (61.26%), but relative weight to the respondents' views of (Wang et al. 2004, 76%; Seen, 2012, 52%; Sadegh et al., 2012, 91%). Thus, the ratio indicates a moderate extent availability of the empowerment elements that increase the innovation level. This result disagrees with (Seen, 2012), found a weak association between organizational culture and innovation was unexpected. In addition, this result agrees with (Sadegh et al., 2012) who found that the most positive relationships are between empowerment and innovation influence, and innovation implement it. Therefore, Commercial Companies will need to empower their employees to be more progressive to contribute at a higher level in short and long-term planning processes to be more innovating in the future.

Fifth: innovation variable, clear evidence that Gaza-Palestine Commercial Companies still attempt for competition to proving their existence. The study showed the relative weight at a low positive level of the respondents' views in "**innovation**" is (62.49%). The result provides evidence regarding the implications of the blockade and the adoption of Palestinian companies in the import of raw materials from Israel. This result disagreed with (Salih, 2012; Calantone et al., 2002; Lin, 2007) findings that organizational culture is positively related to increasing the product introduction as a result of many factors which influences on the functional nature of the organization. It is clear that, Gaza-Palestine Commercial Companies still considered as a risky economic due to many factors. The most important one is that the Palestinian economy acts as a complementary to the Israeli economy because of the occupation dedication in making the Palestinian economy follow Israeli economy to become a market of Israeli goods and a source of labor and some raw materials.

Table (5): Correlation analysis Variables

Organizational Culture Variables		Sig.	innovative
Knowledge sharing	Pearson Correlation	0.000*	0.189
Customer focus	Pearson Correlation	0.000*	0.206
Continuing Learning	Pearson Correlation	0.009*	0.122
Empowerment	Pearson Correlation	0.000*	0.233
Organizational culture	Pearson Correlation	0.000*	0.280

* Correlation is statistically significant at 0.05 level

According to **(Table 5)** concluded that there is a statistically positive significant relationship between organizational culture dimensions and innovation. Thus, the entire main hypothesis are **accepted**. The researcher concluded that Gaza-Palestine Commercial Companies focus on the organizational culture dimension and innovative.

Finally, according to table (5), there is a statistically significant relationship between organizational culture variables and innovation. Thus, all hypothesis are accepted. This means that Gaza-Palestine Commercial Companies must focus on the organizational culture variables and innovative. The majority of respondents indicated availability of an appropriate environment and an opportunity to apply variables related to organizational culture and innovation. There is an urgent need to develop it in order to improve the applicability of the organizational cultural determinants in Gaza-Palestinian Commercial Companies. Therefore, increasing innovation capacity to provide continuous feedback and support is important to an organizational culture that develops Commercial Company's awareness of their needs to improve their skills and performance. Thus, it is important to consider innovation a useful tool to implement in Commercial Companies.

5. Conclusions

The results highlight the value of organizational culture in stimulating innovation, thus it helping the organizations to achieve innovation. The analysis revealed that organizational culture determinants stimulating innovation were important and positively influenced on innovative. It shown that the organizational culture determinants were neither effective nor efficient, due to the imbalance used in the working ways of organizational culture in implementing innovation. In addition, the organizations in Arabic cultures suffer moderate growth rates, especially in Gaza-Palestine. Therefore, large- and medium companies must take general, clear, and time-scheduled strategic and structural actions to promote and address deficiencies in their levels of customer focus, continuing learning, empowerment and clarity of changing work environment to enhance sharing knowledge to ensure an effective balance.

Taking into consideration the influence of organizational culture coefficients on innovative Commercial Companies in Gaza-Palestine based on the results of the research, some of them have a moderate and low influence. In order to implement organizational cultural determinants stimulating innovation, Commercial Companies need to enhance their organizational culture for sustainable development to improve their performances and services to be more innovative in the following fields:

- Upgrading the level of **customer focus** through encouraging the direct communication with customers in Commercial Companies that need to develop the organizational culture level in order to adapt to changing customer demands over time.
- Developing the level of **continuing learning** through injecting new ideas in Commercial Companies increases the capacities to upgrading the new ideas and reinforces the innovation capability and the ability to discover new opportunities.
- Upgrading the level of **empowerment** through delegating authority of making a decision and autonomy to the person who responsible for performing its functions where has a positive impact on the best available information.
- Changing the work environment into **sharing knowledge** through developing written policies, clear guide and easy to be understood within all employees leading to changing the work environment between supervisors, subordinates, colleagues, across units and partners by encouraging the exchange of knowledge skills at all levels to persuade them to exchange new ideas to be innovative. Thus, clear evidence will reduce confusion and normalize the concept of

sharing knowledge in a systematic and orderly manner. Employing innovative worker to serve the organizational culture through challenging the existing organizational environment within Commercial Companies to be easy for staff to prove their abilities in looking for new ways to do innovative.

- **In addition**, it is necessary to take care of the development programs to gather and attract innovative workers. Innovation is one of the important factors that positively effects organizational culture outcomes, on the other hand, the levels of innovation affected by many factors, of which; organization capabilities, the available organizational resource, and its operations strategies.

6. Research Limitations and Future Research

This Study has three Limitations as follows: **First**, it was linked with the sampling technique. The data were collected in Gaza-Palestine Commercial Companies across a stratified sample and thus the result were discussed in this geographical context. **Second**, these results can be used in other sectors; each organization has a completely different organizational culture. **Third**, this research was based on Commercial Companies in Gaza-Palestine, which suffer from the blockade and economic dependency. **Fourth**, Limitations of this study was the research method, as well as the data set must be taken into consideration when reviewing the findings. **Finally**, future research should consider other dimensions to reach a clear understanding of the relationship between organizational cultural determinants and innovation in government and multinational companies.

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دور محددات الثقافة التنظيمية في تحفيز الابتكار في الشركات التجارية

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المستخلص

الهدف من الدراسة التعرف على محددات الثقافة التنظيمية التي تحفز الابتكار وقوة تأثيرها، وتقديم المزيد من الأدلة المنهجية التي تتناول محددات الثقافة التنظيمية التي تحفز أو تعيق الابتكار في الشركات التجارية. بناءً على عينة شملت 397 عاملاً في 11 شركة فلسطينية، تراوحت أعمارهم من 25 إلى أكثر من 50 عامًا من ذوي المناصب الإدارية والتنفيذية. نتائج الدراسة تسلط الضوء على قيمة الثقافة التنظيمية في تحفيز الابتكار، وبالتالي تساعد المنظمة على تحقيق الابتكار. بينت الدراسة أن هناك تأثيراً معنوياً لأبعاد الثقافة التنظيمية على الابتكار لذلك، يجب على الشركات التجارية الكبيرة والمتوسطة اتخاذ إجراءات استراتيجية وهيكلية عامة وواضحة ومحددة زمنياً لتعزيز ومعالجة أوجه القصور في مستويات التركيز على العملاء، والتعلم التنظيمي المستمر، والتمكين والوضوح في تغيير بيئة العمل لتعزيز مشاركة المعرفة لضمان توازن فعال. بالإضافة إلى ذلك، من الضروري الاهتمام ببرامج التنمية لاستقطاب وجذب العمال المبتكرين.

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