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OPEN INNOVATION SYSTEMS IN DEVELOPING COUNTRIES: SUSTAINABLE DIGITAL NETWORKS AND COLLABORATION IN SMES

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Abstract: Small and Medium Enterprises (SMEs) in developing countries may gain numerous benefits when collaborating with external partners during their innovation projects. Their limitations to innovate independently direct them towards other subjects, where collaboration is of mutual interest. However, SMEs in developing countries are also found to face many obstacles while engaging in this kind of relationship, so it is not easy to translate experiences from developed countries into this context. There are many online tools that foster this type of collaboration, but SMEs in developing countries are rarely able to design and maintain this kind of ecosystem on their own. The purpose of this paper is to analyse how SMEs in developing countries may successfully utilize digital networks to collaborate with external partners. The goal of this paper is to provide insights for practitioners in developing countries about how to design and maintain digital networks for open innovation (OI). This paper provides a brief review of contemporary collaboration tools that are effectively used in OI, which is followed by a review of obstacles that SMEs face when trying to use digital networks. Finally, the paper provides conclusions about the practices that these SMEs could use to collaborate online using appropriate tools.

Keywords: open innovation, digital networks, developing countries

DO JOB DEMANDS LEAD TO EMPLOYEE INNOVATIVENESS? THE MODERATING ROLE OF CHRONOLOGICAL AGE

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Abstract: Building on the lifespan development perspective and goal-setting theory, this paper examines the moderating role of chronological age as a relevant demographic characteristic in the relationship between perceived job-design characteristics and micro-innovation performance. We collected survey data on the sample of 336 employee-supervisor dyads from 82 departments across three organizations to illustrate how job demands (job complexity and innovation requirements) have a differing age-related relationship with impact on employee innovativeness. Hierarchical regression analyses showed that job innovation requirements significantly predict employee innovativeness. In addition, by formally embedding creativity and innovation into their job descriptions, even more beneficial performance outcomes may be attained from older employees. This might buffer the evidence that older employees are somewhat less creative and innovative if required to handle high-complex tasks. Confronted with the same job challenges, younger employees will further increase their innovative behavior.

Keywords: job design, job demands, innovative work behavior, employees' age, moderation analysis

A “SIX TIMES SIX” MODEL: 36 INDEXES TO EVALUATE A COMPANY’S INTELLIGENCE IN DECISION-MAKING

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Abstract: Nowadays organizations need more efficient tools to support their decision-making process: in a complex environment, new challenges arise from digitalisation, computerization, automation, and artificial intelligence (AI). Currently, companies face these challenges in three different ways: a) digital hypertrophy; b) total refusal; or c) relegation of the digital functions to certain business departments. We rather believe that digitalisation should contaminate the whole organization. Therefore, both Governance and Management should adopt a more scientific approach in taking effective data driven decisions. The paper describes an original proposal, a “Six times Six” model which assesses the company’s intelligence in decision-making process, in 36 indexes. Information about these indicators may be gathered by three complementary sources: people, processes and allocated resources. In this paper, we describe a single case of application of this new consulting model in a banking organization. After our diagnosis, companies may decide to correct the system or to change it completely, by enhancing the critical areas through machine learning tools: a new form of “hybrid” intelligence emerges, which represents a powerful tool to take aware decisions in complex contexts.

Keywords: digitalisation, decision-making, intelligence, organizations, machine learning, artificial intelligence, consulting model

BETWEEN PRESSURE AND FLEXIBILITY: PROVIDER SCHEDULING IN THE SHARING ECONOMY

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Abstract: The sharing economy offers individuals various opportunities to generate additional income through sharing their personal possessions with strangers. The flexibility promised by sharing platforms, to share when and how often individuals prefer, has been highlighted as the key advantage of the sharing economy model. However, for sharing platforms which rely on ongoing and reliable sharing among private individuals, a tension can be observed between platforms encouraging and discouraging this flexibility. Simultaneously, the ostensible flexibility and informality of the sharing economy must increasingly reconcile itself with the reality of over-work and full-time engagement, whereby individuals may face pressure to provide a mixture of platform and individual factors. In this contribution, we conduct an initial exploration into this tension between flexibility and pressure in the sharing economy. Using data across twelve European countries, we differentiate perceptions of flexibility and control among those who share their assets. The findings indicate that perceived pressure to provide varies by country, sharing frequency, motivation, most frequently used platform, and is based on whether individuals depend on the income from sharing. Perceived schedule control varies by age, education, country, and motivation. Taken together, the results show a picture where those most involved and dependent on sharing their assets feel the most pressured, while young, lesser educated providers also have least perceived schedule control. Thus, our study presents providing in the sharing economy as a more hierarchical activity than one might assume based on media and platform narratives.

Keywords: sharing economy, flexibility, control, scheduling, platforms, survey, quantitative

BRAVERY OF THE BRAVE NEW WORLD: THE IMPORTANCE OF UNIVERSAL STRENGTHS FOR AN ORGANIZATIONAL SUCCESS IN THE DIGITALLY TRANSFORMED BUSINESS WORLD

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Abstract: We have addressed what qualities do individuals and organizations need in order to co-create large-scale system changes instead of merely responding to it. We have reviewed the empirical research on digital transformations of jobs, and theories that uncover core aspects within living beings (individuals or collectives) that allow for effective co-creative adjustment to the threatening big system transformation. We came to the conclusion that we need to study the awareness level from the functional perspective, taking the universal personal virtues and strengths as a set of possible indicators of the individual functional awareness, and an organizational level presencing/absencing as possible indicators of the functional awareness within and between organizations. These aspects are the critical determinant of co-creating capacity of the individual and of the system. In the next stage, we have explored how present and how evolved are these two types of indicators of co-creative capacity in Slovene companies. We have found out that middle managers have much better developed universal virtues and strengths that are expected to be critical in digital workspaces and are also critical for the co-creative adjustments to major change, shocks, turmoil. We have also found that companies with the predominantly presencing mode of being (indicating a constrictive co-creative capacity) are better satisfied with their performance. These findings reveal that looking at the organizations (that face large system change) from the individual virtues – strengths and organizational awareness may be a promising line of research into the fields where much is unknown (example, digital transformation).

"We are looking for the people who really understand what we are doing at the CloudFlare. People who are passionate about our mission to help build a better internet... If I pick only two skills, or better said personality traits, that I would hire on, it wouldn't be the intelligence, it wouldn't be ... the right experience,... the two things that I would hire on would be CURIOSITY with a will to learn and EMPATHY with a social intelligence. It turns out if you find people who are curious and empathic, you can teach them anything in the world. Next, we have done a good job at creating a work environment where people don't say "I don't know how to do that..."; instead, they say "that's an interesting challenge and I want to learn that!"

Matthew Prince, CloudFlare, USA; at the World Economic Forum

Keywords: Presencing, absencing, universal virtues, personal strengths, organizational performance

LEADING VIRTUALLY – WHEN TRANSFORMATION GOT LOST IN VIRTUAL TRANSLATION

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Abstract: While being a relationship-based leadership approach, whether and how transformational leaders may develop high-quality leader-member exchange (LMX) relationships in virtual settings is unclear. To address this gap, the present study examined how the joint effect of electronic dependence and team task interdependence may influence the relationship between transformational leadership and LMX quality based on a two-stage survey from 79 individuals working in different virtual teams from two organizations. Results from three-way interaction analyses demonstrated that high electronic dependence negatively moderated the relationship between transformational leadership and LMX quality. In addition, transformational leadership was negatively related to LMX quality when electronic dependence and task interdependence were both high. Our study sheds light on the inconsistent findings in the current literature on the effectiveness of transformational leadership in virtual teams. We also discuss practical implications for leaders with a relationship-based approach in virtual teams.

Keywords: Virtual team; transformational leadership; electronic dependence; task interdependence; leader-member exchange.

THE INFLUENCE OF INFORMATION TECHNOLOGY ON JOB SATISFACTION AND ORGANIZATIONAL COMMITMENT IN COMPANIES IN SERBIA

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Abstract: The paper presents the results of the study of the impact of information technology on job satisfaction and organizational commitment in companies in Serbia. To measure the state of information technology in companies in Serbia, six items were defined: the possession of modern IT (IT1), using (the application of) modern IT (IT2), use from modern IT (IT3), the training of employees to work with modern IT (T4), the motivation of employees to work with modern IT (IT5), and the importance management places on modern IT (IT6). The research relates to the study of the impact of such defined information technology items (IT) on job satisfaction (JS) and organizational commitment (OCM). The data were obtained from a questionnaire completed by N = 380 middle managers from 102 companies in Serbia. The main conclusions of the research are as follows: 1. The average values for the items of information technology are slightly above the average, indicating the good state of information technology in companies in Serbia. The perspective is also good, given that the highest average value has IT6 - the importance management places on modern IT. 2. All correlations between information technology items and the observed organizational performance (job satisfaction dimensions and organizational commitment dimensions) are statistically significant, strong, and positive. The most important correlations of information technology have the following items: IT5 - the motivation of employees to work with modern IT, IT6 - the importance management places on modern IT and IT3 - use from modern IT. From the observed organizational performance, the strongest correlations have: JS9 - Communication, JS8 - Nature of work and OCM1 - Organizational identification. 3. Regression analysis has shown that there is a predictive effect of

information technology items on the observed organizational performance. Of all independent variables, the impact of IT5 is especially evident - the motivation of employees to work with modern IT and IT6 - the importance management places on modern IT. 4. The recommendation to top managers is to continuously and systematically invest in the purchase and maintenance of modern information technology, as well as to motivate employees to work with modern information technology. The effects of these investments and efforts will be reflected through better business results, as well as improving the level of numerous organizational performance, such as job satisfaction and organizational commitment of employees.

Keywords: information technology, job satisfaction, organizational commitment, Serbia

MOTIVATION OF KNOWLEDGE WORKERS - THE CASE OF ALBANIA

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Abstract: The goal of our study is to investigate work motivation among Albanian knowledge workers. Given the absence of a body of academic work on motivation in post-socialist states in general and the Western Balkans in particular, we opted for a fact-finding study on motivation with a special interest on the theme of extrinsic / extrinsic motivation. Two motivation theories plus instruments were selected; self-determination theory and organizational commitment. After the contextualization of motivation in the Western Balkans, we present results of a survey among 252 Albanian knowledge workers from various sectors. It is concluded that across age, gender, number of years of employment and whether or not the respondent has a leadership position, knowledge workers report intrinsic and introjected motivation and affective organizational commitment. Motivation is much more towards the intrinsic side than conventional perceptions tell us, that extrinsic motivation (money and position) is most important.

Keywords: motivation, dynamic management relations, Albania, Western Balkans

THE LEADERSHIP COMPETENCIES AND THEIR DEVELOPMENT IN DIGITAL ERA

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Abstract: For decades, the general belief was that high intelligent people were also the best potential of society and create the high quality life. Their most important competencies were verbal communication, problem solving, strategic thinking and visioning. We also believed those competencies we can develop with new knowledge. In the end of 2th Millenium we finally find out, that human development is not depending only of knowledge, however important are also practical skills, personal traits, motives, beliefs and values. And even more, with the concept of lifelong learning, we started to believe, we must develop and renew our competencies all our life to successfully meet with the new realities. In today world, so called digital era or 4th Industrial revolution, where the changes are propelled by technology-driven transformation, such as social networks, big data analysis, cloud, the Internet of things, robots ...

have greatly interfered with all aspects of professional as well as private life of all of us, as they enable exceptional mobility, work from anywhere and at any time, change the way people think, behave.

The paper will examine the understanding and meaning of competencies and explore the lifelong development process of competencies. We will discover the new digital world and try to find out what has been change and what kind of new competencies are required. We will present the result of the survey The leadership competencies in digital era, where we have been explored the awareness of new required competencies among leaders and the level of their actual and desired development.

Keywords: competencies, leadership, digital era

ORGANIZATIONAL CULTURE AND DIGITAL TRANSFORMATION

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Abstract: Considering the characteristics of the new technology and digital transformation we recognized the areas of organizational culture that will play an important role for the success of digital initiatives. The organizational culture of the digitally mature companies will have to be characterized by customer focus, people orientation and team orientation, leadership, change management and adaptability, innovation, learning and knowledge management. The paper describes the major influences on organizational culture during each maturity level of digitalization by Klötzer and Pflaum (2017). Further, we point out the attributes of culture that will play a crucial role during a selected maturity level and present the conceptual model for future empirical testing. With this we provide a foundation for creating a research instrument that would further investigate the relationship between maturity levels suggested by Klötzer and Pflaum (2017) and attributes of culture. Moreover, we also show that organizational culture enables the digital transformation on the one hand and on the other hand changes based on the new technology and new smart products.

Keywords: digitalization, transformation, change management, organizational culture

GENERATIONAL DIFFERENCES IN THE PERCEPTION OF AUTHORITY AND EMPLOYER LOYALTY: COMPARISON OF GENERATION Y AND GENERATION Z

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Abstract: This study examines and compares the characteristics of Generation Y and Generation Z, because members of both generations are slowly taking over the global labor market. We mostly emphasize and closely observe two main generational characteristics: loyalty and relationship toward authority in the workplace. Because the world is constantly changing and many areas of our lives are becoming digitized, it is important that organizations acknowledge these changes, especially from the aspect of the needs of new arrivals in the workforce, in order to obtain maximum motivation and efficiency. Findings from the research have practical implications for the human resource departments of various companies and for managers when dealing with a workforce from different generations. The research is based on 106 participants from either Generation Y or Generation Z. After analyzing the

data, we cannot confirm the two study hypotheses, because the independent samples t-test shows insignificant differences between the two groups in both authority and employer loyalty. Nevertheless, we discover that Generation Y values work-life balance and open and constructive managers who support their growth more than does Generation Z. Furthermore, Generation Y is more likely to try their best to do the job assigned to them than is Generation Z, and they also identify more with authority.

Keywords: Generation Y, Generation Z, Labor market, Characteristics, Authority, Loyalty

MANAGEMENT OF INTANGIBLES IN EU IN THE DIGITAL SOCIETY

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Abstract: This descriptive and informational paper brings together concepts as: intangibles, EU policy, digitalisation and management. Their relationship is not clearly understood in the context of industry 4.0. The context of economy based on knowledge and innovation brought responsibility to management to implement relevant approach and use competitive business model in order to perform added value. Growth, quality jobs and sustainable development are key objectives in EU, on macro and micro level. Investments in intangibles bring more added value than in tangibles. That is why there is a need that management, policies and measures unlock the economic potential of intangible assets on micro and macro level. The problem the paper refers is an awareness to raise of management to intangibles and their capitalisation. In this context questions are: 1. Intangible assets concept development within European Union policies, digital society and result based management, 2. Digitisation and innovation era demand to develop intangibles as economic categories, 3. Identifying, measurement and valuing intangible assets contribute to productivity through higher added value.

Keywords: innovation, knowledge, know how, intangible assets, result based management

CASE STUDIES OF SUCCESSFUL DIGITAL TRANSFORMATION IN SLOVENIA AND HUNGARY

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Abstract: Management is becoming aware that digital transformation is primarily a business challenge that requires changes in organisational culture, people, business processes and business models. However, most European countries, among them also Slovenia and Hungary, are falling behind in this respect. Our recent research among large and medium-sized Slovenian companies revealed that perception of the importance of digital transformation among the management of companies is lower as in other countries. Generally, business representatives of Hungarian companies consider digital transformation as a more important challenge, than their IT department counterparts. While companies in both countries consider digital transformation in most cases as an important challenge, there are a lot of uncertainty, how they can deliver it. In order to further investigate success factors of digital transformation, we are currently working on several case studies from both countries. The aim of this paper which

presents an initial phase of our research is to get an in-depth understanding of the interplay of different actors in the companies and how they co-create value with digital transformation. This paper presents findings from interviews with top management responsible for digital transformation in two insurance companies, one from Slovenia and one from Hungary. In both cases the main source of innovation is on the business side, while the IT is struggling with the service requests. The role of the top-level responsible for digitalization is the integration of three key areas: products, processes and IT. Existing operational backbones can hinder digital transformation efforts, however this may be compensated by flexible digital services platforms. Both companies have recognized that digital transformation is mostly about the cultural shift. The results of this research in progress will serve as the bases for an in-depth analysis of different patterns of institutional arrangements that can lead to successful digital transformation.

Keywords: digital transformation, case study, operational backbone, digital services platform, service dominant logic, value co-creation

CUSTOMER PERCEPTION OF DIGITAL MARKETING USAGE IN THE TELECOMMUNICATIONS SECTOR: THE CASE STUDY OF BH TELECOM SARAJEVO

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Abstract: Introducing digital marketing to the business has caused radical changes in both, operations and communication within companies around the world. Digital marketing is in fact a result of the application of contemporary computer technology advances to the traditional marketing activities and strategy. Significant investments in advertising with the support of innovative media and digital channels of communication have become an obligatory part of the distribution in communication budgets. A modern consumer is a user of digital and mobile technologies, which allows her or him to get information about the company as well as its products and services at any time and from anywhere. Additionally, digital communication is a daily form of communication and takes place at home, at work and on the move, which makes it easier for companies to access their customers and present them personalized promotion by multimedia in the real time. The company's offer should be unique and recognizable, in order to attract public attention and achieve differentiation in relation to the market competition, especially because the media environment is covered with too much information nowadays. Therefore, our research was aimed to determine usage level of various digital communication channels in domestic companies' marketing activities, including website, email, social media and photoblogs. Standardized and previously validated questionnaire for testing user perception and satisfaction with digital marketing was constituted by a total of 43 variables, out of which 42 were used in factor analysis and the last one, which is related to the general success of digital marketing, was used to generate the regression model within which this variable had status of dependent variable. Results of the research showed that the quality of the digital channels of communication within companies contributes to a more efficient, effective and economical marketing strategy.

Keywords: digital marketing, digital communication channels, user perception, internet marketing, social media, social networks

DRIVERS OF CHANGE AND CHANGES OF JOB MOTIVATORS DURING DIGITAL TRANSFORMATION

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Abstract: The digitalization will cause changes in many areas of private and work life. Consequently, this will lead to changes in work requirements, skills' and competences' requirements, changes of job descriptions and changes of individual's workplace in general. The goal of this article is to discuss the drivers of changes on the workplaces and to point out the main competence gaps that are likely to occur during the time of transition to digital economy. We describe drivers of change such as technological and socio-economic drivers of change that we divided into market influence, demographics, disruption to work, disruption to skills and natural and geopolitical influence. Additionally, the goal of the article is to identify major motivators and challenges that the companies are facing. We suggest that some work-related motivators such as work life balance, intergenerational cooperation and establishment of work-related trust have been gaining on importance recently. Moreover, we emphasise the important role of management and leadership for the successful implementation of new technology. We point out that the leaders should be agile, focused on value, inspiring, collaborative and appreciative. They should be able to enhance work-related trust and to promote and develop systems that support work life balance and cooperation between generations.

Keywords: leadership, motivators, digital transformation, competences gap, change, transformation

VIRTUAL PROJECT MANAGEMENT – UTOPIA OR REALITY

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Abstract: The importance of virtualization is inevitable. More and more companies virtualize partially or completely their processes both on operational, and on project level. Researchers identified the biggest challenges for applying virtualization in project management, just like the critical success factors for establishing an efficient and effective project team. But the role of project manager in this new environment is still not mapped in a detailed manner. Thus, the aim of this paper is to analyse, how virtualization can influence the work of a project manager from the point of view of their enhanced tasks, and identifying the biggest advantages and disadvantages meant for them. The answers were conducted by a questionnaire and semi-structured deep interview filled out by/made with an IT-project department of a multinational consultancy. With the findings of this paper, companies can enhance their virtual project management processes, and project managers can gain ideas to overcome problems in a more accurate manner. At the same time it could be a reliable base for future studies analysing virtual project management from the point of view of project managers.

Keywords: project management, virtual project team, virtual project management, project manager

DIGITAL AND INNOVATIVE: UNDERSTANDING THE DIGITAL KNOW-HOW – PRACTICE – INNOVATIVE WORK BEHAVIOR CHAIN

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Abstract: The aim of this paper is to investigate how digitally-literate employees transform their know-how and practice of digital means to innovative work behavior, with the purpose of contributing to the extant research by bridging the management information systems literature on digital literacy with the areas of micro-creativity/innovation management. The results of our bootstrapping double-mediation analyses on a dataset collected from employees (N = 167) in a large Bosnian pharmaceutical organization supported our hypotheses. The results first revealed that digital familiarity is positively related to the practice of digital literacy. The practice of digital literacy was then shown to mediate the positive relationship between digital familiarity and attitude towards digitalized innovation. Finally, the link to general innovative work behavior was established, as our results supported the existence of a double-mediation chain whereby digital practice and attitude towards digitalized innovation mediate the positive relationship between digital familiarity and general innovative work behavior.

Keywords: Digital literacy; Digital competence; Attitude towards digitized innovation; Innovative work behavior