ANTECEDENTS OF INNOVATION CLIMATE IN CONSTRUCTION FIRMS IN HONG KONG

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Abstract
In view of the booming financial and technology development in the global construction market, construction firms nowadays face a great stress of being innovative. In fact, innovation is essential to the productivity, profitability and, more importantly, the competitiveness and sustainability of an organization. Previous studies tend to emphasize the exogenous and endogenous factors which enhance innovative working in organizations, while recent research emphasizes the importance of innovation climate. Climate is essential in fostering innovation in an organization. This study thus aims to investigate the antecedents of innovation climate in construction firms in Hong Kong. Group C contractor firms (i.e., large-size contractors which are eligible to carry out contracts with values exceeding HK$75 million) were selected as the sample population in the current study, as they are considered a well-established group which make a significant contribution to economic growth and innovation lead to the industry. A questionnaire survey was designed and distributed to 300 construction professionals in Group C contractors in Hong Kong, of which ninety-nine valid data surveys were collected and used, representing a response rate of 33%. Based on the results of factor analysis, 3 factors were identified, including innovation climate, individual tolerance of difference and organizational support to innovation. The linear regression modelling found that organizational support to innovation associates positively with innovation climate. However, it is interesting to find that there is no significant association between individual tolerance of difference and innovation climate. Curvilinear regression modelling was thus further conducted, which reveals a bell-shaped relationship between individual tolerance of difference and innovation climate. Based on the study results, recommendations were made to construction stakeholders to enhance innovation of construction firms via fostering innovation climate.

Keywords
Construction, innovation climate, organizational support, tolerance of difference.

INTRODUCTION

Although the construction industry makes a significant economic contribution to the society (e.g., GDP of construction industry in Hong Kong accounts for 3.3% of the total gross domestic product (Census and Statistic Department, HKSAR, 2010)) and takes an important role in constructing our built environment, it has a poor public