Impact of Innovation on the Performance of Employees

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Abstract

The main objective of this paper is to explore the effects of innovation types including product, process, marketing and organizational innovation on different aspects of firm performance and employees performance such as innovative, production, marketing and financial performance in Unilever Pakistan. Data were collected through survey questionnaires from 200 respondents mainly from production, R&D and marketing departments of manufacturing companies. With the help of SPSS, data were analyzed by factor, reliability, correlation, and regression analysis. The results reveal the positive effects o innovation types on employee's performance. Theoretical and managerial implications along with limitations for future research have also been discussed.

Keywords: Innovation types; firm performance; Unilever Pakistan

1. INTRODUCTION

Consumer benefits from multinational companies in the local market are competing with local firms. There are varieties of multinational companies operating in the Pakistan but one of the best known is Unilever formerly Lever Brothers Pakistan starts with the existence of Pakistan which deal with fast consumer moving goods. But Multinational companies in other sectors such as telecommunication start their operation not more than two decades. No doubt Multinational companies contribute well in boosting the economy of Pakistan in different sector and also assist the Government in reducing unemployment. Various form of multinational companies or Multinational Corporation exists in Pakistan and operates the business in different form including franchises, license holding or full functioned in the country.Government of Pakistan and local authorities or public got variety of benefits from multinational companies such as multinational companies give handsome amount to the landlord, apart from the infrastructure development. It was surprisingly discovered through observation that their offices are on average in the range of 60,000 square feet in area. Government of Pakistan earned millions of revenue from the Multinational companies in the form of tax and contributes in the development and stability of the economy. Multinational companies from America have invested approximately $190 Million in Pakistan in different sectors while UK companies invested $122 Million and also other developed countries invested large amounts in different sector.

There are variety of sector contributed in the development of economy of Pakistan such as service sector, agriculture sector, manufacturing sector and etc. Service sector operations in Pakistan are largest sector of Pakistan while agriculture sector is on second position. Manufacturing sector is at third largest sector of Pakistan economy regarding contribution and have 18.7% contribution in gross domestic product (GDP) of Pakistan. The growth rate of manufacturing sector of Pakistan is 3.56% in fiscal year of 2011-12 and invested approximately 1485 billion rupees in this sector. Pakistan ministry of Pakistan announced 8% annual growth of manufacturing sector in 2012 and also more than 100% value addition.

Innovation plays variety of role in the development and growth of the organization so that take the maximum outputs. For example food and health sector of Unilever Pakistan support the Unilever researches so that Unilever help the employees, feel good on the duties, enjoy the job, look good and get more out of life by driving innovation in the area of food and health. There are different program in Unilever but food and health institute has a nutrition enhancement program that contributed well in improving the employee performance and life. In 2012 take home amount is more than 5.4 billion as per PAT. Unilever Pakistan once again leads the pack of high-volume, high-growth consumer goods giants that are racing ahead despite the persistently tough operational climate in the country. FMCGs such as Unilever and Nestle already invested in Pakistan are hoping the country will be a source of future profits. The sheer size of the nation is often taken for granted by us who live in it. Awan & Zahra(2014) contended that innovations are the core need of the competitive advantage of the business organization. Awan and Kashif (2015) say that it is the human capital which creates innovations. The business firms must pay attention on the development of human capital. Awan and Khalid (2015) argue that those companies, which obtain competitive edge over their competitors will have to sustain it through innovations. Awan and Asia (2015), while analyzing the role of branch managers in promotion of innovations in commercial banking, say that only those who know the importance and value of innovations can promote it and enhance earning of their companies through innovative methods and techniques, which attract the customers.

1.1. OBJECFTIVES OF STUDY:

Our main research question is "How different type of innovation influences the employee performance". Other questions are as under:

1. What impact of product innovation on the employee performance
2. How innovation processes affect the employee's performance?

1.2 SCOPE OF THE STUDY:

UNILEVER is facing problems with its employees since they adapted business innovation. Experienced employees were reluctant to change they were not finding the new processes very much user friendly. Organization is spending a lot of money on new hiring and on employees training. The scope of this research study is to find out the causes that why some employees satisfaction level and motivation level decreased due to innovation in UNILEVER PAKISTAN LTD. Innovation impact on UNILEVER and which actions should be taken by the management to reduce the employees dissatisfaction and turnover.

2. LITERTURE REVIEW

Since the employee behavior have fundamental impact on the innovation and human resource management become important for researcher and scholars. Literature provides the different stream of evidence that innovation drive from the human resource practices in which employee behavior and attitude influenced the innovation. Variety of human resource practices support the employee to get innovative or competences. However, employees show behavior commensurate with the way the organization shows commitment to them as individuals. Therefore, when organizations want their employees to show innovative work behavior, they need to focus on creating commitment of the workforce. This line of reasoning belongs to the social exchange theory, which explains (workplace) behavior as a series of interactions that generate obligations. Although social exchange theory is the underlying perspective that emphasizes the need for mutual commitment, it will not be further elaborated here. Innovation has become a popular subject on the business bookshelf over the past few years. Organizations are challenged by all kinds of environmental pressures because they have to respond to the needs of today's and tomorrow's customers (Tidd & Bessant, 2009). New workable, marketable ideas are being sought and promoted these days as never before (Galbraith, 1982). The behavior of employees has a big influence on this process and in turn on the innovation performance of organizations (Huiskamp, de Jong & den Hoedt, 2008). It can be concluded that innovation is an important way to overcome the challenges that exist in the current rapidly changing environment. Employees are of great importance in the innovation process and thus highly influence the innovation performance of organizations. This means that also the Human Resource department plays a crucial role in the creation of a workforce with innovative competences. To encourage employees to actually show innovative work behavior, high commitment HR practices become of interest. When employees perceive the organization as committed and supportive, it is more likely that they show the organization's desired behavior.

Quality of life has been changed with transformation of technology change over the world. However in Pakistan there is not comprehensive policy at public and private sector prevail that to promote the innovation. A meeting was held between USAID and Ministry of Finance Pakistan on 29th April 2009 in which 12 pillar of innovation ecosystem are defined. Results came from meeting that things which are done in Pakistan are the piece meal and limited scope. Pakistan innovation board was established after this meeting to deal with innovation issues (CSF, 2009). Pakistan need to promote innovation in well planned way that should have objectives of enhancing research and development in innovation sector, creating more job opportunities for young generation, creation of wealth, improve the national image of innovation at international level and exploit the innovation for betterment of Pakistan nation while at current scenario Pakistan confronted with capacity limitation of carry out innovation as compare with globe (Qasim and John, 2011). Earlier researches have shown that innovation have a variety of sources and forms. Organization develops the innovation in different shapes and having several reasons. Innovation can be found in different fields such as snowboarding, scientific instrument, Software Mountain biking, manufacturing of semiconductor, oil refining and even www. These innovations fields are common and develop different people or organization that wish to solve a specific problem or to meet with the customer expectation. Definition of innovation comes here from 3rd edition of OSLO manual as new product preamble in good or service industry, innovative marketing plan, fresh process or latest organizational method of business regarding internal and external. Innovation has four famous types: product innovation, process innovation, marketing innovation and organizational innovation (OECD, 2005).

Innovation has long been cited as essential for organizational competitiveness and success (McAdam and Keogh, 2004; Edwards et al., 2005). Innovation has been cited as one of the key factors that affects competitiveness. Yet despite widespread agreement about its benefits, innovation is still poorly understood. Definitions are confused and the link between innovation and its impact on the employees remain to be proven that either they are positive or negative. This literature will examine the details about the impact of innovation on

employees and how to minimize the negative effects of innovation. The general management literature often prescribes that organizations should increase their organizational innovativeness to remain competitive (Porter, 1990; Lengnick-Hall, 1992; Roberts, 1999).Organizations should follow innovation to remain competitive and enhance emoluments of employees to keep them interested. Given the significance of innovation, there are some barriers that hamper the ability to innovate there are many barriers to innovation and that these are both internal and external to organization. The external barriers include the lack of infrastructure, deficiencies in education and training systems, inappropriate legislation, an overall neglect and misuse of talents in society. Some major internal barriers include rigid organizational arrangements and procedures, employee's negative behavior to change, hierarchical and formal communication structures, conservatism, conformity and lack of vision, resistance to change, and lack of motivation and risk-avoiding attitudes.

3. RESEARCH METHODOLOGY

Research is a careful study that is done to find and report new knowledge about something. Webster's Collegiate Dictionary (1977) defines research as studious inquiry or examination, investigation or experimentation aimed at the discovery and interpretation of facts, revision of accepted theories or laws in the light of new facts, or practical application of new or revised theories or laws. Andrew and Hildebrand (1982) defined research as "the orderly procedure by which a man increases his knowledge." Leedey (1985) defined research as "the manner in which it was attempted to solve problem in a systematic way to push back the frontier of human ignorance to confirm the validity of solution to the problem other have presumably resolve". Don Etheridge define that "Research is the systematic approach to obtaining and confirming new and reliable knowledge".

Research is a logical and systematic search for new and useful information on a particular topic. Research is an academic activity and as such the term should be used in a technical sense. According to Clifford Woody research comprises defining and redefining problems, formulating hypothesis or suggested solutions, collecting, organizing, and evaluating data, making deductions and reaching conclusions, and at last carefully testing the conclusions to determine whether they fit the formulating hypothesis.

The Advanced Learner's Dictionary of Current English lays down the meaning of research as "a careful investigation or inquiry especially through search for new facts in any branch of knowledge. Some people consider research as a movement, a movement from the known to the unknown. Study design indicates the various approaches to be used in solving the research problem, sources and information related to the research problem and time frame.

Topic of this research study is "The impact of innovation on employees with the organization like Unilever Pakistan". Primary data has been collected by circulating structured questionnaire to the employees Unilever Pakistan to find out the solution. First part of the research question that ""The impact of innovation on employees with the organization like Unilever Pakistan". Descriptive research has been used with the qualitative research approach in this study because of this study typically relies on questionnaire, observations and informal interviews from the employees. This data has been compiled by using SPSS software. Results have been analyzed and graphs have been drawn from the results obtained from the analysis of the primary data collected for the research.

3.1 SOURCE OF DATA:

Secondary data was collected from the web sites of the Unilever of Pakistan. Primary data was collected from the employees of Unilever Pakistan. 250 questionnaires were distributed among different employees through email, manual hard copy distribution, and collection of the questionnaires. Some responses were received as hard copy. 200 responses were received from the employees of Unilever Pakistan. The collected data was compiled in SPSS to get the true results and draw the bar graphs to present the data in pictorial form for quick analysis of the data. Results were drawn as per the Reponses on different questions were received from the respondents.

3.2 METHOD OF DATA COLLECTION:

Primary data was collected from the employees of the different companies for this study to find out the method of high performance through structured questionnaire, personal interviews, through emails and telephones. The secondary data was collected from the Unilever Pakistan. Data collection through questionnaire method was used due to it is quite popular. A questionnaire was sent by email to the employees of Unilever with a request to answer the questions and responses to the questionnaire. Questionnaire was consisting of fourteen questions typed in a definite order on survey form. The questionnaire is mailed to respondents who are expected to read and understand the questions and write down the reply in the space meant for the purpose in the questionnaire itself.

4. FINDINGS AND RESULTS:

In this segment, present the analysis of data collected during the survey. Main components of analysis are

descriptive analysis and influential analysis. In this study a total number of 250 questionnaires have been disseminated in the Unilever Pakistan, out of which 220 have been received with a turn out rate of 88%. On close scrutiny of all these questionnaires it has been found that 20 questionnaires (8%) having missing data.

Table # 1   Categories of Respondents
Designation

		Frequency	Percent	Valid Percent	Cumulative Percent
	OG=3	125	62.5	62.5	62.5
	OG=2	57	28.5	28.5	91.0
Valid	OG=1	18	9.0	9.0	100.0
	Total	200	100.0	100.0	

Designation: Table # 1 show that the detail of designation of the respondents. Different category of employee use OG-3 mean lower level of managers and employees and OG 2 means middle managers and the OG-1 means Top level of managers. In this table the majority of respondents OG 3 (n=125) the percentage is 62.5 and the 2nd is OG=2 (n=57) the percentage is 28.5 and the ratio of last category is OG 1 (n=18) is about 9%.

Table #.2
Organization

	Frequency	Percent	Valid Percent	Cumulative Percent
LEVERB	200	100.0	100.0	100.0

Table 2 provides the detail of Organization.

Table # 5.3   Age Group of Respondents
Age

		Frequency	Percent	Valid Percent	Cumulative Percent
	20-25	7	3.5	3.5	3.5
Valid	26-30	152	76.0	76.0	79.5
	31-35	41	20.5	20.5	100.0
	Total	200	100.0	100.0	

Age; Table 3 provides that age group detail of the respondents. In this table that majority of the respondents are between 26-30 (n=152), comprising a percentage of 76, followed by middle age (n=41) in terms of categories with a percentage value of 20.5, the ratio of the last category is the Age between 20-25 (n=07) is round about 3.5%.This table show that the research contact mostly young employees of the organization

Table # .4   Gender of respondents
Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
	Male	135	67.5	67.5	67.5
Valid	Female	65	32.5	32.5	100.0
	Total	200	100.0	100.0	

Table #5.4 shows that the gender category of male and female. In this table male respondent is more than females. The male respondents is n=135 the percentage is 67.5 and female (n=65) the valid percentage is 32.5

Table # 5   Sallary package of respondents
Salary

		Frequency	Percent	Valid Percent	Cumulative Percent
	less than 25000	36	18.0	18.0	18.0
	26000-30000	80	40.0	40.0	58.0
Valid	31000-35000	48	24.0	24.0	82.0
	36000-40000	18	9.0	9.0	91.0
	41000 and above	18	9.0	9.0	100.0
	Total	200	100.0	100.0	

Table #5. show that salary package of the employee of the organization the most of the worker is 26000 to 30000 (n=80) and the percentage is 40% and less percentage is 36000 to 40000 (n=18) and its percentage is 9%.

4.1 RELIABILITY STATISTICS:

The Reliability mean consistency of a measure by the reliability of the instrument; the internal consistency method use by finding of Cronbach's alpha.

Table # 6

Reliability Statistics

Cronbach's Alpha	N of Items
.789	5

Table # 6 shows that Cronbach's Alpha of the overall modal. This indicates that the reliability is Acceptable of the overall model.

Table # 7

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
PROD	13.6863	4.812	.423	.790
PROCESS	13.9375	3.517	.648	.722
ORG	14.2613	3.052	.789	.663
MARK	14.0462	3.876	.738	.697
EMP	13.3588	5.101	.286	.821

Table # .7 shows that Cronbach's Alpha of Product innovation which is .79, This indicates that the reliability is Acceptable .Cronbach's Alpha of process innovation which is .72 This indicates that the reliability is Acceptable, the Cronbach's Alpha of Organizational innovation which is .66, Cronbach's Alpha of marketing innovation is .69 and Cronbach's Alpha of employee's performance which is .82. This indicates that the reliability is good. Mallery (2003) provides the following rules of thumb: ">0.9-Excellent, >0.8 -Good, >0.7-Acceptable, >0.6-Questionable, >0.5-Poor, <0.5- Unacceptable" (p.231).This indicates that the reliability is acceptable of the overall model

4.2 CORRELATION ANALYSIS:

The Inter-correlations of organizational Human capital, knowledge management, organizational stature, organizational culture, and organizational performance with demographic Variables of the framework, the correlation coefficient is shown at the intersection of the two variables of interest.

Correlations

		PROD	PROCESS	ORG	MARK	EMP
PROD	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	200				
PROCESS	Pearson Correlation	.304**	1			
	Sig. (2-tailed)	.000				
	N	200	200			
ORG	Pearson Correlation	.371**	.720**	1		
	Sig. (2-tailed)	.000	.000			
	N	200	200	200		
MARK	Pearson Correlation	.361**	.542**	.854**	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	200	200	200	200	
EMP	Pearson Correlation	.302**	.238**	.182*	.248**	1
	Sig. (2-tailed)	.000	.001	.010	.000	
	N	200	200	200	200	200

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

This table provided the information of multi-co linearity in our data because no value is greater than 90%. The correlation between product innovation and employees performance is 0.302. This is the strongest relationship in correlation matrix. The relationship between employees Performance and process innovation 0.238 and it is positive. There is a positive correlation (0.18) between employees Performance and Organizational innovation which is also a strong relationship in our table and relationship between employees Performance and marketing innovation is .248 which is positive.

4.3 REGRESSION ANALYSIS

Regression analysis generates an equation to describe the statistical relationship between one or more predictor variables and the response variable.

The p-value for each term tests the null hypothesis that the coefficient is equal to zero (no effect). A low p-value (< 0.05) indicates that you can reject the null hypothesis. In other words, a predictor that has a low p-value is likely to be a meaningful addition to your model because changes in the predictor's value are related to changes in the response variable.

Table # 8   Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.390[a]	.152	.134	.48316

a. Predictors: (Constant), MARK, PROD, PROCESS, ORG

Table # 9

ANOVA[b]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	8.152	4	2.038	8.730	.000[a]
	Residual	45.522	195	.233		
	Total	53.675	199			

a. Predictors: (Constant), MARK, PROD, PROCESS, ORG

b. Dependent Variable: EMP

Table # 10

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.261	.293		7.717	.000
	PROD	.242	.072	.242	3.378	.001
	PROCESS	.171	.064	.259	2.666	.008
	ORG	-.258	.098	-.414	-2.636	.009
	MARK	.315	.110	.373	2.869	.005

a. Dependent Variable: EMP

The result of the linear regression analysis utilizing the Data collected in this research is presented in tables 5.8 and 5.9. Table 5.10 displays R-square, standardized betas and Probability value for the regression model. Table 5.8 shows R-square for the regression model of process innovation, product innovation, organizational innovation, and market innovation, the change in R-square. Simple linear regression used to measure the relationship between process innovation, product innovation, organizational innovation and market innovation with employee performance. In the first time i regressed independent variable process innovation, product innovation, organizational innovation, and market innovation with employee performance in Unilever Pakistan.

The significance of product innovation shows the relationship with employee's performance this model
The overall fit of the model is good as R square is 0.15, which is reasonable at least for cross-sectional data and F-stats is 8.7 which shows significance at 1%. The results in table 4.10 show that innovation has positive and statistically significant (at 1%) impact on employee's performance. The demographic variables, age, experience and education, have insignificant effect on employee performance. If we change one unit of innovation 38 units

in employee performance. That may be employee performance is force that motivate employee to help his coworker without any rewards. The product innovation shows plays an important role toward the exhibit employee performance. So when employees work to achieve the individual of organization objective collectively then everyone feel and share responsibility without the difference of designation, experience, and age.

The significance of B shows the relationship between process innovation and employees' performance the equation of this model is

The overall fit of the model is good as R square is 0.06, which is reasonable at least for cross-sectional data which shows insignificance at 1%. The results in table 5.10 show that process innovation has positive and statistically insignificant (at 1%) impact on employees' performance. The demographic variables, age, experience and education, have insignificant effect on employee performance it may be due to the fact that process innovation has more marketable and it increases the chances of getting good jobs. Employee even agrees to pay the all expenses of training program and the bond amount if anyone has signed. That is cause the loss of investment and time to the parent company.

The significance of B shows the relationship between organizational innovation and employee's performance the equation of this model is

The overall fit of the model is good as R square is 0.09, which is reasonable at least for cross-sectional data which shows insignificance at 1%. The results in table 5.10 show that organizational innovation has positive and statistically insignificant (at 1%) impact on employee's performance. The demographic variables, age, experience and education, have insignificant effect on employee performance it may be due to the fact that organization innovation has more marketable and it increases the chances of getting good jobs. Employee even agrees to pay the all expenses of training program and the bond amount if anyone has signed. That is cause the loss of investment and time to the parent company.

The significance of B shows the relationship between marketing innovation and employee's performance the equation of this model is

The overall fit of the model is good as R square is 0.11, which is reasonable at least for cross-sectional data which shows insignificance at 1%. The results in table 5.10 show that marketing innovation has positive and statistically insignificant (at 1%) impact on employee's performance. The demographic variables, age, experience and education, have insignificant effect on employee performance it may be due to the fact that marketing innovation has more marketable and it increases the chances of getting good jobs. Employee even agrees to pay the all expenses of training program and the bond amount if anyone has signed. That is cause the loss of investment and time to the parent company.

5. HYPOTHESES TESTING

The hypotheses of the study were tested by using structural equation modeling (SEM). To specify the effects (direct and indirect) of the exogenous variable a path analysis was conducted. Knowledge management Effectiveness is the exogenous variable; and organizational structure organizational culture, and Organizational Human resource management were the endogenous variables. Relationships among various variables were hypothesized. These hypothesized relationships were analyzed in two ways; a test of the overall path model and individual tests. Model estimation procedures for simultaneous equations were used to test the hypothesized model.

H1: Product innovation has positive relationship with employee's performance.

Hypothesis 1 examined the relationship of product innovation and employees performance. Since the standardized path coefficient of 0.07 and the *t*-value of 3.11 were significant, the hypothesis was strongly supported by the data.

The result is positive and less than 1 show that the relationship of product innovation and employees performance is positive influence and strongly supported among variable.

H2: Process innovation has positive relationship with employee's performance.

Hypothesis 2 examined the relationship of Process innovation and employees performance. Since the standardized path coefficient of 0.06 and the *t*-value of 2.5 were significant, the hypothesis was strongly supported by the data. The result is positive and less than 1 show that the relationship of process innovation and employees performance is positive influence and strongly supported among variable.

H3: Organizational innovation has positive relationship with employee's performance.

Hypotheses 3 observe the relationship of Organizational innovation and employees performance. Since the standardized path coefficient of 0.09 and the *t*-value of .44 were significant, the hypothesis was strongly supported by the data. The result is positive and less than 1 show that the relationship of Organizational innovation and employee's performance is positive.

H4: Marketing innovation has positive relationship with employee's performance.
Hypothesis 4 study the relationship of marketing innovation and employee's performance. Since the standardized path coefficient of 0.11 and the *t*-value of .37 were significant, the hypothesis was strongly supported by the data. The result is positive and less than 1 show that the relationship of marketing innovation and employee's performance is positive and strongly supported among variable.

H5: product innovation, process innovation, organizational innovation marketing innovation has positive relationship with   employee's performance
Hypothesis 5 examined the relationship of product innovation, process innovation, and organizational innovation marketing innovation and employees performance. Since the standardized path coefficient of 0.29 and the *t*-value of .37 were significant, the hypothesis was strongly supported by the data. The result is positive and less than 1 shows that the relationship of product innovation, process innovation, and organizational innovation marketing innovation and employees performance is positive and strongly supported among variable.

Relationship between product innovation, process innovation, organizational innovation marketing innovation and   employees performance
Theoretical evidence supported the relationships between Relationship between product innovation, process innovation, and organizational innovation marketing innovation and employees performance.

Product innovation influenced by the structure through effective channels. Organizational performance is influenced by non-knowledge related functions through reutilized process and task because of minimal involvement of innovation.

Theoretical evidence supported the relationships between Relationship between product innovation and employees performance. There is positive relationship found in existing literature that implies on product innovation and employees performance. Positive influence of adaptability and consistency with involvement and mission includes Brockman and Morgan's (2003) that found positive relationship between innovation and performance.Product innovation and employees performance show supported the hypothesize relationship in the term of product innovation and employees performance.

In SPSS (statics package for social science) the Cronbach's Alpha is .79 which is good means that product innovation is good for performance of the employees and the performance of the employee is better than the organization performance should be increase. Product innovation and performance is positive in Correlation table and the Regression analyses beta value is .24and t value is 3.3 shows that the product innovation is positive impact on the performance of the employees.

Theoretical evidence supported the relationships between Relationship between process   innovation and employees performance. There is positive relationship found in existing literature that implies on process innovation and employees performance. Positive influence of adaptability and consistency with involvement and mission includes Brockman and Morgan's (2003) that found positive relationship between innovation and performance.Process innovation and employees performance show supported the hypothesize relationship in the term of Process innovation and employees performance.

In SPSS (statics package for social science) the Cronbach's Alpha is .72 which is good means that Process innovation is good for performance of the employees and the performance of the employee is better than the organization performance should be increase. Process innovation and performance is positive in Correlation table and the Regression analyses beta value is .25and t value is 2.6 shows that the product innovation is positive impact on the performance of the employees.

Organizational innovation influenced by the structure through effective control. Organizational performance is influenced by the employees performance through reutilized process and task because involvement of innovation.

Theoretical evidence supported the relationships between Relationship between organizational innovation and employee's performance. There is positive relationship found in existing literature that implies on organizational innovation and employees performance. Positive influence of adaptability and consistency with involvement and mission includes Brockman and Morgan's (2003) that found positive relationship between innovation and performance. Organizational innovation and employees performance show supported the hypothesize relationship in the term of Organizational innovation and employees performance

In SPSS (statics package for social science) the Cronbach's Alpha is .66 which is accept means that organization innovation is good for performance of the employees and the performance of the employee is better than the organization performance should be increase. Organization innovation and performance is positive in Correlation table and the Regression analyses beta value is .41 and t value is 2.6 shows that the product innovation is positive impact on the performance of the employees.

Theoretical evidence supported the relationships between Relationship between marketing innovation and employee's performance. There is positive relationship found in existing literature that implies on marketing innovation and employees performance. Positive influence of adaptability and consistency with involvement and mission includes Brockman and Morgan's (2003) that found positive relationship between innovation and

performance. Marketing innovation and employees performance show supported the hypothesize relationship in the term of marketing innovation and employees performance.

In SPSS (statics package for social science) the Cronbach's Alpha is .69 which is acceptable means that organization innovation is good for performance of the employees and the performance of the employee is better than the organization performance should be increase. Marketing innovation and performance is positive in Correlation table and the Regression analyses beta value is .37 and t value is 2.8 shows that the marketing innovation is positive impact on the performance of the employees.

6. CONCLUSION

The thesis accounts for the study of innovativeness, identifying the relationship among innovation types (product process, marketing and organizational) and employees performance and impact of organizational performance (innovative, market, production and financial) in the Unilever Pakistan. The sample drawn was 200 employees of Unilever Pakistan. The findings of study support the title that higher performance can be achieved better from increased innovativeness in Unilever Pakistan. All the hypotheses of the study are supported.

Four category of innovation also relate with employees performance. The study found that the effect of organizational innovativeness and process innovation is stronger than on other innovation types, as organizational innovativeness explained a larger proportion of process innovation. This study also found that marketing innovation leads to product innovation, while product innovation is essential for process innovation. All four category of innovation have through involvement with innovation performance. As compared to other innovation types, organizational innovations clarify a larger proportion of innovative performance followed by process, marketing, and product innovation. Inventive performance in turn explained a better part of production innovation than market innovation. In conclusion as compared to market innovation, product innovation has a more important impact on performance explain of its conflict. The results of this study are in accordance with many previous researchers. As Hurley & Hult (1998) found that to create an environment which is friendly to innovation and learning, organizational innovation is very essential. Camisón & Villar-López (2012) also concluded that organizational innovativeness leads to financial performance. Similarly Gunday et al. (2011) found the Firms innovativeness to be the strongest driver of innovative performance. Organization stands to benefit from put in in their ability for product and process innovation (Mol & Birkinshaw 2009). The findings of Damanpour, Walker, and Avellaneda (2009) also exposed that characteristic competencies, firms competence and outcomes can be achieve with the help of certain innovation types. Overall positive relation between innovation and employees performance has been identified by Bowen et al. (2010). The results show that all hypotheses of study are empirically supported.

7. RECOMMENDATIONS:

In order to maintain a competitive edging in now a day in the market, company managers have a dual assignment of constantly generate additional value for their customers though successful to reduces cost and increase their output. To make this mission possible, the results of this study suggest that business leaders of the manufacturing company should give additional importance to different types of innovations for attaining high organizational Effects of Innovation Types on organizational Performance. Moreover, the results of this study also suggest that business leaders should: 1st allocate responsibility down the organization, 2nd distinguish their essential position in organization or organize innovation prior arrangement themselves and 3rd make sure the firm structure is fully in position to employ well-articulated improvement policy.

As a result, firms which are empowered with resources to increase their innovation capabilities are more likely to increase their market and production performance. Production and quality, human resources and organizational structures would lead to larger number of new products and service projects. Managers should pay more attention to organizational innovation as it not only significantly relates with other innovation types but also has a stronger positive impact on innovative performance. Innovative performance is the main vehicle to express the positive effects of innovation types to market, production, & financial performance.

Market performance in shape of customer satisfaction, sales and market share can be enhanced through innovative performance, hence, it should be given due importance. Findings of this study support the fact that innovativeness is the only way for a firm to gain a sustainable competitive advantage and to move up its performance (Porter, 1990; Drew, 1997). Product innovation is also crucial as it is the main driver for process innovation which sequentially heightens the innovative performance. In short, managers should appreciate investments for bringing innovation capability to sustain the competitive advantage and increase the profitability of the organization.

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