ORGANIZATIONAL Climate and Innovativeness as Predictors of Employee Resilience among Micro and Small Enterprises in Cateel, Davao ORIENTAL

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ABSTRACT

Employee resilience in micro and small enterprises (MSEs) present variety of complex problems. This study aimed to determine how organizational climate and organizational innovativeness predict employee resilience. A quantitative method was used in the study with 250 purposely chosen MSEs employees in Cateel, Davao Oriental as respondents. Results showed that the level of organizational climate micro and small enterprises in Cateel, Davao Oriental is often favorable. Additionally, the level of organizational innovativeness is often practiced. Also, the level of employee resilience among micro and small enterprises is often manifested. The result indicate that employees within the organization possess strong adaptive coping skills and the ability to bounce back from challenges and setbacks effectively. Further, organizational climate was found to have significant correlation with employee resilience. While, organizational innovativeness was also found to have significant correlation with employee resilience. On one hand, organizational climate has a significant influence on employee resilience. Also, organizational innovativeness on its single capacity has a significant influence on employee resilience. The result implies that 45.3% of the variation in employee resilience can be explained by the combined influence of organizational climate and organizational innovativeness.

KEYWORDS: *Micro and Small Enterprises, organizational climate, organizational innovativeness, employee resilience, multiple regression, Cateel, Davao Oriental, descriptive-correlation, business management, Philippines*

INTRODUCTION

Employee resilience in micro and small enterprises (MSEs) poses numerous complicated problems (Neef, 2022). The ability of employees to bounce back and adapt in such environments is a multifaceted issue that requires careful consideration (Duchek, 2019). The burden on individuals to effectively manage stressors is intensified by the lack of formal support systems and human resource infrastructure in these organizations (Abramson et al., 2014).

Moreover, the uncertainty and ambiguity that are prevalent in MSE environments can hinder employees' resilience and ability to recover from setbacks (Senbeto & Hon, 2020). The linking of work and personal life in small business environments can create added pressure and decreased adaptability for employees, as they strive to uphold a healthy equilibrium between their professional and personal spheres which can result in heightened stress levels and diminished resilience among the workforce (Marques & Berry, 2021). In addition, employees may overlook the need for systemic changes or support mechanisms, relying solely on their individual resilience to navigate difficult circumstances (Lefebvre et al., 2020).

Caniëls and Baaten (2018) identified a positive relationship between a supportive organizational climate and the development of employee resilience. Building of this framework, employees who thrive environments characterized by supportive leadership and transparent communication consistently demonstrate increase resilience (Cooper et al., 2018). On the other hand, having a solid culture of innovation within an organization can greatly contribute to the development of resilient employees (Caniëls et al., 2022). He emphasized that companies who place emphasis on innovation establish a conducive environment that motivates employees to actively participate in creative problem-solving and contribute to groundbreaking initiatives. Moreover, organizations that value innovation prioritize offering their employees opportunities to learn, develop, and have autonomy, which are critical components that contribute to fostering resilience among employees (Williams & Shepherd, 2016). As a result, resilient employees equipped with the skills to cope with challenges and adapt to change become invaluable assets in driving innovation within organizations (Carayannis et al., 2014).

While relationship among organizational climate, innovativeness, and employee resilience are documented in large corporate environments, and

employee resilience are documented in large corporate environments, an empirical void persists within Micro and Small Enterprises (MSEs). Extant literature heavily favors urban corporations, overlooking the localized socioeconomic obstacles and resource constraints unique to regional or rural MSE environments. Consequently, the precise mechanism by which workplace climate and innovation dynamics cultivate psychological resilience with MSE workforces remains largely unexamined. To address thus empirical gap, this study explores the predictive influence or organizational climate and innovativeness on employee resilience among regional MSEs.

Theoretical Lens

The study was grounded to Job Demands-Resources (JD-R) model, a model developed by Bakker and Demerouti (2007), which highlights the crucial role of balancing job demands and resources in promoting employee well-being. This model defines job demands as the physical, psychological, social, and organizational elements of a job that demand considerable effort and can result in physiological and psychological strain. On the other hand, job resources refer to the tangible, mental, interpersonal, or structural elements of a job that contribute to achieving work objectives, decrease job pressure and its impact on overall health, and promote personal progress, education, and growth. In the realm of micro and small businesses, the JD-R model presents an insightful perspective to analyze the crucial role of organizational climate and innovativeness in fostering employee resilience.

METHODS

Research Design

The study utilized quantitative research design to carefully explore the relationship between organizational climate, innovativeness, and employee resilience within the Job Demands-Resources (JD-R) model framework. Moreover, this study utilized a descriptive-correlational research design. Descriptive research design was used to describe the level of organizational climate, organizational innovativeness and employee resilience. On the other hand, correlational research design was used to measure the relationship between organizational climate, organizational innovativeness and employee resilience.

Research Locale

The study was conducted among employees of micro and small enterprises in the municipality of Cateel, Davao Oriental. This specific location

was selected because of its distinctive blend of socio-economic and environmental factors. This unique combination provided an exceptional backdrop for studying the interplay between organizational climate, innovativeness, and employee resilience within micro and small enterprises (MSEs).

Sampling and Respondents of the Study

A purposive quota sampling design was deployed to select 250 employees from the merchandising sector in Cateel, Davao Oriental. This target approach was structurally necessary to filter for respondents who possess deep institutional memory and contextual awareness. To mitigate sampling bias, inclusion was restricted to individuals with continuous employment at their respective enterprise for a minimum of three years within registered business operating for at least five years. This selection process ensured that the participants possess substantial experience and knowledge within the merchandising industry and their specific organizations, which can offer valuable insights into organizational climate, innovativeness, and employee resilience.

Research Instrument

The study utilized an adapted survey questionnaire that employed a five-point Likert Scale in which 5 as the highest and 1 as the lowest. Survey questionnaire for Organizational climate was adapted from the study of Patterson et al. (2005) entitled" Validating the organizational climate measure: links to managerial practices, productivity and innovation." with a Cronbach's Alpha of 0.8118. Indicators include Human Relations with twenty-nine item questions, Internal Processes with nine items, Open Systems with sixteen items, and Rational Goal with twenty-eight items. Organizational Innovativeness was adapted from the study of Shoham et al., (2012) with an overall Cronbach's Alpha of 0.925. Indicators include Creativity with five item questions, Openness to Change with four items, Future Orientation with four items, Risk-taking with four items, and Proactiveness with four items. Employee Resilience was adapted from Hodliffe, (2014) with Cronbach's Alpha of 0.845 because these scales were originally developed for distinct corporate environments, the adapted instruments underwent a content and face validity appraisal by a penl of business management experts. This step verified the structural integrity, relevance, and linguistic accessibility of the items within the local micro-enterprise operational context prior to the full deployment.

Data Gathering Procedure

The data gathering was conducted through face-to-face interactions to ensure a clear and direct communication channel. This method involved conducting face-to-face informed consent form orientations with the respondents. The researcher conducted an orientation on the content of informed consent form before the distribution of the survey questionnaires to the respondents. After the orientation, distribution of survey questionnaire commenced. For the efficient management of the survey process, the researcher hired two enumerators who helped the distribution and retrieval of survey questionnaires to the respondents. The respondents were given enough time to answer the questionnaire. In cases where respondents cannot complete questionnaires in one go, follow-up visits were scheduled underscoring commitment to thoroughness and respondents convenience. The duration of the survey took for about 3 weeks.

Statistical Tools

Mean was used to describe the level of organizational climate, organizational innovativeness, and employee resilience. Standard Deviation measured the consistency of the responses from the respondents. Pearson R was employed to determine the relationship between organizational climate and organizational innovativeness to employee resilience. Multiple Regression was utilized to determine which between organizational climate and organizational innovativeness significantly predicts employee resilience.

Ethical Statement

The study adhered to the ethical guidelines established by the University of the Immaculate Conception's Research Ethics Committee (UIC-REC) as a result the respondents' involvement was entirely voluntary, and they were shown the highest level of respect. Participant concerns were addressed immediately, and all personal data were treated with absolute confidentiality, allowing respondents complete discretion to decline or withdraw from the survey at any time without penalty. Rigorous data storage security protocols were maintained under the mandate of the Philippine Republic Act 10173 (Data Privacy Act of 2012); datasets were compiled into encrypted digital files accessible exclusively to the primary research team, ensuring findings serve only academic purposes.

RESULTS

Table 1

Consolidated findings of the level of organizational climate in micro and small enterprises

Human Relations: Autonomy	**Mean**	**SD**	**Interpretation**
Having a management that:			
1. Let's people make their own decisions much of the time.	3.73	0.98	High
2. Trusts people to make work-related decisions without getting permission first.	3.38	1.05	Moderate
3. Closely monitors and directs work.	3.98	0.85	High
4. Keeps too light a reign on how things are done.	3.88	0.81	High
5. Checks things with the boss before deciding is deemed necessary.	4.15	0.76	High
Category Mean	**3.82**	**0.29**	**High**
Integration	**Mean**	**SD**	**Interpretation**
1. Feeling suspicious on people from other departments.	3.32	0.93	Moderate
2. Having very little conflict in the organization.	3.41	0.89	High
3. Feeling that people in different departments are prepared to share information.	3.70	0.86	High
4. Collaborating with departments very effectively.	3.91	0.74	High
5. Noticing respectful people from some departments	4.04	0.77	High
Category Mean	**3.68**	**0.31**	**High**
Involvement	**Mean**	**SD**	**Interpretation**
1. Having a management that involves people when making decisions that affect them.	3.81	0.85	High

2. Feeling changes often implemented without talking to people or others directly affected.	3.42	0.91	High
3. feeling that i don't have any say in decisions which affect my work.	3.31	0.98	Moderate
4. Feeling that decisions made frequently over my head.	3.46	0.89	High
5. Being well-informed about what is happening within the organization, as information is openly shared.	3.91	0.82	High
6. Often noticing breakdowns in communication.	3.52	0.89	High
Category Mean	**3.57**	**0.23**	**High**
Supervisory Support	**Mean**	**SD**	**Interpretation**
1. Having supervisors good at understanding peoples' problems.	4.16	0.82	High
2. Having supervisors who shows confidence to those they manage.	4.23	0.71	Very High
3. Having friendly and approachable supervisors.	4.21	0.83	Very High
4. Relying on supervisors to give good guidance to people.	4.23	0.79	Very High
5. Having supervisors who show understanding to people who work for them.	4.29	0.80	Very High
Category Mean	**4.22**	**0.05**	**Very High**
Training	**Mean**	**SD**	**Interpretation**
1. Being properly training on new machine or equipment.	4.24	0.82	Very High
2. Receiving enough training on the use of new equipment.	4.23	0.82	Very High
3. Giving minimum amount of training to people when they need to do their job.	3.96	0.92	High
4. Strongly encouraging development of skills.	4.43	0.81	Very High
Category Mean	**4.22**	**0.19**	**Very High**
Welfare	**Mean**	**SD**	**Interpretation**

A company. . .			
1. Paying little attention to the interests of employees	3.83	1.14	High
2. Trying to look after its employees.	4.20	0.85	Very High
3. Caring about its employees.	4.27	0.82	Very High
4. Trying to be fair in actions towards employees.	4.18	0.83	High
Category Mean	**4.12**	**0.20**	**High**
Internal Process Formalization	**Mean**	**SD**	**Interpretation**
1. Considering extremely important to follow company rules.	4.55	0.66	Very High
2. Getting the job done without ignoring formal procedures and rules.	4.46	0.77	Very High
3. Feeling everything done by the book.	3.94	0.86	High
4. Following necessary procedures to the letter.	4.02	0.77	High
5. Getting too upset when people break company rules.	3.98	0.86	High
Category Mean	**4.19**	**0.29**	**High**
Tradition	**Mean**	**SD**	**Interpretation**
1. Having a senior management that sticks to established traditional ways of doing things	4.02	0.74	High
2. Being in an organization whose way of doing things never changed.	3.70	0.81	High
3. Having a senior management with no interest to try out new ideas	3.21	1.22	Moderate
4. Noticing slow changes in doing things differently.	3.30	1.12	Moderate
Category Mean	**3.56**	**0.38**	**High**
Open Systems Innovation & Flexibility	**Mean**	**SD**	**Interpretation**
1. Having readily acceptable new ideas.	4.22	0.81	Very High

2. Being in an organization that responds quickly when changes need to be made	4.13	0.85	High
3. Having a management that quickly spots the need to do things differently	4.07	0.84	High
4. Being in a very flexible organization, quick to change procedures to meet new conditions and solve problems as they arise	4.02	0.88	High
5. Noticing readily available assistance for the development of new ideas.	4.07	0.84	High
6. Always searching for new ways of looking at problems	4.09	0.78	High
Category Mean	**4.10**	**0.07**	**High**
Outward Focus	**Mean**	**SD**	**Interpretation**
1. Being inward-looking organization not concerned with what is happening in the marketplace	3.32	1.05	Moderate
2. Noticing that improvement of service to customer not given so much thought.	2.93	1.20	Moderate
3. Being in a company where customers' needs is not a top priority.	2.72	1.29	Moderate
4. Being an organization slow in responding to the needs of customers.	2.67	1.18	Moderate
5. Being in an organization that continually looks for new opportunities in the marketplace.	4.00	0.75	High
Category Mean	**3.13**	**0.55**	**Moderate**
Reflexivity	**Mean**	**SD**	**Interpretation**
6. Changing the way people work together to improve performance in the organization.	3.94	0.73	High

7. Engaging frequently in discussions about the methods organization used to accomplish tasks	4.00	0.74	High
8. Engaging regularly in discussions regarding the effectiveness of teamwork within the organization	4.09	0.70	High
9. Being in an organization that modifies objectives in the light of changing circumstances	3.96	0.78	High
10. Having an organization that takes time to review organizational objectives	4.02	0.79	High
Category Mean	**4.00**	**0.06**	**High**
Rational Goal Clarity of Organizational Goals	**Mean**	**SD**	**Interpretation**
1. Having a good understanding of what the organization tries to do.	4.18	0.73	High
2. Being well-informed about the organization's future direction and feeling it is clearly communicated to all employees	4.08	0.77	High
3. Having a clear understanding of the company's aims and objectives.	4.16	0.83	High
4. Being well aware of the long-term plans and direction of this organization	4.15	0.75	High
5. Having a strong sense of where the company is going	4.18	0.77	High
Category Mean	**4.15**	**0.04**	**High**
Efficiency	**Mean**	**SD**	**Interpretation**
1. Believing that time and money could be saved if work were better organized	4.14	0.80	High
2. Believing things could be done much more efficiently if people stopped thinking.	3.62	1.07	High

3. Believing that good scheduling and planning often result in meeting targets.	4.05	0.86	High
4. Believing that productivity increases when job tasks is planned and organized effectively.	4.24	0.82	Very High
Category Mean	**4.01**	**0.27**	**High**
Effort	**Mean**	**SD**	**Interpretation**
1. Wanting to perform to the best of the ability	4.57	0.75	Very High
2. Feeling enthusiastic about work	4.46	0.80	Very High
3. Doing the minimum requirement to get by work environment.	4.17	0.88	High
4. Making a special effort to do a good job	4.38	0.73	Very High
5. Feeling that team members exert more effort in their work	4.30	0.74	Very High
Category Mean	**4.37**	**0.15**	**Very High**
Performance Feedback	**Mean**	**SD**	**Interpretation**
1. Receiving feedback usually on the quality of work done.	4.11	0.82	High
2. Being aware of how well job is done.	4.18	0.75	High
3. Finding it challenging to assess accurately. the quality of performance	3.92	0.80	High
4. Measuring performance regularly.	3.79	0.78	High
5. Being in an organization that always evaluates or reviews responsibilities and task performance.	4.00	0.73	High
Category Mean	**4.00**	**0.15**	**High**
Pressure to Produce	**Mean**	**SD**	**Interpretation**
1. Being expected to do too much in a day.	3.52	0.93	High
2. Having a less demanding workloads.	3.49	0.85	High

3. Having a management requiring people to work extremely hard.	3.37	0.95	Moderate
4. Being under pressure to meet targets.	3.13	1.12	Moderate
5. Believing that the pace of work is pretty relaxed.	3.77	0.81	High
Category Mean	**3.46**	**0.23**	**High**
Quality	**Mean**	**SD**	**Interpretation**
1. Being in an organization that always looks to achieve the highest standards of quality.	4.33	0.73	Very High
2. Taking quality very seriously.	4.17	0.78	High
3. Believing that organization's success depends on high-quality work.	4.20	0.79	Very High
4. Having top-quality company products reputation.	4.20	0.79	Very High
Category Mean	4.25	0.08	Very High
Overall Mean	**3.92**	**0.40**	**High**

Presented in Table 1 is the level of organizational climate as measured in four indicators, namely: human relations, internal process, open system, and rational goals. Based on the table, the level of organizational climate is high with a mean of 3.92. This means that the level of organizational climate is often favorable. A favorable organizational climate often links with higher levels of employee satisfaction and engagement. Employees are more likely to be motivated and dedicated to their work when they feel appreciated, supported, and in line with company objectives. The result conforms to the study of Lan et al. (2019) which revealed that a positive organizational climate can lead to reduced workplace stress and higher job satisfaction, highlighting the critical role of a supportive work environment.

Rational Goal got the highest category mean as measured on its sub-dimensions such as clarity of organizational goals, efficiency, effort, performance feedback, pressure to produce and quality which indicate that this climate is often favorable. However, Open Systems as measured by its sub-dimensions such as innovation & flexibility, outward focus and flexibility got the lowest category mean, and this climate is often favorable.

Table 2

Consolidated findings of the level of organizational innovativeness in micro and small enterprises

Creativity	**Mean**	**SD**	**Interpretation**
1. Encouraging creativity in our organization.	4.24	0.66	Very High
2. Having managers who expect us to be resourceful problem solvers	4.11	0.66	High
3. Looking constantly to develop and offer new or improved services	4.08	0.70	High
4. Having leaders respecting our ability to function creatively.	4.23	0.74	High
5. Encouraging to use original approaches when dealing with problems in the workplace	4.14	0.75	High
Category Mean	**4.16**	**0.07**	**High**
Openness to Change	**Mean**	**SD**	**Interpretation**
1. Always moving toward the development of new answers	4.16	0.70	High
2. Having readily available assistance to develop new ideas	3.99	0.66	High
3. Being open and responsive to changes	4.12	0.77	High
4. Always searching for fresh, new ways of looking at problems	4.14	0.74	High
Category Mean	**4.10**	**0.77**	**High**
Future Orientation	**Mean**	**SD**	**Interpretation**
1. Establishing a realistic set of future goals for itself	4.24	0.66	Very High
2. Ensuring all managers and employees share the same vision to achieve for the company.	4.26	0.70	Very High

3. Conveying a clear sense of future direction to employees	4.23	0.75	Very High
4. Having a realistic future vision for all departments and employees	4.24	0.70	Very High
Category Mean	**4.24**	**0.01**	**Very High**
Risk-taking	**Mean**	**SD**	**Interpretation**
1. Believing that higher risks are worth taking for high payoffs	4.12	0.78	High
2. Encouraging innovative strategies, knowing well that some will fail	4.08	0.81	High
3. Likes to take big risks	3.91	0.86	High
4. Does not like to ‘‘play it safe’	3.85	1.02	High
Category Mean	**3.99**	**0.13**	**High**
Proactiveness	**Mean**	**SD**	**Interpretation**
1. Constantly seeking new opportunities for the organization	4.26	0.70	Very High
2. Taking the initiative to shape the environment to our advantage	4.08	0.68	High
3. Often the first to introduce new services	4.05	0.66	High
4. Taking the initiative in introducing new administrative techniques	4.04	0.69	High
Category Mean	**4.11**	**0.11**	**High**
Overall Mean	**4.12**	**0.11**	**High**

Presented in Table 2 presents the level of organizational innovativeness as measured in five indicators with domains namely creativity, openness to change, future Orientation, risk-taking, and proactiveness. Based on the table, the level of organizational innovativeness is high with a mean of 4.12. This means that the level of organizational innovativeness is often practiced. This indicates that employees perceive the organization as proactive, forward-thinking, and willing to embrace new ideas and approaches. The result support the findings of Rubalcaba and Gupta (2023) which explained that a

thriving culture that embraces experimentation and values fresh perspectives is essential for fostering a climate of innovation.

The indicator that got the highest category mean score is future orientation which is very high. The finding connotes that these activities is highly practiced. This indicates a positive organizational culture where employees are forward-thinking and focused on long-term goals and outcomes. This result is in line with Kiron et al. (2016), who stress the value of strategic vision and adaptability while emphasizing the necessity of foreseeing and planning for potential future opportunities and difficulties. Likewise, Chou (2018) underscores the importance of adaptability and a long-term perspective in developing an organization's future-focused mentality. However, risk-taking got the lowest category mean which but is described as high, indicating that these activities is often practiced. This implies that while the domain may not exhibit extreme risk-taking behavior, it still engages in actions or decisions that involve some level of risk. The result of the study reinforce the research of Toh & Miller (2015), who emphasize the critical role that taking risks plays in the success and operation of organizations. They underline that leaders foster an environment of creativity and adaptation when they foster a culture that welcomes risk-taking. Similar to this, Brettel et al. (2014) discovered a significant relationship between innovation and taking risks, showing how risk can motivate organizational creativity and competition.

Table 3

Consolidated findings of the level of employee resilience in micro and small enterprises

Employee Resilience	Mean	SD	Interpretation
1. Adapting effectively to change at work.	4.16	0.68	High
2. Collaborating effectively with others to handle unexpected challenges.	4.14	0.59	High
3. Being able to handle a high workload for long periods of time.	3.86	0.82	High
4. Striving to solve problems at work.	3.91	0.82	High

5. Resolving crises competently at work.	3.92	0.80	High
6. Re-evaluating performance continuously and striving to improve the way of doing work.	4.10	0.73	High
7. Responding effectively to feedback, even criticism.	3.91	0.74	High
8. Knowing who to contact at work when need specific expertise or support.	4.17	0.73	High
9. Approaching managers when needing expertise or support t.	4.25	0.74	Very High
10. Viewing a close call at work a chance for re-evaluation and improvement.	4.19	0.75	High
11. Perceiving change as an opportunity for growth.	4.21	0.79	Very High
12. Finding positives from most difficult situations at work	4.28	0.81	Very High
Overall Mean	**4.09**	**0.15**	**High**

Demonstrated in table 3 presents the level of employee resilience, based on the table, the level of employee resilience is high with a mean of 4.09. This means that the level of employee resilience is often manifested. This suggests that employees within the organization possess strong adaptive coping skills and the ability to bounce back from challenges and setbacks effectively. The finding is consistent with the study by Britt et al. (2016), which underscores resilience as a highly esteemed quality, characterized by the ability to effectively surmount obstacles and recover from setbacks. Their research highlights that resilience not only influences personal well-being but also has implications for the success of organizations. Additionally, Kašpárková et al. (2018) discovered that resilient individuals exhibit higher job satisfaction, lower levels of burnout, and enhanced job performance.

Within the context of micro and small enterprises (MSEs), the resilience of employees plays a vital role in their prosperity and longevity (Sakellarios, 2024). Washington et al. (2022) stress that in a landscape of limited resources and unpredictable market conditions, having resilient employees is akin to

possessing a valuable array of assets capable of navigating uncertainties and overcoming challenges. Lengnick‐Hall & Beck (2016) observe that the capacity of employees to adapt to changing situations, persist in the face of adversity, and sustain productivity despite constraints significantly boosts organizational agility and competitiveness. Furthermore, Malik & Garg (2017) revealed that resilient employees contribute to fostering a positive work environment in MSEs, where collaboration, innovation, and high morale flourish Caniëls et al. (2022) highlight that nurturing employee resilience can aid in alleviating the adverse effects of stress and burnout, thereby enhancing employee well-being and reducing turnover rates. Further, it can be noted that the standard deviation of employee resilience ranged from 0.59 to 0.82, which was lesser than 1.0, which indicates a consistency of the responses from the respondents.

Table 4
Test of significant correlation between variables

Variables being paired	r	p-value	Remarks
Organizational climate and employee resilience	.507**	.000	Significant
Organizational Innovativeness and employee resilience	.645**	.000	Significant

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

Presented in Table 4 is the relationship between organizational climate, organizational innovativeness, and employee resilience. Findings indicated a significant relationship between organizational climate and employee resilience p<.05). This result demonstrated that employees have the adaptability, collaborative problem-solving skills, capacity for managing high workloads, commitment to continuous improvement, competence in crisis management and feedback response, resourcefulness in seeking support, and positive outlook collectively reflect a high level of workplace resilience, contributing to their effectiveness, well-being, and success.

This result is in accord to the findings of Caniëls and Baaten, (2018) that there is relationship between organizational climate and employee resilience denoting that a positive and supportive organizational climate holds immense potential in cultivating employee resilience. By promoting a positive and supportive climate, organizations can reap the advantages of fostering employee well-being and resilience. Additionally, Cooke et al. (2019) noted that

organizational climate correlates with employee resilience as supportive organizational climate offers employees the necessary tools and social support to build and maintain resilience when facing challenges.

Furthermore, organizational innovativeness shows a significant relationship with employee resilience p<.05). The finding indicates that organizations that prioritize and foster innovation tend to have employees who are more resilient. This means that when employees are innovative they possess resilience behavior (Carmeli et al., 2021). This highlights the fact that resilient individuals are more prone to engaging in creative approaches to problem-solving and adjusting positively to changes, ultimately creating an atmosphere conducive to driving innovation. Similarly, Hülscher (2020) underscored the strong relationship between organizational innovativeness and employee resilience.

Table 5
Predictors of Employee Resilience

Employee Resilience	Beta	t	p-value	Remarks
Organizational Climate	.225	4.039	.000	Significant
Organizational Innovativeness	.524	9.390	.000	Significant
r = .673				
r^2 = .453				
p = .000				
F = .102.142				

As presented in Table 5, the result of the regression analysis demonstrates that each independent variable could significantly predict employee resilience on their singular capacity (p<.05). The result revealed that between the two variables, organizational innovativeness could better predict employee resilience. As manifested by a greater beta coefficient of.52 compared to the coefficient of organizational climate of only .23.

CONCLUSION

The study confirms that both organizational climate and organizational innovativeness serve as powerful, positive predictors of employee resilience within the MSE sector. While the prevailing climate leans heavily on a structured, 'Rational Goal' orientation, the capacity for 'Future Orientation'

emerges as the highly practiced dimension of innovativeness. Crucially, the regression analysis demonstrates that organizational innovativeness yields a stronger predictive value (beta = 0.52) compared to organizational climate (beta = 0.23), demonstrating that strategic orientation toward agility, change, and creativity is paramount for building adaptive capacity. Integrated within the Job Demands-Resources framework, these findings reveal that institutional resource investments in innovation and climate explain 45.3% of employee resilience variance, highlighting that the remaining 54.7% depends on external predictors outside the current scope.

Based on the findings and conclusions, the study recommended that micro and small enterprises may encourage their employees to contribute ideas for new or enhanced services by holding frequent workshops and brainstorming sessions. The Department of Trade and Industry (DTI) may be able to assist these MSEs with financial support and innovation training through initiatives like the Small Business Technology Transfer (SBTT) program. Additionally, MSEs may set up mentorship programs in which senior employees may advise and help junior employees refine their ideas. Urge senior employees to take part in the mentoring initiative.

MSEs may also include employees in the strategic planning process to make sure they comprehend and support the organization's long-term goals. Lastly, MSEs may provide for training and development to improve employee's abilities and productivity, empowering them to manage heavy workloads more skillfully. Furthermore, because the combined influence of organizational climate and organizational innovativeness is only forty-five percent, researchers may conduct another study to look into the other factors equivalent to fifty-five percent that could significantly predict employee resilience that was not covered in this research.

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