

Abstract:**Promoting creativity and innovation in organizations**

RQ: Do organizations encourage creativity and innovation in their employees? How does psychological wellbeing affect the creativity level?

Purpose: It is important for organizations to acknowledge the creative and innovative potential in their employees. Using different approaches they can assist their employees in developing innovative ideas. If employees feel that their ideas are being heard, it encourages their creative potential, which proves beneficial for the organization competing in the open market.

Method: quantitative method: interview using the seven step rule.

Results: Results of the research study have shown that organizations in question have well developed innovative activity. As such, they are actively encouraging creativity and innovation in their employees. It is seen that the organizations in question are very aware that psychological wellbeing of employees improves the level of their creativity.

Organization: It is advisable that managers continue developing innovative activities in their organizations, as we are living in an ever-changing world, where needs, aspirations, styles, standards, and quality of life are undergoing dynamic progression. Such a change is possible and sustainable because of the horizontal and vertical spread of technology as the main driver for economic growth and job creation.

Society: The main goal of this research study is to emphasize the importance of this field. To further see good results in the future, we must start encouraging innovation in the youths today.

Originality: The contribution of this research is in its uniqueness. There are no records of a similar research ever been conducted in organizations from the Dolenjska region in Slovenia.

Limitations: The research is limited to psychological wellbeing and the level of creativity in certain organizations. It would be interesting to evaluate how psychological wellbeing improves business results of organizations.

Keywords: creativity, innovation, psychological wellbeing, encouraging approaches, reward, organization.