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# CONFLICT AND PERCEIVED GROUP PERFORMANCE IN CULTURALLY DIVERSE WORK GROUPS

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## ABSTRACT

*While group and teamwork have become essential to organizations, the complexity of cultural diversity and intra-group interactions among culturally diverse group members have not been examined thoroughly. Moreover, findings reported a few decades ago may not hold true now due to globalization and cultural assimilation of ethnically diverse individuals. This study empirically investigates the relationships between three types of intra-group conflicts (task, process, and relationship) and perceived group performance in culturally diverse work groups.*

## INTRODUCTION

Cultural diversity of the workforce is now a reality. Culturally diverse work groups and teams have become essential work units in all types of organizations around the globe. Cultural diversity in work groups in the United States reflects a cultural mosaic of work environments in organizations around the world. Interaction of multiple cultures brings the need for intercultural understanding (Marga, 2010) to better manage intergroup interactions, to prevent conflicts, and to help culturally diverse groups and teams reach their performance potential.

Literature reveals mixed results on the benefits and harm of conflict to groups and organizations. Early organizational conflict theorists suggested that conflict is detrimental to organizational functioning and focused much of their attention on the causes and resolution of conflict. More recently, researchers have theorized that conflict is beneficial under some circumstances (Tjosvold, 1991).

Work group members experience conflicts that can be categorized into relationship, task, and process types of conflict (Amason & Sapienza, 1997; Jehn, 1992, 1997; Pelled, 1996; Pinkley, 1990). Having performed a longitudinal study, Jehn and Mannix (2001) were able to create an ideal conflict profile for members of work groups. These members had “similar pre-established value systems, high levels of trust and respect, and open discussion norms around conflict during the middle stages of their interaction” (p. 248).

While relationship conflict is an awareness of interpersonal incompatibilities that includes emotions, task conflict is an awareness of differences in opinions regarding a group task (Jehn & Mannix, 2001). Process conflict (Jehn, 1997; Jehn et al., 1999) is an awareness of differences regarding the way for a task to be accomplished.

Researchers found that moderate levels of task conflict have been beneficial to group performance on selected types of tasks (Jehn, 1995; Shah & Jehn, 1993). Differences of opinion about the work tasks improve decision quality due to the synthesis of group opinions (Mason & Mitroff, 1981; Schweiger & Sandberg, 1989; Schwenk, 1990). Low levels of relationship conflict help group members develop relationships necessary for effective performance. Process conflict has not been investigated extensively (Jehn & Mannix, 2001). Jehn (1992) found that the process conflict was negatively associated with group morale and positively associated with decreased productivity.

## LITERATURE REVIEW

There are three major theories widely used in analyzing the relationships between cultural diversity and group/organizational performance outcomes: information and decision-making theory; social identification and categorization theory; and similarity/attraction theory. The information and decision-making theory predicts a positive relationship between ethnic diversity and organizational performance outcomes, whereas social identification and categorization theory and similarity/attraction theory predict negative effects (Pitts & Jarry, 2007).

### Intra-Group Conflict

Ongoing literature reports mixed results from empirical studies on the positive and negative impact of conflict to groups and organizations (Jehn, 1995; De Dreu & Weingart, 2003; De Wit, Greer & Jehn, 2012). The history of research on conflict reveals that early organizational conflict theorists thought of conflict as dysfunctional to organizations while contemporary researchers agree that conflict is beneficial under some circumstances (Tjosvold, 1991).

While groups have become building blocks for organizations, they experience their own intrinsic problems of communication, coordination, and conflict management (Jehn, 1995). Having conducted a meta-analysis on the relationship between intra-group conflict to group outcomes, De Dreu and Weingart (2003) have found stable negative relationships between relationship and process conflict and group outcomes. De Wit et al. (2012) extended this study by conducting a meta-analysis of 116 empirical studies of intra-group conflict ( $n = 8,880$  groups) and its relationship with group outcomes. New trends in research on these relationships were identified. Some of the findings are consistent in both meta-analyses. Contrary to the results of the study by De Dreu & Weingart (2003), De Wit et al. (2012) did not find a strong and negative relationship between task conflict and group performance.

Moderate levels of task conflict have been shown to be beneficial to group performance on certain tasks types (Jehn, 1995; Shah & Jehn, 1993). The researchers note that when given a complex cognitive task, teams benefit from differences of opinion about the work being done and ideas. Task conflict improves decision quality because the synthesis that emerges from the conflict is generally superior to the individual perspectives themselves (Mason & Mitroff, 1981; Schweiger & Sandberg, 1989; Schwenk, 1990).

### Perceived Group Performance

Research findings on diversity effects prior to the 1980s reveal a negative relationship between ethnic diversity and performance outcomes. This phenomenon is explained by an increasing group diversity that is leading to communication, coordination, and collaboration problems (Tajfel, 1981; Turner, 1982, 1985).

Cultural composition in diverse teams and groups ranges from culturally homogenous to culturally heterogeneous. Jehn et al. (1997) find that moderately culturally heterogeneous groups experience relationship conflict, significant communication problems, and low team identity that result in low team effectiveness. Reduced satisfaction with team work in culturally heterogeneous teams also results in negative team performance (Ravlin et al., 2000; Earley &

the success of the group and may prevent it from reaching its performance potential (Earley & Mosakoski, 2000; Earley & Gibson, 2002; Ravlin et al., 2000; Jehn et al., 1999). Although existing research studies suggest important differences in teamwork among various cultures, they “do not adequately address the complexity of issues affecting culturally diverse teams and do not identify the specific factors that contribute to these differences” (Earley & Gibson, 2002, as cited in Aritz & Walker, 2010, p. 21).

Empirical research on the diversity outcomes reveals mixed results. Although some studies report that diverse groups outperform homogenous groups (Jackson, 1992), other studies find that homogenous groups do not experience the process loss due to communication problems and excessive conflict that are often found in diverse groups (Ancona & Caldwell, 1992).

## METHODOLOGY

Hypotheses to be tested in this study are as follows:

*H1: Task conflict in culturally diverse work groups is positively related to perceived group performance.*

*H2: Process conflict in culturally diverse work groups is negatively related to perceived group performance.*

*H3: Relationship conflict in culturally diverse work groups is negatively related to perceived performance.*

### Instruments

This study used the conflict instrument of Jehn and Mannix's (2001) emanating from the work of Jehn (1995) with process conflict items from Shah and Jehn's (1993). The internal reliability was good as demonstrated by the Cronbach  $\alpha$  for the relationship, task, and process types of conflict of .94, .94, and .93, respectively. The items referred to the work group as the unit of analysis. To examine the amount and type of conflict in the work groups, nine items measured the presence of conflict on a seven-point Likert scale, ranging from 1 = "None" to 7 = "A lot."

Perceived group performance was self-evaluated and reported by group members regarding their own performance of work tasks as a group (Campion, Papper & Medsker 1996). The instrument demonstrated a good internal reliability: Cronbach's Alpha was 0.94. Perceived Group Performance was measured by a seven-item instrument adapted from Puck et al.'s (2006) study. This study's participants expressed their agreement or disagreement with the instrument statements on a seven-point Likert-type scale.

### Sample and Data Collection

A pilot study was conducted to test and refine the instrument. The study survey was then electronically delivered to 870 participants who were assured of the anonymity of their responses with a consent form. The collected data yielded a sample size of 375 and a response rate of 43.10 percent. The data was further cleaned, which yielded a final usable sample of 222 observations.

The sample was drawn from companies listed on DiversityInc. (2013) and *Black Enterprise Magazine* (2013) lists that represent cultural diversity well. An online survey with a structured questionnaire was used to gather data from the respondents who were randomly selected by systematic sampling technique. With collected data, multiple regression analysis with stepwise estimation was utilized to examine the relationship between three types of conflict and perceived performance in culturally diverse work groups in this research.

## RESULTS

The demographic data collected during the survey included gender, age, ethnicity of the respondents and the primary language they used at work, work regions, education levels, employment types, tenure, cultural composition of work groups at respondents' employment, cultural composition of their supervisors and subordinates (where appropriate), supervisory roles, and organization types. The sample (n=222) was comprised of 167 male respondents (75.2%) and 55 female respondents (24.8%). The majority of the participants were in the 25-34 age group (45.9 %) followed by the 35-44 age group (21.6%) and 45-54 (16.7%). Respondents 55 years and older accounted for 10 percent of the sample. The majority of the respondents were White/Caucasian (46.4%) followed by respondents from Asia (25.7%) and American Indians / Native Americans (11.3%). Hispanics accounted for 6.8% and Blacks accounted for 5.0% of the sample.

The assertion of the hypotheses was that culturally diverse work group members experienced significant levels of conflict that affected perceived group performance. Specifically, task conflict was positively related to perceived group performance, whereas process and relationship types of conflict negatively impacted perceived group performance in culturally diverse work groups.

Multiple regression analysis was used to test the hypotheses. Three types of conflict were the independent variables and perceived group performance was the dependent variable. Multicollinearity diagnostics revealed that all correlations between the dependent and independent variables were less than .5 and that there were no two highly correlated variables in this output. Additionally, VIF values were examined. All VIF test results were less than 10 and no significant multicollinearity found.

For multiple regression analysis, overall model fit was tested and was found statistically significant with  $F = 6.849$ ,  $df = 3$  and a  $p$  - value = .000. Although  $R^2$  results were relatively low, its  $p$  - value was .000 which was significant at 0.05 alpha level. Low  $R^2$  of the model would imply the existence of major predictors of group performance, other than the three conflict variables. However, an inclusion of other plausible independent variables is not considered. Instead, all other variables are assumed to remain constant and considered as control variables.

The multiple regression analysis demonstrated a significant relationship between the two dimensions of conflict variables - task conflict and process conflict - and perceived group performance in culturally diverse work groups (Table 1). These variables made a statistically significant and unique contribution to the model at  $p = .004$  and .010 respectively.

**Table 1**  
**MULTIPLE REGRESSION MODEL**  
**COEFFICIENTS**

	B	Std. Error	t	sig*
(Constant)	1.960E-17	.066	.000	1.000
Conflict (Task)	.377	.131	2.885	.004
Conflict (Process)	-.340	.131	-2.597	.010
Conflict (Relationship)	.052	.103	.501	.617

\*p < .05

The signs for beta coefficients of Task and Process Conflict variables were in the expected direction. The sign for the task conflict variable was positive and the sign for the process conflict variable was negative,  $t = .377$  and  $t = -.340$  respectively. The results indicated that there was a strong positive relationship between the task conflict and perceived group performance in culturally diverse work groups. The data also demonstrated a strong negative relationship between process conflict and perceived group performance in such groups. No significant relationship was found between relationship type of conflict and perceived group.

The multiple regression analysis lent support to Hypothesis 1 that tested a positive relationship between task conflict and perceived group performance. Hypothesis 2 predicted a negative relationship between process conflict and perceived group performance in culturally diverse work groups. Results of the multiple regression analysis were significant and in the direction as hypothesized. Thus, Hypothesis 2 was also supported by the data. While Hypothesis 3 tested a negative relationship between task conflict and perceived group performance, the multiple regression analysis failed to indicate that this relationship existed. Thus, Hypothesis 3 was not supported by the data.

### CONCLUSION

This study empirically investigated the relationship among three types of intra-group conflict and perceived group performance in culturally diverse work groups. Significant positive relationships were found between conflict and perceived group performance in culturally diverse work groups. While task conflict was positively related to perceived group performance, process conflict was found to be negatively related to perceived group performance in culturally diverse work groups. The present study did not confirm a negative relation between the relationship type of conflict and perceived performance in culturally diverse work groups.

*[References available upon the request]*

# ORGANIZATIONAL IMPLICATIONS OF FREQUENT SMOKING BREAKS: AN OBSERVATIONAL STUDY

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**Thuc Trinh "Lee" Loung, University of South Dakota**

**Chet Barney, University of South Dakota**

## ABSTRACT

*Much has been publicized demonstrating that smoking is hazardous to the tobacco user's health, yet much is still unknown about the hazards smoking has on an organization itself. Commonly, the physical location where smoking is allowed has diminished, thus causing smokers to travel varying distances to smoke a cigarette. Every time an employee leaves the workplace to smoke there are two organizational questions that arise. First, when employees take smoking breaks, are they harming their organization? Second, how do smoke breaks affect fellow employees? In order to address these questions, we engaged two forms of research; a literature review on the subject matter, in conjunction with a qualitative, participant observational study of employees who smoke.*

*Based upon our findings, the typical smoker, working full time, takes an additional three breaks per day to smoke. The time involved with those breaks are more substantial than simply smoking a cigarette. Based upon our observations at a large pharmaceutical printing company in the Northern Midwest United States, it takes on average one to two minutes to coordinate with coworkers that a break is needed. Thirty seconds to two minutes to dress for the weather; winter time takes longer due to the need for additional apparel such as scarves, hats, and gloves. The physical act of smoking takes five to seven minutes; the more colleagues who join the break, the longer the smoking sessions will last. Finally, traveling back to the workstation typically takes one to two minutes. Total time used averages between ten to seventeen minutes. Our findings indicate that a smoker who works the typical 2,000 hours a year incurs more than 100 more hours of additional breaks than a non-smoking colleague, which translates to decreased productivity and a loss of substantial manpower to the organization, as well as resentment by coworkers who have to pick up the slack. Nevertheless, past research demonstrates that employees who take frequent breaks are more focused while conducting actual work; therefore organizations should be aware of the pros and cons of frequent smoking breaks.*

# **CULTURAL DIVERSITY AS A MECHANISM FOR INNOVATION: WORKPLACE DIVERSITY AND THE ABSORPTIVE CAPACITY FRAMEWORK**

**Jason Lambert, Saint Xavier University**

## **ABSTRACT**

*Innovation cannot exist in the absence of creativity (Basset-Jones, 2005). Furthermore, creative behavior may be considered a subset of innovative behavior (Yuan & Woodman, 2010), as innovation involves both generating and implementing new ideas (Woodman, Sawyer, & Griffin, 1993). Although there is theoretical support (Cox & Blake, 1991; Jackson, 1992) and empirical evidence demonstrating that cultural diversity impacts organizational creativity (McLeod, Lobel, & Cox, 1996) and performance (Dezso & Ross, 2012; Richard, 2000; Richard, McMillan, Chadwick, & Dwyer, 2003), there are inconclusive results linking diversity with firm innovation (Horwitz & Horwitz, 2007). Knowing from prior research that diversity relates to creativity (McLeod et al., 1996; Watson, Kumar, & Michaelsen, 1993), a subset of innovation, it should logically follow that diversity plays a role in how firms become innovative. However, there is a dearth of empirical evidence and theoretical grounding to support this claim.*

*Defined as the ability of an organization to acquire, assimilate, and exploit information to commercial ends (Cohen & Levinthal, 1990), the absorptive capacity (ACAP) of a firm is related to the effectiveness of its deployed innovation strategies. The innovative capability of an organization is a result of its level of absorptive capacity (ACAP) which has been linked to firm performance. There is limited research concerning how firm capabilities for innovation are derived from organizational learning and employees' knowledge. However, it is important to recognize that firms can be conceptualized as being comprised of social actors, each with potentially strategic added value to the firm (Branco & Rodrigues, 2006). Organizational actors may include top management teams, the CEO, or even employees at the lower levels of the firm governed by control mechanisms which may include policies, procedures, and differing organizational climates.*

*The theoretical framework developed proposes that the implementation of programs and policy structures that support organizational diversity and organizational actors enhance the ACAP of firms allowing them to perform better. This is due in part because (1) the translation of useful information is more accessible because minority employees feel less alienated in an inclusive work environment, and (2) the diversity-creativity linkage resulting from diversity being properly managed allows for more innovative opportunities to be recognized by the firm. In other words, furthering the prior research that investigates the effect of employee diversity on firm outcomes, I posit that the effective management of a diverse workforce is equally, if not more, important than the mere presence of diversity for innovation to flourish. This is because it creates an organic environment conducive for organizational learning and improved performance through which creativity and innovation can thrive. Using a multi-level perspective, I propose a framework that integrates individual-, group-, and firm- level research regarding the relationship*

*between diversity, creativity, and innovation. This study extends previous research concerning the impact of organizational diversity on firm performance by (1) conceptualizing how the diversity – creativity relationship can be used by firms to harness innovation, (2) examining the role that best management practices play regarding the diversity-innovation relationship, and (3) developing a comprehensive theoretical framework for future research that describes the relationship between diversity management practices and firm-level innovation.*

# **ORGANIZATIONAL CREATIVITY AND THE TOP MANAGEMENT TEAM (TMT): AN INTERACTIONIST PERSPECTIVE**

**Eleanor T. Lawrence, Nova Southeastern University**  
**Leslie Cauthen Tworoger, Nova Southeastern University**  
**Cynthia P. Ruppel, Nova Southeastern University**

## **ABSTRACT**

*This study examines organizational creativity of the top management team (TMT) at the individual and group levels and the organizational context. The emphasis of the study is on the constellation of personality traits and behaviors at the (TMT) which facilitate and foster organizational creativity. This study increases our understanding of the interaction between specific characteristics of the person, group, and contextual factors that contribute to a creative global organization. The findings highlight the importance of individual and team personality in the design and reinforcement of a creative organizational business environment. The study demonstrates creativity at the organizational level influenced by creative leader personalities stimulates creativity; encourages the development of new ideas; supports innovation through creativity by encouraging vision, recognition for creative work and norms of actively sharing ideas across the organization. The study enhances our knowledge about the interaction of the competencies of a creative leader and a creative organization in a global, knowledge-based economy.*

In the global economy there is increasing recognition that a creative work force is a competitive advantage (Agars, Kaufman, Deane, & Smith, 2012). It is increasingly important for a business to create unique products, services and use innovative processes to gain competitive advantages (Gates, 2010; Ford, 1999). “Rising complexity leads CEOs from around the world to cite creativity as a way to capitalize on the future of business” (Nancherla, 2010, p. 26). Creativity is a driving and a constraining force facing businesses today given economic conditions. “Yet, past history also shows that the greatest innovation can come during periods of severe economic stress” (Jaruzelski & Holmes, 2009, p. 2). Executives must be able to develop creative approaches to meet the strategic and operational demands to ensure the viability of the firm. Organizations feel increasing pressure to be creative and innovative on an ongoing basis to gain a competitive advantage and ensure their long-term survival. According to Munroe (2011), “there is a wide agreement that innovation is the best way to sustain economic prosperity. Innovation increases productivity, and productivity increases the possibility of higher income, higher profits, new jobs, new products, and a prosperous economy. Once you open the curtains to the world economy, you see the sunlight. It's not all cloudy. We need to transform smart ideas that tackle and address real problems into products and services that everybody wants.” (para 23) From a business perspective linking the two constructs of creativity and innovation together makes sense as “creativity for its own sake has minimal value (Agars et al., 2012).

It is a priority for an organization to encourage creativity and by extension innovation as keys to long term success. Creativity or the ability to encourage and recognize creativity as a leadership quality is stressed across geographic locations and industries (Gumusluoglu and Ilsev, 2009). Leadership provides a solid foundation to influence creativity and innovative leaders behave differently (Dyer, Gregersen, & Christensen, 2009). However, predicting creativity at the organization level is a complex topic that psychologists and organizational scientists have studied for years. Researchers have approached the topic from multiple viewpoints i.e., differences in individual cognitive ability, personality, motivation and social perspectives (Guilford, 1967; McCrae, 1987; Amabile, 1983; Perry-Smith & Shalley, 2003). Amabile's (1988) componential theory looked at the influences on creativity - three within-individual components: domain-relevant skills, creativity-relevant processes (cognitive and personality processes conducive to novel thinking), and task motivation; one outside the individual component, the surrounding environment also called the social environment. Amabile (2012) specifies that creativity requires a confluence of all components. Creativity is highest when an intrinsically motivated person with high domain expertise and high skill in creative thinking works in an environment that supports creativity (Amabile, 2012). It remains a challenge to identify which definitions and which lessons are appropriate to apply from the general creativity literature to the business setting (Agars et al., 2012).

## **PURPOSE**

This study, conducted in the natural organizational setting, examines the personality of the TMT and the context of the social environment inside an organization and how the interaction fosters creativity. "Although the experimental research is important in establishing causal connections between the social environment, motivation and creativity, the most directly relevant information comes from interview and survey studies within corporations" (Amabile, 1997, p. 46). Barron and Harrington (1981) noted the need for but recognized the difficulty of gathering "rich psychological data on creative individuals" (p. 466). This study provides such data concerning the top management team at the individual and group level, as well as the organizational context they provide in an organization recognized as a creative company.

## **Research Questions**

This study examines the premise of organizational creativity as a complex interaction of the creativity of the individual, group, and larger organization levels with an emphasis on the personality of the TMT. This work addresses previous calls for research into the dynamic interaction of individual characteristics, group characteristics, and organizational characteristics, creative behaviors, and creative situations to better explain creativity in the business setting.

### **Research Question One**

Among the members of the TMT what individual level leadership personality traits and behaviors foster creativity?

Personality is one of the elements that can explain some aspects of creativity. Such individual characteristics influence creativity at the group level. Special qualities include curiosity, ambition, and risk orientation (Amabile, 1988; Woodman, Sawyer, & Griffin, 1993).

### **Research Question Two**

What qualities of the TMT enhance creativity at the group level?

Creativity is enhanced in an environment that promotes free exchange of ideas and information where risk taking is encouraged and supported. Influence processes used by group leaders can influence creativity (Amabile, 1988; Woodman et al., 1993).

### **Research Question Three**

Does creativity at the individual and TMT level contribute to creative performance outcomes at the organizational level?

The creative performance of an organization is influenced by the creative performance of its constituent groups which enhance creativity. Creativity relevant personality and behavior characteristics are the foundation for the interactionist and componential model of creativity stating the each level of creativity is needed for creativity to be produced at the organizational level (Amabile, 1988).

# **DYNAMIC ORGANIZATIONAL LEARNING STRATEGY AND FIRM SURVIVAL: A CONCEPTUAL MODEL**

**Kantheera Namwong, Mahasarakham University, Thailand  
Prathanporn Jhundra-indra, Mahasarakham University, Thailand  
Saranya Raksong, Mahasarakham University, Thailand**

## **ABSTRACT**

*In the increasing complexity of the global competitive environment, many firms are affected by the macro environmental factors, including the threat of substitute products, established competitors, new entrants, the bargaining power of suppliers and customers. Managers need to study and formulate strategies to adapt and cope with the intense competition at present. Thus, the best way for the survival and growth of the firm often depends on their ability to create and develop their strategies in dealing with the operations of the organization. This paper integrates insights from the perspectives of both organizational learning and strategic management to gain a sustainable competitive advantage and firm survival. Dynamic organizational learning strategy is an instrument for creating unique capability. It is comprised of five dimensions: continuous open-mindedness orientation, dynamic shared-knowledge focus, flexible business experimentation concern, advanced managerial commitment awareness, and adaptive system perspective emphasis. It proposes that organizational creativity, organizational flexibility, organizational innovation, business competitiveness, and firm success of the firm are driven, in part, by superior organization capabilities. It proposes a conceptual model which draws from the organizational learning theory with a dynamic capabilities perspective as underpinnings, and describes the links between dynamic organizational learning strategy, organizational creativity, organizational flexibility, organizational innovation, business competitiveness, firm success, and firm survival. These researches are discussion of the theoretical and managerial contributions, practical implications, and future research direction is also presented.*

**Keywords:** *Organizational Learning, Dynamic Capability, Organizational Creativity, Organizational Flexibility, Organizational Innovation, Business Competitiveness, Firm Success, Firm Survival*

## **INTRODUCTION**

In the increasing complexity of the global competitive environment, many firms are affected by the macro environmental factors, including the threat of substitute products, established competitors, new entrants, the bargaining power of suppliers and customers (Porter, 1990). The growing liberalization and integration of worldwide trading systems, the pervasive developments in communications technology and globalization, cause a rapid transformation of the global business arena (Lee & Habte-Giorgis, 2004). Managers need to study and formulate strategies to adapt and cope with the intense competition at present, because they will have to fight with rivals who have it already, they also have to contend with new competitors who are

trying to enter the market and there are many factors that organizations cannot control. Moreover, the changing in the external environment consists of global competition, rapid information transfer, economic challenge, and advanced technologies may provide advantages or disadvantage outcome to the firms (Pansuppawatt & Ussahawanitchakit, 2011).

Therefore, the best way for the growth and survival of the firm often depends on their ability to create and develop their strategies in dealing with the operations of the organization (Ussahawanitchakit, 2007). Especially, the organizational learning is strategically important to sustainable competitive advantage and firm survival (Zahra, 2012). Organizational learning is an important strategic capability for explaining why the firm has achieved over its competitors (Bapuji & Crossan, 2004). Organizational learning may be the organization's capabilities to create superior customer value in the long-term. It helps to continuously adapt to rapidly changing market demands, this is true dynamic capabilities (Kandemir & Hult, 2005). The study of the relationship between organizational learning and organizational strategy is to be considered, that organizational learning is a strategic design that is important capability of an organization, and includes the implementation of an effective competitive strategy (Dawson, 2000). Organizational learning is the capability to respond quickly, highly effective and constantly changing business environment is associated with the implementation of the strategy (Beer et al., 2005).

Thus, organizational learning is considered a dynamic capability in which one of the important basics is that the firm has to continue to use a strategy that leads to the use of the opportunity for the environment and avoids threats (Barney, 1991). Hence, it is emphasized that consideration of organizational learning is the dynamic capability that can be done in an environment that is changing rapidly and efficiently (Madhavaram & Hunt, 2008). The current literature on organizational learning has not reached its potential in influencing strategic management. It is loosely inconsistent, connected, and based on different definitions of organizational learning. Such as, the organizational learning is an important tool in the modern markets to provide customer value and to improve organizational performance by means of efficient competitive strategy design and flexible adaptation to rapid market evolution (Santos-Vijande, Lopez-Sanchez & Trespalacios, 2012). In the relationship of exploration and exploitation strategies to organizational learning orientation and finds this relationship to be significant in all cases (Javier, Leopoldo & Antonia, 2014). Also the few attempts to incorporate strategic perspective into organizational learning literature have been mostly unsuccessful.

This paper tries to extend the literature by using the organizational learning theory (Fiol & Lyles, 1985) as theoretical underpinnings, to describe the dimension of dynamic organizational learning strategy. It is also linked to organizational creativity, organizational flexibility, organizational innovation, business competitiveness, firm success, and firm survival (Zahra, 2012; Bapuji & Crossan, 2004; Kandemir & Hult, 2005). Next, relevant literature is reviewed.

## **LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK**

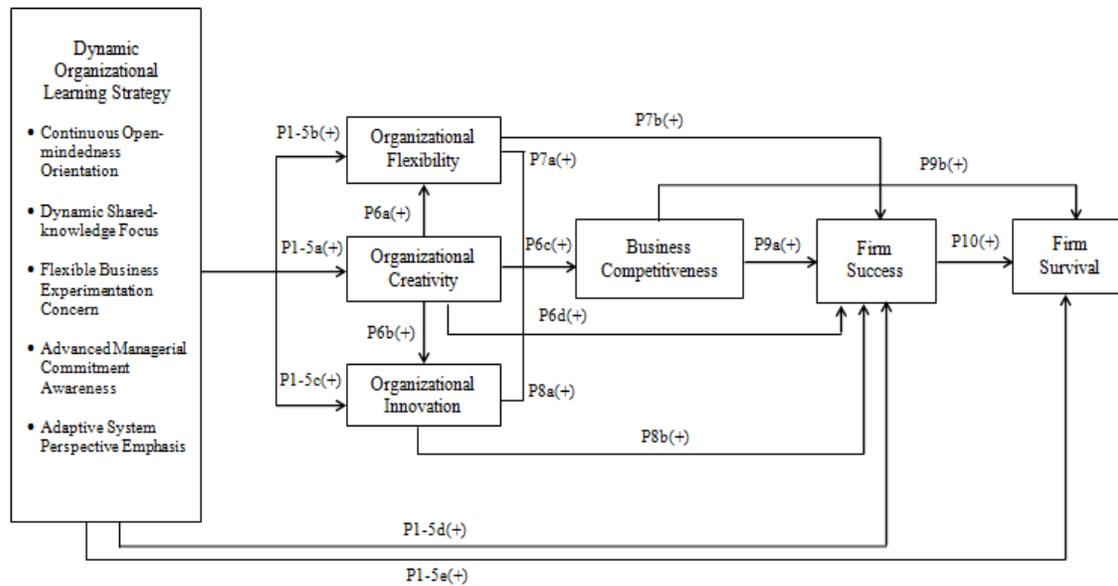
The conceptual model in figure1 shows the effect of five dimensions of dynamic organizational learning strategy that influence organizational creativity, organizational flexibility, organizational innovation, business competitiveness, and firm success on firm survival. Especially, a crucial construct a dynamic organizational learning strategy is considered a dynamic capability in which one of the important basics is that the firm has to continue to use a strategy that leads to the use of the opportunity for the environment and avoids threats (Barney,

1991). Next, the study describes the theory associated with the relationships between the constructs.

Organizational learning is acquiring organization skills, creating and modifying its behavior and transferring knowledge, to reflect knowledge and insights (Garvin, 1993). Organizations may be able to learn independently of any specific individual, but not independent of all individuals. Organizational learning is thus affected either directly or indirectly by individual learning (Kim, 1993). Organizational learning that represents changing associations, frames of reference, and programs requires a methodology that demands a more in-depth at the function of the organization (Fiol & Lyles, 1985). Organizational learning is the attention focused on the intangible resources, especially knowledge, which is considered as the most strategically significant resources of the firm in the determination of competitive advantage (Hoskisson et al., 1999). Organizational learning is multifaceted and its breadth, depth, and speed can have different implications. Breadth refers to the variety of fields and areas in which the firm acquires and masters underlying knowledge bases and structures. As with individuals, firms vary in their interest in exploring and mastering different areas. Depth refers to the extent of a firm mastery of the knowledge that it develops internally or receives from external sources. Mastery becomes evident in the firm's ability on drawing new conclusions and makes new connections among diverse knowledge bases. Speed is the quickness of the firm in acquiring, processing, and understanding the knowledge gained from internal and external sources (Huber, 1991). Moreover, organizational learning is the development of new knowledge or insights that have the potential to influence behavior, and focus on the discovery of new knowledge or practices designed to create performance-enhancing organizational changes (Slater & Nerver, 1995). Meanwhile, organizational learning is the process of understanding and gaining new insights is at the core of organizational learning, and enables firms to create capabilities for competitive strategies, collective actions that lead to new products, procedures, systems, or strategies (Lukas, Hult & Ferrell, 1996; Grant, 1996; Crossan, Lane & White, 1999).

This theoretical perspective provides a viewpoint on the transfer, creation, and application of learning (Morgan, 2004). The firms will develop new knowledge from currently known about products, technologies, and capabilities (Vorhies, Orr & Bush, 2011). The organizational learning theory is applied to explain the phenomenon in this research for the complete explanation and backup of the dimensions of dynamic organizational learning strategy as well. Hence, these theories illustrate the relationships of dynamic organizational learning strategy between its consequence variables as displayed in figure 1.

**Figure1**  
**CONCEPTUAL MODEL OF THE RELATIONSHIPS AMONG DYNAMIC ORGANIZATIONAL LEARNING STRATEGY AND FIRM SURVIVAL**



**Continuous Open-mindedness Orientation**

The open-mindedness has taken place in the field of the philosophy of education, rather than in epistemology. A person who is open-mindedness is disposed to revise or reject the position he holds if sound objections are brought against it. The open-mindedness of people in the organization allows the ability to learn many aspects such as the breadth, depth, and speed, and the continuous learning promotes organizational success and survival (Huber, 1991). A climate of openness welcomes the arrival of new ideas and points of view, both external and internal, allowing individual knowledge to be constantly renewed, improved, and widened (Senge, 1990; Slocum, McGill & Lei, 1994; Sinkula, 1994). Organizational learning as a dynamic process, reveals the interactions between openness, experimentation, integration, and knowledge transfer (Huber, 1991). Organizational learning is important for successful organizational adaptation, survival, and successful performance (Argote, 1999; Brown & Duguid, 2001; Burgelman & Grove, 2007; Fiol & Lyles, 1985). It generates new knowledge for building new skills and capabilities that could lead to competitive advantage (Chirico, 2008; Zahra, Neubaum & Larrenta, 2007). Learning is promoted entrepreneurial activities by enabling firms to innovate, create new business, and renew their operations (Zahra, 2008). Thus, the continuous open-mindedness orientation refers to an openness and willingness to accept new ideas and perspectives, both outside and inside the organization. It will allow individual knowledge to be renewed constantly, increased, and improved (Senge, 1990; Sinkula, 1994).

In summary, for many firms concerned with dynamic organizational learning strategy, it is necessary to integrate several sources in order to create potential competitiveness. Ultimately it leads to achieving organizational creativity through organizational flexibility and organizational

innovation. Thus, its outcome will lead to firm success, and firm survival. Hence, from the reasons mentioned above, this leads to the proposition as follows:

*P1: Continuous open-mindedness orientation has a positive influence on (a) organizational creativity, (b) organizational flexibility, (c) organizational innovation, (d) firm success, and (e) firm survival.*

### **Dynamic Shared-knowledge Focus**

Shared-knowledge is the internal spreading of knowledge acquired mainly through conversations at the individual level, and interaction among individuals, and the exchange of knowledge between and within teams and individuals, organizational units, and organizations (Brown & Duguid, 2001; Kofman & Senge, 1993; Paulin & Suneson, 2012). Shared-knowledge is regarded to debate and dialogue, personnel meetings and work teams can be ideal forums in which to openly share ideas (Nonaka, 1994; Slater & Narver, 1995). Organizations wishing to make their knowledge management strategy a success need to pay attention to organizational and technological for shared-knowledge (Riege, 2007).

The sharing of knowledge is a need for this form of interaction, it must be expressed in words or symbols that are common to the social such a shared language can facilitate knowledge transfer as well as create a positive social influence process (Nelson, 1996). Shared-knowledge also facilitates communication between operational managers with higher shared-knowledge, they will be able to form effective partnerships that enable them to learn about different aspects of the organization's business strategies (Elbashir et al., 2013).

Dynamic shared-knowledge focus is an organizational learning that is important to firm success and firm survival (Argote, 1999; Brown & Duguid, 2001). It generates new knowledge for building new skills and capabilities that could lead to competitive advantage (Chirico, 2008; Zahra, Neubaum & Larrenta, 2007). Learning also promotes entrepreneurial activities by enabling companies to innovate, create new business, and renew their operations (Zahra, 2008). Therefore, dynamic shared-knowledge focus refers to continuous distributed, published, or transferred knowledge throughout the organization, through conferences, panel discussions, workshops, and informal interaction between the individuals in the organization (Koffman & Senge, 1993; Day, 1994). Thus, from the reasons mentioned above, this leads to the proposition as follows:

*P2: Dynamic shared-knowledge focus has a positive influence on (a) organizational creativity, (b) organizational flexibility, (c) organizational innovation, (d) firm success, and (e) firm survival.*

### **Flexible Business Experimentation Concern**

Experimentation is an essential aspect for generative learning inasmuch as it implies the search for flexibility has solutions to current and future problems, based on the possible use of different procedures and methods (Leonard-Barton, 1992; Garvin, 1993). Experimentation must have a culture that promotes the ability of enterprising, creativity, and the readiness to take controlled risks, supporting the idea that we can learn from their mistakes (Slocum, McGill & Lei, 1994; Slater & Narver, 1995).

Business experimentation is a dynamic organizational learning which can rapidly change in the current business environment. Thus, the flexible business experimentation concern refers to the innovative search on how to solve business problems currently and in the future, that

are modified at any time. It is based on the use of the method and different stages (Shimizu & Hitt, 2004).

Some researchers argue that organizational learning can strengthen a firm's ability to recognize opportunities, to achieve continuous alignment and to pursue new ventures effectively with its environment (Beer et al., 2005; Lumpkin & Lichtenstein, 2005). Organizational learning is important for success organization, survival, and generates new knowledge for building new idea, skills and capabilities that lead to competitive advantage (Argote, 1999; Brown & Duguid, 2001; Chirico, 2008; Zahra, Neubaum & Larrenta, 2007). Hence, from the reasons mentioned above, this leads to the proposition as follows:

*P3: Flexible business experimentation concern has a positive influence on (a) organizational creativity, (b) organizational flexibility, (c) organizational innovation, (d) firm success, and (e) firm survival.*

### **Advanced Managerial Commitment Awareness**

Management should be aware of the relevance of learning, the development of a culture that promotes the creation and transfer of knowledge as fundamental values (Stata, 1989; McGill, Slocum & Lei, 1992). Management should have a clear strategic view of learning, making it a valuable tool and influence on the obtaining of long term results (Ulrich, Jick & Von, 1993; Slocum, McGill & Lei, 1994). Similarly, management should ensure that firm's employees understand the importance of learning and participate in the success of their, considering it an active part in the organization's success (Senge, 1990; Slater & Narver, 1995).

Continuance commitment is expected to have little, or even a negative, impact of these behaviors. The importance of affective commitment by explaining that employees with a strong affective commitment would be motivated to higher levels of performance and make more meaningful contributions than employees who expressed continuance or normative commitment (Meyer & Allen, 1997).

Managerial commitment is engaging in and maintaining behaviors that help others achieve a goal (Cooper, 2006). Managerial commitment is the relative strength of a person in an organization with a strong belief and acceptance of the organization's goals and values, a willingness to exert a considerable effort on behalf of the organization, and a strong intent or desire to remain with the organization (Mowday, Porter & Steers, 1982). Managerial commitment is positively related to job performance (Konovsky & Cropanzano, 1991). The employees who committed to their organizations are more likely to remain with the organization, and likely to exert more effort on behalf of the organization and work towards its success and should show better performance than the uncommitted employees (Konovsky & Cropanzano, 1991).

Therefore, advanced managerial commitment awareness refers to the process of developing an organization that will allow the organization to create a new working model by itself, facing new challenges. It is eliminating old beliefs inconsistent with the current situation, as well as promoting the development of skill, creating, and relaying knowledge that is fundamental values (Stata, 1989; McGill, Slocum & Lei, 1992; Garvin, 1993; Nonaka, 1994). From the reasons mentioned above, this leads to the proposition as follows:

*P4: Advanced managerial commitment awareness has a positive influence on (a) organizational creativity, (b) organizational flexibility, (c) organizational innovation, (d) firm success, and (e) firm survival.*

## **Adaptive System Perspective Emphasis**

Systems perspective entails bringing the organization's members together (Senge, 1990; Sinkula, 1994). The various individuals, areas, and departments of the firm should have a clear and understanding of how they can help in their development (Hult & Ferrell, 1997; Lei, Slocum & Pitts, 1999). A system perspective occurs within the organization to encourage the learning of people within the organization, and become the organizational learning which is important to shared-knowledge, perceptions, and belief. It will be enhanced by the existence of joint action by all the individuals involved and a common language in the process. Thus, the presence of common language knowledge integration is a crucial aspect in the development of organizational learning (Grant, 1996).

Organizational learning is important for a successful organization, survival, and successful performance (Argote, 1999). Organizational learning generates new knowledge for building new skills and capabilities that could lead to competitive advantage (Chirico, 2008; Zahra, Neubaum & Larrenta, 2007). Organizational learning as a dynamic process, reveals the interactions between openness, experimentation, knowledge transfer, and integration. To ensure the effective development of organizational learning, the knowledge acquired and created on an individual level has to be transferred and integrated into the organization (Huber, 1991). Thus, adaptive system perspective emphasis refers to the sum of all the organization's membership together, acting in a coordinated manner. It is recognizing the importance of the relationship that is based on the exchange of information and services. This will lead to the development of new ideas, skills, including the development of outstanding innovation within the organization (Senge, 1990; Sinkula, 1994). Hence, from the reasons mentioned above, this leads to the proposition as follows:

*P5: Adaptive system perspective emphasis has a positive influence on (a) organizational creativity, (b) organizational flexibility, (c) organizational innovation, (d) firm success, and (e) firm survival.*

## **Organizational Creativity**

Organizational creativity refers to the development of ideas that are both useful and novel concerning products, processes, and procedures at work, either in the short or the long-term (Amabile, 1979; Oldham & Cummings, 1997). In addition, organizational creativity means the creation of a valuable idea, service, useful new product, procedure, or process by individuals working together in a complex social system (Woodman, Sawyer & Griffin, 1993). Some previous research indicates that a dimension of organizational creativity consists of a creative process, product, person, and situation; and that each of these elements interacts with one another (Brown, 1989; Harrington, 1990). Creativity is an instrument for solving complex organizational problems and producing innovative solutions (Paper & Johnson, 1997). Creativity is the process by which teams or individuals produce a useful or novel idea (Greenberg & Baron, 2003). Creativity the generation of novel and proper ideas, products, processes, or solutions that are useful or appropriate to the situation (Thatcher & Brown, 2010).

Organizational creativity is contributing to the exchange of information and knowledge, increasing flexibility within the organization and for providing standard or customized services to clients (Schoemaker, 2003). Organizational creativity needs to be flexible while not only controlling entrepreneurial risk, but also provide the freedom to search for new knowledge through experimentation and learning. The original output will be the outcome of internal

processes of communication. They need to be an organizational flexible ring true in that good practice will promote creativity, best practices may discourage them for optimum arrangements circumstances change (Patterson & Scotia, 2010).

Thus, organizational creativity, derived from the notion of novelty, newness, and originality in the areas of product, technology, process, and management (Styhre, 2006). In addition, employee creativity not only is an important source of competitive advantage, but also create organizational innovation (Zhou and Li, 2010). Hence, from the reasons mentioned above, this leads to the proposition as follows:

*P6: Organizational creativity has a positive influence on (a) organizational flexibility, (b) organizational innovation, (c) business competitiveness, and (d) firm success.*

### **Organizational Flexibility**

Organizational flexibility refers to the act or reacts quickly in a changing competitive environment of the organization, and it responds with a new strategy in a proactive manner to the market opportunities and threats without obligation (Shimizu & Hitt, 2004). Organizational flexibility is that which understands the essence of change. To adapt to nowadays business environmental changes, the organization must be led by managers with strategic vision and human resources with multiple competencies, performance technologies, material and financial resources, and a flexible management system, as well as an organizational change oriented culture (Ionescu, Cornescu & Druica, 2012). To maintain economic and social efficient area, firms must show flexibility, to adopt proactive business strategies and fundamental, with initiation processes and periodical implementation of adequate organizational change (Bacanu, 2006).

On a strategic level, flexibility supposes permanent improvement of process and activities in obtaining sustainable competitive advantages (Matthyssens, Pauwels & Vandenbemt, 2005). Thus, organizational flexibility, particularly strategic one, directs the operation of the organization, conditioning decisively its long-term performance (Nadkarni & Naraynan, 2007). In the area of management, literature should recognize more flexibility issues in general and the strategic, and provide an important area of research (Nadkarni & Hermann, 2010). Organizational learning is allowing greater strategic flexibility to neutralize environmental threats, even to shape the market evolution and take advantage of market opportunities (Argyris & Schon, 1978). Organizational learning enables firms to attain a sustainable competitive advantage by improving organizational information processing activities, which allows more effective and faster adjustment to market conditions and changing environments than the competition (Dickson, Farris & Verbeke, 2001). Hence, from the reasons mentioned above, this leads to the proposition as follows:

*P7: Organizational flexibility has a positive influence on (a) business competitiveness, and (b) firm success.*

### **Organizational Innovation**

Organizational innovation refers to an adoption of purchasing a device or an internally generated policy, system, program, product, process, or new methods of the adopting organization, and new service of organization for business management in the workplace and in the relationship between firms and external agents. Innovation is a result of knowledge

enhancement responding and implemented for creativity in the organization (Damanpour, 1991; Cheung et al., 2006). Innovation derives from the successful implementation of creative ideas within an organization (Amabile et al., 1996). Besides, value innovation or strategic innovation became a focal variable underpinning the creation of competitive advantage (Baden-Fuller & Pitt, 1996). Innovation is defined as an original idea for establishing products, processes, and systems which derive from an individual, a group of people, firms, an industrial sector, or society as a whole (Vakola & Rezgui, 2000).

Scholars mention innovation as the process leading to a competitive advantage (Branzei & Vertinsky, 2006). Innovation has become a strategy used to provide opportunities in global competitive markets, and achieve competitive advantage, because the competitive advantage is provided by the ability to develop innovation (McAdam & McClelland, 2002). The impact of different innovation capabilities can be reflected by product innovation performance that improves via quality systems and organizational creativity. Thus, process innovation can improve productivity (Chakrabarti, 1990). Firms with great innovative capabilities tend to obtain opportunities in product development and market development; and in turn, generate different new products (Atzei et al., 1999). Furthermore, prior research indicates that the high levels of organizational creativity are a significant factor of superior innovation performance (Bharadwaj & Menon, 2000). Hence, from the reasons mentioned above, this leads to the proposition as follows:

*P8: Organizational innovation has a positive influence on (a) business competitiveness, and (b) firm success.*

### **Business Competitiveness**

Business competitiveness refers to the process of providing products and services more effectively and efficiently than the relevant competitors for sustained success in markets without protection (Blunck, 2006). Businesses are the strategic management ability to fit with the integration of new resources, restructuring both inside skill and outside skill of organizations to meet the changing needs of the environment with rapid variability (Teece, Pisano & Shuen, 1997). Business competitiveness is the firm's resources and capabilities that provide benefits, while other firms that do not take advantage of those resources and capabilities through quality, price, cost, delivery reliability, time and product innovation (Lee & Wilhelm, 2010). In the general, competitiveness usually refers to advantage obtained through superior productivity, include firm profitability, the firm's export quotient, and regional or global market share (Blunck, 2006).

Competitive advantage of business is composed of quality advantage, innovation advantage, price advantage and transport advantage. In addition, competitive advantage is valuable strategy-building over the competition (Porter, 1985). Productivity is affected acknowledgement of customers and customer satisfaction, and can increase incomes of the firm and, hence, leads firms to sustainable success. Thus, customer satisfaction affects favorable prices and competitive advantage. Competitive advantage affects firm successes and firm survival (Bharadwaj & Menon, 2000; Porter, 1985). Hence, from the reasons mentioned above, this leads to the proposition as follows:

*P9: Business competitiveness has a positive influence on (a) firm success, and (b) firm survival.*

## **Firm Success**

Firm success refers to the achievement of goals and performance of the organization. It has the ability to retain customers, and excellence in the innovation, operations, and finance (Mohrman, Finegold & Mohrman, 2003). In addition, firm success also that a capability of achieving the firm's objectives in terms of overall performance, including four main perspectives: internal business processes, finances, customers, and learning and growth. Four items are concerned the continuous growth rate of assets, sales, and profit; as well as the continuous increase of market share and new customers (Scott & Bruce, 1994). Firm success is the assessment of firm performance, which is successful in several aspects, and the potential for achieving an organization's objectives in various outcomes, including the finances, internal business processes, learning, and customers (Cadez & Guilding, 2008; Chalatharawat & Ussahawanitchakit, 2009). Components of firm success are the collected data from customer satisfaction surveys, sales volume, market share, return on investment, product quality improvement, and profitability (Cadez & Guilding, 2008).

Firm success is related to strategies, a capability which needs to manage firm performance or survival in a highly competitive situation (Mohrman, Finegold & Mohrman, 2003). Previous research has shown an interest in understanding the factors that influence a firm's ability to survive through business success. Accordingly, the determinants of firm successes and firm survival have been the focus of much research. Thus, the successful organization has a long-run performance over its rivals. Hence, from the reasons mentioned above, this leads to the proposition as follows:

*P10: Firm success has a positive influence on firm survival.*

## **Firm Survival**

Firm survival refers to the status of the organization that has gained a satisfactory performance in the past, continues to the present, and is expected to extend to be better in the future. Firm survival requires maintaining a balance between stability and flexibility within the external environment (Boal & Schultz, 2007). Firms must include the ability of the organization and organizational innovation to ensure the survival of the organization that will continue into the long-term. Moreover, many studies describe survival as the approaches, or strategies that firms must have to integrate their business innovation and organizational capabilities, to ensure corporate survival in a long-run operation (Pansuppawatt & Ussahawanitchakit, 2011).

## **CONTRIBUTIONS**

### **Theoretical Contribution**

This conceptual paper aims to explain the theory associated with how a firm can sustain a competitive advantage and survive in a fluctuating business environment. In linking organizational learning theory, firms must show growth in order to survive and are also required to enhance the organization's ability to innovate and survive during different times of crisis. It also proposes a clearer understanding of the relationships among the five dimensions of dynamic organizational learning strategy and firm survival via organizational creativity, organizational flexibility, organizational innovation, business competitiveness, and firm success. This can be

tested by an empirical approach to validate the relationships of the propositions presented in this paper.

### **Managerial Contribution**

This study aims to examine and explain how the development of new dimensions of dynamic organizational learning strategy is different from those in the past. It provides evidence that can benefit the decision-making of the managing director or managing partner with a dynamic organizational learning strategy to attain and sustain a competitive advantage. In addition, it can help them to identify and justify crucial components that may be more advantageous with a rigorously competitive advantage. In realizing a dynamic organizational learning strategy can enable them to attain organizational creativity, organizational flexibility, organizational innovation, business competitiveness, and firm success which may influence the firm's ability to survive in the long term.

### **SUGGESTIONS AND FUTURE RESEARCH DIRECTIONS**

This conceptual paper can be tested by the empirical approach. Future extension of this study should consider specific industries such as instant foods and convenience foods businesses and, information and communication technology. Different national settings (for instance, Thailand and China) lend to validate the propositions.

### **CONCLUSIONS**

This conceptual paper aims to create and develop strategies in dealing with the operations of the organization in the fluctuation of business environments. Especially, the organizational learning is strategically important in sustaining a competitive advantage and firm survival. While, the dynamic organizational learning strategy has a substantive capability to cope with this situation, it also has influences among organizational creativity, organizational flexibility, organizational innovation, business competitiveness, firm success, and firm survival. These are explained by organizational learning theory. Especially, firms can develop dynamic organizational learning strategies in terms of new approaches to gain a sustainable competitive advantage in the long term.

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# EXAMINING THE RELATIONSHIP BETWEEN COURSE ATTRIBUTES AND STUDENT COURSE EVALUATIONS

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## ABSTRACT

*Virtually all college instructors are subject to some form of student evaluation system. These systems typically involve some form of overall criterion measure, accompanied by diagnostic measures. While the proprietors of these testing systems vigorously defend the validity and reliability of their systems, they continue to be assailed for not adequately taking certain course attributes into account. A list of potential course attributes includes:*

- 1) *Whether the course is taught face-to-face vs. online,*
- 2) *If taught online, the experience level of the online instructor,*
- 3) *The level of the course: Doctoral, graduate, or undergraduate,*
- 4) *The subject matter: Science, math, etc.,*
- 5) *The size of the class, and*
- 6) *The response rate of the students to the evaluation survey.*

*In this study, student evaluation data for an entire university over a 5-semester period of time is examined to ascertain the relative impact of these courses attributes on the criterion student evaluation measure. Data were collected between 2013 and 2015, and include over 11,000 records. This particular paper examines some of the particular correlations and relationships between both independent and dependent variables, paving the way for the examination of an overall model of what course attributes help best explain student evaluation scores.*

# SURVEYING ORGANIZATIONAL EFFECTIVENESS: A CASE STUDY FROM THE UNITED ARAB EMIRATES

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## ABSTRACT

*This study examined the underlying factors guiding participant responses on a 39-item organizational effectiveness questionnaire administered in an institution of higher education in the United Arab Emirates. The purpose of the study was to identify the primary dimensions shaping employee perceptions of the institution's organizational effectiveness. The study was conducted and the dimensions were identified in support of the organization's continuous quality improvement process with the intent to implement strategies for the improvement of the institution and guide individual component improvement plans.*

*The organizational effectiveness questionnaire was initially developed via utilization of a team of experts to establish content validity then modified to meet the needs of the institution. The study employed quantitative dimension reduction commonly known as factor analysis after compilation of response descriptives. Prior to conducting the dimension reduction techniques the data set was examined to establish reliability, adequacy of sample size and compliance with the expectations traditionally associated with dimension reduction. The reliability of the data set was established with a Cronbach's alpha of 0.981. The sufficiency of the sample size was established with a Kaiser-Meyer-Olkin Measure of Sample Adequacy score of 0.518. The data conformed to all other expectations required for meaningful dimension reduction.*

*The analysis identified 6 underlying factors guiding employee responses to the survey of organizational effectiveness. These underlying factors included: (1) a holistic impression of the organizational effectiveness of the institution, (2) opinion of employee convenience services, (3) views concerning employee involvement, (4) perception of the security and appearance of the campus, (5) opinion regarding the helpfulness of employee support services, and (6) the organization's focus on continuous improvement. Together these dimensions accounted for 81.8% of the variance within the data set.*

*The study concluded that employees held a holistic view of the organizational effectiveness of the institution yet deemed several other issues to be of significant importance. The condition, safety and comfort of the facilities along with the availability of employee support services also played a role in the overall individual impression of the organization's effectiveness. Employees also evaluated the organizational effectiveness of the institution based on the opinion of the organization's commitment to its continuous improvement processes.*

*Accordingly, efforts to enhance perceptions of an organization's effectiveness were encouraged to look beyond the view that responses simply constitute a holistic opinion and recognize the many other issues shaping employee perceptions. The utilization of a multifaceted approach was recommended.*

**Keywords:** *organizational effectiveness, United Arab Emirates, leadership evaluation, underlying factors, impression management*

## INTRODUCTION

The change and improvement process within an organization is influenced by multiple factors. Organizational change has traditionally been considered to be part of a specific change imitative or a continuous quality improvement process (Hay, Busby & Kaufman, 2014; Gage, 2013). Change processes are time and effort intensive, as well as costly. Most organizations eventually run into the question of which costs can provide the biggest return on investments. Sadly, organizational effectiveness has traditionally not been associated with a maximum return on effort and investment. The failure of organizations to view their effectiveness within the holistic context of the overall organizational framework is all too often an acknowledgement of the failure of the organization to directly address the realities of capitalism.

For the purpose of this study a 39-item organizational effectiveness questionnaire was utilized to identify primary dimensions shaping employee perception of the organization's levels of institutional effectiveness. Upon completion of this study 6 dimensions were identified as critical underlying dimensions (factors). Data from this study were collected with the intent of developing and implementing strategies in support of the organization's continuous improvement processes within critical function areas. Findings are also intended to guide individual components in implementing plans for organizational improvement (Rashidi, 2015). Thus, these efforts culminate in the development of a service improvement methodology, which is directly used to support the organization's performance management systems. This methodology for improvement is consistent with the literature and has been designed in alignment with the organization's overall vision, mission, goals and objectives.

Although many informational sources may be employed in these improvement plans, the institution and individual components may effectively utilize information provided by organizational effectiveness questionnaires, such as the one used for this study (Rashidi, 2015). Performance management systems, address change, by first identifying and evaluating critical performance areas. For the purpose of this study critical performance areas included areas that were deemed to have significant impact on organizational effectiveness such as upper administration along with internal and external customer interface areas such as human resources, information technology, and logistics.

Upper administration is traditionally one of the first constituencies addressed within the organizational effectiveness and improvement process. Upper management is asked to acknowledge and buy into the effectiveness process and required to articulate and model desired change. Performance management systems likewise recognize the importance of training and mentorship for senior leadership and all areas of management (Lumadue & Waller, 2013a). Moderate to extensive training can be required depending on multiple factors such as experience, length of time with the institution, professional background, social political environment of the organization, economic environment, and a host of similar factors.

Data provided through organizational effectiveness surveys allow for the further tailoring and modification of performance management systems. For performance management systems to be successful specific goals and objectives must be identified. The evaluation of effectiveness must be supportive of the goals and objectives of the organization. Findings demonstrating significant changes in the economic, political and social environments may guide modification of existing organizational strategies. The level of buy-in throughout the organization is also central to the success of a performance management plan. Buy-in can be viewed as the willingness of the members of the organization to accept the proposed change(s). This acceptance can be

viewed as a matter that is specific to the proposed change or can be seen as a symptom overarching the organization's culture and effectiveness (Rashidi, 2015).

Methods utilized to support the change management process within organizations are numerous; however, most managerial change processes include the follow key features. Leadership must identify the key stakeholders. Depending on the culture of the organization, key stakeholders may not include upper management (Rashidi, 2015). Traditionally upper management is invested in the change process undertaken by an organization. However, depending on the goals, nature and design of the organization the key stakeholders may be derived from any number of constituents. For this reason leaders must identify key stakeholders and remain cognizant of their role in the change process.

The scope of the recommended organizational change needs to be clearly defined and measured. Accurate evaluation of the organization's current standing is of paramount importance for the establishment of realistic future goals. The distance of change to be transversed by the organization and/or the individuals working within the organization must be measurable and fixed. This is not to say that these factors can and will not change. Instead, careful consideration must be given to the change process and the manner in which the change process is modified in relationship to the organization's current circumstances. Hence, the process or the level of change necessary to reach the desired outcomes must be recognized not as a point, but as part of greater ongoing and complex change process. This awareness of *tertium quid* (an unidentified third element understood in light of two known elements) more accurately reflects the direct and indirect nature of the change process within the organization (Rashidi, 2015).

Similarly, the plan and design for the recommended organizational change needs to be comprehensive and realistic. The plan also needs to be piloted to evaluate the effectiveness of the recommended change plan on a small scale before rolling the plan out to the larger organization. Once the recommended changes have been implemented, the outcomes need to be shared and disseminated throughout the organization (Gage, 2013).

In the final stages of implementing the new change process the driving factors behind perception of the organization's effectiveness must be considered as well as strategies and methodologies for implementing the change. Changing economic factors have resulted in the need for change management professionals to consider performance management systems with respect to the overall organization's fiscal bottom line. New management techniques such as burst learning have been designed to address these more comprehensive and efficient management styles.

Burst learning is concerned with the simultaneous development of organizational capacity and profitability (Hay, Busby & Kaufman, 2014). Burst learning utilizes action-learning techniques that save time and provide organizations the opportunity to implement corrective actions on the spot. One of the other characteristics of burst learning relates to multiple learning formats utilized to guide the learning and support stages as outline by Kirkpatrick's four levels of evolution model (Cheng & Hampson, 2008; Hay, Busby & Kaufman, 2014). These processes are examples of support methods and models often utilized to guide the development, planning, and implementation of organizational improvement and effectiveness strategies.

## PURPOSE

The purpose of the study was to identify the primary dimensions shaping employee perceptions of the institution's organizational effectiveness. The study was conducted and the dimensions were identified in support of the organization's continuous quality improvement

process with the intent to implement strategies for the improvement of the institution and guide individual component improvement plans. Additionally, the findings hold the potential to guide future practice and research to enhance understanding in the broad field of organizational culture and effectiveness.

## RESEARCH METHODOLOGY

The study employed quantitative methodology to conduct a dimension reduction on a data set collected via the digital administration of a 39-item organizational effectiveness questionnaire for the purpose of determine the underlying factors driving participant responses.

### Research Questions

Two research questions were utilized to drive the study. These two questions related to the extent of the participant responses and examined potential relationships between or among the various responses.

Research Question 1: What are the participant responses to the 39-item 2015 Survey of Organizational Effectiveness for an institution of higher education in the northern portion of the United Arab Emirates?

Research Question 2: Do relationships exist between or among the participant responses to the 39-item 2015 Survey of Organizational Effectiveness for an institution of higher education in the northern portion of the United Arab Emirates?

### Research Hypotheses

Research Question 1 did not require research hypotheses, as the required findings were only descriptive in nature. Research Question 2 required null and alternate research hypotheses to examine potential relationships of the various responses. The research hypotheses supporting Research Question 2 follow.

*Ho: No relationships exist between or among the participant responses to the 39-item 2015 Survey of Organizational Effectiveness for an institution of higher education in the northern portion of the United Arab Emirates.*

*Ha: Relationships exist between or among the participant responses to the 39-item 2015 Survey of Organizational Effectiveness for an institution of higher education in the northern portion of the United Arab Emirates.*

### Limitations, Delimitations, and Assumptions

Limitations, delimitations and assumptions of the study follow. This study was limited by the following factors.

1. Data from the Survey of Organizational Effectiveness were only available for the spring 2015 semester.
2. Data from the Survey of Organizational Effectiveness were available only for the institution under examination.

The researcher delimited the study as follows.

1. The study was restricted to data retrieved utilizing the survey instrument.
2. The collection of information was delimited to the spring 2015 semester for the institution under examination.

The following assumptions were made for this study.

1. The data were accurate and correctly recorded.
2. The data were usable and appropriate for this study.
3. Examination of the data held the potential to guide future practice and research.

## FINDINGS AND ANALYSIS

### Research Approach

The research utilized a 4-point Likert survey evaluation of organizational effectiveness. The survey was developed approximately 20 years prior to this implementation by a team of experts from the field. The reliability of the survey instrument has been assessed numerous times with all scores ranging from 0.89 and up. The survey instrument was slightly modified to accommodate the needs of the institution. A Chronbach alpha was utilized to evaluate the reliability of the data set due to the modification of the instrument. The score of 0.981 was deemed appropriate to satisfy the reliability requirements (Waller, L., & Lumadue, R., 2013b).

Descriptives of participant responses were collected in answer to Research Question 1. The descriptives included the number of participant responses along with the mean and standard deviation of the response items. Prior to the employment of analysis relating to Research Question 2, sample adequacy was established using the Kaiser-Meyer-Olkin measure of sample adequacy that returned an acceptable score of 0.518. The requirements established by Waller and Lumadue (2013b) for conducting dimension reduction were then examined. No outliers were identified in the data. The presence of 39 variables was deemed sufficient to satisfy expectations required for dimension reduction (factor analysis). Following the determination that basic requirements had been satisfied, Research Question 2 was addressed through the examination of Bartlett's test of sphericity. The test was also utilized to establish the linear nature of the data. Dimension reduction was then employed to identify underlying factors guiding participant responses. Factors with Eigenvalues  $\geq 1.0$  were deemed significant. Factor loadings were then examined.

### Research Question 1

Descriptives were collected in answer to Research Question 1. These descriptives are provided in Table 1 and include the number of participant responses along with the mean and standard deviation of the respondents.

<b>Table 1 ANALYSIS OF PARTICIPANT RESPONSES NUMBER, MEAN AND STANDARD DEVIATION</b>			
<b>Question</b>	<b>N</b>	<b>μ</b>	<b>σ</b>
1. The mission and vision of the organization are widely understood.	44	2.48	1.229
2. The mission and vision are widely communicated.	44	2.52	1.067
3. The organizational structure enables accomplishment of the mission.	44	2.55	1.229
4. Publications are well designed and represent the organization well.	44	2.57	1.301
5. The website meets the needs of the organization.	44	2.43	1.228
6. The public recognizes the organization for academic excellence.	44	2.34	1.238
7. The organizational structure facilitates consensus building.	44	2.30	1.374
8. Employees are informed about policies and procedures.	44	2.52	1.285
9. Employees are kept aware of special events and programs.	44	2.73	1.169
10. Employees are actively involved in decision-making processes.	44	1.98	1.338
11. Employees are encouraged to participate in leadership processes.	44	2.27	1.484
12. Supervisors evidence the skill sets required to facilitate participation.	44	2.18	1.352
13. Students are provided adequate opportunity to participate.	44	2.36	1.296
14. The institutional effectiveness process fosters a culture of improvement.	44	2.59	1.127
15. The institutional effectiveness process is systematic and broad based.	44	2.64	1.102
16. The institutional effectiveness office provides appropriate training.	44	2.34	1.380
17. The organization facilitates the employment of qualified personnel.	44	2.64	1.203
18. The workplace is conducive to the retention of qualified personnel.	44	2.20	1.488
19. HR policies are clearly communicated within the organization.	44	2.45	1.066
20. Appraisal procedures are fairly and systematically administered.	44	2.25	1.241
21. Employees are provided appropriate recognition for accomplishments.	44	2.14	1.456
22. Employees participate in the budgetary process.	44	2.14	1.407
23. The budgetary process is linked to institutional effectiveness.	44	1.95	1.293
24. Budgetary processes are adequate to support position requirements.	44	1.80	1.472
25. Budgetary processes are clearly communicated.	44	2.05	1.430
26. Technology is sufficient to support activities of the organization.	44	2.52	1.285
27. IT provides adequate training to support the organization's activities.	44	2.59	1.168
28. The IT helpdesk provides speedy resolution to difficulties encountered.	44	2.89	0.970
29. The organization's restaurant provides a quality dining experience.	44	2.50	1.110
30. The restaurant personnel are helpful and polite.	44	2.93	0.974
31. The restaurant facilities are clean and well maintained.	44	2.80	1.112
32. Purchasing processes are clearly communicated.	44	2.16	1.346
33. The logistics department fulfills request in a timely manner.	44	2.36	1.278
34. Employees are kept informed about pending purchase requests.	44	2.23	1.236
35. The organization's campus is a safe and secure.	44	2.82	1.244
36. The organization's facilities are clean and well maintained.	44	2.39	1.385
37. The classroom facilities are appropriate to facilitate learning.	44	2.11	1.262
38. Parking is appropriate to support the organization's need.	44	2.20	1.456
39. The organization is a quality institution.	44	2.57	1.189

Summary scores for the responses ranged from a high of 2.93 relating to the courtesy of the restaurant personnel to a low of 1.80 relating to adequacy of budgetary support for position assignments. The three highest scores were in the areas of the helpfulness of the IT desk, cleanliness of restaurant facilities, and the safety of the campus facilities. The three lowest scores were in the areas of linking the budgetary process to institutional effectiveness efforts, employee involvement in the decision-making process, and the adequacy of the facilities to support

learning. Overall, the scores provided on the survey instrument exceeded expectations based on analysis of prior administrations of the instrument at other institutions.

**Research Question 2**

The null hypothesis associated with Research Question 2 was evaluated through utilization of the Bartlett’s test of sphericity. Significance was identified at < 0.001 leading to the decision to reject the null hypothesis in favor of the alternate hypothesis. Relationships were found to exist between or among the various response scores. Bartlett’s test of sphericity also established the linear nature of the associated variables. Dimension reduction methodologies were then applied to the data set. Findings are provided in Table 2.

**Table 2**  
**DIMENSION REDUCTION**  
**TOTAL VARIANCE EXPLAINED**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	23.132	59.312	59.312	23.132	59.312	59.312
2	2.691	6.900	66.212	2.691	6.900	66.212
3	2.135	5.474	71.685	2.135	5.474	71.685
4	1.648	4.226	75.912	1.648	4.226	75.912
5	1.246	3.195	79.107	1.246	3.195	79.107
6	1.055	2.704	81.811	1.055	2.704	81.811

Extraction Method: Principal Component Analysis

The 6 factors (dimensions) explained at total of 81.811% of the variance within the data set. The associated factor loadings for the 6 identified factors are included in Table 3. Factor loadings with an absolute value  $\geq 0.300$  were deemed significant (Waller & Lumadue, 2013b). The first factor included all of the questions of the survey questionnaire. This factor was labeled as a holistic impression of the overall organizational effectiveness of the institution. The second factor included questions 28, 29, 30, 31 and 33 and was labeled as convenience services. This factor explained an additional 6.9% of the variance. The third factor included questions 5, 6, 11, 33 and 37 and focused on employee involvement. The fourth factor included questions 22, 23, 35 and 36. This factor was labeled the perception of the security and appearance of the campus. The fifth factor included questions 19 and 28. This factor was identified as opinion regarding the helpfulness of employee support services. The sixth and last factor included questions 5, 6, 14 and 15 and was associated with the organization’s focus on continuous improvement.

The 6 identified factors underlying participant responses on the Survey of Organizational Effectiveness were (1) a holistic impression of the organizational effectiveness of the institution, (2) opinion of employee convenience services, (3) views concerning employee involvement, (4) perception of the security and appearance of the campus, (5) opinion regarding the helpfulness of employee support services, and (6) the organization’s focus on continuous improvement. Together these dimensions accounted for 81.8% of the variance within the data set.

<b>Question</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
1. The mission and vision of the organization are widely understood.	.874	-.144	-.123	.191	.049	.040
2. The mission and vision are widely communicated.	.773	-.330	-.190	.232	-.138	-.017
3. The organizational structure enables accomplishment of the mission.	.778	-.174	-.191	.251	.184	-.002
4. Publications are well designed and represent the organization well.	.810	-.213	-.302	.208	.100	.067
5. The website meets the needs of the organization.	.701	-.068	-.405	.065	-.105	.424
6. The public recognizes the organization for academic excellence.	.829	-.036	-.313	.146	.015	.424
7. The organizational structure facilitates consensus building.	.892	-.143	.071	-.026	.030	-.107
8. Employees are informed about policies and procedures.	.775	-.337	.014	-.215	-.059	-.232
9. Employees are kept aware of special events and programs.	.725	-.216	.239	-.194	-.207	-.180
10. Employees are actively involved in decision-making processes.	.807	-.089	.298	-.072	-.171	.036
11. Employees are encouraged to participate in leadership processes.	.810	.049	.346	-.086	-.059	-.031
12. Supervisors evidence the skill sets required to facilitate participation.	.897	-.097	.156	-.067	-.177	.023
13. Students are provided adequate opportunity to participate.	.835	.059	.029	.122	-.200	.084
14. The institutional effectiveness process fosters a culture of improvement.	.838	.049	-.184	.022	.007	-.328
15. The institutional effectiveness process is systematic and broad based.	.732	.188	-.236	-.063	-.047	-.341
16. The institutional effectiveness office provides appropriate training.	.830	-.037	-.040	.180	-.170	-.090
17. The organization facilitates the employment of qualified personnel.	.775	.151	.109	-.130	.278	-.305
18. The workplace is conducive to the retention of qualified personnel.	.890	.130	-.116	.044	.048	.184
19. HR policies are clearly communicated within the organization.	.795	-.151	.014	-.021	.443	.027
20. Appraisal procedures are fairly and systematically administered.	.813	-.122	.179	.103	.259	-.148
21. Employees are provided appropriate recognition for accomplishments.	.832	-.018	.265	-.071	.172	.013
22. Employees participate in the budgetary process.	.813	-.250	.094	-.320	-.177	.042
23. The budgetary process is linked to institutional effectiveness.	.842	-.146	-.017	-.345	-.057	-.041
24. Budgetary processes are adequate to support position requirements.	.719	-.096	.284	-.234	-.119	.183
25. Budgetary processes are clearly communicated.	.767	-.342	.211	-.224	-.058	.276

<b>Question</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
26. Technology is sufficient to support activities of the organization.	.769	-.193	-.250	-.256	.190	.121
27. IT provides adequate training to support the organization’s activities.	.726	.206	-.221	-.325	.179	.224
28. The IT helpdesk provides speedy resolution to difficulties encountered.	.573	.312	-.027	-.290	.494	-.055
29. The organization’s restaurant provides a quality dining experience.	.660	.570	.126	-.048	-.191	.078
30. The restaurant personnel are helpful and polite.	.424	.746	.254	.035	-.041	.171
31. The restaurant facilities are clean and well maintained.	.506	.786	.226	.010	.022	.003
32. Purchasing processes are clearly communicated.	.851	.195	-.236	-.103	-.022	.200
33. The logistics department fulfills request in a timely manner.	.655	.379	-.501	-.086	-.049	-.046
34. Employees are kept informed about pending purchase requests.	.664	.275	-.228	.095	-.310	-.246
35. The organization’s campus is a safe and secure.	.653	.010	.119	.541	.213	-.039
36. The organization’s facilities are clean and well maintained.	.704	-.038	.33	.425	.073	.140
37. The classroom facilities are appropriate to facilitate learning.	.734	-.052	.437	.294	.039	.055
38. Parking is appropriate to support the organization’s need.	.762	.115	-.220	.258	-.201	-.054
39. The organization is a quality institution.	.921	-.009	.045	-.014	-.141	-.146

### CONCLUSIONS AND IMPLICATIONS

The 6 underlying factors driving participant responses on the Survey of Organizational Effectiveness provide insight into numerous ramifications relating to employee perception of the organization’s effectiveness. The first factor was a holistic impression that accounted for just under 60% of the variance in the data set. Though this amount may appear large at first consideration, just over 40% of the variance still remained to be explained. This leads to the conclusion that employee perception of the organization’s effectiveness is contingent upon many more issues than simply a holistic overview. Other factors come into play.

The remaining 5 factors related to convenience services, employee involvement, the security and appearance of the facilities, the helpfulness of employee support services and the organization’s focus on continuous improvement. The employee’s commitment to the workplace appears to be enhanced by the availability of convenience services. Though the survey instrument focused on food services, convenience services such as break rooms, ATM machines, and a commissary likely serve to enhance the employee’s impression of the organization’s reciprocal commitment to the employee. This, in turn, possibly strengthens the employee’s commitment to the organization and engenders positive perceptions of the organization.

Employee involvement has long been viewed as an essential element for employee buy-in to the vision and mission of the organization (Arogundade & Arogundade, 2015). As previously discussed, Gale (2013) emphasized the importance of shared decision making as a methodology to empower and ensure that implemented changes are sustained for the long-term. The presence of the third factor indicates that the perception of organizational effectiveness is impacted by the meaningful involvement of employees in the decision making process. Those who are involved in decisions are more likely to support those decisions. Employees who have bought into the organization’s decisions are much more likely to perceive themselves as an important component of the organization’s effectiveness.

The fourth factor illustrates the importance of the safety and appearance of the facilities and the role that these play in employee's perceptions. Implications of this finding reach beyond simple issues of safety and appearance to emphasize the importance of all personnel. Groundskeepers, building maintenance, security and all line staff must be viewed as an integral and essential component for maintaining the image of the organization. Simply put, organizational effectiveness is a team effort involving everyone from the CEO to entry-level employees engaged on any tasks relating to the operation of the organization. Every employee is important. Additionally, safety and the appearance of the facilities are central to employee perceptions of an organization's effectiveness.

Just as convenience services shaped perceptions, employee support services are also very important. The findings reveal that employees are likely to view the organization in light of the manner in which the organization supports and guides their development. Hence, the promotion of a positive vision of organization effectiveness requires that the organization empower and support the needs and development of employees. Similarly, functions such as human resources, information technology, professional development and administrative support shape employee perception. An organization that invests in the development of its employees is likely to strengthen employee perception of its effectiveness. One could argue that perception and reality are synonymous.

The last identified factor related to the organization's commitment to continuous improvement. Many refer to an organization focused on continuous improvement as a learning organization. A learning organization embraces and practices quality enhancement. When employees perceive a positive organizational commitment to quality enhancement, this perception is transferred to a positive perception of the effectiveness of the organization.

In conclusion, a positive impression of the effectiveness of an organization requires (1) employee involvement and buy-in, (2) a reciprocal relationship between employees and the organization, (3) a secure and professional work environment, and (4) a strong organizational commitment to continuous improvement. The study clearly indicates that employee perception of a reciprocal relationship between themselves and the organization empowers their impression of the effectiveness of the organization.

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