
EFFECT OF MANAGEMENT FLEXIBILITY ON ORGANIZATIONAL EFFECTIVENESS (A STUDY OF NIGERIA BREWERIES ABA AND SACLUX PAINT INDUSTRY ABA)

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ABSTRACT: *The study examined the effect of management flexibility on organizational effectiveness (A Study of Nigeria Breweries Aba and Saclux paint industry). The study sought to determine the relationship between management flexibility and organizational survival and examine the challenges of management flexibility on organizational sustainability. This study employed a survey research design. The study employed both primary and secondary sources of data to collect information from the respondents. The study population comprised of 200 staff in Nigeria Breweries Aba and Saclux paint industry Abia state. Thus, the sample size of the study was 133 respondents which formed the questionnaire that was distributed to the respondents in the study area. Out of this number twenty seven (27) were lost, and then a total of one hundred and six questionnaire (106) were returned, which constitute 79.7% that formed basis of this study. The study adopted purposive sampling technique. To test the hypotheses of the study Pearson Correlation Coefficient was used. The study recommended that Organization should derive strategies that will enable them tackle the main factors they face in the turbulence business environment to gain competitive advantage from rival in the global market.*

Keywords: *Management Flexibility, Adaptability and Environmental Changes*

INTRODUCTION

Recently flexibility has emerged as one of key areas for sustaining competitiveness in business environment, amid unfolding globalization and fledgling innovations. However, organizational flexibility is the one that helps the organizations to withstand the harmful effects of changing business environment and fluctuations towards enhancing organizational growth and survival (Shoss, Witt, & Vera, 2012). Organizations today demands more energy, talent and multi skilling with specialized aptitudes in order to succeed and survive in the face of global competition and this called for both employee and management to apply flexibility in the day to day activities of the firm and also adapt to internal and external environmental changes (Snow, & Snell, 1993).

Management flexibility enables an organization to adapt to diverse and changing requirements from the external environment to gain competitive advantage in the global village (Bhattacharya, & Gibson, 2005). The notion of management flexibility in an organizational set up has created space for employees and managers to, think, feel and act in order to achieve organizational goals and objectives without putting much more stress on

achieving the financial gains for organizations. In this regard, flexibility is seen as the capability of an organization to take action on various demands from its environment for a longer period of time (Snell, 1995).

Management flexibility helps to achieve competitive advantage and superior performance, therefore it is quite relevant for organization to adapt to the changes in business environment which is facing rapid economic transformation and shifting strategic demands. Thus, management flexibility is considered as one of the important aspect of organizational survival and is often focused on adopting employee and management attributes (Bhattacharya, & Gibson, 2005). Managers who are flexible are bold and committed, work hard to meet organizational goal effectively, and have a need for developing innovative ideas in achieving organizational survival (Yang & Konard, 2011). Therefore in the context of this newly evolved business paradigm, this paper examined the effect of management flexibility on organizational effectiveness (A Study of Nigeria Breweries Aba and Saclux Paint Industry).

Statement of the Problem

The era of globalization has brought about unprecedented changes in the several organizations, and as a result, organizations of all sizes and structures are searching for strategies to improve performance without sacrificing quality. Organizations today not only struggle to keep up with the pace of the change but also finding it hard to retain and grow its customer base which have pose a threat on their survival. Moreover, the inherent complex nature of this organizations owing to distinguish characteristics of value proposition like intangibility, inseparability, variability and perishability further make the situation more acute and complex (Jackson, & Rossi, 2012).

Therefore, organizations continue to face highly uncertain and chaotic environment caused by capital problems, difficult unions, foreign competition, rapid changes in product and processes, energy, continuous, technological changes, cultural and social changes, government regulation, increasing importance of skill, quality, productivity and other stresses which call for increased in adaptability and flexibility. However, skyrocketing health care cost, increasing workforce diversity, and an economic recession, for example, have forced organizations to “right size”. In this vein, some organization have witnessed to short lived their span and collapsed due to their inability to sustain, re-adjust and adapt to threads of changes. Most organization often times does not know the right strategy adopted to achieve its objectives.

Considering the number of years of the organization, most managers failed to know the number of employees needed in the organization, some organizations are over staffed and under staffed, they failed to respond to customer’s demands as at when due and as well reduced the number of supplier and buyers. In the contrary in a world where each day brings new global competitors, technical breakthrough, and shifting markets, many companies have seen their competitive advantage ripped apart (Denison 2007). It is against this backdrop that this study tends examined the effect of management flexibility on organizational effectiveness (A Study of Nigeria Breweries Aba and Saclux Paint Industry).

Aims and Purpose of the Study

The main objective of the study is to examine the effect of management flexibility on organizational effectiveness (A Study of Nigeria Breweries Aba and Saclux Paint Industry). Other objectives are to:

- i. Examine the relationship between management flexibility on the growth of Nigeria Breweries Aba and Saclux Paint Industry.

Problem Statement

- i. What is the relationship between management flexibility on the growth of Nigeria Breweries Aba and Saclux Paint Industry?

Hypothesis of the Study

Ho₁: There is no positive significant relationship between management flexibility on the growth of Nigeria Breweries Aba and Saclux Paint Industry.

LITERATURE REVIEW

Eryesil, Esmen and Beduk (2005) carried out a study on the relationship between business performance and strategic flexibility, which is defined to be the strategic choice that provides the ability of rapidly responding the changes of the dynamic environment of the companies, for having competitive advantages. In this context a field study has been conducted over 56 companies, which are active in informatics and electronics sectors in TEKNOKENT. As a result of the study it has been determined that; strategic flexibility has an effect on business performance and there is a positive and statistically significant relationship between strategic flexibility and business performance.

Tatjana and Marko (2015) conducted a study on different types of flexibility and security with regard to work. Regardless of which type of flexibility or security was discussed, the consequences for individuals, organizations or employers and society are significant. The purpose of the research was to compare and analyse the correlation between the different types of flexibility and security in work and organizational efficiency. Data was gathered using the Computer-Assisted Web Interview (CAWI) method. A link to an online questionnaire was e-mailed to randomly selected organizations across all economic sectors in Slovenia that had a published e-mail address, either in business directories or on a company website. We asked them to forward our e-mail to their employees. The correlation between different variables was used for data analysis.

The results of their study show that there is a low positive level of correlation between different types of flexibility and security in the context of work and also between different types of flexibility in work and organizational efficiency. The correlation between different types of security in work and organizational efficiency is positive and medium strong. The study recommended that the legislators be aware of the importance of their correlation with organizational efficiency when preparing legislative amendments regarding introduction of the flexibility and security in the field of work.

Metzner (2010) conducted a study on organizational flexibility demands and employee flexibility in the context of labour flexibility. The results of the study suggest that the researched organization confronts their workforce with a certain labour demand consisting of context specific (in this case locational) flexibility aspects. Furthermore the study shows that a proactive personality and Role Breadth Self-Efficacy (RBSE) are positively related to perceived employee flexibility. The result further show that organizational flexibility demands and employee flexibility go hand in hand. The pre-tested questionnaire was conducted in one small and medium sized enterprise (SME) with 132 employees. The participating organization is a

publisher of a regional German newspaper and participated voluntarily but anonymously. In total 47 employees participated in an online survey which comes down to a response rate of 36%. The introduced research instrument and flex matcher enable organizations to assess and match organizational flexibility demands and employee flexibility. Out of this research some interesting new questions arise which should inspire other researchers to conduct more research on labour flexibility.

Theoretical Framework

Strategic Fit Theory

Strategic fit theory was propounded by Grant in 2007; he expresses the degree to which an organization is matching its resources and capabilities with the opportunities in the external environment. The matching takes place through strategy and it is therefore vital that the company has the actual resources and capabilities to execute and support the strategy. Strategic fit can be used actively to evaluate the current strategic situation of a company as well as opportunities such as merger and acquisition M&A and divestitures of organizational divisions. Strategic fit is related to the Resource-based view of the firm which suggests that the key to profitability is not only through positioning and industry selection but rather through an internal focus which seeks to utilize the unique characteristics of the company's portfolio of resources and capabilities.

However, a unique combination of resources and capabilities can eventually be developed into a competitive advantage which the company can profit from. However, it is important to differentiate between resources and capabilities. Resources relate to the inputs to production owned by the company, whereas capabilities describe the accumulation of learning the company possesses. Strategic fit can also be used to evaluate specific opportunities like M&A opportunities. Strategic fit would in this case refer to how well the potential acquisition fits with the planned direction (strategy) of the acquiring company. In order to justify growth through M&A transactions the transaction should yield a better return than Organic growth.

METHODOLOGY

Research Design

This study employed a survey research design. A survey design was appropriate for this study because it allows collection of information for both independent and dependent variables using questionnaire.

Sources of Data

The study employed both primary and secondary sources of data to collect information from the respondents

Population of the Study

Population consists of the entire staff/groups working in an organization for a particular period of time. The study population comprised of 200 staff in Nigeria Breweries Aba and Saclux paint industry Abia state.

Sample Size Determination

The sample size of this study was 200 respondents. The sample size was derived statistically by using Taro Yamane formula as follow:

$$n = \frac{N}{1+N(e)^2}$$

Where

N is the total population of the study,

e is the error term and

n is sample size

$$n = \frac{200}{1+200(0.05)^2}$$

$$n = \frac{200}{1+200(0.0025)}$$

$$n = \frac{200}{1+0.5}$$

$$n = \frac{200}{1.5}$$

$$n = 133$$

Thus, the sample size of the study was 133 respondents

Method of Data Analysis

The study employed descriptive survey, however, it examined the demographic profile of the respondents through mean, standard deviation and percentage scores of the test. Furthermore, to test the hypotheses of the study Pearson Correlation Coefficient and regression model were used to achieve the impact of management flexibility and organizational survival. Hence SPSS version 20 was employed.

Data Presentation of Results/Discussion

Two firms (Nigeria Breweries Aba and Saclux paint industry Abia state) were chosen from Abia state, A total one hundred and thirty three (133) questionnaire were distributed to the respondents in the study area. Out of this number twenty seven (27) were lost, and then a total of one hundred and six questionnaire (106) were returned, which constitute 79.7% that formed basis of this study.

Table 1 examine the relationship between management flexibility on the growth of Nigeria Breweries Aba and Saclux Paint Industry.

Statement	SA	A	UN	SD	D	Total
External and internal flexibility determines organizational sustainability	82 77.4%	10 9.4%	7 6.6%	6 5.7%	- -	106 100
Numerical flexibility influence organizational performance	88 83.0%	11 10.4%	- -	3 2.8%	4 3.8%	106 100
Functional flexibility interrelates with organizational survival	82 77.4%	12 11.3%	8 7.5%	4 3.8%	- -	106 100
Wage flexibility affects organizational performance	77 72.6%	20 18.9%	2 1.9%	5 4.7%	2 1.9%	106 100

Source: Field Survey, 2021

Table above showed the examine the relationship between management flexibility on the growth of Nigeria Breweries Aba and Saclux Paint Industry. Majority of the respondents 83.0%, 77.4%, 77.4% and 72.6% strongly agreed that Numerical flexibility influence

organizational performance, External and internal flexibility determines organizational sustainability, Functional flexibility interrelates with organizational survival and Wage flexibility affects organizational performance. Management flexibility helps to achieve competitive advantage and superior performance, therefore it is quite relevant for organization to adapt to the changes in business environment which is facing rapid economic transformation and shifting strategic demands.

Hypotheses

Ho₁: There is no positive significant relationship between management flexibility on the growth of Nigeria Breweries Aba and Saclux Paint Industry.

Table 2: Correlation coefficient analysis on management flexibility on the growth of Nigeria Breweries Aba and Saclux Paint Industry.

Correlations

		Growth	Management Flexibility
Growth	Pearson Correlation	1	.824*
	Sig. (2-tailed)		.000
	N	106	106
Management Flexibility	Pearson Correlation	.824*	1
	Sig. (2-tailed)	.000	
	N	106	106

Source: Field Data, 2021

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

The table shows the relationship between management flexibility on the growth of Nigeria Breweries Aba and Saclux Paint Industry. The results shows rho = (82%) p-value = 0.000 < 0.05% level of significant, which therefore states that there is a positive significant relationship between management flexibility on the growth of Nigeria Breweries Aba and Saclux Paint Industry.

FINDINGS

Result from the analysis of the findings show that:

There is a positive significant relationship between management flexibility on the growth of Nigeria Breweries Aba and Saclux Paint Industry.

CONCLUSION

Organizational Flexibility helps to increase the overall value of the service proposition that is delivered to the customers through its inherent competence to quickly adjust according to the changing preferences of its target consumers. Management flexibility enables an organization to adapt to diverse and changing requirements from the external environment to gain competitive advantage in the global village. The study found out that there is a positive significant relationship between management flexibility on the growth of Nigeria Breweries Aba and Saclux Paint Industry.

RECOMMENDATIONS

- i. Organization should adapt to the flexible changes in business environment which will enable rapid economic transformation and shift strategic demands.

- ii. Organization should derive strategies that will enable them tackle the main factors they face in the turbulence business environment to gain competitive advantage from rival in the global market.

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