

Examining the Degree of Organizational Agility from Employees' Perspective (Agriculture - Jihad Organization of Shahrekord City)

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Abstract

The purpose of this study is to examine the degree of organizational agility in the Agriculture Jihad Organization in the city of Shahrekord. A sample with 150 members has been selected by stratified sampling method. The sample size has been determined through Morgan sampling table. In order to collect the research data, a self-administrated questionnaire of organizational agility has been used that has content and face validity. Also reliability of the questionnaire has been examined through Cronbachs' Alpha coefficient. The Cronbachs' Alpha coefficient of 0.95 confirmed reliability of the questionnaire. The results of this study indicate that the degree of organizational agility components application in the agriculture jihad organization of Shahrekord is average. Also the results of Amos Graphics show that the shared leadership and identity have the most factor loading and the robust strategy and adaptive organizational design are the second and third components.

Keywords: Organizational Agility, Robust Strategy, Adaptive Organizational Design, Shared Leadership and Identity

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Introduction

In the beginning of 21st century, the world have faced with considerable changes in the all aspects, especially wonderful changes in the communicational channels and becoming macro markets to smaller and limited markets. These changes require the organizations to revise their strategic priorities and visions (Sharifi and Zhang, 2000). Speed is the most important capital in the third millennium (information era). It is necessary that the organizations adopt new version of organizational structure that help them to decrease their responding time and improve their flexibility.

Nowadays, the dominant thought considers the organization as an identity that not only reacts to its external environment, but also defines its environment in an active and effective manner. This paradigm is defined as the ability of success in the variable, dynamic, and unpredictable environment. This is known as organizational agility. Which organizations that can achieve such qualifications are able to survive in the environment and can compete in the competitive markets (Goldman and Nagel, 1995). Although many organizations know the importance of rapid responding to the variable market conditions, but they could not design themselves so flexible that can do these strategies. Every organization must design itself so agile that can respond to the set of internal and external forces. Virtual organizations are the obvious and perfect sample of the agile organizations that are shaping and can respond to the new needs. In other words, it is can be said that the ancient approaches and solutions lose their ability for dealing with organizational and external problems. Therefore, it is necessary that these organizations replace their perspectives and approaches with new ones. The organizational agility is one of the methods for responding to these changes and revolution factors. Indeed, the organizational agility is a new paradigm for engineering competitive organizations and firms.

History and definitions of organizational agility

From the late 1980s to the mid of 1990s, in the result of the vast economic and political revolutions in the around the world, many efforts and activities have been done to recognize the roots and effective factors on the new systems in global business world. When United States of America has encountered impressive recession in its share of global business especially in production section for the first time, then takes the lead in this industry. A group of industrial experts in 1991 perceived that the rate of global business change is more than the ability of traditional production organizations. These organizations were unable to use the benefits of their opportunities. This inability may leads to their loss and unsuccessfulness in long-term period (Hormozi, 2001). Therefore, a new paradigm has been presented for the first time by IACOCCA institute in 21th century (Nagle and Dave, 1991). The agile production is the concept that has been presented after this report immediately (Gunasekaran et al, 2001).

The concept of agile means rapid, agile, and active movement. Also agility refers to the ability of rapid and easy movement and rapidly thinking with a thoughtful method. The root and origin

of agility is derived from agile production and this is a concept that has been presented during later years. The agile production has been accepted as a successful strategy by producers that prepare them for a considerable performance.

Several definitions have been presented for agility that each of them supports each other. These definitions show the idea of speed and change in the business environment. Because the agility concept has been reputed during past years, there is not a common definition for it.

Therefore, the following definition can be presented for agility:

- Agility refers to the proactive responses to changes (Bessant et al., 2001: 113).
- Agility refers to the use of changes as inherent opportunities in turbulent environment (Sharifi and Zhang, 2001).
- Agility refers to the ability of survive and progress in the variable and unpredictable environment (Dove, 2001).
- According to Kid, operationalization of the agility paradigm requires considering the agility as a combination of several organizations that each of them has some key skills and competencies for shared activities and can prepare the organization to response the customers' variable needs and wants. It is obvious that the purpose of Kid is virtual organization.

It seems that the change one of the most important characteristics of organization in new competitive era. There are some organizations that do not see any change in their environment in a six month or one year period. With regard to the context of organizations' business world in the nowadays world, it is necessary that they adopt some changes in their attitude, knowledge, approaches, procedures, and expected results. The agile organizations think beyond than adaption with changes, they tend to use potential opportunities in dynamic environment and also strive to acquire a fixed status because of their innovations and competencies.

Sharifi and Zhang (2000) classified the changing areas in business world:

- Market unsustainability and instability that is derived from growth in small section of market, multiplicity of new products, and decline in the product life cycle.
- Intense competition that is derived because of rapidly changing market, increase in cost pressures, increase in competitiveness, short-term development of new products.
- Change in the customers' needs that is derived from customized demand, increase in the qualitative expectations, and rapid delivery time.
- Speedy technological changes that are derived from introducing new and efficient productive facilities, software and hardware systems integrity.
- Social factors change that is created for preserving ecology, manpower expectations, and legal pressured.

Key competencies of agility in the organizations

Sharifi and Zhang (2000) classified agility competencies in four groups of strategic competencies that mobilize the organization to the necessary authority of responding changes. These include accountability power, competency, flexibility, and speed.

The components of organizational agility

Reviewing the components of organizational agility reveals that the following factors are the main components of organizational agility (Werly and Lawler, 2010). Our research is based on these components. These include:

1. Robust strategy

The robust strategy is the first characteristic of the agility design. This is characterized by several factors such as ability in creating results in the variable situation. Which organizations that have this competency effort to implement which robust strategies that acquiring cultural and economic benefits through environmental responding (Stead and Stead, 1995).

Every organization must choose especial goals and which approaches that are inconsistent with organizational goals and strategies (Marrewijk and Were, 2003).

2. Adaptable organization design

Organizational agile designs are defined based on their characteristics. The agile organizations choose which structures that maximize their successfulness. In other words, many of employees are close to legislators, local community, supervisors, and audience or have direct relationship with them. The agile organizations apply transparent decision making process and information systems. They also adopt which reward systems that include the employee-based rewards, shares, and payments that encourage current performance and changes. According to Sharifi and Zhang (2000), the organizational structure needs flexibility. The following steps can be done by organizations based on their phenomenon of interest:

- Participation with other organizations
- Increasing flexibility through decentralization and creating flexible structures.
- Concentration on the innovation and reorganizing.

3. Shared leadership and identity

The shared leadership changes the organization thought from leadership as an individual characteristic to the leadership as an organizational capacity. Shared leadership supports the alterability. There are more actions than a leader or several leaders' capability in every effort

for change. In other words, since the organizations are changing from hierarchical and traditional structures to group-based structures, it is necessary that they adopt new leadership styles such as participative leadership and group works (Nygren and Levine, 1995).

Shared leadership involves the dynamic and reciprocal effective process among members and also emphasize on the collective, active, and multidimensional works (Bligh et al., 2006). The philosophy of shared leadership is related to the decentralization of leadership and also paves the ground for increasing employees' empowerments (Konu and Wittanen, 2008). Involving all of the employees in decision making process, contacting relationship, paying attention to manpower, creating and maintaining supportive structures and group works are the most important considerations before implementing shared leadership perspective in the organizations (Oosterhoff and Rowell, 2004). Identity acts with shared leadership for preserving the organization from influencing by environmental demands for change. Identity refers to the concept of long-term value that internal culture integrates the organization's external image and reputation (Scryme, 2002).

Conceptual framework of study

Reviewing the literature revealed that the components of organizational agility that were presented by Werly and Lawler created a perfect model that involves the components and models that are indicated by other authors. Therefore, the model of Werly and Lawler has been used to study the components of organizational agility in this study.

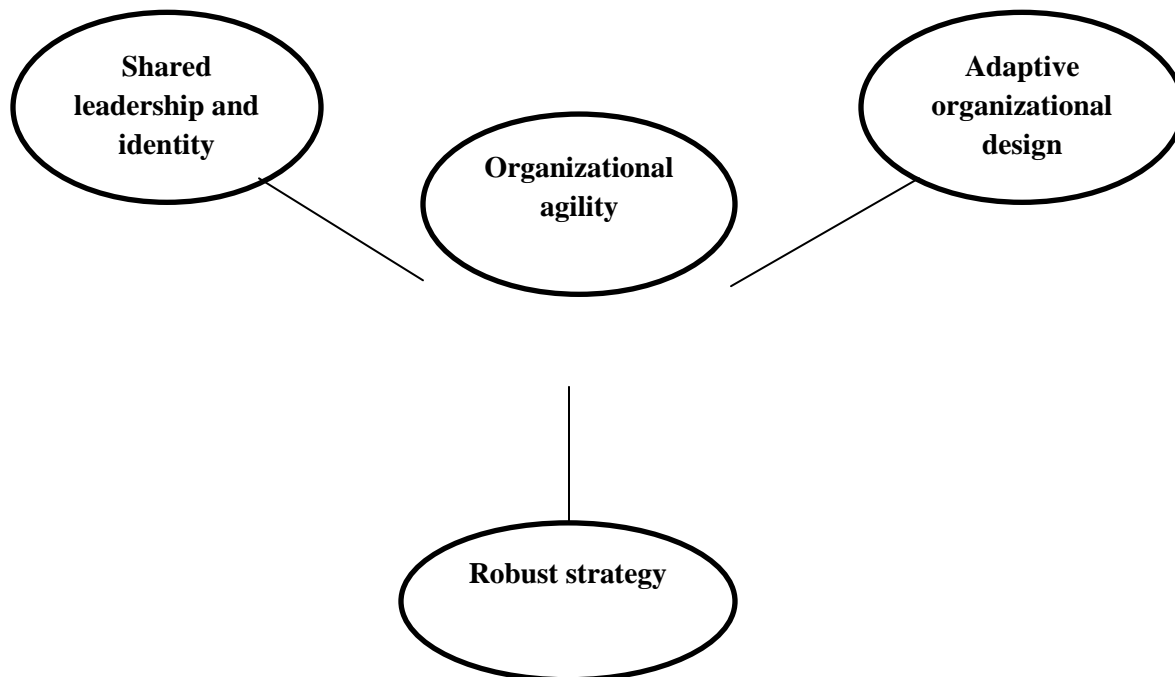


Fig 1: conceptual framework of study

Research questions

This study seeks to answer the following questions:

- 1- How much is the dominance of robust strategy, adaptive organizational design, and shared leadership and identity in the organization of agriculture Jihad in the city of Shahrekord?
- 2- What is priority of the components of organizational agility in the organization of agriculture Jihad in the city of Shahrekord?

Research methodology

The present study is practical from purpose perspective and is descriptive-survey in terms of its methodology. The statistical population of this study includes all of the 258 employees, assistants, managers, and senior experts of agriculture Jihad organization in the city of Shahrekord in 2012.

In order to determine the sample size, Morgan table has been used. This table indicates that a sample with 150 members is a preventative sample for a statistical population with 258 members. These members have been selected by stratified sampling method. A self-administrated questionnaire of organizational agility has been used to collect the research data. In order to examine validity of the questionnaire, face validity method has been used. For this purpose, this questionnaire has been offered for faculty members and they asked to modify and correct the questionnaire. In order to examine reliability of the questionnaire, Cronbachs' Alpha has been used. The Cronbachs' Alpha coefficient of 0.95 indicates that this questionnaire has favorable reliability. The collected data has been analyzed by SPSS and Amos Graphics.

Findings

The findings of this study have been presented in this section. The first question of this study indicates that how much is the dominance of robust strategy, adaptive organizational design, shared leadership and identity in the organization of agriculture Jihad in the city of Shahrekord? This question examined the dominance of robust strategy, adaptive organizational design, shared leadership and identity in the organization of agriculture Jihad in the city of Shahrekord. In order to answer this question, one-sample t test has been used. The results of this test have been indicated in table 1.

Table 1: the results of one-sample t-test

| Components | Test value: 3 | | | | |
|--------------------------------|------------------|-------|--------------------|--------|---------|
| | Confidence level | | Average difference | Sig | Average |
| Robust strategy | 0.01 | -0.22 | -0.10 | 0.10 | 2.89 |
| Adaptive organizational design | -0.20 | -0.43 | -0.32 | 0.000 | 2.68 |
| Shared leadership and identity | -0.01 | -0.25 | -0.13 | -0.026 | 2.86 |
| Organizational agility | -0.07 | -0.30 | -0.18 | 0.002 | 2.81 |

The results of table 1 show that the average of organizational agility is 2.81 in Shahrekord agriculture jihad organization. This average is close to average of Likert scale (3). Because significant level of this test is 0.000, it can be said that the average of organizational agility is close to test value (3) in this statistical population (with 0.95 confidences). The average of adaptive organizational design is 2.68 and shared leadership and identity is 2.86 that are accepted in this test. Also average of robust strategy is 2.86. Because significant level of this test is more than 0.05, so this test cannot be accepted. All in all, it can be said that the degree of organizational agility dominance in Shahrekord agriculture jihad organization is average.

The second question of this study indicates that what is priority of the components of organizational agility in the organization of agriculture Jihad in the city of Shahrekord?

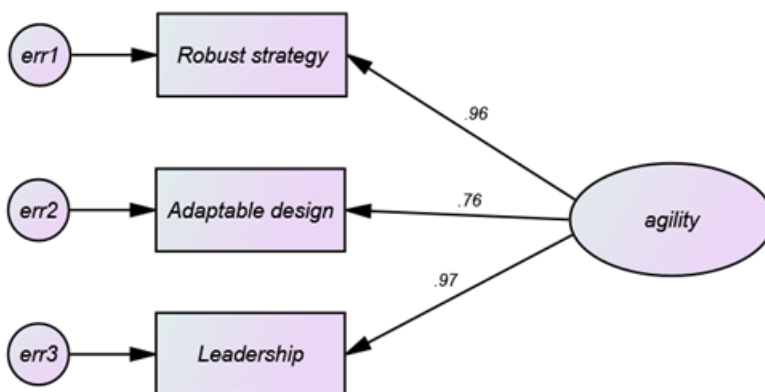


Fig 2: the output of Amos Graphic

In order to answer the second question of this study, Amos Graphics has been used. The results of this question have been indicated in the fig 2. These results indicate that the factor loading of robust strategy is 0.96, adaptive organizational design is 0.76, and shared leadership and

identity is 0.97. This shows priorities of every components of organizational agility. Based on these results it can be concluded that shared leadership and identity is the first component, because has the most factors loading and the robust strategy and adaptive organizational design are the second and third factors based on their factor loading.

Conclusion

Nowadays, there are many changes, opportunities, and concerns in the organizations' environment. It is expected that the organizations have ability for dealing with and overcoming these changes, opportunities, and concerns. Having strategic perspective toward changes and their opportunities and improving the organization's abilities and infrastructures can be an appropriate mechanism for long-term and sustainable successfulness.

The results of one-sample t test show that the average of adaptive organizational design in this study is not acceptable because its significant level is less than 0.05. The average of robust strategy also is not acceptable. Therefore, it can be said that the level of organizational agility dominance is close to average level in Shahrekord jihad agriculture organization.

It is should be remembered that some organizational factors such as organizational structure characteristics, organizational climate, and other organizational components should be considered in designing organizational structure and selecting its appropriate strategies. The organizational managers also must consider the flexibility so that can response to the environmental changes and hereby can improve their methods and processes.

With regard to this fact that shared leadership and identity is one of the main components and important characteristics of the agile organizations, it is necessary that organizational managers know that the employees' participation in decision making process especially deciding in terms of their own area can improve their leadership and managerial skills. The organizations must empower their employees and promote their delegation skills for moving toward agility.

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