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## Organizational Process as Antecedent of Managerial Flexibility

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### Abstract

*Resource flexibility view describes the scope that resources can be deployed alternatively, instantly and extensively. Likewise, managerial flexibility reflects the switching ability of human cadre during reengineering and reorganization. Managerial flexibility is an important entrepreneurial endeavor and helps in mitigating the changing challenges of the growing business. Managerial flexibility also enables an organization to thrive competitiveness during volatility. Organizational process provides a guiding framework for behavior within organizational sphere. Often, managerial flexibility considered as an ingredient of managerial behavior. Therefore, present paper examines the relationship of organizational process and managerial flexibility considering organizational process as an antecedent of the managerial flexibility. For this purpose teamwork, communication & collaborative decision-making, work place for creativity and performance management system were taken as sub-dimensions of organizational process.*

*Initially, based on extant and relevant literature survey a conceptual model was hypothesized. Subsequently, hierarchical regression was employed to obtain the empirical findings of the conceptual model. The empirical findings elucidated that teamwork, communication & collaborative decision-making and work place support for creativity dimensions of OP significantly predicts managerial flexibility, whereas performance management system did not show any significant predictory relationship with managerial flexibility. In conclusion, based on the extant literature as well as on the empirical findings of the study, it is obvious to suggest that organization must adopt such kind of organizational processes that nurtures the managerial flexibility.*

**Keywords:** Collaborative Decision-making, Communication, Creativity, Managerial Flexibility, Organizational Process, Performance Management System (PMS), Teamwork

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### Problem Background

In the contemporary business arena, effectiveness of the executives is an essentiality for the success of an organization. Organizations need effective and skilled executives to meet challenges as well as durable prosperity (Naryan and Rangnekar, 2011). The managerial

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effectiveness is a key component, which enables effectual operations and delivery of complex initiatives (Analoui 1999). Effective executive provides leadership to the business and facilitates corporate success. This discussion led to the assumption that any organization that wish to be effective must take into account, the effectiveness of its human element. Now the question arises what causes a manager to be effective. Long ago, Langford (1979) had stated that effectiveness is contingent upon certain factors such as situation, which is available to a manager, job position, tasks assigned to him/her as well as the organizational and the socioeconomic environment. In the same tune, Margerison (1981) also stressed that situation is important and if a manager behaves appropriately in tune with the situation, then actions would likely to be highly effective. The above dialogues led us to the conclusion that the manger's ability to respond aptly to glocal (global and local) forces largely contributes in his/her effectiveness. Swift responsiveness to changes may be termed as flexibility (Mott, 1971). Theoretically, the term managerial flexibility gets its foundation the concept of fit used in contingency theory (Drazin and van de Ven, 1985), Atkinson and Gregory (1986) expressed flexibility as an attempt to neutralize the consequences of environmental contingencies and organizational requirements. In the words of Volberda, (1996, p. 361), "*flexibility is a broad concept and has been concluded as a managerial task, managerial capabilities that endow the firm with flexibility and; an organizational design task or the changeability of the organization*". Scholars conceptualized flexibility in different ways however; a chaos in agreeing upon what exactly flexibility is, might be sensitized in their views {*Flexibility is a multidimensional concept. It means different things to different people (Sushil, 2001)*}. In a seminal work, Sushil (2001) tried to explain the concept clearly and mentioned as; "*flexibility is the dynamic interplay or synthesis across the range of options from thesis to antithesis by exercising the freedom of choice*". He (Sushil, 2001) concluded flexibility as an interactional outcome of three indicators such as options, change and freedom of choice. Venkatraman (1989) envisaged the flexibility as the individual's ability to configure the environmental and firm-specific characteristics.

Hence, flexibility simply may view as the ability to take advantages of the pragmatic and opportunistic changes by freely selecting best suitable options. And, in order to be effective and competitive an executive need to be flexible or responsive to changes. Extant literature also supported this view (Chauhan *et al.* 2005; Lansbury, 1995; Locke *et al.*, 1995; Mott, 1971; Narayan and Rangnekar 2009; Phillips and Wright, 2009; Rangnekar 1999, Sommer, 2003; Verdu'-Jover *et al.*, 2008). In addition, Zolin *et al.*, (2011) strengthen this fact and stated that in order to meet out the challenges of contemporary business surroundings, organizations primarily relied on the flexibility of its human capital. Flexible manager smoothly adapts the pace of changes and responds to them peacefully. TenDam (1987) considers managerial flexibility as strategic asset. Organizational leaders are also be of the same opinion with the fact that element of flexibility determines the organizational success. Presently, focus is shifting towards learning and agile organizations through incorporating the elements of flexibility and flexible operations at all levels {*flexibility in new product development (Sanchez and Perez, 2003); flexible strategy framework (Sushil, 2005); flexible strategy game card (Sushil, 2010); flexible marketing (Singh, 2011); flexible labor management (Mittal, 2011); supply chain flexibility (Dalpati, 2010); and so on*}. Now, when the concept of flexibility has recognized as an important aspect for organizational competitiveness the question arises that whether the organizations are creating or adopting such kind of processes that facilitates the flexibility of its human cadre. Thus, present study is a conducted as an effort to answer this specific question in Indian context. The organizational process is considered as independent variable whiles the managerial flexibility as dependent variable. Variables such as teamwork, collaborative decision-making through open communication, support for creativity and performance management system were taken as dimensions of organizational process variable.

### Organizational Process and Managerial Flexibility

Organizational process (OP hereafter) refers to the method adopted/followed by an organization to achieve its goals. OP primarily aims to synchronize the various elements and resources of an organization so that the organizational resources work together to accomplish to enhance organizational performance and prolong competitive advantage (Weiser, 2000). Correspondingly Tsoukas & Chia (2002) debated that organizations strive to coordinate and channelize the flux of human efforts towards certain ends through certain procedures, structures and methods. Similarly, organizational theory (Daft, 1998) also propounds the alignment among the organizational structures, systems, strategy, technology and environmental contingencies; is essential to perform. Thus, OP brings the organizational resources in line and further channelizes them to facilitate the performance. It is evident from the present discussion that OP significantly impinges on the organizational performance in the constructive way. The roots that OP somewhere influence flexibility can be visualized in the Atkinson's (1985) flexibility typology, i.e., numerical flexibility (matching the employees strength with market demand); functional flexibility (mobilization and integration of the organization talent i.e., quality control circles, participative management, problem solving teams) and the last one financially flexibility (pay for performance, variable pay structure, equitable pay structure etc.). Hence, in present study an effort is made to extend the dynamics of OP variables and managerial flexibility.

### Teamwork and Managerial Flexibility

With increasing workplace involvedness and demands, the individualistic orientation shifts towards collectivities. Therefore, teams emerged as powerful tools to cope the intensity of market competition. Teamwork phrased as a unitarist management endeavor to create a paternalistic and conducive climate. Teamwork or team simply refers as gaining competitiveness through collective efforts. Edmondson (2012) called it as teaming that epitomizes the new era of business. Teaming yield benefits both for individuals as well as for organizations. For organizations point of view it enhance innovation by combining skills and perspectives, solve cross-disciplinary problems, make alignment across divisions, create better diffusion of organization's culture, improve its ability to meet customer needs and enable organizations to meet unexpected events. For individuals teamwork facilitates understanding of other disciplines, diverse skill enhancements (interpersonal, project and experimentation skills), deeper understanding of different organizational operations and cultures and so on. Ultimately, through this path through teamwork boosts individual flexibility and agility (Edmondson, 2012). Many other scholars (Horwitz and Townshend, 1993; Vallas, 2006; Zolin *et al.*, 2011) also opine the same view. Hence, this discussion led us to framing our first hypothesis.

Hypothesis 1: Teamwork significantly determines the managerial flexibility.

### Open Communication, Collaborative Decision Making and Managerial Flexibility

Due to its pragmatic consequences, communication becomes an important aspect of organizational process. Open internal communication (communication within organization) provides performance & strategic directives to its members, helps in identifying problem areas as well as delivering their solutions, equip managers with adequate information that is required in disbursing managerial tasks, provide performance feedback and furnishes emotional support in usual and crisis periods. Open communication also mediates the undesired behavioral outcomes such as conflict, mistrust and work place politics etc. Thus, open communication significantly endows an executive fulfilling its responsibilities as well as enhance managerial authority (Moynihan and Pandey, 2006). Communication among coworkers sufficiently predicts their cognitive flexibility (Roy, 2001). Similarly, evidences indicate that communication amplifies the element of flexibility (Gupta *et al.*, 2006; Lau, 1999).

Umesh Kumar Bamel, Santosh Rangnekar, Renu Rastogi and Suman Kumar

Open communication supports collaborative decision-making in organizations. It involved sharing of knowledge and expertise from different areas. This pooling promotes the collaboration. Collaboration generally refers as a process where objectives are common and each actor performs a part of the work with communication, resources, benefits or risk sharing (Winer and Ray, 1994). Available literature (Naim and Vener, 2011; Seguy *et al.*, 2010) suggests that collaborative decision making is frequently employed in emergency and crisis period which requires diverse pool of knowledge and skills, i.e. organizational failures, accidents, breakdown, organizational change & development etc. this diverse pool of knowledge also foster an individual's agility and responsiveness to uncertainties. This discussion proved the instrumentality of open communication and collaborative decision-making in managerial flexibility. Hence, the next hypothesis of the study is proposed.

*Hypothesis 2 Open communication and collaborative decision-making leads to the managerial flexibility.*

### **Workplace Support for Creativity and Managerial Flexibility**

With the mounting pressure on business, organization recognizes the employees' creativity and innovativeness as a device to success. Creativity generates positive effects. It is argued that creativity is an individualistic process; on the other hand, the organizational and the managerial context also nurture, harness and mobilized the employees' creativity (Florida and Goodnight, 2005). DiLiello and Houghton (2006) also purports the similar observation that support from supervisors, work groups as well as from organizations is more likely to instill the employee creativity. Martens (2011) enlisted some work environment factors that promote creativity: a feeling of shared, clearly-specified objectives, as well as a possibility to challenge them; exchange of ideas; constructive controversies; freedom; challenges at work; trust and safety; team participation and collaborative idea flow; and open relationships between colleagues, as well as between supervisor and subordinates. Mathisen and Einarsen (2004) also supported this fact.

In literature, creativity is discussed in two different perspectives. The one perspective refers creativity as the creation of new and constructive ideas (Amabile *et al.*, 1996; Burluson and Selker, 2002; Sternberg, 1988; Woodman *et al.*, 1993) whereas the second perspective treats creativity as the intellectual process that enables people to produce new and useful thoughts (Mayer, 1999). The above argument incorporates the both dimensions of creativity, i.e., the constructive idea generation as well as the mental process beneath this idea generation. The mental process is not easy to gauge therefore, creativity probably refers to the process of fabricating the innovative process or adding the value to the existing one. A better-known consequence of the creativity is the variety in employee behavior (Borghini, 2005). Probably most concurrent model of creativity conceptualized by Amabile *et al.* (2005) invariably supports our view. The path started from creativity leads to cognitive variations through reactions from others, organizational events and affect. Likewise, Woodman *et al.*, (1993) associated creativity with originality, imagination, field independence and flexibility.

Thus, the extant literature purposed that support for creativity boost the employees' ability and authority to face contemporary business challenges through enhancing their flexibility.

*Hypothesis 3 Workplace support for creativity predicts the managerial flexibility.*

### **Performance Management System and Managerial Flexibility**

Performance management system (PMS) is the key organizational process which benefits the organizations as well as its employees. PMS enables an organization to track the contribution of its employees, helps in developing training and development program and also assists in

### Organizational Process as Antecedent of Managerial Flexibility

developing effective reward & compensation policies (Rankin and Kleiner, 1988). Thus, effective PMS not only helps an organization in framing its HR related policies but also develops a competent human cadre which facilitates its strategic competitiveness. Apart from this, it is also evident that PMS improves the flexibility of the workforce (Kramar, 1999). Joy III (1996) asserted likely that PMS should create a system that empowers and motivates employees for self improvement by providing necessary feedback. This self improvement increase employee productivity as well as facilitates change management (Kramar, 1999).

Extensive literature survey has shown that there is dearth of empirical research on managerial flexibility as consequence of PMS. Although the discussed studies probably direct us in framing the next hypothesis of the study.

Hypothesis 4 *Performance management system is a determinant of the managerial flexibility.*

Accomplishment of the various role functions in the organizations directly relate to organizational process variables such as planning, decision-making, communication, team management, leadership, performance management system, role management and so on. Taking root from this discussion present study primarily propose a conceptual framework considering organizational process variables and managerial flexibility and thereon empirical findings of this study also discussed. Figure 1 depicts the posited conceptual schema for the present study.

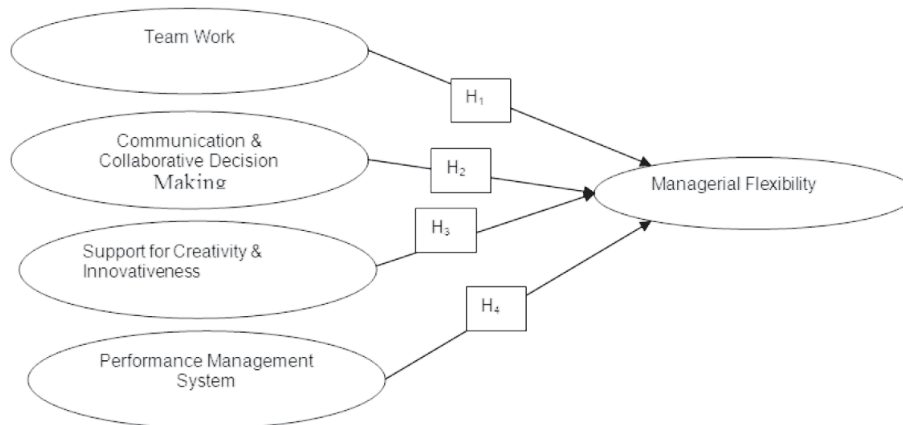


Figure 1: Conceptualized Model for the Study

### Research Methodology

#### Data Collection and Sample Statistics

A field survey was undertaken to collect primary responses. The survey was addressed to Indian executives at all levels (junior, middle and senior) in private as well as public organizations. Judgmental and snow-boll sampling procedures were adopted to obtain responses. A were distributed personally as well through electronic media by using Google documents service to the target population. Initially, a set of completely filled 410 subjects was taken in to account. Afterwards, data was cleaned to meet the assumptions of statistical analysis, i.e. *unbiased (the estimator is on average neither high nor low)*, consistency (*the estimator is near the true value almost all of the time when the sample size is large*) and efficiency (*the estimator has a small variance around the true value*).

After screening the data for these operations, a data set of 367 responses were finalized for the further analysis. The sample is comprised of 35.4 percent public executives and 64.6 percent

Umesh Kumar Bamel, Santosh Rangnekar, Renu Rastogi and Suman Kumar

private executives. Majority of the participant were male (85 percent). Level wise, junior level executives occupied large portion of the sample (49 percent). Nearly about half of the participants were postgraduate (MBA, ME, M.Tech). Table 1 provide detailed demographic information about the sample.

**Table 1: Demographic Features of Respondents**

Category	Public Organizations (n 130, 35.4%)	Private organizations (n 237, 64.6%)
<b>Gender</b>	Percentage	Percentage
Male (85%)	30	55
Female (15%)	5.4	9.6
<b>Age</b>		
Below 30 (32.7)	6.4	26.3
30-39 (37.9%)	15.6	22.3
40-49 (17.3%)	8.4	8.9
50-59 (11.4%)	5	6.4
Above 60 (0.7%)	0	0.7
<b>Levels</b>		
Junior (49%)	13.4	35.6
Middle (25.3%)	7	18.3
Senior (25.7%)	15	10.7
<b>Education Qualification</b>		
Others (13.6%) (diploma/other technical courses)	5.2	8.4
Graduate (38.2%) (B.Tech, BE, BBA etc.)	11.7	26.5
Postgraduate (48.2%) (MBA, PGDBM, ME, M.Tech etc.)	18.5	29.7

(Source: primary data)

## Measures

### Organizational process

The instrument to measure the organizational process dimensions was adopted from the scale developed by Pethe *et al.* (2001). Managers were asked to rate the organizational process prevailed in their organizations on teamwork, communication & collaborative decision-making, work place support for creativity and performance management system. The instrument contained a set of seventeen statements clubbed in four dimensions, i.e. teamwork-four statements, communication & collaborative decision-making-three statements, work place support for creativity-four statements, performance management system-six statements. The reliability coefficient (cronbach alpha value) of the scale as a whole is 0.93. Construct wise, the reliability coefficient also lies within accepted zone also, i.e. for teamwork 0.74, for communication & collaborative decision-making 0.60, for work place support for creativity 0.78 and for performance management system 0.86). Further, the construct validity (convergent and divergent validity) of the instrument was also tested. The results shown in Table 2 elucidates that both, the convergent validity coefficient (good degree of correlation within same construct) and divergent validity coefficient (poor correlation among the items of different constructs) found acceptable.

**Table 2: Construct Validity Coefficient for Organizational Process Instrument**

	TW1	TW2	TW3	TW4	SC1	SC2	SC3	SC4	PM1	PM2	PM3	PM4	PM5	PM6	CD1	CD2
TW2	<b>.53**</b>															
TW3	<b>.64**</b>	<b>.75**</b>														
TW4	<b>.62**</b>	<b>.61**</b>	<b>.72**</b>													
SC1	.42**	.33**	.30**	.33**												
SC2	.23**	.29**	.31**	.36**	<b>.64**</b>											
SC3	.44**	.33**	.20**	.24**	<b>.69**</b>	<b>.75**</b>										
SC4	.22**	.38**	.24**	.46**	<b>.57**</b>	<b>.56**</b>	<b>.58**</b>									
PM1	.35**	.25**	.29**	.14**	.45**	.34**	.28**	.35**								
PM2	.28**	.40**	.29**	.34**	.38**	.36**	.24**	.39**	<b>.63**</b>							
PM3	.37**	.37**	.37**	.38**	.37**	.38**	.25**	.25**	<b>.52**</b>	<b>.51**</b>						
PM4	.43**	.31**	.30**	.32**	.31**	.34**	.29**	.29**	<b>.59**</b>	<b>.61**</b>	<b>.59**</b>					
PM5	.30**	.34**	.28**	.31**	.34**	.44**	.28**	.27**	<b>.56**</b>	<b>.64**</b>	<b>.54**</b>	<b>.55**</b>				
PM6	.38**	.23**	.33**	.12	.26**	.37**	.14**	.35**	<b>.51**</b>	<b>.64**</b>	<b>.72**</b>	<b>.64**</b>	<b>.69**</b>			
CD1	.29**	.35**	.34**	.33**	.33**	.32**	.34**	.29**	.30**	.15	.33**	.12**	.15**	.39**		
CD2	.39**	.37**	.35**	.31**	.28**	.30**	.46**	.31**	.35**	.28**	.37**	.36**	.27**	.24**	<b>.76**</b>	
CD3	.36**	.26**	.35**	.44**	.27**	.31**	.19	.23**	.32**	.24**	.16	.12	.30**	.29**	<b>.61**</b>	<b>.55**</b>

\*\* . Correlation is significant at the 0.01 level (2-tailed) (source primary data).

Note. The value in bold showing the convergent validity scores whereas the values in normal font explain divergent validity.

(TW stands for team work, SC support for creativity, PM performance management system, CD communication & collaborative decision making).

### Managerial Flexibility

To measure the degree of managerial flexibility, the instrument consisted of five statements was adopted from a similar kind of study (Bamel *et al.* 2011) held in Indian context. The reliability coefficient (cronbach alpha value) of the instrument is found 0.71.

### Control Variables

In the present study, gender, type of organization and levels of management were treated as control variables to avoid the confounding results (Lui *et al.*, 2001). Three levels of managers were focused in the present study, due to that reason a dummy variable for managerial levels was inserted.

### Data Analysis and Results

Before running the regression model, assumptions for regression such as normality, linearity, equality/normality of error variance, homoscedasticity and multicollinearity were checked. The obtained Skweness as well as Kurtosis score (see table 4) for study variables lies within the accepted range of  $\pm 1$  (Skweness scores: -.058, .063, -.276, -.152, -.300, Kurtosis scores: -.238, -.481, -.471, -.544, .031). Hence, these findings demonstrate that the sample of the study variables is approximately normally distributed. Next, to check the assumption of linearity, bivariate scatter plots between independent variables (teamwork, communication & collaborative decision-making, work place support for creativity and performance management system) and dependent variable (managerial flexibility) were plotted and the scatter plots (Figure 2 to 5) held the assumption of linearity. Figure 6, the residuals plot shows a random scatter of the points with constant variance close to the diagonal line. Thus, the residuals appear to be approximately normally distributed. This fact fulfilled the assumption of equality of error variance. Four (figure

**Table 3: Descriptive Score (N 367)**

	M	SD	Skewness	Kurtosis	Croanbach alpha	VIF
Team work	19.9	3.8	-.058	-.238	0.74	2.6
Communication and decision making	14.5	3.1	.063	-.481	0.60	2.5
Support for creativity	19.2	4.5	-.276	-.471	0.78	2.9
Performance management system	29.6	6.3	-.152	-.544	0.86	3.1
Managerial Flexibility	26.2	4.5	-.300	.031	0.71	

**Table 4: Regression Score among Independent and Dependent Variables**

Independent Variables	Model 1	Model 2	Model 3	Model 4	Model5
Gender	-.007	-.028	-.020	-.030	-.029
Type of organization	-.056	-.018	-.024	-.011	-.005
Junior or not	-.060	-.013	-.052	-.062	-.067
Middle or not	.011	.016	.012	-.008	-.013
Teamwork		.503***	.182***	.031	.179
Communication and collaborative decision			.450***	.321***	.353***
Support for creativity				.345***	.534***
Performance management system					-.102
Teamwork × creativity					-.254
Adjusted R <sup>2</sup>	-0.002	0.247	0.348	0.398	.400
Change in R <sup>2</sup>	0.009	0.248	0.101	0.050	0.002
Change in F	.856	120.095***	56.995***	30.765***	2.088
Degree of freedom	4,363	5,362	6,361	7,360	8,359

Note: N=367, standardized coefficients (beta) are reported, significant at \*p<0.10, \*\*p< 0.05, \*\*\*p<0.001, dependent variable: managerial flexibility.

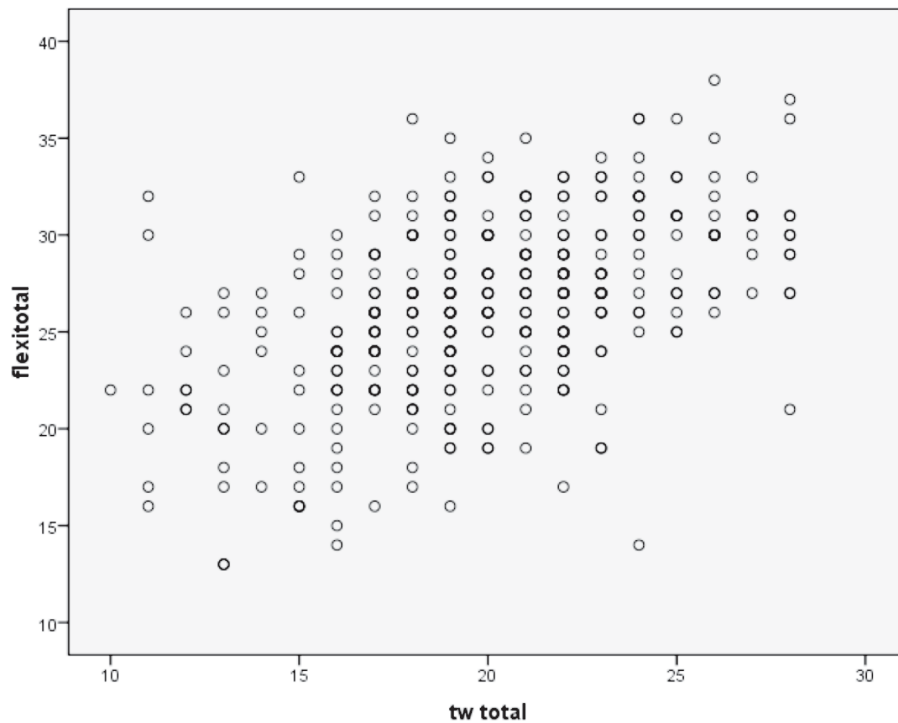
7 to 9) more plots were graphed out to assess the assumption of homoscedasticity that the residuals are approximately equal for all predicted DV scores. The shape of the residuals plot exhibit same width for all values of the predicted DV, hence verified the assumption of homoscedasticity. Next to this, variance inflation factor (VIF) was calculated to check the existence of multicollinearity among the independent variables. The obtained VIF score for teamwork (2.6), communication & collaborative decision-making (2.5), work place support for creativity (2.9) and performance management system (3.1) remained below 10 (table 4). Therefore, the assumption of non-multicollinearity was also met. The foregoing discussion ascertains that the assumptions for the regression analysis appear to be met.

Table 4 lists the mean (M) and standard deviation (SD) of the variables, i.e. team work M 19.9, SD 3.8, communication & collaborative decision-making M 14.5, SD 3.1, workplace support for creativity M 19.2, SD 4.5, performance management system M 29.6, SD 6.3 and managerial flexibility M 26.2, SD 4.5.

Subsequently, to test the research hypothesis, hierarchical regression model was employed.

*Organizational Process as Antecedent of Managerial Flexibility*

All the demographic variables such as gender, levels and type of organization were entered in first step. However, none of them significantly associated with dependent variable (gender - 0.007, type of organization -0.056, junior or not -0.06 and middle or not 0.011). In model 2, teamwork was found positively related with managerial flexibility ( $\hat{\alpha}$ = 0.503 significant at  $p<0.01$ ). Teamwork explains 24 percent in managerial flexibility (adjusted  $R^2$  0.247). Hence, hypothesis H1 is accepted. In model 3, communication & collaborative decision making dimension of OP was found as a strong positive predictor of managerial flexibility ( $\hat{\alpha}$ = 0.450 significant at  $p<0.01$ ). Model 3 explained the 34 percent (adjusted  $R^2$  0.348) variance in dependent variable. Thus, hypothesis 2 of the study has also been retained. Results of the model 4 elucidated the significant positive relationship of work place support for creativity with managerial flexibility ( $\hat{\alpha}$ = 0.345 significant at  $p<0.01$ ). This model explains the 39 percent (adjusted  $R^2$  0.398) variance in managerial flexibility. Therefore, hypothesis 3 of the study was also accepted. Another remarkable finding of the model 4 was that, the predictory relationship of teamwork turned to be insignificant in presence of work place support for creativity. To get more insights regarding this particular observation, an interaction effect of teamwork and workplace support for creativity was tested. The coefficient of interaction term was found statistically insignificant ( $\hat{\alpha}$  -0.25). This fact concluded workplace support for creativity as a moderating variable between teamwork and managerial flexibility. In model 5, we found performance management system was negatively associated with managerial flexibility ( $\hat{\alpha}$  -0.102). However, obtained relationship was found statistically insignificant. This led to rejection of hypothesis 4 of the study and spell out that performance management system does not predict managerial flexibility. The standardized regression coefficients of the above discussed variables are tabulated in table 5.



**Figure 2: Scatter plot between Teamwork and Managerial Flexibility**

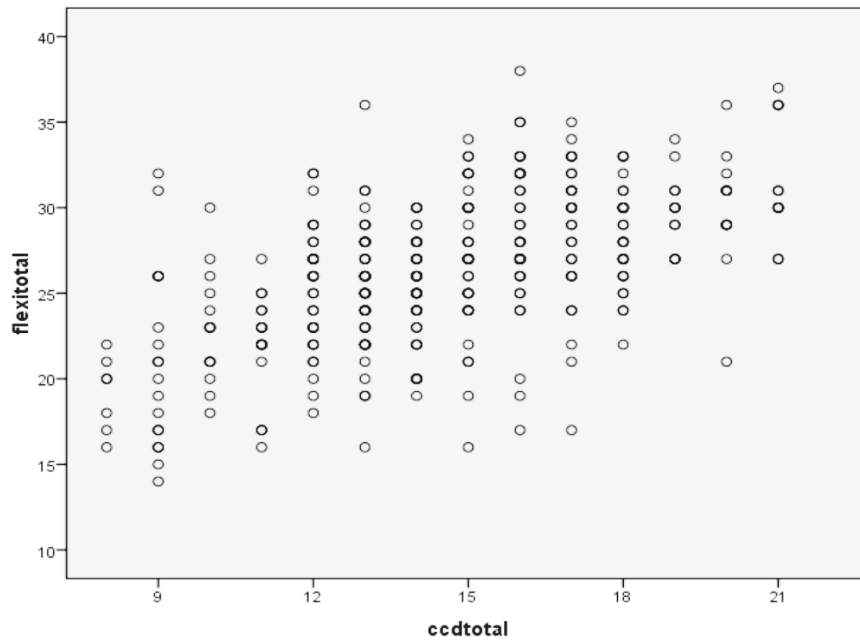


Figure 3: Scatter Plot between Communication and Collaborative Decision Making and Managerial Flexibility.

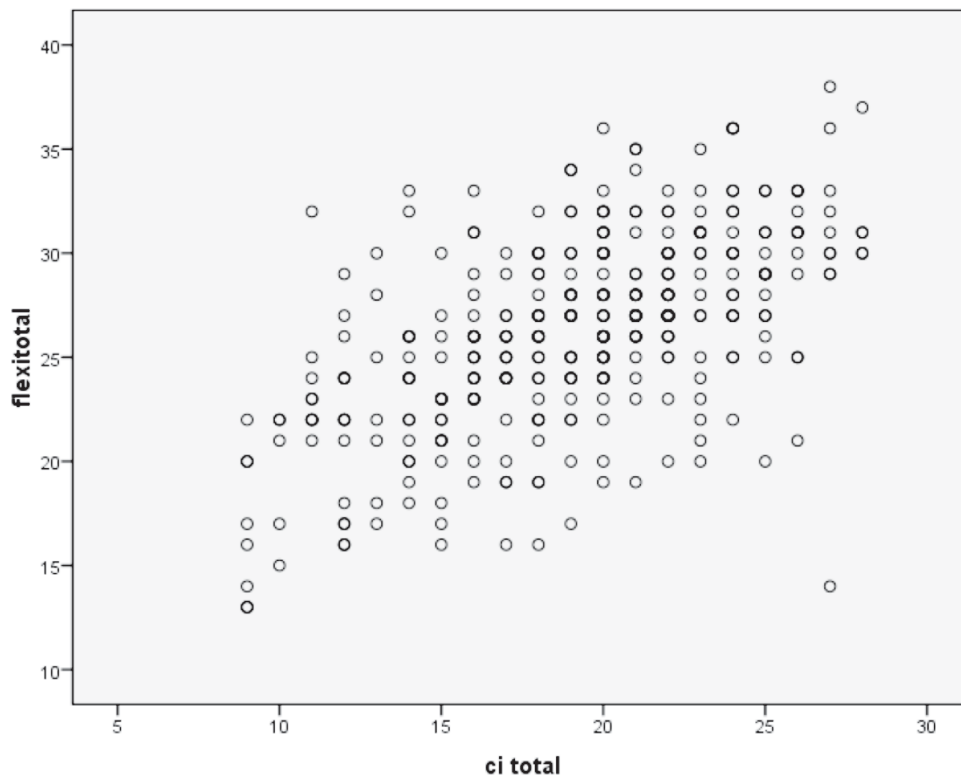


Figure 4: Scatter Plot between Workplace Support for Creativity and Managerial Flexibility

Organizational Process as Antecedent of Managerial Flexibility

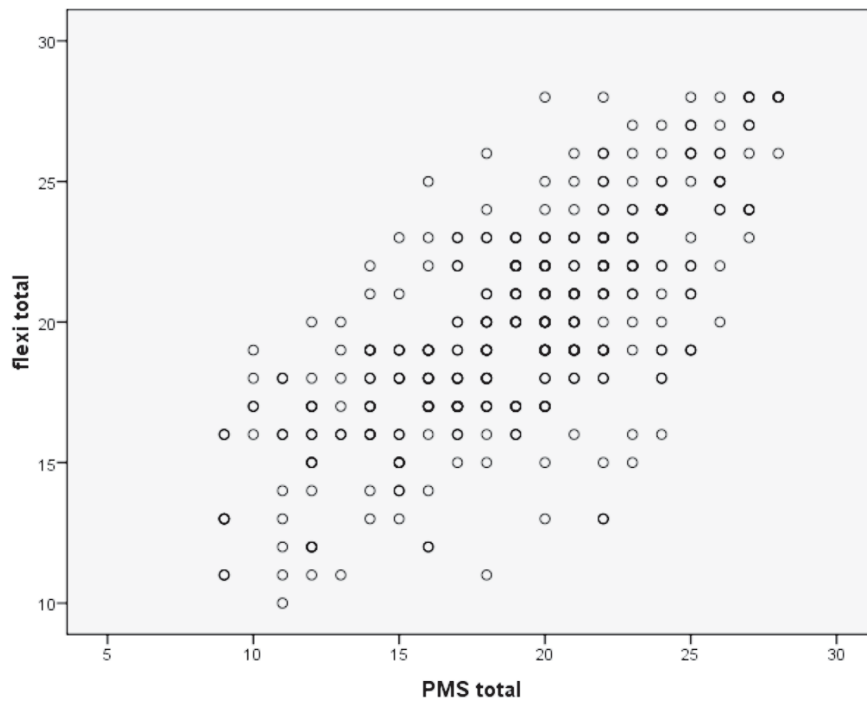


Figure 5: Scatter Polt between Performance Management System and Managerial Flexibility

Normal P-P Plot of Regression Standardized Residual

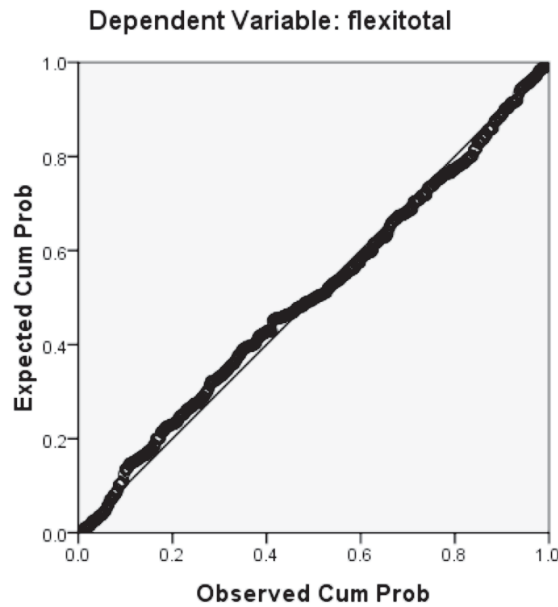


Figure 6: Standardized Residual Plot

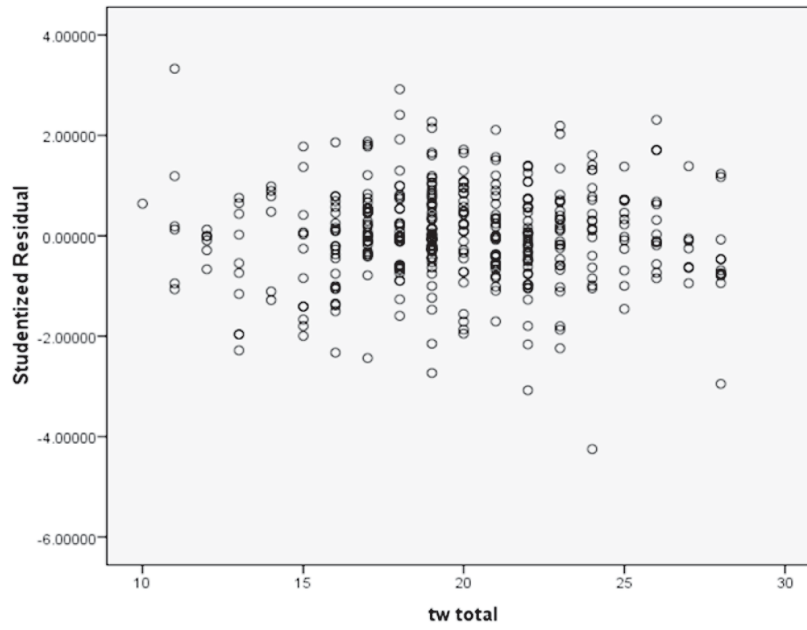


Figure 7: Standardized Residual Plot for Teamwork

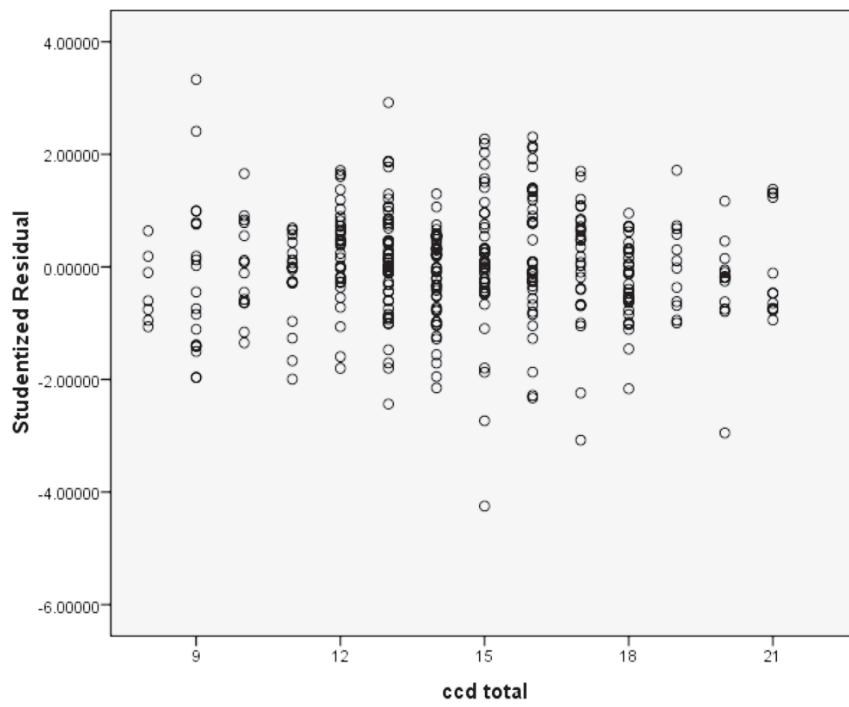


Figure 8: Standardized Residual Plot Communication and Collaborative Decision-Making

Organizational Process as Antecedent of Managerial Flexibility

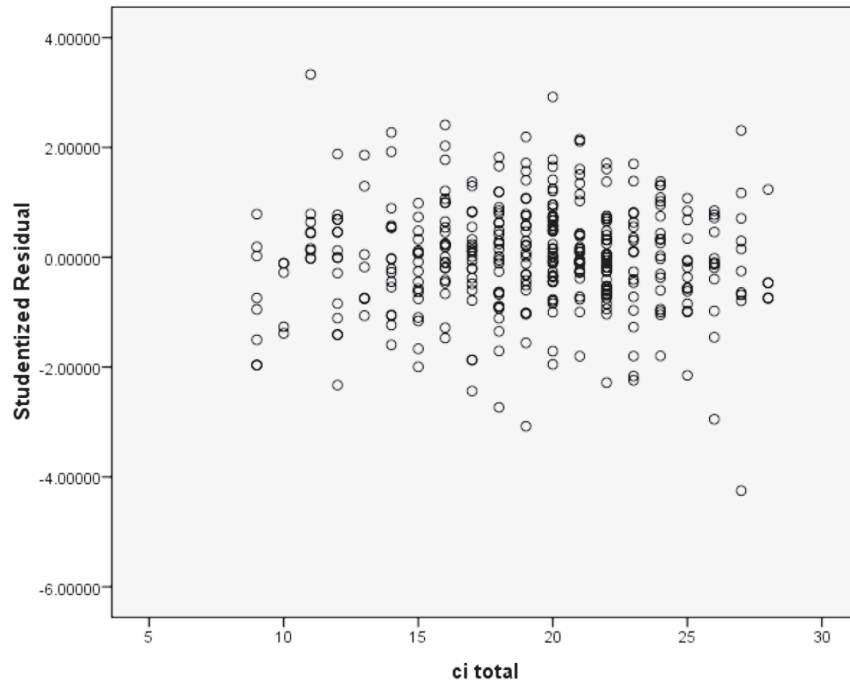


Figure 9: Standardized Residuals Plot for Workplace Support for Creativity

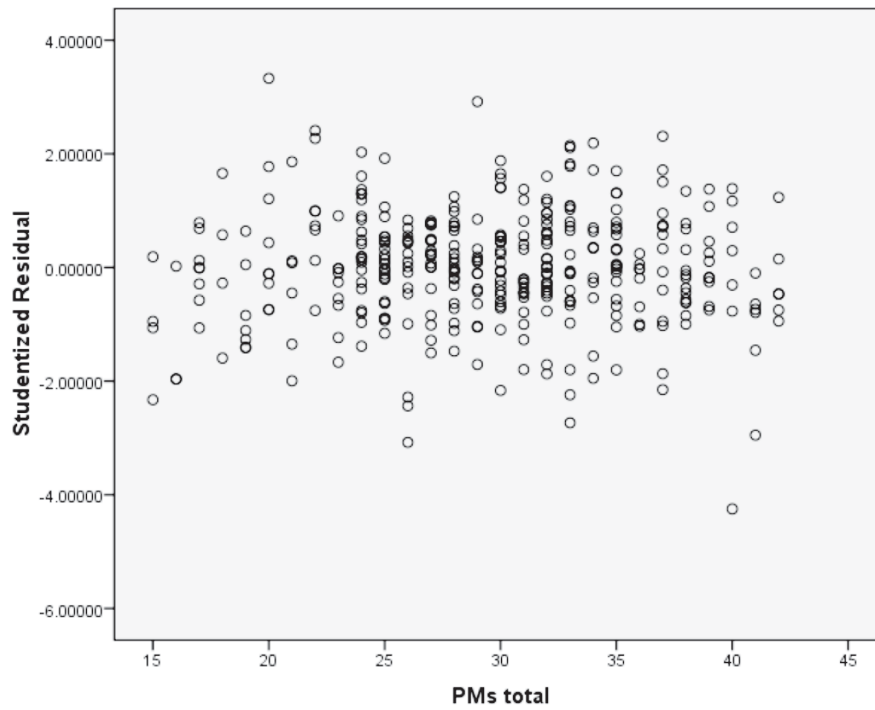


Figure 10: Standardized Residuals Plot for Performance Management System

## Discussion

The concept of flexibility recently has been one of the most common research areas. The present study examined the relationship of OP dimensions; teamwork, communication & collaborative decision-making, work place for creativity and performance management system with the managerial flexibility in Indian context. The hypothesized model was tested empirically and elucidated that, overall, the proposed model explained more than 39 (adjusted  $R^2$  0.397) percent variance in dependent variable. Accordingly, the notion that OP significantly predicts managerial flexibility has been retained.

The empirical findings validated the proposition 1 of the study that teamwork leads to managerial flexibility. Other scholars have expressed the similar conclusion (Edmondson, 2012; Zolin *et al.*, 2011). Diversities such as cultural, gender, skills and expertise are embedded in the contemporary workplaces. In such adversities, teamwork can be accounted for the purpose of organizational effectiveness through the facilitation of individual employee. Teamwork moderates the individuality and creates a web of experts that in a way accelerates the scope of an individual expertise. Teams formally provide a base to the team members to wide their horizon as well informally too, teams provide emotional support and spontaneous knowledge sharing among members (Raffaella *et al.*, 2012). Additionally, teamwork adds variety in experience, skills, knowledge and abilities. This variety of knowledge and its sharing assists an individual in accommodating different changes such as diversified roles, responsibilities and jobs. Thus, it is deduced that teamwork enables an executive to adjust and accustom with the changes around him. It is obvious from the study that the respondents too, have opined in same manner and recognized this notion.

Likely, the results confirmed that positive association of communication and collaborative decision-making and managerial flexibility. The open communication reduces the prejudice in organizational members, increases knowledge and experience sharing, facilitates exchange of ideas and reduces the duplicity of the work. More, communication mobilizes the details of firm' innovation to employees, as well boost their motivation in creating new ideas (Wannapa *et al.*, 2012). During the period of uncertainty, turbulence and crisis communication equipped managers with adequate and useful information necessary to strategy formulation and implementation. Lack of communication can moderate employees' morale, hinders their performance and retreat them in responding to new threats and opportunities (Daft, 2009). Collaborative decision-making can be understood as an effort to arriving at an acceptable solution through collective discussion. It provides a forum where individuals sit together and develop themselves through knowledge sharing. Exchange of views among participants prompt their cognitive thinking process and through this way further enhance their ability to generate novel ideas. Thus, communication and collaborative decision process facilitates managerial responsiveness to contingencies. The present discussion confirms that the managerial flexibility can be increased through open communication and collaborative decision-making process.

The next hypothesis of the study was also found significantly associated with dependent variable. This fact verified that workplace support for creativity promoted the managerial flexibility. Haner (2005) says that a supporting workplace can inspire and motivate people towards creativity and innovation. Scholars like Sternberg (2007) referred creativity as an attitudinal characteristics rather inborn competency of an individual. In order to be creative an individual must equipped with an amalgamation of three intellectual abilities. Sternberg (1999, p. 11) noted them as: a) synthetic ability (to see the problems in new ways and to escape the bounds of conventional thinking), b) analytical ability (to recognize which of ideas are worth pursuing and which are not), and c) the practical contextual ability (to know how to convince others of the value of new

### *Organizational Process as Antecedent of Managerial Flexibility*

ideas). Now, this argument strengthens the view that creativity lead to flexibility. Looking at the definition of flexibility propounded by Sushil (2001) (*flexibility is the dynamic interplay or synthesis across the range of options from thesis to antithesis by exercising the freedom of choice*) one can sensitized the connecting links between elements of flexibility (*change, option and freedom of choice*) and creativity (*synthetic ability, analytical ability and practical contextual ability*). Synthetic ability helps an individual in perceiving the changes occurring around him/her, likewise, analytical ability and the practical contextual ability enables one in selecting new course of action/ideas/process and convincing others about the novelty and usefulness of that particular idea. In addition, supportive workplace fosters the knowledge sharing and skill developments (Appel Meulenbroek, 2006). The knowledge and skills again nurture the three said abilities of an employee and through this leads to managerial flexibility. Thus, in order to instill flexibility in its human cadre, an organization is advised to provide supportive work environment.

Another hypothesis of the study was that performance management system contributes in managerial flexibility. The empirical findings of the study did not support this proposition, more, the negative relationship (insignificant) was found between the said variables. Thus, the hypothesis four has been rejected. This findings revealed the incompatibility among existing PMS and managerial flexibility. In literature, PMS was discussed an antecedent of managerial performance (Clinquini and Mitchell, 2005), however certain studies also identified the failure of PMS in harmonization of individual and organizational goal (Langfield-Smith *et al.*, 2009). Despite the fact that the PMS has been considered as a key factor for the organizations as well as for the employees, the changing needs of the hour advocated the inclusiveness of PMS strategically. This observation creates an urgent need of in-depth examination of PMS in Indian organization as why is a failed in motivating employee towards flexibility.

Another important observation of the study is that work place support for creativity moderates the relationship of teamwork and managerial flexibility.

### **Conclusion**

In this study, we assessed the effect of organizational process dimensions on outcome variable managerial flexibility. Initially, based on extant studies conceptual framework was proposed, thereafter, the conceptual model was tested empirically. Finally the concluded that:

- The attitudinal variables (gender, type of organization and managerial level do not predicts managerial flexibility.
- Teamwork significantly and positively related with the managerial flexibility.
- Communication and collaborative decision making predicts the managerial flexibility.
- Workplace support for creativity leads to the managerial flexibility.
- PMS does not associate with the managerial flexibility.
- Workplace support for creativity acts as a moderator between teamwork and the managerial flexibility and it became their relationship insignificant.

The present study differs from the existing studies in many ways. Firstly, in many studies, managerial flexibility was considered as an antecedent of teamwork, but this study tested and established managerial flexibility as an outcome of teamwork. Secondly, workplace support for creativity was identified as a moderator between teamwork and managerial flexibility. Hence, this study adds in the available literature. Thirdly, the demographic features such as gender, type of organizations and managerial level were controlled and hence, the chances of confounded results were eliminated. This makes our findings more robust. Finally, PMS which is conventionally

established as predictor of many managerial outcomes such as performance, satisfaction, commitment and so on, was found insignificantly associated with managerial flexibility. This outcome certainly would sensitized more research on the issue.

### Implications and limitations

This study expressed some major implications for management and academicians. Recently, managerial flexibility has been identified as the source of managerial as well as organizational success. Contemporarily, Indian organizations have been facing the challenge of uncertainties and change process. In milieu of organizational transition, flexibility of its human element possibly smoothens the change process and determines organizational success. Findings of the present work revealed teamwork, open communication and collaborative decision-making and workplace support for creativity as strong predictor of managerial flexibility. Hence, the management is advised to take advantage of these said variables in instilling flexibility of its employees. It is also suggested that Indian organizations should develop diversified teams, ensure free and unbiased information flow, and must involve managers in decision-making process. Another important suggestion from the study is that in order to boost the employee flexibility, organization must develop the abilities of its employee (particularly synthetic ability, analytical ability and practical contextual ability). Specific designed training and development programs could cater this need. Certain other interventions such as business games, job rotation, sensitivity training, simulated crisis and case studies could also help out. Finally, the unobvious finding of the study that PMS does not predict managerial flexibility warns management to relook and align the existing PMs with the contemporary changes.

Present study also featured with some inherited limitations at its part. First, only few dimensions of OP were considered. Next, majority of the participants was restricted within certain geographical areas of the country, additionally; non-random sampling method was adopted for data collection. This may have yielded some weakness to the study, although data was cleaned to improve its robustness. In order to universal validation of the findings of the present study, the similar work could be extended further in different context with bigger sample size and by using more scientific data collection methods. The work can also elaborate to understand the complex dynamics of teamwork, workplace support for creativity and managerial flexibility.

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Umesh Kumar Bamel, Santosh Rangnekar, Renu Rastogi and Suman Kumar

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### **Appendices I: Instrument for Data Collection**

#### **Part 1 Organizational Process Measures**

1. Team work,
  - People in this organization help each other in their jobs. (statement 1)
  - People in this organization share pleasing relations.
  - Problems are shared with others in this organization.
  - People in this organization trust each other's ability.
2. Communication & Collaborative decision making,
  - Superiors develop friendly relations with their subordinates.
  - All people affected by a problem are consulted before taking decision.
  - The communication channels are open for people working in different functional areas in this organization.
3. Workplace Support for Creativity
  - Constructive criticism is encouraged in this organization.
  - New ideas are encouraged from people at all levels in the organization.
  - For doing new tasks people are encouraged and supported.
  - Creative climate is allowed to sustain in the organization.
4. Performance management system,
  - Hard work is rewarded in this organization.
  - The performance of people in this organization is recognized.
  - People in this organization are evaluated by the results they achieved.
  - Merit is rewarded in this organization.

*Umesh Kumar Bamel, Santosh Rangnekar, Renu Rastogi and Suman Kumar*

- Individual development is encouraged along with team development.
- Feedback is regularly provided to people on the basis of systematic performance appraisal.

**Part 2 Managerial Flexibility Measures**

- How good a job is done by the people in your division in anticipating problems that may come up in the future and preventing them from occurring or minimizing their effects?
- From time to time newer ways are discovered to organise work and newer equipment and techniques are found with which to do the work. How good a job do the people in your division do in keeping up with these changes that could affect the way they do their work?
- When changes are made in the routines or in the equipment, how quickly do the people in your division accept and adjust to these changes?
- What proportion of the people in your division readily accept and adjust to these changes quickly?
- From time to time emergencies arise, such as crash programmes, schedules moved ahead, or a breakdown in the flow of work occurs. When these emergencies occur, they cause work overloads for many people. Some work groups cope with these emergencies more readily and successfully than others. How good a job do the people in your division do in coping with these situations?