

Impact of Change, Culture and Organizational Politics on Organizational Learning

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Abstract

The research article in hand discusses the role and relationship between different organizational factors in context of learning environment of an organization which plays a vital role in development and effectiveness of an organization. Data collected from multiple industries have strong implications for managers. The purpose of this study was to determine the role of organizational change, organizational culture, organizational politics and organizational learning on organization. The study extends the existing research in this area by focusing on the impact of these forces on organization. Our objective is to make our research a useful resource for scholars who want to have well-incorporated reviews of the literature, advancement in research methods, and thoughts about practice which will open new ways of working within organizations to create successful change. To analyze the role of organizational change, organizational culture, and organizational politics on organizational learning, 300 questionnaires were distributed in Manufacturing, Education, Energy, Banking and Telecommunication sector in Pakistan. Two hundred and sixty four completed surveys were received at the response rate of 88%. Pearson's moment correlation, descriptive statistics and linear regression was applied to determine the role of organizational change, organizational culture, and organizational politics on organizational learning. Results showsignificant impact and strong implications of this study.

Keywords: Organizational Learning, Organizational Culture, Change, Organizational Politics, Knowledge Management, Leadership

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1. Introduction

The nature of organizational structure greatly influences its change when it decides to bring change in its structure and practices. It should distribute its knowledge and communicate properly among its member. By keeping in view that there is consistency in change, organization can survive. Because of the uniqueness of organizational practices and setup, it is difficult to administer the change in skills and knowledge of members that are beneficial for the organization. Environmental forces have a significant impact on organizational forces so the desired technical and cultural changes can not be obtained with closed system in organization.

Socialization and motivational aspects of employees bring significant change in organizational culture. Mechanistic and organic culture have important role to play in organizational culture. The level of efficiency and effectiveness and performance of individuals depend on the norms and values of organization. Organizational performance and profit would be enhanced by promoting the leadership competencies and culture of the organizational members so that the organization is able to get the full response from its members. Organizational culture is greatly influenced by adhocracy culture that promotes innovation. The success of the organization relies on effective management of its leader. Transactional leadership, transformational leadership and contingent reward are the leadership theories that are positively related to the knowledge management.

As organizational politics is a search of self-interest of individuals, some of the selfish organizational members primarily promote self-interest even at the expense of the organizational objectives but pretended as if their activities are in the direction of greater organizational goal. When an organization engaged in the development of new product it sometime do not consider the element of political unfairness. Contents of job and level of hierarchy also decide about the politics of the organization. Empowerment and the four factors hierarchy, organizational context, micro politics and suspicion are quite influencing in order to consider knowledge sharing within the project team.

Organizational learning is influenced by the culture, changing physiological contract and power differential between groups and leadership. All human resource management activities largely reflect the organizational learning which has positive relationship with organization performance.

The purpose of this study is to determine the role of organizational change, organizational culture and organizational politics in organizational learning within organization. We endeavor to emphasize the latest advances in thought with the help of research and practice. The study extends the existing research in this area by focusing on the impact of these forces on organization. Our purpose is to make our research a useful resource for scholars who want to have well-incorporated reviews of the literature, advancement in research methods, and thoughts about practice which will open new ways of working within organizations to create successful change.

2. Literature Review

2.1 Organizational Change

According to Barbaroux (2011) change in organizational structure and the connection between communication and organizational structure has been brought due to the changes made in military organizations. Other than this, transformation of military organizations also explains new versions in which organization distributes its knowledge among particular members and then communicate it among its members, however keeping in view that consistency should not be thrown away. According to Andrews, Camron and Harris (2008) every organization has unique environment and culture so the change in organizational practices is difficult to administer. The managers accept only those skills and knowledge beneficial for the organization that seem fit for organizational change. These authors wanted to bring change in management by applying timely informative and deep approaches.

According to Prenket (2006), in an organized activity any paradox which inconsistently occurs then it may change some elements of organized activity or either there comes a need to replace some elements of that activity. According to Eikeland and Nicolini (2011) turning into practice does not necessarily mean that you have actually practicing everything or strictly following the social science. It is actually a matter of developing a theory which gives a clear sense to practitioners about what they have already done so they may be aware of their doings. The model generated as a result of such theory would not create subjects based on some laws but rather a discipline like grammar in which things are known to him well who knows them well.

2.2 Organizational Culture

According to Taormina (2009) the needs to bring motivational aspects in employees call for significant change in all socialization areas of organization; whereas socialization calls to bring significant changes in organizational cultures. Different models which have been used to develop understanding found that employees' needs are linked to organizational culture because of organizational socialization. According to Balthazard, Cooke and Potter (2006) correlation analysis revealed that all individuals and other forces in the organization that are responsible for maintaining its performance have positive relationship with productive norms and values of organization but have negative impact on impair functioning styles. However it is clear from results that dysfunctional or impairs styles result in lowering of efficiency, effectiveness and performance of organization. According to Chang and Lin (2007), it was found that those organizations which are fully controlled by management information security, management values of secrecy, honesty, accessibility and answerability have strong positive relationship with effectiveness and consistency which are important characteristics of such organization. Whereas such organizations which are flexible in their working and main characteristics of which are cooperativeness and innovativeness, the information security management principles have no affective relationship with its such characteristics as it is clear that confidentiality and cooperativeness are negatively correlated.

According to Valencia, Jimenez and Valle (2011) organizational culture is one of the major determinant of innovation and imitation. Organization focusing on adhocracy culture are very good at problem solving and innovation and has a strategy of developing and introducing innovative new products and services into the market before their competitors. On the other hand, organizations focusing on hierarchical culture will promote imitation culture. They try to avoid the cost associated with the basic investigation and the development of technologies and adopt competitor's ideas and technology. According to Nguyen and Mohamed (2011), the success of the organization relies on the effective management of its leader. There are four leadership theories that are positively related to the knowledge management practices. Transactional leadership is the influence of a leader towards its subordinates in which a leader has to give something to his followers in exchange for performing certain tasks. In transformational leadership the leader works as a model and a motivator to encourage the followers to work not because of an exchange of value but for the love of their work.

Charismatic leadership is leadership based on the leader's ability to communicate and behave in ways that reach followers on a basic, emotional way, to inspire and motivate. Contingent reward leadership involves the leader assigning follower agreement on what needs to be done with promised and actual rewards in exchange for satisfactorily carried out the assignment.

2.3 Organizational Politics

According to Gotsis and Kortezi (2011) organizational politics is a search of self interest of individuals in the organization without consider to their effect on the efforts of the organization to achieve its objectives. By adopting an alternative view of behavioral assumptions it deduce a positive political behavior. Bounded self-interest assumption is more representative of actual human behavior. Some of the selfish organizational members primarily promote self-interest, even at the expense of organizational objectives and revealed their activities in the direction of greater organizational good. Weissenberger-Eibl and Teufel (2011) pointed out that there is a intersection between the effects of politics of organization and the selection of the project of new product development. According to Beyes and Volkmann (2010) the identification of political organization theory must be encouraged. According to Muhammad (2007) the contents of job or work and the level of hierarchy are important interpreters of the politics of organization. On the other hand, formalization and centralization did not have an important impact on the perceptions of the politics of organization. According to Gadot (2007) the research only partly holds up the intervening effect of the politics of organization on the relationship between headship and performance. Performance includes the mode by which the employees perform their work and the flexible behavior of individual to go ahead of the basic requirements of job for the benefit of organization. There was also found a direct and positive relationship between headship and performance. The individuals who show high involvement in their jobs consider their work to be a very important part of their lives.

According to Poon (2006), trust in supervisor and employee willingness to assist the coworker observes less politics. According to Field (2011) interest of members of organization are intimidated by the pay renegotiation and performance management which are also helpful for organizational change and learning.

According to the Sheard, Kakabadse and Kakabadse (2011) what is the political nature of manager behaviour when he taking leadership action and how will that behavior modified to ensure that leadership action is effective.

2.4 Organizational Learning

According to Alas, Vadi and Sun (2009) during the organizational changes phase employees working attitude for the organizational learning and changes is one of the most important factors of success. According to Pokharel and Hult (2010) the learning environment sway the organizational learning and its variation estimated by the penetration rate in local department. According to Lucas and Kline (2008) organizational change and learning were influenced by the culture, changing physiological contract and power differential between groups and leadership. According to Sharma (2006) Human Resource Management activities largely reflected the organizational learning and it has a positive coorelation with organization performance. According to Varney (2008) in organization most oftenly small things impact leadership learning and advice of human resource professional to develop the leadership and learning programs in organization.

From above literature review some following hypothesis are developed to examine the role of organizational change, organizational culture and organizational politics on organizational learning.

H₁: There is significant association between organizational change and organizational learning.

H₂: There is significant association between organizational culture and organizational learning.

H₃: There is insignificant association between organizational politics and organizational learning.

3. Methodology

In order to get the evidence for our research, we gathered data from our respondents through self administered questionnaires. So for this purpose, questionnaires were distributed in employees, managers and faculty members to analyze the impact of organizational change, organizational culture and organizational politics on organizational learning.

Questionnaires contained two sections:

- Demographic Section
- Subjective Section

Demographic section comprised of gender, age, education and occupation of the respondents. Subjective section comprised of organizational change, organizational culture, organizational politics and organizational learning. Sample size for the study was 300 but 129 managers, 54 employees, 76 faculty members and 5 students were included to get responses for analysis. 300 questionnaires were distributed and 264 out of 300 were received completed questionnaires at the response rate of 88%. A survey instrument in the form of close ended questionnaire was developed for the purpose of collection of data. Survey consisted of 40 items to gather responses from managers, employees, faculty members and students while 5 point Likert scale was used to measure these responses. Data was collected from educational, banking and industrial sectors with stratified random sampling technique. The target population of this research was University of the Punjab Gujranwala Campus, GIFT University, Bank of Punjab, Habib Bank Limited, United Bank Limited, Bank Alfalah Limited, Coca Cola Company and Strategic Systems International Lahore. The participants were 17% female and 83% male.

4. Results and Discussion

To analyze the role of organizational change, organizational culture and organizational politics on organizational learning, Pearson's Correlation Coefficient and descriptive statistics were run in SPSS and analyzed to compute mean and standard deviation of the variables and to analyze the tendency of the respondents. 5 point Likert scale was used to get the responses while Cronbach's alpha was also computed to test the reliability of the analysis.

The mean value of Organizational Change is 3.99 that shows the positive tendency of the respondents. 3.99 is close to 4 that shows it has significant role in organizational learning while 41.2% variation is seen among responses from strongly disagree to strongly agree whereas alpha shows 78.5% reliability of the survey. Table 1 shows organizational change is strongly correlated with organizational learning and also significantly correlated with rest of the variables.

The mean value of Organizational culture is 4.07 that shows the positive tendency of the respondents and its significant role in organizational learning and 45.9% variation is seen among responses. The reliability of this survey is 81.3% as depicted by alpha. Table 1 shows organizational culture is strongly correlated with organizational learning and also significant correlate with rest of the variables.

The mean value of Organizational culture is 4.04 that shows the positive tendency of the respondents and its significant role in organizational learning, 51.2% variation is seen among responses. The reliability of this survey is 79.7% as depicted by alpha. Table 1 shows organizational politics is strongly correlated with organizational learning and also significant correlate with rest of the variables. The mean value of Organizational culture is 3.90 that show the positive tendency of the respondents and its significant role in organizational learning, 59.3% variation is seen among responses. The reliability of this survey is well above the threshold value. Table 1 shows organizational learning is strongly correlated with organizational learning and also significant correlate with rest of the variables.

$R=0.693$ shows 69.3% variation in organizational learning is explained by organizational change, organizational culture and organizational politics. R square shows 48% total variation with its linear relationship of organizational change, organizational culture and organizational politics on organizational learning. Durbin-Watson test is used to test the nature of correlation. Since the value of "d" is less than 2 it means there is no autocorrelation and data is fair, normal and suitable for analysis and also regression test is applicable. There was no evidence of multicollinearity.

Table 3 of ANOVA shows level of significance since the value of "p" is less than .05 so it is accepted the role of organizational change, organizational culture and organizational politics on organizational learning is highly significant.

In Table 4 $A = -0.053$ is the average of organizational learning when organizational change, organizational culture and organizational politics are zero whereas 0.204, 0.218 and 0.560 are the values of "beta".

Organizational Learning = $-0.053 + 0.204$ (Organizational Change)

Above linear equation shows that hundred percent organizational change will bring 20.4% change in organizational learning.

Organizational Learning= $-0.053 + 0.218$ (Organizational Culture)

Above linear equation shows that hundred percent organizational culture will bring 21.8% change in organizational learning.

Organizational Learning= $-0.053 + 0.560$ (Organizational Politics)

Above linear equation shows that hundred percent organizational politics will bring 56.0% change in organizational learning.

In Table 4 indicates tolerance values of organizational change, organizational culture and organizational politics are 0.376, 0.454 and 0.626 which are less than .5 and VIF is also less than 10 that shows there is no multicollinearity.

5. Implications of the Research

The significance value of organizational change and organizational culture is less than 0.05 so alternate hypotheses is accepted and significance value of organizational politics is greater than 0.05 so alternate hypothesis is rejected.

So we can conclude that:

- There is significant association between organizational change and organizational learning
- There is significant association between organizational culture and organizational learning
- There is insignificant association between organizational politics and organizational learning

5.1 Practical Implications

This study provides some course of action to understand the role of organizational change, organizational culture and organizational politics on organizational learning.

Managers should pay more attention on organizational change and organizational culture and less on organizational politics to enhance organizational learning. The research findings signify the importance to the management of both flaxen procedures and reasonable outcomes. These findings help the managers to realize how flaxen judgments have valuable workforce in the course of enhancing organizational learning.

5.2 Limitations and Future Directions

Further research should be conducted in other sectors for more concrete results. Future research should also effort to achieve a larger population and sample size. Future researchers can get better general application of the current study by replicating these outcomes using other statistical tools and methods.

Table 1: Pearson's moment correlation N=264

Description of Variables	Mean	SD	Alpha	1	2	3	4
Organizational Change	3.99	.412	.785	1			
Organizational Culture	4.07	.459	.813	.737**	1		
Organizational Politics	4.04	.512	.797	.609**	.491**	1	
Organizational Learning	3.90	.593	.816	.560**	.510**	.652**	1

** . Correlation is significant at the 0.01 level (2-tailed).

Table 2: Model Summary^b

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate	Durbin-Watson
1	.693 ^a	.480	.474	.43001	1.688

a. Predictors: (Constant), Organizational Politics, Organizational Culture, Organizational Change

b. Dependent Variable: Organizational Learning

Table 3: ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	44.391	3	14.797	80.022	.000 ^a
	Residual	48.077	260	.185		
	Total	92.468	263			

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Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	44.391	3	14.797	80.022	.000 ^a
	Residual	48.077	260	.185		
	Total	92.468	263			

b. Dependent Variable: Organizational Learning

Table 4 Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics		
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	-.053	.274		-.195	.846		
	Organizational Change	.204	.105	.141	1.941	.053	.376	2.656
	Organizational Culture	.218	.086	.169	2.539	.012	.454	2.203
	Organizational Politics	.560	.065	.483	8.546	.000	.626	1.598

a. Dependent Variable: Organizational Learning

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