Impact of Employee Adaptability to Change Towards Organizational Competitive Advantage

By M. Rashid Tariq, Mr. Sohail, Dr. Muhammad Aslam

University of Lahore Islamabad Campus

Abstracts - It’s having long debates among the researchers and the managers for the competitive advantages for the organization in what way it can be disembarked. This study concerns to the human resource management and how the competitive advantages have the significant effect on training and development, empowerment and maintaining in the organization so that employee can be a valuable assets in this way organization became proficient regarding the competitive advantage. Organizations operate in an environment where internal and external forces effect on its overall performances, so this study is helpful in introducing the strong culture and in receiving the present and futuristic benefits towards competitive advantage. An organization has to face competition in the market where they have to introducing their product for capturing maximum the market share in retaining the current as well as the potential consumers, but before entering in competitive advantage the firms have to get involved in such kind of activities necessary for attaining this edge. This study is an expressive nature where some important links given which are guiding towards employee’s adaptability to change and getting competitive advantage.

Keywords : Competitive advantage, T&D, empowerment, culture, Adaptability, change.

GJMBR-A Classification: JEL Code: L16
Impact of Employee Adaptability to Change Towards Organizational Competitive Advantage

M. Rashid Tariq\textsuperscript{a}, Mr. Sohail\textsuperscript{b}, Dr. Muhammad Aslam\textsuperscript{c}

Abstract - It’s having long debates among the researchers and the managers for the competitive advantages for the organization in what way it can be disembarked. This study concerns to the human resource management and how the competitive advantages have the significant effect on training and development, empowerment and maintaining in the organization so that employee can be a valuable asset in this way organization became proficient regarding the competitive advantage. Organizations operate in an environment where internal and external forces effect on its overall performances, so this study is helpful in introducing the strong culture and in receiving the present and futuristic benefits towards competitive advantage. An organization has to face competition in the market where they have to introducing their product for capturing maximum the market share in retaining the current as well as the potential consumers, but before entering in competitive advantage the firms have to get involved in such kind of activities necessary for attaining this edge. This study is an expressive nature where some important links given which are guiding towards employee’s adaptability to change and getting competitive advantage.

Keywords : Competitive advantage, T&D, empowerment, culture, Adaptability, change.

I. Introduction

In the world of business competitiveness where every organization are trying to attaining maximum market share in respect of their max present as well as potential customers and can hold the sustainable competitive advantages for a long period and searching the new ways to retain it. The main motive for conducting this study is to identify and to discuss the reasons why employees didn’t ready easily to adapt the changes than those eager to adapt the change in any case. This study also intriguing the basic important element leads to adaptability regarding to change in getting the competitive advantage and also evaluating the responsibilities on the part of employer in order to maintaining certain steps for the betterment of his employees through training and development, empowerment and culture. Berger, (1994) defined the “change” as it is a repetitive nature of practice in keeping in the line of the organization for operating and performing the most successful manners over its rivals. When an organization implements these manners in a true spirit in creating the environment where an employee feels himself as a valuable person in the organization. This study is a linking approach following the elements towards employee adaptability to change and getting the competitive advantage.

The organization is the mix blend of employees with different skills available in the form of human capital that utilized in the organization’s products and services in business activities. The products and services are the real indicator of the strength in considering the overall organizational competitiveness. Trained human capital having tendency to move and left behind the anxiousness for the company to ensure the competitive advantages. So loyalty of such employee in this scenario is of great importance. (Dr. Lisa, Dr. Susanne, Farida Eckardt 2008). The question of modern world how to retain the most valuable employee in the long run, it has became the biggest challenge for organizations in its own interest to upholding some core steps for the retaining of the highly qualified employees which are real quintessence of organization. Study proved that those organizations who apply quality retention techniques may have had the competitive edge towards others. Studies by Bishop (1994) and Bartel and Lichtenburg (1987), proved that highly skilled workforce payback to organization in the shape of higher outputs and enhancing adaptability towards change. It is therefore organizations have to set a sequential process of development through training of their entire work force enabling them to encounter the front the where the changes implemented in the organization. Change is a constant phenomenon in which a sword is every time hanging to cut with its sharp edges whatever comes in its way. Organizations are now well equipped to switch according to the circumstances that will be sustained the operations in the long run. Due to recent researches, many questions have been raised one of them is whether an employer should invest for encountering the changes and designing the training programs according to enhanced their skilled level in the employees so what type of

\textsuperscript{a}Author\textsuperscript{a}: MS Scholar, University of Lahore. E-mail : mrashidtariq@Yahoo.com

\textsuperscript{b}Author\textsuperscript{b}: University of Lahore Islamabad Campus. E-mail : gsohail143@Yahoo.com.

\textsuperscript{c}Author\textsuperscript{c}: Faculty, University of Lahore Islamabad Campus. E-mail : aslamnuml@Yahoo.com.
guarantee is available that holding of these trained employees may switched on to other employers? The answer of this is in a yes mood. It is true that small plant may grow in one’s land and ripen there but fruit may be received and be eaten by someone else i.e the others. Michael D. Jackson, (1999) find that employees leave the job due to three factors; over burdening of workloads, disappointment with organizational culture and of limiting promotional openings. It is the core responsibility of the organization to give empowerment to some extent and developing such a culture helping in ploughing and eaten by Organization which is providing such type of activities that induced commitments in their employees by providing the culture in which they get empowerment to some extent and coordination in various present assigned goals and objectives. They also be involved in the decision making process and they also be encouraged giving suggestion in establishing an effective communication system. Michael D. Jackson, (1999) according to them organization values and culture has to easily be understandable to all employees and the value of these in the organization must also be in pursuance. We are in the era of globalization where the changes are occurring frequently and continuously. An employee who is competent and eager to move to new thinking which makes him more learner and innovative so he thinks that if the organization is not up to the mark of adaptability towards change will certainly lose the valuable assets in the shape of skilled employees. This research paper is design to evaluate elements which lead to an organization to adapt changes and according to that adaptability a learning based environment is prevailed so that employees are willing to perform to that extent where the organization is required. These elements are also lead to employee’s retention to be remained loyal to organization’s goals and objectives. The study is limited to consider other elements like burning out process to employee adaptability to changes and the overall performance for competitive advantages in local industry.

II. Literature Review

It is quite natural that when employee finds nothing in the organization for its growth and the organization have some complex type of system where no enhance training, no empowerment and less appropriate culture. Resultantly, the employee will relinquish the charge and move further to another employer. Study reveals that an employee might resign or quit the job due to his personal reason or may be a victim of layoffs. Why companies start layoff there are many reason due to some financial crises or might be the individual are not giving the required performance within a stipulate time. No organization or company desire that their valuable employee quit either they are eager to retain them for long life period. Some time the organization its self find good results after filing the vacant job. They find the best skilled person rather than the previous one. The new inductee’s idea might have made some innovation that’s leads to the organization on top among others competitors.

Some time retention of the employee itself makes a burden on the organization shoulder. Like vise an employee now wants more from employer in shape of financial or some profession advancement and empowerment and setting example for others to do the same. If an employee leaves the job now to fill the vacant post organization recruit new one and then spend more money on its training for the sake of betterment. While In the absence of an employee the work shifted on the next person’s shoulder that is on line and it is hard for them to do the same work in addition to his own responsibility. This leads the mistakes portion high. Error takes place when less employee are more doing more work until the new hiring takes place and trained (Roseman, 1981, Sagie et al, 2002). When employees leave an organization of their own accord, they often give good reason for their departure by judgment of fault with their jobs while other employees within the organization will develop their own observation of why another employee left. This presumption can damage the working environment and relationship by distribution of inconsistent mistruths (Liew Chai Hong & Sharan Kaur, 2008). As this happens many others also assume this and tried another option to leave. A particular carrying out may be a convoy by a sequence of terminations in speedy series (Roseman, 1981). When more and more skilled employee leaves, it decreases the level of competitive advantage towards its competitors.

Organizations who had capacity and awareness for getting competitive advantage showing that the firm had the ability to achieve new miles stone for just to alter his competencies refer to firm abilities to achieve new forms of competitive advantage by renewing competencies in order to reassemble its parallel activities with the changing business environment (Teece et al., 1997; Eisenhardt and Martin, 2000). In the environment of change where organization has to maintain a sequential Training & Development which is one of the major contributors to enhance the abilities of an employee and through this process the employee has became so much loyal towards organization’s objectiveness.

Retention strategies of an employee are not very easy task as it perceived by some organization. Today’s modern world employees are very familiar about what’s in and out in the organization. Now employee needs nucleus involvement in the upcoming policies and decision of organization. Litwin and Stringer, (1968) stated that responsibility it’s because of
the employees’ perception of the amount of self-rule unlimited to them by the organization, and the sense to have control of to be a boss and contain to be double tartan on their conclusion through. So empowering the employee through involvement in decision making and setting up new goals and objectives for the organization’s long term policies and projects may having to create a sense of responsibility and value creation as well as motivation. On the basis of above the developed hypothesis H2 which is stating that the Empowerment of employee has significant impact on organizational competitive advantage is initially accepted.

Every organization has its own culture in which its day to day activities performed. The culture of office is observed because important for the fighting fit for the individual (Thompson, et al., 1999) and this also relevant but also seen as relevant source for the organization to grasp competitive advantage (Itami, 1987). Organization Enriched culture is mostly according to the ability of the employee and their willingness to achieve the goals and objectives in well motivated manner. This usually comes when the culture of the organization has balance. Work-life equilibrium culture is a fastidious aspect of the organizational culture that echo the thoughts and values of the organization bordering the ability of individuals to balance their work and non work lives (Thompson, Beauvais and Lyness, 1999). Thus on the basis of above said statements the developed hypothesis that Culture has significant impact on organizational competitive advantage is generally accepted.

### III. Conceptual Framework

This conceptual model is developed to identify the significant impact on the different variables of gaining the ability of employees adaptability towards change and finally to get competitive advantage. The researcher in the past discuss many others important variables that has significant impact on the overall organizational competitive advantage. Here in this study tried to make some others linkages which have important impact factors on getting the competitive advantage as similar others variables as well, which had been discussed earlier studies in the past.

### IV. Methodology

This study conducted just to identify the relationship of independent variables as training and development, empowerment, culture towards the employee adaptability to change which is a moderator and competitive advantage being a dependent variable. Questionnaires were spread in person to workers/employees within service sector organization and others. On the basis of the data conducted from the person engage in the executive, supervisors and staff position. A sample of 80 employees of different categories in organization has been assessed and evaluate. The training and development, empowerment and culture variable calculated with the Yes or No and 5-point Likert scale and also used own generated scale for assessment purposes. Using correlation of the statistical interference makes able to identify the hypothesis developed in our study and relationship between the discussed variables. The results are present in the table chart.

## V. Discussion

It is apparent that changes are necessary for employees and employer, so it is the responsibility of the organization to articulate how change is positive to them and in what manner it is implemented in the existing scenario. When organizations implement changes, the first outcome is the employee resistance towards that change. In general it is expected that whenever the change is implement in the organization, it has to face a lot of problems in term of resistance. Leader may take some decision in a more sequential manner to make their employee ready to adapt the change according to their competency. In the current scenario, organizations are discriminated by revolutionizing and energetic surroundings for which they required for adaptive employee became vital (Edwards & Morrison, 1994; Ilgen & Pulakos, 1999; Smith, Ford, & Kozolowski, 1997). As known for the
main pinpoint area of the organization is for strengths and weaknesses and what opportunities and threats are available for them in the external environment. As recalling the SWOT analysis in which study proved that every organization has to judge their strengths and weaknesses and opportunities and threats according to their own way of perception. The better understanding of SWOT, the more they remain competitive in the market.

When the organization first to analyze their strength area and weaken portion where they have some lack. So they would have to take decision for gaining more strengths in existing capabilities in the human resource capital segment. David Bowen & Edward Lawler, (1992) give more stressed on distribution of information and also suggested for the training and incentive, building up of teams for the sake of just to give the supremacy to employees and to encounter the troubles. Companies join others for their benefits and thus required the employee to be more skilled for doing diverse activities to perform better (Kinicki & Latack, 1990). Giving more advanced training to employee to develop their in more sophisticated manner to apply in current & future activities for accomplishes goal and objectives. While the prevailing weakness should also be initiated more enhancing training to turn the weakness into strengths. In present, the employees are meeting change every time which forced them to get on the new skill and knowledge for doing their duty in effective and efficient manner (Hesketh & Neal, 1999). So there is a linkage developed that employees have adaptability to change is to depend on the how they well trained and developed to adapt the change. If employee will not develop one’s self so they will have to treat as a less performer and such kind of employees may seek another job. The valid point is lied here that the employee not its self prepare to motivate to adapt the change so once again it is put the emphasis on the shoulder of organization and the leadership to develop such type of training and development programs to equipped them in realizing about change factors in performing the current job assignments and for future perspectives growth. Inducing a sense of adaptability towards changes in obtaining competitive advantage and motivated them to apply all the techniques and skill they have been learned through different experience and training. So the hypothesis generated according to the conceptual model that training and development has a significant impact on obtaining the competitive advantages.

When organizations adapted such activities the main emphasis is on employee’s motivation to adapt the change along with other elements like empowerment and culture. The elements of empowerment and culture have measured strengths and weaknesses of the organization. If the organization has the ability to involve the employees in decision making process so that feelings produced for loyalty for the organization then employee will be beneficiary as win win situation. Kaizen culture is a way of moving the employees on such an incremental basis for which employee don’t feel some kind hardship or burden and such type of culture resulting in no kind of resistance. Gopalakrishnan, (2006) said that kaizen endeavor via manner and small stepladder to put into operation. This makes them motivated and ready to adapt the change.

When we say about empowerment we mean to say that we have to enhance the employee decision making capability that they may use in encountering the problem. They don’t need to report to their supervisor or manager frequently when they are able to make the decisions on spot. For doing this an organization save precious time, and also improve efficiency. Because the performance when coincides with the right decision process takes on the right time and see its utilization as well. Empowerment is important element for which any organization can continued the competitive advantages in the long run.

In the issue of Organization Dynamics, Alan Randolph, (1995) describe three main stepladder critical for “navigate the journey to empowerment.” he discuss first that employee have the knowledge about their performance as well as the organization and their activities is in true direction for getting and giving the desired results. Secondly, he also gives his thoughts on the applying such arrangement on the employees for which enabling them to be more clear about the organization’s goals and objectives and also setting the clear direction for attaining it. Thirdly, he also suggested about the making of new team for the replacement of old ones. But at the back end on these teams some manager or leader takes the responsibility for the feedback. In fact empowerment is useful as a tool to get the desired results. As to employee’s concerned it is very necessary to know about what the organization really is wanted as per to the vision and mission and the employee had given the empowerment to deal their problem while pursuing the goals and objectives. When the desired results have been received and then the employee has to be rewarded and setting new values for others to follow. Empowerment is its self a gauge to do better performance otherwise search another employer. It is start from the beginning of civilization adaptability in the employee is their own perception not the management or leader to enforce. Its employee own motivation for doing so. Empowerment in fact a style in which they freely take the decision and take risks. Some time decision goes wrong, it’s now manager duty not to focus mistakes but to encourage and guiding them in righteous for continuing betterment.

In empowerment it is necessary to know all employees the basic what they are doing in accordance
mandatory for the entire employee that whatever they pursuing they have the authority for the same or doing as a sole. Empowerment is of great importance in implementing change. Those employee who directly or in directly involve in the decision making process where ever it takes by the top management. Their involvement in decision making psychologically put involve to implement and adapt the change. Patrickson, 1987; Thach & Woodman, (1994) said that adapting the new change in the technologies and applying in the work processes to change the old practices may also require that employee search for new skill to perform the job. For doing so they became the strong early adapter and reaming others under command will automatically follow their leader. Study of (Kinicki & Latack, 1990; Noe & Ford, 1992; Patrickson, 1987; Thach & Woodman, 1994) discuss that employee who adapt change must equipped with the latest tool for doing the new job or responsibilities. Change becomes a threats for those employee who not prepared well and has not ready to adapt the change. Then they became like those who had an outdated knowledge and skill and abilities which is not a requirement of new scope and business for the organization. For example the companies who are known as market player by making mainframe computer are now more interested by making laptop and personal computer due to change in the globally. Off course they utilize their old employee skill and abilities in designing of new personal computers. If they feel any lack they enhance their skill by introducing new training session according to the change. So employees get involved in gaining new achievement. So the threats became an opportunity for them to get more financial benefits from the organization having just to adapt the new change and skill. If some employee don’t even bother and resist the change, the change its self change them to go and sit back in their homes to enjoy free time with less opportunity to tradeoffs between their needs and wants.

According to all above discussion made the hypothesis generate secondly in which empowerment is significant to the employee adaptability towards the competitive advantage is generally accepted on the basis of discussion made above.

Taking into account of culture, study proves that that culture is from it employee and good culture and having a long history for the achievement of the organization goals and objectives. As correlate the culture in term of permanent progress in the manufactured goods and their value, competence and the fruitful passion of worker while subordinating the price and transfer in the making new changes (Scotchmer, 2007; Ortiz, 2006; Chapman, 2006).

Kaizen culture is also suitable culture in which every employee from top to bottom gets busy and engaged to setting or farming the organization culture. Hofstede (1999) also elaborate the culture as a joint endeavor of the intelligence so as to decide the constituent of single cluster and style of people from a new. This activity reflects in the employee behavior and this way they set a culture. Where this type of kaizen culture created and its becomes for everyone in the organization a path of earning and employee motivated to adapt the change in more well established manner.

Organization and employee its self making hurdles in the way of good culture. If the organization has many stages in their structure or hierarchy and maintaining a class from the powerful past of the top management having the propensity whatever they say must be imbedded. This makes the hurdles in making a good culture. The other hurdles for attaining the desired results by setting some competition in the others organization units instead of teamwork, this makes everyone is to bypassing teach other and leaving behind the unsolved issued. Thirdly, employee are too much busy and overburden of workloads employee’s work due to the financial constrain of the organization and having unbalancement in their family matters. So it is become very hard for them to adapt change and not in position to commit new more assignments.

An organization motivates its employee in certain limit but it is the employee’s own motivation to perform in the change scenario. Employee’s who motivated to adapt the change but in lacking of proper skill fully adapted for the change adaptability. It’s now the responsibility of the organization to load all the necessary abilities for change. As Andries du Plessis, Adrew Hobbs, Rebecca Marshall and Sherrol Paalvast (June 2008) stated that HR helps the organization to overcome any negative feeling which may come from employees arising out of change. For example, a person don’t know about the function of the car and how its drive safely and if the same person hand over a car to drive in rush place, he surely escape an accident. The same is with employee who are not train and developed to cope up the change will never beat the pace of change and significantly organization’s general performance reduce to lower.

When employee has to know the overall mission and what organization wants from him then they set their self align with the goals and objectives and doing this as a challenge and put their utmost motivation and dedication. When these activities are performing someone at the backend is ready to console them and rewarded and also aligned them in the right direction. If they did some mistakes the managers have to ignore and if they start given sentence they certainly get demotivated as point out by English and Jordan (2005) Implicit nature of the psychological contract makes it particularly delicate and if employee feel it has been breached, this will have a significant impact on their levels of motivation and commitment to the company. of the set rules and regulation of the organization. It is
Likewise the manager take no notice of the mistake then the employee double motivated and the performance enhances. For adapting the same procedure then employee value created and an organization get the competitive advantage. Like the author Tzafrir, Harel, Baruch and Dolan (2004) said that it is HR’s responsibility to ensure that employees feel valued and that they are important to the company.

VI. Analysis

<table>
<thead>
<tr>
<th>Correlations</th>
</tr>
</thead>
<tbody>
<tr>
<td>T&amp;D</td>
</tr>
<tr>
<td>T&amp;D</td>
</tr>
<tr>
<td>Empowerment</td>
</tr>
<tr>
<td>Culture</td>
</tr>
<tr>
<td>Competitive Advantage</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Descriptive Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum</td>
</tr>
<tr>
<td>T&amp;D</td>
</tr>
<tr>
<td>Empowerment</td>
</tr>
<tr>
<td>Culture</td>
</tr>
<tr>
<td>Competitive Advantage</td>
</tr>
</tbody>
</table>

The one independent variable Training & Development and Empowerment as per the results of correlation shows has less correlation among them as shown in the table given. While the Empowerment and the culture has some correlation between them. The Mean values of training & development is greater than 2 and fall in between 05 which shows that respondent of the sample lying in neutral. It means the T&D is good for employee to adapt the change and organization leads its competitive advantage. The mean of the empowerment is greater than training & development which shows that it is good to give empowerment to employee which will ultimately go ahead for the competitive advantage. The third variable mean is also shows that good culture has influence on the organizational competitive advantage.

VII. Conclusion

Any organization who desires to get the competitive advantage may achieve this through or within the employee. New change in skill and modification in the service ought to employee adaptability to the upcoming new challenges and scenario while performing their duties. This study is little effort to do the same by realizing the change and prepare a force to act under change environment for the betterment of the organization and getting the competitive advantage. It is concluded that without having the Independent variables as discussed in the conceptual framework of the study, there will be a less appropriate for the organization to get the competitive advantage in maximum time. So according to the study, it is emphasize on organization to build up more focus on employee involvement and their skill abilities for discharging their current responsibility and to adapt the future change as well. If the organization seriously channelized all its activities and operation in more collaborative and enthused manner, this will lead to sustainable competitive advantage over their competitors. Employee adaptability is more dependent on the parallel activities that preceded along with the others activities in the organization and these activities helps the employee to perform more enthusiastically and impatient to demeanor any challenge or adapt any change whatever it will be.

References


22. W.A. Randolph, "Navigating the Journey to Empowerment". *Organizational Dynamics* (Spring 1999).


30. Ortiz, Chris [2006]. All-out Kaizen. Industrial Engineer, April, pp: 30-34.


