



## TRANSFORMATION CAPABILITY AND EMPLOYEE PERFORMANCE OF SELECTED MANUFACTURING FIRMS IN DELTA STATE, NIGERIA

<sup>1</sup>Dr. Ikon Michael A. <sup>2</sup>Nwabueze, John O. <sup>3</sup>Okoye, Nonso S.

<sup>1,2</sup>Department of Business Administration, Nnamdi Azikiwe University Awka. Anambra State, Nigeria

### ABSTRACT

Inability of organizations to modify or reconfigure their operational capabilities in line with changing business environment constitute major problem of survival for the affected organizations. In the light of this observation, the research sought as its broad objective to explore the relationship between transformation capability and employee performance of selected manufacturing firms in Delta State. The theory adopted for this study is Dynamic Capability Theory by David Teece (1997.) Survey Research design was employed in the study. Population of the study was 322 employees of the focused companies, while Pearson's Product Moment Correlation Coefficient was used in testing the hypotheses. The study found that there was a significant relationship between learning capabilities and employee performance in the focused manufacturing organizations in Delta State. The study concluded that transformation capability contributes immensely to employee performance and recommended that manufacturing firms should train their employees to be capable of making informed decisions for the growth of the firms.

### INTRODUCTION

#### 1.1 Background of the Study

The dynamism of business environment is at an accelerating rate causing an increasing level of uncertainty to organizations. This growing uncertainty is the result of higher customer expectations, the dilution of borders between competitive environments and the move towards global competition (Osisioma, Nzewi & Mgbemena, 2016). As the level of dynamics in business environment increases, the development of strategies that will differentiate the organization from its competitors becomes the key success factor (Gathungu & Mwangi, 2012).

Transformation capabilities are expected to be valuable for organizations dealing with environmental turbulence, and early identification of threats or opportunities creates better opportunities for the organization. According to Rouse and Zietsma (2008), learning to respond to early signals of environmental changes constitutes the development of dynamic capabilities for environmental adaptation.

Lavie (2006) opines that dynamic capabilities are capacity to modify existing capabilities. They are used to build, integrate, or reconfigure operational capabilities (Helfat & Peteraf, 2003). Business environment is fast changing and highly competitive which means that manufacturing sector have to continually introduce quality products to combat competition and improve their operating efficiency. Manufacturing firms are under tremendous pressure to provide a wide range of innovative products at competitive prices to satisfy the pressing needs of the consumers (Albu, 2012). And as such, many manufacturing firms are constantly developing their transformation capabilities and transforming business aims and procedures of doing business to take advantage of the available large market in Delta State and Nigeria as a whole. In Nigeria, the manufacturing sector refers to those industries which are involved in the manufacturing and processing of items and indulge or give free rein in either the creation of new commodities or in value addition (Akintayo, 2010).

The level of activities in this sector has decreased significantly over the past ten years and it is envisaged that this will not abate soon. The environment is becoming more competitive than before while some of the leading manufacturing companies have started expanding their operations overseas especially into the West African sub-region to compete with long established international players and save cost due to the harsh business environment faced in Nigeria. In all of these, there is increasing demand and pressure on the management of these companies to deliver on shareholders' earnings and justify increasing investment in their companies.

## **1.2 Statement of the Problem**

The economic, social and technological change in Nigerian business environment have made some organizations, in the presence of a great and healthy competition, to adjust slowly to these changes. This could emanate from their inability to recognize transformation capabilities and network their resources in the industries. Today no modern economy can be sustained without the activities of the manufacturing sector, which is critical to the development of all aspects of a nation's economy, reducing the level of poverty, creating jobs subsequently, improving the nation's revenue through taxes and ensuring that the country reaches its millennium development goals (Ron, 2010).

Despite the importance of the manufacturing sector to the country's all round development, Nigeria manufacturing companies still face a lot of problems in their transformation efforts. One of which is a case of employees very often being unaware of the plans, strategy or direction of their organization and inability to initiate new ideas or perform independently. This is a problem of organizational learning capabilities.

The manufacturing sector is very competitive and depends on innovative ideas to create quality products to be competitive and survive. However, the way and manner these innovative ideas are generated comes to question. It was observed in the focused firms that the management rely heavily on the services of expatriates and consultants for innovative ideas that would transform the organizations and make them more competitive.

This practice affects the morals and motivation of the employees as they would not always put in their best or come up with new ideas as management would almost always get the ideas from consultants. This observation may affect the performance level of the employees as they seem disgruntled and be on the lookout for new opportunities elsewhere to utilize their full potentials. It is the backdrop of these problems that caught the attention of the researchers and prompted this research.

## **1.3 Objective of the Study**

The broad objective of the study is to determine the type of relationship that exists between transformation capability and employee performance of manufacturing firms in Delta State. However, the specific objectives is:

- i. To examine the type of relationship that exists between learning capabilities and employee performance in the selected manufacturing organizations in Delta State.

## **1.4 Research Question**

- i. What type relationship exists between learning capabilities and employee performance in the focused manufacturing organizations in Delta State?

## **1.5 Hypothesis**

H<sub>0</sub>: There is no significant relationship between learning capabilities and employee performance in the focused manufacturing organizations in Delta State.

## **1.6 Significance of the Study**

This study will be of immense benefit to the owners of manufacturing firms in Nigeria in the sense that it would provide new information as to how they can effectively empower employees to think independently which would have a multiplier effect on the company's overall performance. The study would give the managers more insights on organizations learning capability to ensure better employee performance. The study will also be of benefit to internal stakeholders which includes business owners, investors and management in the sense that it would expose to them the significant role transformation capabilities plays in improving employee performance whose efforts will in turn assist in creating value for their customers.

For academic purposes, students of both Social and Management Sciences would also find the work useful as it contributes to knowledge and serves to increase knowledge to the already existing body of knowledge in the relevant disciplines.

### **1.7 Scope of the study**

The study examined transformation capability and employee performance in selected manufacturing firms in Delta State. In order to make the study more purposeful, the researcher delimited the work to five manufacturing firms in Delta State: Bofega Global Resources, Eternit Nig. Ltd., Beta Glass Company, Olite Manufacturing Limited and J.K Rubber Industry.

### **1.8 Limitations of the Study**

The researcher encountered difficulty in retrieving the questionnaire and as such, took a lot of effort and resources to do so. Also, the unwillingness of some respondents and staff of the selected manufacturing companies to provide information was another problem but on persuasion, required information was provided.

## **REVIEW OF RELEVANT LITERATURE**

### **2.1 Transformation Capability**

Amit and Schoemaker (2003) suggest that capability refers to a firm's capacity to deploy resources, usually in combination using organizational processes, to affect a desired end. They are information-based tangible or intangible processes that are firm-specific and are developed over time through complex interaction among the firm's resources. For these authors, the notion of capability involves thus- a performance target, a resources combination, organizational processes and development over time. First, organizational capabilities are considered as a major source for the generation and development of sustainable competitive advantage (Baney, 2012).

In strategic management literature, capabilities are depicted as critical success factors. Secondly, organizational capabilities are linked to a combination of resources. Miller & Friesen (2003) define capability as a bundle of complementary resources. Although the possession of resources is a binary issue, the ownership of a capability is a matter of degree. Organizational capabilities are based upon organizational processes and routines. Lastly, organizational capabilities result from a development over time.

Transformation capability has been viewed and analyzed by different researchers. Bechky (2013) posit that organizational transformational capability can be defined as the ability to sense the need to align resources, culture, process and technology to achieve new forms of competitiveness. The notion of organizational transformation capability is derived from dynamic capability paradigm.

According to Zhan and Lou (2014), a firm's transformation capability enhances its competitive advantage and its distinctive processes (ways of coordinating and combining resources) shaped by the firms specific asset positions. While Lado, Boyd and Wright (2012) emphasize transformation based competence as one of the four components of firms distinctive0 competences.

Also, Galunic and Rodan (2014) argue that transformation based competence is one of the four components of distinctive competences which may be conceived as those organizational capabilities required to convert inputs into outputs. Wang and Ahmed (2008) view transformation capability as a firm's ability to develop new products and or markets through aligning strategic innovative orientation with innovative behavior and processes

Hence it can be deduced that capabilities are often firm- specific and are developed over time through complex interaction among the firm's resources (Amit &Schoemaker 2003). For example, quality control is a process that can be easily adopted by firms, whereas total quality management is not just a process but requires the firms' capability of developing an organization wide vision, empowering employees and building a customer orientation culture.

### **2.3 Organizational Learning Capability and Firm Performance**

Organizational learning capability is defined as organizational and administrative characteristics of the elements which provide an organization for learning or for encouraging to learning processes; and it is an important variable for developing organizational performance in order to gain sustainable competitive advantages (Jiménez and Sanz-Valle 2011). Organizational learning is a process where the employees of organization have potential to effect company's development capabilities and behaviors by using their common experiences as well as using the understanding of new information development.

This process consists of four sub-processes. The first of them is obtaining information. The company obtains information in this process. The second process is the distribution of information; in this process, the employees share information within the company. The third process is interpretation of information, where the information is interpreted by individuals and forth, the information converted into a new common knowledge (Jimenez & Sanz-Valle, 2011) Organizational learning is an important variable for gaining a sustainable competitive advantage and improving organizational performance.

## **2.4 Innovation and Organizational Learning Capability**

Organizational learning ability is one of the basic elements of innovation, since it constitutes a foundation for generation of new ideas and supports creativity (Liao, 2008). Innovation requires acquiring knowledge and sharing it within the organization. Acquiring knowledge is related to obtaining outer information and document as well as the organization's own background information (Christopher 2000).

To ensure sustainability of this process, it is advocated that, there must be a strong relationship between ability of organizational learning and innovation. Innovation requires gathering and transforming the information at the same time. Sharing of information and developing new and common understanding within the organization by employees, results in improved organizational innovation. Briefly, developing organizational innovation is dependent on transformation and development of ability of organizational learning and providing formation of new sources of information (Lo, 2009). Finally, Chu (2006) posit that the official procedures for keeping information, use of outer information, and sharing of background information could improve innovation abilities of companies.

## **2.5 Employee Performance**

Employee performance relates to Job activities expected of a worker and how well those activities are executed. Employee performance is one of the determinants of organizational performance as human resources of an organization are regarded as the most important resources in any organization.

More (2017) posits that there is no simple definition of employee performance because there are multiple facet to performance which must be clearly defined in fairness to the employees and their companies. These facets include job descriptions , rating criteria and behaviours.

Rabindra & Lalatendu (2016) emphasize behaviours in employee performance as they maintain that employee performance contains a cluster of behaviours that result from one's technical knowledge, skill and adaptability, and interpersonal relations. These kinds of behaviours according to the authors may lead to distal organizational outcomes inform of productivity enhancement, customer satisfaction, organizational development and growth.

The performance of employees could be influenced and shaped by many factors in an organization. One of such factors is their perception of the support given to them by the organization and its leaders, representatives or management. When employees perceive high level of support from their organizations, they tend to work harder to help their organizations reach their goals (Aselage & Eisenberger, 2003).

Organizational support has a significant effect on job satisfaction and organizational commitment (Rhodes & Eisenberger, 2002). Where mutual trust exists between employees and their organizations, the employees tend to work harder for achievement of organizational goals (Cropanzano & Mitchell, 2005). Existence of such a relationship indicates that employees have positive thoughts about the organization and their outputs would be for the benefit of the organization (Saks, 2006).

## **THEORETICAL FRAMEWORK**

### **2.6 Dynamic Capability Theory**

This theory was developed by David Teece in 1997. The theory explains how firms adapt to environmental dynamism by modifying their underlying resources and capabilities. The theory is considered to have originated from Schumpeter's (1934) Innovation-based Competition where competitive advantage is based on the creative destruction of existing resources and novel recombination into new operational capabilities(Gathungu&Mwangi, 2012).

Dynamic capabilities theory tenets provide a viable unifying theoretical foundation to clarify how the strategies developed by senior managers of successful companies adapt to radical discontinuous change, while maintaining minimum capability standards to ensure competitive survival. For example, industries which have traditionally relied on a specific manufacturing process can't always change this process on short notice when a new technology arrives; when this happens, managers need to adapt their own routines to make the most of their existing resources while simultaneously planning for future process changes as the resources depreciate.

The aim of the theory is to understand how firms use dynamic capabilities to achieve and sustain a competitive advantage over other firms despite an ever changing environment by appropriately adapting, integrating, and reconfiguring organizational skills and operational capabilities towards a changing environment (Gathungu & Mwangi, 2012).

The theory explains the sources of enterprise-level competitive advantage over time and provides guidance for managers when renewing a firm's competences to match the requirements of a changing environment. This theory has relevance to this work in the sense that it provides manufacturing companies in Delta State, Nigeria, the ability to integrate, build, and reconfigure internal and external competences to address rapidly changing business environment.

## **2.7 Empirical Review**

Albu (2012) examined the role of organizational transformation capability that affects strategic platform uniqueness, capable resource establishment and swirl innovative knowledge which link to firms sustained competitive advantage in manufacturing firms in Kaduna. With a sample size of 120 respondents the data was analyzed using Z test statistic, The result showed that the organizational transformation capability led to preferences for greater strategic platform uniqueness capable resource establishment and swirl innovative knowledge that link to firm competitive advantage through the competency to align resources, culture, process and technology to achieve new forms of competitiveness. It also revealed that swirl innovative knowledge is not positively associated with firm's sustained competitive advantage. The result is inconsistent with prior result and main logic of knowledge creation theory.

Olajide (2014) examined change management and its effects on employee performance of Nigeria's telecom industry: Empirical insight from Airtel Nigeria, a total of 300 staff of Airtel were randomly selected from staff population of 1000, the result was analyzed with ANOVA and the result revealed that; changes in technology has a significant effect on performance and that changes and customer taste has a significant effect on customer patronage. The result also reveals that changes in management leadership have a significant effect on employee performance. Based on the findings recommendations were made that telecom industries in Nigeria should be proactive to changes in such a competitive environment so as to experience smooth implementation of such changes.

Aimilia, Yannis, & Spyros (2011), explored "Dynamic Capabilities and their Direct Impact on Firm Performance in the service sector of Pakistan. The study measured dynamic capabilities as a multi-dimensional construct with three underlying factors: Coordination, Learning and Strategic Competitive Response. They employed structural equation modeling to explore the relationships among dynamic capabilities, functional competences and firm's performance. They found that dynamic capabilities have a positive impact on firm performance in both high and low levels of environmental change.

Akwei, Peppard & Hughes (2012) examined how dynamic capabilities are created in the food and beverage industries in France. The study adopted the grounded theory methodology with the aim of developing a substantive theory of dynamic capabilities creation. The constant comparison method was used to analyze the data collected. The findings from the study reveal that dynamic capabilities are developed and renewed through continuous internal activities and external activities.

## **METHODOLOGY**

### **3.1 Research Design**

The study adopts survey research design. Survey design is one in which a group of people or items is studied by collecting and analyzing data from only a few people or items considered to be representative of the entire group. It specifies how such data would be collected and analyzed. This method is chosen for data collection, because it enables the researcher to solicit for information from the respondents.

**Table 1: Manufacturing Companies in Delta State, Nigeria**

S/N	COMPANY	LOCATION	POPULATION
1.	Tecon Oil Services	Warri	100
2.	Bofega Global Resources	Warri	103
3.	Evidence Nig. Ltd.	Warri	73
4.	Eternity Nig. Ltd.	Sapele	56
5.	Beta Glass Company	Ughelli	44
6.	Chioma Plastic Industry	Asaba	49
7.	Austin Laz and Company	Asaba	47
8.	Nest Oil PLC	Warri	44
9.	Neconde Energy Limited	Warri	49
10.	Fenog Nig. Ltd.	Warri	45
11.	Ibeco International	Warri	36
12.	Monik Light Oil and Gas	Asaba	32
13.	Henry Fuju Company Ltd.	Asaba	42
14.	Onovughe& Sons Industrial Ltd.	Asaba	34
15.	J.K Rubber Industry	Oghara	69
16.	Olite Manufacturing Limited	Asaba	50
<b>Total</b>			<b>873</b>

Source: *Delta State Chamber of Commerce, 2018.*

Table 1 above, shows a list of 15 manufacturing companies in Delta State, Nigeria with population comprising of junior and senior staff and their location.

### 3.2 Population of the Study

**Table 2: Population Table of Selected Manufacturing Companies in Delta State, Nigeria**

S/N	NAME OF ORGANIZATION	LOCATION	POPULATION
1.	Bofega Global Resources	Warri	103
2.	Eternit Nig. Ltd.	Sapele	56
3.	Beta Glass Company	Ughelli	44
4.	Olite Manufacturing Limited	Asaba	50
5.	J.K Rubber Industry	Oghara	69
<b>TOTAL</b>		<b>322</b>	

Table 2 above shows a list of five selected manufacturing companies in Delta State, Nigeria based on geographical spread and population.

### 3.3 Sample Size and Sampling Technique

Complete enumeration was used for the study due to the manageable size of the population.

In order to ensure adequate coverage, non-probability sampling technique (judgmental sampling) was used in assigning one manufacturing firm to each of the five major districts of Delta state

### 3.4 Method of Data Collection

Data for the study was collected from primary source. The primary data was generated through the use of structured questionnaire to elicit required information. The questionnaire was structured on a 5-point Likert scale ranging from Strongly Agree (5), Agree (4), Undecided (3) Disagree (2) Strongly Disagree (1), and was also divided into two sections. Section A and Section B. Section A contained questions relating to transformation capability, while Section B contained questions relating to employee performance

### 3.5 Validity of Instrument

Validity of the instrument was ensured through content and construct validity. The content validity was ensured by giving out copies of questionnaire to experts in research in the Departments of Business Administration and Educational Foundation in NnamdiAzikiwe University, Awka. Content items of the questionnaire were reviewed for

clarity of words, contents coverage, relevance and effectiveness in measuring the problem under study and also the appropriateness of the language expressions and instructions to respondents.

Construct validity was carried out by subjecting the instrument to factor analysis with the use of SPSS version 20 by giving out the questionnaire to 322 employees of selected manufacturing firms in Delta State, Nigeria. The result is as shown below.

**Table 3 KMO and Bartlett's Test**

Kaiser-Meyer – Olkin Measure of Sampling Adequacy	0.874
Bartlett's Test of Approx. Chi – Square	3374.6
Sphericity Degree of freedom	860
Sig.	.001

**Source: SPSS Ver.20**

Decision Rule: Measurement of Appropriateness of Factor Analysis

Interpretative adjectives for the Kaiser-Meyer – Olkin Measure of Sampling Adequacy are:

0.90's are labeled as marvelous

0.80's are labeled as meritorious

0.70's are labeled as middling

0.60's are labeled as mediocre

0.50's are labeled as unacceptable

The value of the KMO measure of sampling Adequacy for this set of variables is 0.874 which would be labeled meritorious: since the KMO measure of sampling adequacy meets the minimum criteria, we did not have a problem that requires us to examine the Anti-Merge correlation matrix. Therefore, the instrument was deemed to be valid.

### 3.6 Reliability of the Instrument

Reliability of a particular instrument measures the consistency of the instrument used by the researcher. Spearman-Brown Coefficient was used with the aid of Statistical Package for Social Science (SPSS) version 20 and the result gotten was .993 which is above the .70 benchmark of acceptance of a reliable instrument

**Table 4: Reliability Statistics Table**

Reliability Statistics			
Cronbach's Alpha	Part 1	Value	.895
		N of Items	15 <sup>a</sup>
	Part 2	Value	.948
		N of Items	15 <sup>b</sup>
		Total N of Items	
Correlation Between Forms			.987
Spearman-Brown Coefficient	Equal Length		.993
	Unequal Length		.993
Guttman Split-Half Coefficient			.972

a. The items are: Autonomy in decision making, Organizational Flexibility and Learning Capabilities.

b. The items are: Employee Performance, Employee Performance and Employee Performance

**Source: Field Survey, 2018: Computation: SPSS, Ver. 20**

**Formula:**

$$r_{SB} = \frac{2r_{hh}}{1+r_{hh}}$$

where:

r<sub>hh</sub> = Pearson correlation of scores in the two half tests.

Applying the formula, we have:

$$r_{SB} = \frac{2 \times 0.987}{1 + 0.987} = \frac{1.974}{1.987} = 0.9934574735 = 0.993 \text{ (Approx.)}$$

### 3.7 Method of Data Analysis

Pearson Product Moment Correlation was used to test the hypothesis in order to determine the extent of relationship that exists between the dependent and independent variable. The level of significance was 5%, while 95% confidence interval was adopted for the study.

$$\text{Mean } [\chi] = \frac{5+4+3+2+1}{5} = 3.0$$

5

#### Decision Rule:

A cut point of 3.0 was adopted as the criterion mean. This implies that any mean score that is 3.0 and above was considered as Agreed/Acceptable while mean score below 3.0 were considered as Disagreed/ Unacceptable.

The study also adopted the 5% level of significance. If the probability value (p-value) was less than the level of significance (0.05), the hypothesis was adopted and if otherwise (p-value > 0.05), the hypothesis was rejected.

## DATA PRESENTATION AND ANALYSIS

### 4.1 Analysis of the Individual Firms

**Table 5 Firm Specific Analysis**

S/N	Manufacturing Companies	No Distributed	No. Returned	No. Analysed
1	Bofega Global Resource	103	100	100
2	Eternit Nigeria Limited	56	52	52
3	Beta Glass Plc	44	44	44
4	Olite Manufacturing Limited	50	50	50
5	J.K Rubber Industries	69	63	63
<b>Total (Percentage)</b>		<b>322(100%)</b>	<b>309(95.92%)</b>	<b>309(95.92%)</b>

Source: Field Survey, 2018

#### Research Question.

What type relationship exists between Learning Capabilities and Employee Performance in the focused manufacturing organizations in Delta State?

**Table 6: Analysis of investigative questions of the relationship between Learning Capabilities and Employee Performance for the selected manufacturing companies**

Investigative Questions	Descriptive Statistics						Sum	Mean	Std. Deviation
	SA	A	UD	D	SD	N			
11	162	2	8	56	81	309	1035	3.35	1.795
12	196	6	19	74	14	309	1223	3.96	1.437
13	296	1	3	6	3	309	1507	4.88	.607
14	296	1	3	6	3	309	1508	4.88	.599
15	8	294	7	0	0	309	1237	4.00	.221
26	122	6	50	72	59	309	987	3.19	1.602
27	111	7	45	72	74	309	936	3.03	1.630
28	154	3	3	56	93	309	996	3.22	1.830
29	198	7	16	74	14	309	1228	3.97	1.437
30	111	7	45	72	74	309	936	3.03	1.630
Valid N (listwise)						309			

Source: Field Survey (2018).



Table 6 shows an acceptance remark for all statements in response to investigative questions on there lationship that exists between learning capabilities and employee performance for the selected manufacturing companies in Delta State and a grand mean of 3.751 which is above the decision threshold of 3.0. Therefore, and based on our decision rule, we accept that there is a significant relationship between learning capabilities and employee performance in the selected manufacturing companies in Delta State.

**Correlation Analysis for Learning Capabilities and Employee Performance in the Selected Manufacturing Companies in Delta State.**

**Table 7: Correlation Analysis.**

		Correlations	
		Learning Capabilities	Employee Performance
<b>Learning Capabilities</b>	Pearson Correlation	1	.688**
	Sig. (2-tailed)		.000
	N	309	309
<b>Employee Performance</b>	Pearson Correlation	.688**	1
	Sig. (2-tailed)	.000	
	N	309	309

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

Table 7 indicates the correlation coefficient for learning capabilities and employee Performance in the Selected Manufacturing Companies in Delta State. The result showed that a positive relationship exists between the variables with a correlation coefficient of .688.

**Table 8: Significance Test for Hypothesis**

N	Cal. r	DF	Crit. r.	Remark
<b>309</b>	0.688	307	0.197	Significant

**Source: Field Survey (2018).**

Table 8 reveals the test of significance. From the result, it showed that the critical r at .05 level of significance and at 307 degrees of freedom is 0.197 and the calculated r is .688. Given that calculated r .688 is greater than the critical r 0.197, the null hypothesis was therefore rejected while the alternate hypothesis was accepted showing that there is a significant relationship between learning capabilities and employee performance in the focused manufacturing firms in Delta State.

**DISCUSSION OF FINDINGS, SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS**

**5.1 Discussion of Findings**

The correlation analysis carried out on learning capabilities and employee performance in all the manufacturing companies in Delta State revealed a high and positive relationship between the variables in the organizations. The test of the statistical significance of the relationship observed in the correlation analysis came out positive. That is, the relationship was statistically significant. This indicates that the higher the learning capability of employees, the more also is the tendencies of the employees to show greater response and organizational citizenship behaviours towards the organization. This finding aligns with that of Continue & Edeh (2015) who found positive relationship between employee performance and organizational learning.

**5.2 Summary of Findings**

1. From test of hypothesis, it was revealed that there is a significant relationship between learning capabilities and employee performance in the focused manufacturing organization in Delta State with a coefficient of .688.

**5.3 Conclusion**

The study concludes that transformation capability contributes immensely to employee performance in the concerned manufacturing firms in Delta State. Empowerment of employees to think independently would have a multiplier effect on company's overall performance and also improve the efficiency of their firms.

**5.4 Recommendation**

1. The focused manufacturing firms should train their employees so that they would be able to make informed decisions for the growth of the firms.

### 5.5 Contribution to Knowledge

The study makes contribution to the existing body of knowledge in the area of filling the knowledge gap discovered in literature. Also, the study made empirical revelation about the relationship that exists between transformation capability and employee performance in the five studied manufacturing firms. Given that these findings are empirically backed, it would aid the focused organizations in making policy decisions to improve their performance.

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**Appendix  
QUESTIONNAIRE**

**Instruction: Please tick (√) as it represent your view.**

**Where: SA=Strongly Agreed; A=Agreed; D=disagreed; SD=Strongly Disagreed; UD=Undecided**

**SECTION A- Transformation Capability**

S/N	QUESTIONNAIRE ITEMS	SA (5)	A (4)	UD (3)	D (2)	SD (1)
1.	<b>Autonomy in Decision Making</b>					
	I try to be clear about my objectives before choosing them.					
2.	I like to consider all of the alternatives before making a decision.					
3.	Consulting with me on decisions in the organization increases myself worth.					
4.						
5.	I am inclined to blame others when decision turn out badly. The possibility that something might go wrong causes me to shy away from my preferences.					
6.	<b>Organizational Flexibility</b>					
7.	My organisation relies on temporal agencies if they need additional manpower.					
8.	My work/tasks generally adapt to changed circumstances.					
9.	This organisation clearly stipulates how flexible I am allowed to work. My salary is directly linked to the economic success of my organisation.					
10.	Within my job, I am responsible for different tasks.					
	<b>Learning Capabilities</b>					
11.	Employees in the organisation receive support and encouragement when presenting new ideas.					
12.	There is free and open communication within my work group					
13.	Policies are significantly influenced by the view of the employees.					
14.	Employees are involved in important decision making.					
15.	It is part of the work of all staff to collect, bring back and report information about what is going on outside the company					

**SECTION B- Employee Performance**

S/N	QUESTIONNAIRE ITEMS	SA (5)	A (4)	UD (3)	D (2)	SD (1)
	<b>Employee Performance</b>					
16.	I feel a positive connection with my organisation, and I feel that I perfectly fit into the organisation.					
17.	I would be very happy to spend the rest of my career with my organisation.					

