The Effects of Organizational Structures and Learning Organization on Job Embeddedness and Individual Adaptive Performance

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Abstract

This study aims to investigate the effects of organizational structures and learning organization on job embeddedness and individual adaptive performance. In literature, studies suggest that learning organization and organizational structures bring about some desirable outputs for both individuals and organizations. Accordingly, within the scope of the study, job embeddedness and individual adaptive performance are considered as important consequences which have been thought to be affected by the organizational conditions. In this context, the data which were collected from 216 employees of hotel establishments by the survey method were analyzed using the structural equation modelling technique. The results of the study indicate that organic organization structure has been found to have no direct effect on job embeddedness and individual adaptive performance. In addition to this, mechanistic organization structure affects job embeddedness positively, while it has no direct effect on individual adaptive performance. However, learning organization affects both job embeddedness and individual adaptive performance positively and learning organization has a fully mediator role in the relationships between organic organization structure and job embeddedness. It also has a fully mediator role in the relationships between organic organization structure and individual adaptive performance. Moreover, learning organization has a fully mediator role between mechanistic organization structure and individual adaptive performance.

1. Introduction

In today’s variable working environment, organizational structure and learning organization occupy a central place in the management of organizations. Organizational structures are considered as important components of
organizations due to their significance on the effectiveness of operations and performing of goals (Conner and Douglas, 2005; Armstrong and Rasheed, 2013). However, due to globalization, rapid changes and diverse workforce, learning organizations has become an important factor for organizations to gain competitive advantage. In other words, learning organizations are considered as a key process which contributes to organizational success (Wang and Ellinger, 2008; Curado, 2006). Therefore, both organizational structures and learning organizations are seen to be unique mechanisms that affect organizations and individual performance directly. Moreover, organizational structures and learning organizations have some effects on individuals’ attitudes and behaviors such as job satisfaction, organizational commitment, motivation and stress levels, turnover intention etc. (Naoum, 2001; Garg and Krishnan, 2003; Egan et al., 2004; Tseng, 2010). Accordingly, it can be said that organizational structures and learning organization may lead to positive and negative consequences for both organizations and individuals. Therefore, some of the consequences of organizational structures and learning organizations are examined in this study. Consequently, job embeddedness and individual adaptive performance concepts are evaluated as scope of the consequences of these variables. In this context, this study aims to investigate the effects of organizational structures and learning organizations on job embeddedness and individual adaptive performance.

2. Literature Review

Organizational structure can be defined as a mechanism which links and co-ordinates individuals within the framework of their roles, authority and power. Organizational structure represents a useful tool that directs individuals’ behaviors through shared values, norms, and goals (O’Neill et al., 2001; Liao et al., 2011). However, it has been characterized as a technique in which the organizations are differentiated and integrated themselves by the allocation of work roles and activities (Tran and Tian, 2013). In recent years, researchers have sought to determine which structure brings the most advantages for organizations and they have suggested that organizational structures should be responsive to a variety of individual needs in businesses (Conner and Douglas, 2005). One of these widely used structures is presented by Burns and Stalker (1961) labelled as a mechanistic and organic. Mechanistic organization structure is characterized by highly formalized, standardized and centralized functions. Accordingly, in mechanistic organizations individuals have a clear understanding about their job responsibilities and it is expected of them to follow certain guidelines specified by policies, practices, and procedures. On the other hand, organic organizations are more flat, flexible and adaptable to environmental conditions, so individuals’ behaviors are guided by shared values and goals. Moreover, organic organizations have characteristics such as informal network of authority and informal network of communication and opportunities for participating in the decision process (Veisi et al., 2012; Danzfuss, 2012; Dust et al., 2013). Therefore, organizations need to design their structures in accordance with the organizational strategies, internal and external working environment conditions. Because organizational structure has numerous and significant effects on both individuals and organizations. In literature, researchers have suggested that types of organizational structures have considerable impacts on leadership styles, organizational performance, innovation, employees trust and job satisfaction levels, perceived fairness, individual job performance, job involvement and learning organization (Garg and Krishnan, 2003; Campbell et al., 2004; Jiang, 2011; Hao et al., 2012; Aţăr et al., 2012; Mehrabi et al., 2013).

Learning organization can be defined as an organization that focuses on “learning” as a crucial component in its values, visions and goals, as well as all of its functions. It has been characterized by a type of organization which continuously and proactively emphasizes to facilitate learning activities and to develop strategies to encourage learning. Therefore, learning organization refers to a culture that promotes learning environment that embraces both individual and organizational learning. The concept of learning organization has been recognized by scholars since the early 1960s due to its vital importance for organizations to achieve and sustain competitive edge. However, in the last two decades, learning organizations have been considered as a key element which provides organizations with competitive advantage and make them different from their rivals in the future. (Van Grinsven and Visser, 2011; Maniam, 2013; Messarra and El-Kassar, 2013; Dahanayake and Gamlath, 2013). Moreover, learning organization has some positive effects on organizational performance and individuals’ attitudes and behaviors. For example, researches have indicated that learning organization has a significant impact on individuals’ commitment to organization, job satisfaction, turnover intention and work engagement levels and their innovative behaviors (Egan et al., 2004; Wang and Ellinger, 2008; Hashim, 2013; Wahyuningsih et al., 2013; Park et al., 2014). In addition to these, a few studies have asserted that individual performance and job involvement levels of employees are affected by the learning organization strategies (Cho, 2007; Rose et al., 2009; Malik and Danish, 2010). Accordingly, it is
expected that individual’s adaptive performance and job embeddedness levels are affected by characteristics of learning organization.

Job embeddedness refers to the combination of forces which keep individual from leaving their jobs. In other words, it represents the integration of component which affects individual’s decision to remain in or leave the organization (Halbesleben and Wheeler, 2008; Bergiel et al., 2009). However, job embeddedness is conceptualized as a way through which employees are attached to the workplace and community in three different forms like links, fit and sacrifice (Dawley and Andrews, 2012). Fit refers to the match between the individual’s abilities and organizational requirements and the compatibility between his or her skills and organization. Links show the extent of number of connections which individuals’ posses with other people and activities at work. Sacrifice refers to the tangible resources or psychological benefits that an employee may lose if he or she leaves the organization (Ng and Feldman, 2010; Murphy et al., 2013). Job embeddedness is considered as a beneficial state for both organizations and individuals. Because individuals who are more embedded to work harder, to perform their jobs better, not tend to absenteeism and they are prone to involved positive organizational behaviors and have higher individual adaptive performance (Widianto and Abdullah, 2013). Individual adaptive performance is defined as adjusting behaviors to the demands of the environment. It has been characterized by an individual’s requirement to perform their work roles effectively and to be responsive in the variable and new situations. However, individual adaptive performance seen as a vital component for gaining competitive advantage and coping with changing environment (Stokes et al., 2010; Upchurch, 2013). As the individual adaptive performance has an important influence on the employee’s quickly responses in unknown and ambiguous situations, researchers have begun to focus on the antecedents that underlie individual adaptive performance (Wheeler, 2012).

Concordantly, previous studies suggested that individual factor and some organizational components, such as innovative organizational climate, transformational leadership, organizational policies, team learning climate, organizational structures and learning organization affects individual adaptive performance positively. (Han and Williams, 2008: 663; Charbonnier-Voirin et al., 2010; Schraub et al., 2011). On the other hand, job satisfaction, organization commitment, discretionary effort, intent to stay, supervisor support and human resource practices have positive impacts on individual adaptive performance (Bergiel et al, 2009; Chen et al., 2010; Karatepe, 2013). Therefore, it is possible to express that some organizational factors can be considered as antecedents of individual adaptive performance and job embeddedness. Accordingly, it is expected that organizational structures and learning organization facilitate and promote employees adaptive performance and job embeddedness levels to increase. Individual adaptive performance and job embeddedness are evaluated as crucial components to gain organizational success and competitive advantages in variable working conditions. For this reason, to determine leading precursors of individual adaptive performance and job embeddedness have become an important topic in recent years. In literature, there are some studies indicating the antecedents of these variables. However, there is not any research existing literature investigating the relationships among organizational structures, learning organization, individual adaptive performance and job embeddedness together. Therefore, this study aims to investigate the relationships among these variables to contribute to the related literature. Within the scope of research, it is assumed that organizational structures and learning organization affect individual adaptive performance and job embeddedness. In order to test the relationships among them, the following research hypotheses are developed:

H1: Organic organizational structure affects learning organization positively.
H2: Organic organizational structure affects job embeddedness positively.
H3: Organic organizational structure affects individual adaptive performance positively
H4: Mechanistic organizational structure affects learning organization positively.
H5: Mechanistic organizational structure affects job embeddedness positively.
H6: Mechanistic organizational structure affects individual adaptive performance positively.
H7: Learning organization affects job embeddedness positively.
H8: Learning organization affects individual adaptive performance positively.
3. Research Method

3.1. Sample and Procedures

The sample of the research was composed of four and five-star hotels in Ankara city which is located in Turkey. The sample used for the study consisted of 325 employees who are working in 5 different hotels which are determined via convenient sampling method. However, questionnaire survey method is used for data collection. The questionnaire form contains four different measures related to research variables. From the 325 questionnaires that were sent out, 250 were returned, representing a response rate of 77%. After the elimination of the cases having incomplete data and outliers 216 questionnaires (66%) were accepted as valid and considered for the evaluation. 66% of employees are male and 33% are female. Majority 70% of the employees are between the ages 18-30. In terms of education level, most of them 60% have high school and vocational school education, while 30% have bachelors and master’s degree. 43% of employees work in food and beverage department, 20% of them work in front office department and %17 of them works in administrative units. 75% of the employees have been working for between 1-4 years, 12% of them have been working for more than 4 years in the same hotel.

3.2. Measures

Measures used in the questionnaire forms are adapted from the previous studies in the literature. All measures have been adapted to Turkish by following the method of forward-backward translation from the lecturers and for the validity of these measures pilot study has been conducted. As a result of the pilot study, some corrections have been made in questionnaire forms.

Organizational Structure Scale: Employees perception of organizational structures was measured with 10 items from Øgaard et al., (2008) study. Exploratory factor analyses using principle component analysis with varimax rotation was applied to the adapted scale for checking the dimensions. As a result of the varimax rotation of the data related to organizational structures variables, one item was removed from the analysis due to the factor loading under 0.50 and two factor solutions were obtained as per theoretical structure. Factor loadings of the item ranged from .62 to .91. The Cronbach’s alpha coefficient of the organizational structure scale items is .88. In the principal component analysis, the Kaiser-Meyer-Olkin test result (KMO value .85) and the result of Barlett test (1262.343; p<0.01) were significant.

Learning Organization Scale: Learning organization was measured with 35 items from Basım et al. (2007) study. As a result of the varimax rotation of the data related to the quality of work life variables, 5 items were removed from the analysis due to the factor loadings under 0.50 and 6 factor solutions were obtained as per theoretical structure. Factor loadings of the item ranged from .55 to .84. The Cronbach’s alpha coefficient of the quality of work scale items is .95. In the principal component analysis, the Kaiser-Meyer-Olkin test result (KMO value .90) and the result of Barlett test (5044.594; p<0.01) were significant.

Job Embeddedness Scale: Employees job embeddedness level was measured with 15 items from Ng and Feldman’s (2009) study. As a result of the factor analysis, 3 items were removed from the analysis due to the factor loadings under 0.50 and 3 factor solutions were obtained as per theoretical structure. Factor loadings of the item ranged from .64 to .88. The Cronbach’s alpha coefficient of the quality of work scale items is .86. In the principal component analysis, the Kaiser-Meyer-Olkin test result (KMO value .84) and the result of Barlett test (1575.850; p<0.01) were significant.

Individual Adaptive Performance Scale: Employees individual adaptive performance was measured with 20 items from Charbonnier-Voirin and Roussel’s (2012) study. As a result of the factor analysis, 3 items were removed from the analysis due to the factor loadings under 0.50 and 5 factor solutions were obtained as per theoretical structure. Factor loadings of the item ranged from .65 to .85. The Cronbach’s alpha coefficient of the quality of work scale items is .91. In the principal component analysis, the Kaiser-Meyer-Olkin test result (KMO value .87) and the result of Barlett test (2322.596; p<0.01) were significant.

After the exploratory factor analyses, confirmatory factor analysis was conducted by Lisrel 8.8 for all scales. Goodness of fit indexes is presented in Table 1.
Table 1. Goodness of fit indexes of the scales

<table>
<thead>
<tr>
<th>Variables</th>
<th>χ²</th>
<th>d.f.</th>
<th>CMIN/DF</th>
<th>GFI</th>
<th>AGFI</th>
<th>CFI</th>
<th>NFI</th>
<th>NNFI</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>≤ 5</td>
<td>≥ .85</td>
<td>≥ .80</td>
<td>≥ .90</td>
<td>≥ .90</td>
<td>≥ .90</td>
<td>≤ .08</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Organizational Structure</td>
<td>30.67</td>
<td>17</td>
<td>1.80</td>
<td>0.95</td>
<td>0.90</td>
<td>0.98</td>
<td>0.97</td>
<td>0.97</td>
<td>0.06</td>
</tr>
<tr>
<td>2. Learning Organization</td>
<td>352.04</td>
<td>191</td>
<td>1.84</td>
<td>0.87</td>
<td>0.83</td>
<td>0.98</td>
<td>0.96</td>
<td>0.97</td>
<td>0.06</td>
</tr>
<tr>
<td>3. Job Embeddedness</td>
<td>43.34</td>
<td>22</td>
<td>1.97</td>
<td>0.96</td>
<td>0.91</td>
<td>0.99</td>
<td>0.97</td>
<td>0.98</td>
<td>0.06</td>
</tr>
<tr>
<td>4. Individual Adaptive Perf.</td>
<td>153.44</td>
<td>78</td>
<td>1.96</td>
<td>0.91</td>
<td>0.87</td>
<td>0.98</td>
<td>0.96</td>
<td>0.97</td>
<td>0.06</td>
</tr>
</tbody>
</table>

4. Research Findings

4.1. Descriptive Analysis

Correlations, standard deviations and means have been computed, related with organizational structures, learning organization, job embeddedness and individual adaptive performance. They are illustrated in Table 2.

Table 2. Means, standard deviations and correlations of the study variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic Organizational Structure</td>
<td>3.77</td>
<td>.85</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mechanistic Organizational Structure</td>
<td>3.45</td>
<td>.98</td>
<td>.523**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Learning Organization</td>
<td>3.59</td>
<td>.75</td>
<td>.596**</td>
<td>.652**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual Adaptive Performance</td>
<td>3.77</td>
<td>.70</td>
<td>.575**</td>
<td>.550**</td>
<td>.687**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Job Embeddedness</td>
<td>3.61</td>
<td>.78</td>
<td>.501**</td>
<td>.644**</td>
<td>.735**</td>
<td>.718**</td>
<td>1</td>
</tr>
</tbody>
</table>

**p<0.01

As seen in Table 2, perception of organic organizational structure is higher than mechanistic organizational structure. However, employees’ perception of learning organization, individual adaptive performance and job embeddedness levels are relatively high. Correlation analysis results revealed that organic organizational structure was positively related with learning organization (r=596, p<0.01) and individual adaptive performance (r=575, p<0.01) and job embeddedness (r=501, p<0.01). In addition to this, mechanistic organizational structure was positively related with learning organization (r=652, p<0.01) and individual adaptive performance (r=550, p<0.01) and job embeddedness (r=644, p<0.01). Moreover, learning organization was positively related with individual adaptive performance (r=687, p<0.01) and job embeddedness (r=735, p<0.01).

4.2. Measurement Model

For the verification of the model two-step approach by Anderson and Gerbing (1988) has been used. According to this approach, prior to testing the hypothesized structural model, first the research model needs to be tested to reach a sufficient goodness of fit indexes. After obtaining acceptable indexes it can be proceeded with structural model. As a result of the measurement model, it can be seen that 16 latent and 52 observed variables. Observed variables consist of 21 items related with learning organization, 7 items related with organizational structures, 9 items related with job embeddedness and 15 items related with individual adaptive performance. For accepting measurement model goodness of fit needs to be considered (Yüncü, 2010: 86). Therefore indexes of measurement model are: χ²: 1857.04; df: 1141; χ²/ df: 1.62; RMSEA: 0.054; GFI: 0.85; IFI: 0.97; CFI: 0.97; NFI: 0.94; NNFI: 0.97. These values indicate that measurement model has been acceptable (Schermelleh-Engel et al., 2003: 52; Meydan and Şeşen, 2011: 35).
4.3. Structural Equation Model

After the correlation analyses and measurement model, the study applied a structural equation model to verify hypotheses for the causal relationships between variables in accordance with literature. The results of the structural model are; \( \chi^2: 997.96; \text{df}: 516; \chi^2/\text{df}: 1.93; \text{RMSEA}: 0.066; \text{GFI}: 0.80; \text{IFI}: 0.97; \text{CFI}: 0.97; \text{NFI}: 0.95; \text{NNFI}: 0.97. \) Except GFI other results have been acceptable. GFI (0.80) indicates that structural model has a weak fit with the data and it was not considered in the acceptable range. (Schermelleh-Engel et al., 2003; Meydan and Şeşen, 2011). However, it is possible to express that in proposed model due to the path values below 1.96, many of the results were insignificant.

On the basis of the results, the proposed model was revised according to the theoretical framework and more significant model was obtained. The revised model was used to test the relationships is shown in Figure 1. The results of the revised model are; \( \chi^2: 372.96; \text{df}: 161; \chi^2/\text{df}: 2.30; \text{RMSEA}: 0.078; \text{GFI}: 0.85; \text{IFI}: 0.97; \text{CFI}: 0.97; \text{NFI}: 0.95; \text{NNFI}: 0.97. \) Revised model results were approximately the same as the proposed model, while GFI value get better (0.85) and model has a better fit with the data than the proposed model. Moreover, it can be seen that in revised model the results were more significant.

![Figure 1. Path Results of Revised Model](image)

According to the results of the revised model, the path parameter and significance level show that organic organizational structure has no direct effect (\( \beta=-0.06; t=-0.81; p>0.05 \)) on job embeddedness and individual adaptive performance (\( \beta=0.11; t=1.45; p>0.05 \)). Thus, H2 and H3 hypothesis have not gained any empirical support. Organic organizational structure affects learning organization (\( \beta=0.41; t=5.83; p<0.01 \)) positively and H1 hypothesis has been supported. Mechanistic organizational structure has a significance and positive effect (\( \beta=0.51; t=6.94; p<0.01 \)) on learning organization and (\( \beta=0.16; t=2.05; p<0.01 \)) job embeddedness. Therefore H4 and H5 hypothesis have been supported. Moreover, mechanistic organizational structure has no direct effect (\( \beta=-0.04; t=-0.48; p>0.05 \)) on individual adaptive performance and H6 hypothesis has been rejected. On the other hand, learning organization affects (\( \beta=0.89; t=7.20; p<0.01 \)) job embeddedness and individual adaptive performance (\( \beta=0.83; t=6.58; p<0.01 \)) positively so H7 and H8 hypothesis have been supported. Consequently, in this study two models have been tested and compared. In the proposed model, learning organization has been considered as an independent variable, whereas in the revised model this variable taken as a mediator. When learning organization was evaluated as a mediator, results revealed that learning organization fully mediates the effects of organic organizational structure on job embeddedness. It also fully mediates the effects of organic organizational structure on individual adaptive
performance. However, research results show that learning organization has a fully mediator role in the relationships between mechanistic organizational structure and individual adaptive performance.

5. Conclusion

The unpredictable, global and dynamic working environment requires organization to focus on learning and design suitable structures which facilitate to cope with these conditions. In other words, organizations need to adopt structures whether it is mechanic or organic towards to their vision, values and goals. However they internalize to be learning organization as a philosophy to acquire a sustainable competitive advantage and organizational success in today’s working area. Therefore, it is clear that organizations have to design their structures according to internal and external conditions and emphasize learning. Because organizational structures and learning organization have a major impact both on organizations outputs and individuals attitudes depend their effectiveness. Accordingly, it can be stated that the structure which is planned to consider the organizational culture, goals, values, characteristics of industry and employees is thought to affect individual’s performance and some positive attitudes such as engagement, involvement, commitment and embeddedness etc. On the other hand, organizations who decide to be learning organization lead individuals to learn new skills and knowledge; in this way it enables them to motivate and develop their career. Thus, it is expected that learning organization has a positive impact on individuals work related attitudes and behaviors. In this context, it can be said that both organizational structures and learning organization are remarkable components which lead to important consequences on work attitudes of the individuals.

Consequently, this study aims to determine some of the consequences of organizational structures and learning organization. As a result of the research findings revealed that the purposed model of the study needs to be revised due to its statistical values. In other words, we try to modify purpose model according to the theoretical framework to acquire more significant results. Therefore, we have taken learning organization as a mediator variable in the revised model and we have obtained significant consequences. When we analyzed them, it can be seen that organic organization structure affects learning organization positively, while it has no direct effect on job embeddedness and individual adaptive performance. Hence, H1 hypothesis is supported, whereas H2 and H3 hypothesis are not. However, when learning organization has been considered as a mediator, it can be seen that learning organization has a mediating role between organic organizational structure and job embeddedness and also it has a mediating role between organic organizational structure and individual adaptive performance. In other words, organic organizations have no direct effect on employees’ adaptive performance and job embeddedness levels but their adaptive performance and job embeddedness levels are affected by organic structure based on perception of learning organization. In addition to these findings, mechanistic organization structure affects learning organization and employees’ job embeddedness levels positively so H4 and H5 hypothesis are supported. Moreover, mechanistic organization has no direct effect on individual adaptive performance and H6 hypothesis is rejected. Therefore, it can be said that learning organization has a fully mediator role between mechanistic organizational structure and individual adaptive performance. In this context, it is possible to express that mechanistic structure affects employee’s perception of learning organization first, and then their adaptive performance levels are affected from the mechanistic structure due to the learning organization perception. Furthermore, learning organization affects job embeddedness and individual adaptive performance positively; H7 and H8 hypothesis are supported. All of the research results indicate that individual’s adaptive performance and job embeddedness levels are affected from learning organization philosophy positively in hotel establishments’ scope of the research. Besides, employees’ job embeddedness and learning organization are also affected positively by the mechanistic organization structure in these hotels. For future studies, the research model can be tested for mechanic and organic organizations separately and the consequences can be compared whether perception of learning organization, adaptive performance and job embeddedness vary or not. On the other hand, research model can be expanded by adding other variables which are classified as the antecedents such as organizational climate, organizational policies or human resource practices.

References


