

THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT

Organizational Learning and Employee Commitment of Government Parastatal in Alausa, Lagos State, Nigeria

Koce, Henry Diko

Chief Lecturer, Department of Marketing, Federal Polytechnic Bida, Niger State, Nigeria

Abstract:

Employee commitment is one of the most vital tools of every organization whether public or private organization, because the productivity of any organization is exceedingly depend up on human resource. Public parastatal especially in Nigeria found themselves in greater challenges with political cabals who meddle into running and management of government organizations which in turn led to mis-management of funds, poor organizational commitment and learning, corrupt practices and bureaucratic bottleneck. The major objective of this study is to examine the effect of organizational learning dimensions on employee commitment of government parastatal in Alausa, Lagos State, Nigeria. The study used survey research design and employed multiple regression method of analyses. Finding shows that organizational learning dimensions do not significantly affect employee commitment of government parastatal in Alausa, Lagos State, Nigeria ($F_{(3,516)} = 1.015$, Adj. $R^2 = 0.453$, $p > 0.05$). The study concluded that all public parastatal in Alausa, Lagos State, Nigeria do not imbibe organizational learning discipline which had totally declined public parastatal staff commitment, operational effectiveness and productivity. Therefore, the study recommended that public parastatal should institutionalize organizational learning practices and employee rules of engagement discipline in the public parastatal which will enhance employee commitment.

Keywords: Organizational learning, Employee commitment, Government parastatal and multiple regression method

1. Introduction

Achieving employee commitment has been the major global challenges experience by government parastatal managers resulting from the nature of government parastatal of non-profit oriented. During the global economic crisis, almost every public institution is struggling with employee commitment challenge in one way or another. Academician and professional have raise concern on poor employee commitment and creativity among institutions in the educational sector and this is because of the major contribution of this sector to human capital development and economic growth of any nation. Hika, Feleke and Alemtshay (2017) emphasize that employee's commitment is one of the most important activities of every organization, because the success and failure of any organization is exceedingly depend up on various resources, among which human resource is the most vital. Similarly, Gberevbie (2010) organizational learning provide training for the employees, in return could increase employee commitment. But in Nigeria majority of public parastatal does not embrace organizational learning due to non-competition between private and public organizations for customers and profitability.

Public parastatal in Nigeria found themselves in greater challenges with political power class who meddle into running and management of government organizations. Idowu (2013) emphasized that most public parastatal in Nigeria faced with the problems of mis-management of funds, heavy dependence on the national treasury misuse of power resulting in corruption and bureaucratic bottleneck. Non-prevention of these long-lasting problems had indicated negatively on the nation's economic performance and poor employee commitment. Various studies such as Akhtar, Arif, Rubi and Naveed (2011), Azizi (2017), Idowu (2013), Mylse (2014), Mrisha, Idua and Kingi (2017), Odoyo (2014), Field (2017), Erhardt, Gibbs, Martin-Rios and Sherblom (2016), Ouma and Kombo (2016), Namada (2017) and Njoroge (2017) among others have investigate the link between organizational learning and employee performance but most of these studies do not consider how organizational learning affect employee commitment in selected public parastatal. This serves as gap and motivation for this study in investigating the effect of organizational learning on employee commitment of selected public parastatal in Lagos State, Nigeria.

1.1. Objectives of the Study

The main objective of this study is to examine the effect of organizational learning on employee commitment of selected public parastatal in Lagos State, Nigeria. The specific objectives are to:

- Investigate the effect of continuous learning on employee commitment of selected public parastatal in Lagos State, Nigeria;

- Assess the relationship between team learning and employee commitment of selected public parastatal in Lagos State, Nigeria;
- Examine the effect of personal learning on employee commitment of selected public parastatal in Lagos State, Nigeria; and
- Determine the combine effect of organizational learning dimensions on employee commitment of selected public parastatal in Lagos State, Nigeria.

1.2. Hypotheses

- H₀₁: Continuous learning does not significantly affect employee commitment of selected public parastatal in Lagos State, Nigeria
- H₀₂: There is no significant relationship between team learning and employee commitment of selected public parastatal in Lagos State, Nigeria
- H₀₃: There is no significant effect of personal learning on employee commitment of selected public parastatal in Lagos State, Nigeria
- H₀₄: There is no significant combine effect of organizational learning dimensions on employee commitment of selected public parastatal in Lagos State, Nigeria.

In this study staff of public parastatal in Alausa, Lagos State, will be our respondents and all the staff from various ministries will be consider with Cochran (1997) formula to determine the sample size from the population of the study in order to determine the effect of organizational learning dimensions on employee commitment of public parastatal in Alausa, Lagos State within the period of 2018.

2. Literature Review

2.1. Organizational Learning Dimensions and Employee Commitment

Newman and Dunstan (2015) defined organizational learning as an area of leaning towards the study of cognitive and social processes of knowledge in organizations that are imbibed in organizational and work practices. According to Field (2017), organizational learning is the process of improving actions through better knowledge and understanding. An entity learns if, through its processing of information, the range of its potential behaviours is changed (Erhardt, Gibbs, Martin-Rios & Sherblom, 2016). In this study the organizational learning dimensions are; continuous learning, team learning and personal learning. Schippers, Homan and Van-Krippenberg (2013) view continuous learning as an individual level process of self-initiated, voluntary, planned, and proactive pattern of activities that are sustained over time for the purpose of career development. Team learning is a process that yields a relatively permanent change in the team's collective level of knowledge and skill produced by the shared experience of the team members. In the organization, individual learning has to do with shaping an individual to adapt to changes in the business environment (Heimeriks, Bingham, & Laamanen, 2014). This is very important because the ever-changing economic climate demands that any individual to be up to date with the latest knowledge and also be flexible and easily adaptable to any changes that may be required. Relatively, Hussain and Ishak (2017) view employee commitment as the degree to which an individual embraces the values and goals of an organization. The key notion in each of these definitions is that organizational commitment is a major variable that influences a number of organizational outcomes such as employee job performance and job satisfaction, personnel turnover, and organizational citizenship behaviour.

Empirically, Field (2017), Mehrabi, Soltani, Alemzadeh and Jadidi (2013), Mrisha, Idua and Kingi (2017), Škerlavaj, Song and Youngmin (2010) examined the link between organizational learning dimensions, organizational and employee performance. Their study revealed that organizational learning dimensions significantly affect organizational and employee performance. Similarly, Maktabi and Khazaei (2014) investigated the impact of organizational learning on organizational innovation and performance. The results showed that organizational learning has positive impact on organizational innovation and organizational performance. Most of these studies were carried out in private sectors which indicate that organizational learning dimensions enhance firm performance. Conversely, the findings of Akhtar, Arif, Rubi and Naveed (2011) and Hailekiros and Renyong (2016) examined the effect of organizational learning on firm performance. Their study revealed that organizational learning does not significantly affect firm performance. These diverse empirical findings were due to different nature of private organizations setting and structure. Basically, most these past empirical studies have not investigated the effect of organizational learning dimensions on employee commitment of public parastatal. This serves as the empirical gap and motivation for this study.

2.2. Theoretical Framework

2.2.1. Knowledge Based Theory

The knowledge based theory was propounded by Grant (2002). Competitive advantage of firms arises from their superior capability in creating and transferring knowledge (Lopez & Esteves, 2013). Knowledge Based Theory (KBT) posits that the primary role of the firms is the creation and application of knowledge (Skerlavaj, Song & Youngmin, 2010). According to Hussain and Ishak (2017) the theory focuses on knowledge as a fundamental source of human productivity. The central premise of this theory is that knowledge that is largely tacit can be a source of competitive advantage. Such knowledge is difficult for competitors to imitate (Barney, 1991; Skerlavaj *et al.*, 2010). This theory depicts organizations as repositories of knowledge and competences where knowledge is transformed into valuable products and services adapted

to market needs to deal with competitive challenges (Kogut & Zander, 1992). The ability of a firm to generate knowledge and effectively employ it through productive organizations determines its success and competitiveness (Newman & Dunstan, 2015). Knowledge is created and held by individuals but it can become embedded within the organization as organizational processes and routines are performed repeatedly (Grant, 1996). Competitive advantage of firms arises from their superior capability in creating and transferring knowledge (Lopez & Esteves, 2013). In the KBV, the primary goal of the firm is the application of existing knowledge to the production of goods and services (Newman & Dunstan, 2015). Based on the explanation of this theory, this study anchored on Knowledge Based Theory which indicates that organizations that learn will achieve employee productivity, commitment and firm competitive advantage.

3. Methodology

This study employs survey research design to examine the link between organizational learning dimensions and employee commitment of selected government parastatal in Lagos State, Nigeria. This design will be appropriate for this study because it will extensively describe the relationships and effects between the study variables. The survey research design will be adopted in order to obtain information from the focus population concerning the current status of the phenomena through primary data collection. The population of this study includes all the staff of state government parastatal in Alausa, Lagos State, Nigeria and the total population is 3,886 staff. A multi-stage sampling technique is adopted in selecting the sample from the working population of this study. Furthermore, the sample size for this study will be determined by applying the Cochran (1997) formula. This is the standard method of randomization and it identifies the limits of errors considered as the most essential items in the survey. This will help the researcher to obtain the sample and use the results to make sampling decisions based on the data.

The formula is:

$$n = \frac{NZ^2pq}{d^2(N-1) + Z^2pq} \quad \dots\dots\dots 3.1$$

Where:

n = sample size

N = Total number of staff (N=3,886)

Z = 95% Confidence Interval (Z = 1.96),

p = 0.5

q = 1 - p

d = degree of accuracy or estimation (d = 0.04)

Therefore;

$$n = \frac{3,886 (1.96)^2 (0.5) (0.5)}{(0.04)^2 (3,886 - 1) + (1.96)^2 (0.5) (0.5)} = 520$$

Primary data source was used in this study and data were collected through administering of questionnaire. The study adopted closed-ended questions with the quantitative section of the instrument utilizing an ordinal scale format. The questionnaire instrument was used to collect data on organizational learning (independent variable) measure by continuous learning, team learning, and personal learning and the dependent variable is employee commitment. The study also employed simple regression method of analyses for hypotheses one and three; Multiple regression method of analysis for hypothesis four and Pearson Correlation method of analysis for hypothesis two.

3.1. Operationalization of Study Variables Base on Hypotheses

In this study, there are two constructs; independent and dependent variables. The independent variable is organizational learning measure by sub-variables of continuous learning, team learning and personal learning while the dependent variable is employee commitment. The model for the variables is denoted in the equations below:

Y = Dependent Variable

X = Independent Variable

Y = Employee Commitment (EC)

X = Organizational Learning (OL)

X = (x₁, x₂, x₃)

Where;

Y = Employee Commitment (EC)

X = Organizational Learning (OL)

x₁ = Continuous Learning (CL)

x₂ = Team Learning (TL)

x₃ = Personal Learning (PL)

The model formulated for each of the hypotheses are written as:

Y = f(x₁)

Y = β₀ + β₁x₁ + ε_i

EC = β₀ + β₁CL + ε_i -----Eqn 1 (Hypothesis One)

Y = f(x₂)

EC = f(TL) -----Eqn 2 (Hypothesis Two)

Y = f(x₃)

Y = β₀ + β₃x₃ + ε_i

$$EC = \beta_0 + \beta_1 PL + \epsilon_i \text{-----Eqn 3 (Hypothesis Three)}$$

$$Y = f(x_1, x_2, x_3)$$

$$Y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \epsilon_i$$

$$EC = \beta_0 + \beta_1 CL + \beta_2 TL + \beta_3 PL + \epsilon_i \text{-----Eqn 4 (Hypothesis Four)}$$

β_0 = the constant term; β_1 - β_3 = the regression coefficients and ϵ_i = Error Term

Variables	Number of Questions	KMO	Bartlett test of Sphericity	Cronbach's Alpha	Average Variance Explained
Employee Commitment	6	0.720	0.000	0.843	0.762
Independent Variable: Organizational Learning					
Continuous Learning	6	0.849	0.002	0.795	0.810
Team Learning	6	0.754	0.000	0.921	0.864
Personal Learning	6	0.762	0.001	0.812	0.721

Table 1: Validity and Reliability of the Research Instrument
Source: Researcher's Computation from SPSS (2020)

Average Variance Extracted (AVE) greater than 0.5 were used as an additional evidence of construct validity of all variables in the research instrument. Also, the Cronbach's Alpha coefficient for all the study variables are above 0.70, which suggests that the instrument used for evaluation was highly reliable. Hence, the researchers affirmed that the research instrument used is reliable.

4. Data Analysis and Interpretation of Result

4.1. Hypothesis One

- H_{01} : Continuous learning does not significantly affect employee commitment of selected public parastatal in Lagos State, Nigeria.

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	R	R square	F
		B	Std. Error	Beta					
1	(Constant)	14.756	.839		17.581	.256	.236	.220	1.020
	Continuous Learning	.591	1.034	.436	0.378	1.02			

Table 2: Linear Regression Results on the Effect of Continuous Learning on Employee Commitment of Selected Public Parastatal in Lagos State, Nigeria
a. Dependent Variable: Employee Commitment
Source: Researcher's Field Results (2020)

Table 2 provides details of linear regression analysis results on the effect of continuous learning on employee commitment of selected public parastatal in Lagos State, Nigeria. Results reveal that continuous learning has no significant effect on employee commitment of selected public parastatal in Lagos State, Nigeria ($\beta = 0.591$, $t = 0.378$, $p > 0.05$). The t value (0.378) shows that the regression coefficient for continuous learning is not statistically significant. This implies that most of public parastatal managers in Lagos State do not embrace organizational learning which in turn have reduced their staff commitment.

4.2. Hypothesis Two

- H_{02} : There is no significant relationship between team learning and employee commitment of selected public parastatal in Lagos State, Nigeria

		Team Learning	Employee Commitment
Team Learning	Pearson Correlation	1	.403
	Sig. (2-tailed)		.210
	N	520	520
Employee Commitment	Pearson Correlation	.403	1
	Sig. (2-tailed)	.210	
	N	520	520

Table 3: Pearson Product Moment Correlation Analysis of the Relationship between Team Learning and Employee Commitment of Selected Public Parastatal in Lagos State, Nigeria

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

Source: Researcher's Data Analysis Results (2020)

Table 3 illustrates result of Pearson product-moment analysis on the relationship between Team Learning and Employee Commitment of selected public parastatal in Lagos State, Nigeria. The result of the analysis indicates a weak, positive and insignificant correlation between Team Learning and Employee Commitment ($r = 0.403$, $N = 520$, $p > 0.201$). Therefore, null hypothesis two (H_{02}) which states that there is no significant relationship between team learning and employee commitment of selected public parastatal in Lagos State, Nigeria hereby accepted.

4.3. Hypothesis Three

- H_{03} : There is no significant effect of personal learning on employee commitment of selected public parastatal in Lagos State, Nigeria

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	R	R square	F
	B	Std. Error	Beta					
1	(Constant)	27.300	.846	1.257	.000	.055	.003	0.184
	Personal Learning	.093	.047	0.960	.150			

Table 4: Linear Regression Results Of The Personal Learning On Employee Commitment Of Selected Public Parastatal In Lagos State, Nigeria
a. Dependent Variable: Employee Commitment
Source: Researcher's Data Analysis Results (2020)

Table 4 provides details of linear regression analysis results on the effect of personal learning on employee commitment of selected public parastatal in Lagos State, Nigeria. Results reveal that personal learning has no significant effect on employee commitment of selected public parastatal in Lagos State, Nigeria ($\beta = 0.093$, $t = 0.960$, $p > 0.05$). The t value (0.960) shows that the regression coefficient for personal learning is not statistically significant. This implies that most of public parastatal managers in Lagos State do not embrace organizational learning in terms personal learning which in turn have reduced their staff commitment and productivity.

4.4. Hypothesis Four

- H_{04} : There is no significant combine effect of organizational learning dimensions on employee commitment of selected public parastatal in Lagos State, Nigeria.

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	R	Adjusted R square	F
	B	Std. Error	Beta					
1	(Constant)	1.003	2.005	0.486	.101	.675	.453	1.015
	Continuous Learning	.189	1.033	0.159	.800			
	Team Learning	.037	.237	1.004	.315			
	Personal Learning	.053	.049	1.090	.276			

Table 5: Multiple Linear Regression Results of the Combine Effect of Organizational Learning Dimensions on Employee Commitment of Selected Public Parastatal in Lagos State, Nigeria
Source: Researcher's Data Analysis Results (2020)

The coefficient of determination as measured by the adjusted R-square presents a moderately strong effect of organizational learning dimension (Continuous Learning, Team Learning and Personal Learning) on employee commitment given a value of 0.453 but insignificant at 5% level of significance. This depicts that the model accounts for 45.3% of the variations in employee commitment of selected public parastatal in Lagos State, Nigeria while 54.7% remains unexplained by the regression model. The overall the explanatory power of the model was considered statistically insignificant with the F statistics of 1.015 and ($P > 0.05$). In discussing the findings of this study various studies such as Hailekiros and Renyong (2016), Mehrabi, Soltani, Alemzadeh and Jadidi (2013), Mrisha, Idua and Kingi (2017), Skerlavaj, Song and Youngmin (2010), Field (2017) and Erhardt, Gibbs, Martin-Rios and Sherblom (2016) disagree with our findings that organizational learning dimensions do not significantly affect employee commitment. The major reason for these divergent finding was because of the most past studies empirically considered private sectors and also the nature of public sectors/firms of not competing with private sector and running for profit making. On the other hand, the findings of this study is in line with the finding of Akhtar, Arif, Rubi and Naveed (2011) and Hailekiros and Renyong (2016) that organizational learning dimensions do not significantly affect employee commitment.

5. Conclusion and Recommendations

The main focus of this study was to determine whether public sectors in Alausa, Lagos State, Nigeria adopt organizational learning dimensions which have an impact on employee commitment of private sector. In view of the findings, it can be generalized that all the public parastatal in Alausa, Lagos State, Nigeria do not imbibe organizational learning discipline which had totally declined public parastatal staff commitment, operational effectiveness and productivity. Based on these findings and conclusion this study recommended that;

- Institutionalization of organizational learning practices in the public parastatal which will enhance employee commitment and job satisfaction.
- A need assessment can be done and programs designed that effectively address any performance gaps. Key areas to be addressed include learning organization practices such as continuous learning, team learning, empowerment and systems connectivity.
- Public parastatal should encourage continuous learning and team learning for their employee in order to make them more active and committed to their task.
- Managers of public parastatals should not politicise their decisions making in terms controlling, co-ordinating and justifying the contributions of each staff.

6. Suggestions for Future Research

- Further study should carry out cross-sectional survey of the link between organizational learning dimensions and employee commitment among public parastatal in Southwest Region
- Further study should investigate the effect of organizational learning dimensions on employee commitment among federal government public parastatal in Southwest Region.

7. References

- i. Akhtar, S., Arif, A., Rubi, E., & Naveed, S. (2011). Impact of organizational learning on organizational performance: Study of higher education institutes. *International Journal of Academic Research*, 3(5), 327-331.
- ii. Azizi, B. (2017). The study of relationship between organizational learning and organizational performance. *Revista Administração em Diálogo*, 19(1), 164-172.
- iii. Barney, J. B. (1991). Firm resource and sustained competitive advantage. *Journal of Management*, 17(1), 99-120.
- iv. Erhardt, N., Gibbs, J., Martin-Rios, C., & Sherblom, J. (2016). Exploring affordances of email for team learning over time. *Small Group Research*, 1-36.
- v. Field, L. (2017). Interest differences and organizational learning. *Adm. Sci.* 7(26), 1-14.
- vi. Gberevbie, D. E. (2010). Strategies for employee recruitment, retention and performance: Dimension of the Federal civil service of Nigeria. *African Journal of Business Management*, 4(8), 1447-1456.
- vii. Grant, R. M. (2002). Toward a knowledge-based theory of the firm. *Strategic Management J.* 17 109–122.
- viii. Hailekiros, G., & Renyong, H. (2016). The effect of organizational learning capability on firm performance: Mediated by technological innovation capability. *European Journal of Business and Management*, 8(30), 2-20.
- ix. Heimeriks, K. H., Bingham, C. B., & Laamanen, T. (2014). Unveiling the temporally contingent role of codification in alliance success. *Strategic Management Journal*.
- x. Hussain, I. A., & Ishak, N. A. (2017). The relationship between organizational learning and employee engagement, in the perspective of young employees from commercial banks in Malaysia. *Journal of Business and Economic Development*, 2(1), 57-62.
- xi. Hika, N., Feleke S., & Alemtshay G. (2017). The practices and challenges of employee's performance management and evaluation in gamo gofa zone finance and economic development department. *Global Journal of Management and Business Research: BEconomics and Commerce Volume*, 17(4).
- xii. Idowu, A. (2013). Organizational learning, innovativeness and financial performance of small and medium enterprises in Nigeria. *European Journal of Business and Management*, 5(2), 179-186.
- xiii. Kogut, B. & Zander, U. (1992). Knowledge of the firm, integration capabilities and the replication of technology. *Organization Science*, 3, 383-397.
- xiv. Lopez, V. & Esteves, J. (2013). Acquiring external knowledge to avoid wheel re-invention. *Journal of Knowledge Management*, 17(1), 87-105.
- xv. Maktabi, S. H., & Khazaei, A. (2014). The Impact of organizational learning on organizational performance and organizational innovation: Evidence from bank industry of Iran. *International Journal of Economy, Management and Social Sciences*, 3(10), 569-573.
- xvi. Mehrabi, J., Soltani, I., Alemzadeh, M., and Jadidi, M. (2013). Explaining the relationship between organizational structure and dimensions of learning organizations (Case study: Education organization in Boroojerd County and the related departments). *International Journal of Academic Research in Business and Social Sciences*, 3(4), 116-128.
- xvii. Mrisha1, G., Idua, M., & Kingi, W. (2017). Effect of learning organization culture on organizational performance among logistics firms in Mombasa County. *Journal of Human Resource Management*. 5(2), 32-38.
- xviii. Namada, J. M. (2017). Organizational learning and firm performance: an empirical investigation in an emerging economy context. *International Journal of Business Social Sciences Studies and Research*, 1(1) 10-18.
- xix. Newman, N., & Dunstan, N. (2015). Learning and knowledge: A dream or nightmare for employees. *The Learning Organization*, 22, 58-71.

- xx. Njoroge, T. M. (2017). *Organizational learning strategies and performance of insurance companies in Kenya*. A research project submitted in partial fulfilment of the requirements for the degree of master of business administration school of business, university of Nairobi.
- xxi. Odoyo, W. S. (2014). *Organizational learning and performance of insurance firms in Kenya*. A research project submitted in partial fulfilment of the requirements for the award of the degree of master of business administration, school of business, university of Nairobi.
- xxii. Ouma, F. A. (2017). *Perception of employees on ambidexterity and resource co- specialization effect on dynamic capability at gulf african bank limited*. A research project presented in partial fulfilment of the requirement for the award of the degree of master of business administration, school of business, university of Nairobi.
- xxiii. Schippers, M. C., Homan, A. C., & Van-Knippenberg, D. (2013). To reflect or not to reflect: Prior team performance as a boundary condition of the effects of reflexivity on learning and final team performance. *Journal of Organizational Behavior*, 34(1), 6-23.
- xxiv. Skerlavaj, M., Song, J., & Youngmin L. (2010). Organizational learning culture, innovative culture and innovations in South Korean firms. *An International Journals*.