Strategic Agility and Organizational Resilience of Food and Beverage Firms in Rivers State, Nigeria

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Abstract: This study critically investigate the relationship between strategic agility and organizational resilience of food and beverages firms in Rivers State, Nigeria. The cross sectional survey which is a type of the quasi experimental design was used in this study because the variables were not under the control of the researcher. A total population of 95 managerial employees of the 15 registered food and beverage firms was covered in this work. Data was collected using questionnaire and the data was analyzed using the Pearson Product Moment Correlation statistical analysis. A total of 81 questionnaire which represented 85% of questionnaire distributed was successfully retrieved and used for the study. Thus, the findings revealed a noteworthy relationship between the dimensions of strategic agility (flexibility and accessibility) with the measures of organizational resilience (adaptability and robustness). It was thus concluded that when organization’s strategic agility increases, the firm’s resilience also increase as a result of their linear relationship. The study among others recommended that the management of the food and beverage firms should develop agile strategies that will enable the organizations to withstand turbulent moment and thus enhance the firms’ resilience.

Key Words: Accessibility, Adaptability, Flexibility, Organizational Resilience, Robustness Strategic Agility

1.0 Introduction

In this era of high proliferation in technology coupled with the dynamism of the business world, it is no longer the fittest organization that last longer, but organizations with high resilience capacity. The global system is rapidly changing, new development are taken over the business world, competition among organization increases, turbulent and disastrous situations create a need to anticipate, organize, adapt and respond to progressive change and automatic disruptions in order to prosper and survive. The organization strategic agility and resilience ability prepares organizations for changes, and restore vitality from shocks. The management of the beverage firms must have foresight to develop strategic agility to make them remain afloat and make decision swiftly, efficiently and ahead of other firms through constant changes and update of business plan as innovations and new ideas become available. Agility should be a management philosophy in every organization; the market knowledge should be employed to make opportunities that will be profitable in an unsteady market place.
The food and beverage sector in Nigeria are faced with turbulent incremental changes, stiff competition and disastrous situation of high cost of production, inadequate raw materials, changes in consumer taste and preferences, inadequate power supply, usage of old technology, inflation, very poor infrastructures and financial global crises. The prices of imported goods are cheaper than the home made goods, and the quality of the imported goods are better, consumers now have preference for imported goods and this made it challenging for home beverage firms to survive the stiff competition. This problem made it a high priority for organization to attach paramount importance to agility and resilience in their organization. Several studies have been carried out on agility and resilience (Umoh & Amah (2013); Okuwa, Nwuche & Anyanwu (2016)), but strategic agility and organizational resilience of food and beverage firms in Rivers state is not address, this create a gap, hence the study motivation for this study.

Research Questions

What is the relationship between:

1. Flexibility and adaptability in the food and beverage firms in Rivers State?
2. Flexibility and robustness in the food and beverage firms in Rivers State?
3. Accessibility and adaptability in the food and beverage firms in Rivers State?
4. Accessibility and robustness in the food and beverage firms in Rivers State?

Research Hypotheses

There is no significant relationship between

Ho$_1$ Flexibility and adaptability in the food and beverage firms in Rivers State.
Ho$_2$ Flexibility and robustness in the food and beverage firms in Rivers State.
Ho$_3$ Accessibility and adaptability in the food and beverage firms in Rivers State.
Ho$_4$ Accessibility and robustness in the food and beverage firms in Rivers State.

2.0 Review of Related Literature

The study is anchored on Process theory of agility and thriving concept of resilience. Process theory posits that agility arises from teams' responses to desires for change and controls the undesirable effects of necessity for change on achievement. Process theories describe how entities change over time. Process theories permit generalizations and forecasts in situations with very complex fundamental relationships. They are paramount for communicating processes and understanding, forming empirical observations of composite phenomena and offering unflustered knowledge to balance the prescriptive knowledge conveyed by methods (Ralph 2010), Markus & Robey (1988).

Thriving developed from the scientific research on coping paradigms and vulnerability. Thriving is solidified on the positive transformation of individuals which result from the knowledge of adversity (Nishikawa, 2006). Although thriving has received attention in the fields of social and behavioral psychology, the belief that “people are able to transform traumatic experiences to
profitable idea, self-growth, changes in personality positively, or other significant and resourceful lives has been a pivotal theme in history of literature, personal narratives and poetry” (Saakvitne, Tennem & Affleck, 1998). The concept of “thriving” refers to a person’s capacity to go outside his/her original level of operation and function despite reoccurring chances to traumatic experiences (O’Leary, 1998). Variables of Resilience and thriving include optimistic self-esteem, robust coping skills, hardiness, sense of cohesion, self-efficacy, optimism, adaptability, risk-taking, low fear of failure, strong social resources, a high tolerance of uncertainty and perseverance, (Bonanno, 2004; Masten, 2005).

Research Model

![Operational Framework showing the link between strategic agility and corporate resilience.](source: operationalized by the researchers)

Concept of strategic Agility

Over the years an agile organization is seen as a fastest and effective organization that can react to changes, pinpoint opportunities and avoid major collisions in an increasingly fast-paced environment. Human resource increase agility uses and practices by eradicating management and jobs layers and widening job scope. Every organization need build resiliency and agility to operate commendably in riotous environments. (Peterson, Day, & Mannix, 2003).

Change-management strategy of agility concentrates on making an openness to change, ending barriers of all kinds that obstruct the flow of work, resources, people and information, and guaranteeing rapid performance of strategy on a universal scale (Brown & Eisenhardt, 1997; Dyer & Singh, 1998. Agility is the aptitude of firm to develop, renovate itself, adapt, apply flexible, lively and dynamic capabilities, change quickly and succeed in a rapidly changing, uncertain, turbulent environment. Tallon & Pinsonneault (2011) conceive agility as an organizational capability to identify and react to environmental opportunities and threats with affluence, speed, and nimbleness. Nadkarni & Narayanan (2007) define agility as an ability to
rapidly, deliberately change; this change involves rapid shifts in strategic actions, asset deployment, and investment strategies. Agility is stated as determined, efficient distinctions in a firm’s outputs, structures or processes that are recognized, planned, and implemented as a deliberate strategy to achieve competitive advantage (Tallon & Pinsonneault, 2011). Organizational agility is the aptitude of firm to recognize and adjust to varying environment by deliberately changing degree of variety and various rate at which it creates this variety relative to its competitors.

**Measures of Strategic Agility**

The measures of strategic Agility are alertness, flexibility, decisiveness, accessibility and swiftness. Alertness is the organization’s ability to quickly identify changes, strength, opportunities, weakness and threats, sensing emerging market trends, listening to customers and exchanging information with suppliers, monitoring demand and detecting imminent environmental disturbances.

For every successful organization, agility is displayed through a firm's capacity to rapidly perceive opportunities, uncommon changes, alertness, and quick accessibility to pertinent facts (accessibility); create unwavering decisions on how to operate (decisiveness); carrying out the decisions rapidly (swiftness); and adjust its scope of supply chain strategies and procedures to the level needed to carry out its strategy (flexibility). In this study only flexibility and accessibility as a measure of agility will be used.

**Organizational Flexibility**

Organizational flexibility, an important measure of agility aid the organization to withstand the turbulent technological and environmental changes in the global world, it is the organization’s ability to access new ideas recommends new solutions; adjust its policies and operations for successful implementation of its strategy. Atkinson (1984) originated the concept of flexibility, he posits that every growing organizations desire various types of structural and operational flexibility to adapt to changing market and improve their ability to compete favorably. According to Atkinson (1984) there are three types of organizational flexibility, namely; functional, numerical and financial flexibility. The functional flexibility enables the employee to be multi skilled, perform different functions and task and can be assigned any work at any time. Numerical flexibility deals with the ability to increase or decrease the staff strength as situation demands, while financial flexibility involves payments based on merits. The flexibility of an organization increases its value.

Volberda (1996) suggest speed and variety as the criteria for organizational flexibility, spends addresses the time taking foe an organization to respond to issues while variety addresses the quality and numbers of options available to the organization for effective response to change.
Organizational Accessibility

Accessibility is the ability to quickly access benefits of a system or relevant data that is needed for strategic plans and organization of the firm. Having used alertness ability to detect change, information and relevant data must be quickly accessed for quick decision making on how to achieve the organization goals and objectives companies that want to be agile should provide access to real-time data and information.

According to Disabilities World report (2011) for every organization to succeed accessibility initiatives must consider external constraints such as affordability, competing priorities, convenience of technology and knowledge, cultural variances and they must be based on sound scientific evidence. Organization should aim at building a “culture of accessibility” that enables removal of basic environmental barriers. Once the concept of accessibility has become deep-rooted, it becomes easier to raise standards and attain a higher level of universal design.

Concept of Corporate Resilience

Agility without investing in resiliency is unsafe because it creates instability. Every organizations hunt for greater resiliency to overcome environmental turbulence, recurrent and strong competitive and operational disturbances (Alpaslan & Mitroff, 2004; Selsky & McCann, 2008; Weick & Sutcliffe, 2007).

According to Karr (2017) Organizational Resilience encourages businesses to look beyond risk management towards a more holistic view of business health and success. A resilient firm must not merely survive for long term, but must as well flourish over the period.

The report in the global research with the Economic Intelligence Unit look at attitudes towards Organizational identifies six key characteristics of resilient organizations:

- Proactive approach – a willingness to acclimatize before being forced to
- Dynamic leadership – support from the top of organization to embed process, CEO down
- Responsiveness to change – a readiness to heed to the need of the market.
- Robust corporate culture – inclusion, holistic and acknowledgement of everybody contribution and responsibility to the establishment.
- Keeping focused – having a distinct vision, identity and purpose
- Long-term view – preventing reacting exclusively to short-term in terms of financial goals.

The good Business Guide(2016 ) on Organizational Resilience by the Australian Government provide an in-depth studies of organizations and discover that firms resilience comprises of 3 inter-reliant attributes and 13 signs of resilience, these help build establishment, robustness, effectiveness along with agile reaction and revitalization from crises.

Resilience begins with the organization leadership through lay down of priorities, apportioning the resources and building the commitments to create firms resilience all over the enterprise.
Leadership reaches a balance concerning risk-containment and risk-taking to safeguard continuing innovation, nevertheless in the perspective of discreet risk minimization resilience. Wildavsky (1988) opined that resilience is the aptitude or capacity to deal with unanticipated threats when they have become manifest, learning to bounce back. The measure of resilience in this study is adaptability and robustness.

Adaptability

Organizations aptitude to adapt to swiftly fluctuating or varying environments is essential in dealing with present business world. An adaptive firm should be able to react to the threats and opportunities that arise from the environment.

Strategic adaptability is the process of designing, carrying out proactive insights of future that enables the organization to have values that create connection with workers and customers, not anxious what rivals are planning but carving its peculiar path, works quick and smart with minimal waste, inspires risk taking, gain knowledge from failures, internally and externally transparent with communities, have support of stakeholders and empower workers to develop, collaborate, create, innovate, discover, and experiment growth (Gîrneaă 2014).

Robustness

Robust systems is the competence to resist shock from external and internal domain (Chandra and Grabis, 2007). A system is robust if it does not produce any damage characterized by significant loss of form and function, and even a single mode of vulnerability renders a system un-robust (Agarwal, Blockley & Woodman, 2007). Robustness is the aptitude of a system to alteration behaviour to unanticipated status quo in the environment or to internal malfunctioning in the system organization. (Pavard, Dugdale, Saoud, Darcy& Salembier 2007.) Robustness is the organisation ability to maintain its operational capabilities under different circumstances. But the adaptive capacity of a firm is more than the total of its individualistic and team capacities. Capacity building must also target the organization as a whole, with managers influencing policies, processes, systems, technologies, structures, and culture to make them better able to cope with or even create change.

Empirical review

The study of Lengnick-Hall and Beck. (2009) give details why firms’ resilience capacity can be regarded as a predictor to strategic agility, and also as moderator of the connection involving a firm’s dynamic actions and performance subsequently. They asserted that resilience capacity provides the basis for restoration after a severe shock and can offer an opportunity for an organization to undergo a positive transformation as a result of overcoming an exceptionally challenging experience. Equally, strategic agility facilitates a firm to introduce and apply nimble, flexible, and energetic competitive moves acceptable to respond absolutely to fluctuations imposed by numerous variables and to introduce shifts in approach to create innovative realities in marketplace (McCann, 2004).
The study of Oyedijo (2012) examines the correlation amongst strategic agility and competitive performance employing data gotten from 9 organizations in telecommunication industry in Nigeria. A multiple-informant survey, rating of respondents on the total strategic agility items were summed together and averaged as to get a strategic agility index for every participating organization. Strategic agility data were gotten via questionnaire which was completed by staff in the Top Management Team of each firm using data on sales revenue, profit growth, financial strength, performance stability, and operating efficiency. The results of the analysis indicated a noteworthy correlation between strategic agility and competitive performance. It was discovered that strategic agility impacts the competitive performance of telecom firms in Nigeria.

The study of Ahiazu and Eketu (2015) investigates empirically the association amongst product innovation and firms resilience using primary data in selected Public Universities within south-south of Nigeria. The work studied the relationship concerning product innovation and three various dimensions of firms resilience which are – keystone vulnerability, situation awareness, and adaptive capacity. 3 hypotheses given in null form were tested employing the Spearman rank order correlation. The outcomes indicated a noteworthy association between product innovation and organizational resilience. The findings also show that innovation in product meaningfully influenced the awareness, vulnerability and adaptive capacity of the institutions.

The study of Perera, Soosay and Sandhu (2015) explores the strategies that enable agility in supply chains and the implications for competitiveness, the findings reveal that these strategies are based on information sharing among firms and diversifying core competencies in an opportunistic manner and manufacturers should adopt agility practices at both strategic and operational levels to enable firms to respond to disruptive market changes and remain competitive.

According Loy (2018), the concept of strategic agility describes a business's ability to remain fluid, changing and updating operations as innovations become available. Loy study strengthens the agile supply chain concept by providing empirical evidence to support the behavioural aspects of supply chain agility. Furthermore, it expands the concept of supply chain agility to cover the abilities in responding to strategic opportunities and sudden market changes in addition to the operational level application in present studies. Accordingly, this study offers examples and extends the concept of supply chain agility and it brings the importance of building relationships with industry partners in forming an agile supply chain.

Alhadid (2016) explore the effect of organization agility on organization performance. The study was applied on the information technology organization located in Jordan. The questionnaire was formulated and distributed to higher and middle management employees and simple recession analysis was used to estimate the impact of organization agility on organizational performance. The result showed that there was a correlation between the organization agility and organizational performance.

3.0 Methodology
The cross sectional survey which is a type of the quasi-experimental was adopted in this work because the study aimed at arriving at new knowledge without deliberate influence of the variables of the research. The study focused on the 15 registered beverage firms in Rivers state. The population of the study was the 95 managerial staff which include the supervisors and
managers of the 15 registered and functioning food and beverages firms in Rivers state. Questionnaire was the main source of data collection. The questionnaires was distributed to management employee in the food and beverage sector in Rivers State. The instrument was rated on a 4-point Likert-scale. (1 Strongly Disagree; 2 Disagree; 3 Agree; 4 Strongly Agree). The Pearson Correlation statistical tool was used to test the hypotheses formulated with the aid of statistical package for social science (SPSS) version 21.

4.0 RESULT AND DISCUSSIONS

From the total 95 questionnaire that was distributed, only 81 copies which represented (85%) questionnaire was correctly filled and used for the analysis. The demographic analysis revealed that 13(16%) of the respondent were PhD /DBA degree holders; 21(26%) were master degree holders and 47(58%) of the respondent were first degree holders. 63(78%) of the respondent were male while 18(22%) of the respondent were female. The hypotheses test was carried out at a 95% confidence interval implying a 0.05 level of significance.

Decision Rule:

Where P < 0.05 = Reject the null hypotheses
Where P > 0.05 = Accept the null hypotheses

\[ H_0 \]: There is no significant relationship between Flexibility and Adaptability in the food and beverage firms in Rivers State, Nigeria.

Table 1. **Flexibility and Adaptability**

<table>
<thead>
<tr>
<th></th>
<th>Flexibility</th>
<th>Adaptability</th>
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</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1</td>
<td>.798**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
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<tr>
<td>N</td>
<td>81</td>
<td>81</td>
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</table>

\[ Source: Survey Data, 2018 \]

Table 1 above shows that the correlation between flexibility and adaptability is positive and significant given that P-value is less than 0.05 and the correlational value is .798. The correlational value revealed a high relationship between flexibility and adaptability. We therefore reject the null hypothesis and uphold that: There is significant relationship between Flexibility and Adaptability in the beverage firms in Rivers State, Nigeria.
**Ho$_2$:** There is no significant relationship between flexibility and robustness in the beverage firms in Rivers State, Nigeria.

**Table 2. Flexibility and Robustness.**

<table>
<thead>
<tr>
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<th>Flexibility</th>
<th>Robustness</th>
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<tbody>
<tr>
<td>Flexibility</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.002</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>81</td>
</tr>
<tr>
<td>Robustness</td>
<td>Pearson Correlation</td>
<td>.565**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.002</td>
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<tr>
<td></td>
<td>N</td>
<td>81</td>
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</table>

*Source: Survey Data, 2018*

Table 2 which shows the relationship between flexibility and robustness indicated that both variables are significantly correlated, given that the P-value is less than 0.05 (0.002<0.05). The correlational value indicated a moderate correlation between flexibility and robustness. We therefore reject the null hypothesis and uphold that: There is significant relationship between Flexibility and Robustness in the beverage sector in Rivers State, Nigeria.

**Ho$_3$:** There is no significant relationship between accessibility and adaptability in the beverage firms in Rivers State, Nigeria.

**Table 3 Accessibility and Adaptability**

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<tr>
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<th>Accessibility</th>
<th>Adaptability</th>
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<tbody>
<tr>
<td>Accessibility</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.004</td>
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<tr>
<td></td>
<td>N</td>
<td>81</td>
</tr>
<tr>
<td>Adaptability</td>
<td>Pearson Correlation</td>
<td>.275**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.004</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>81</td>
</tr>
</tbody>
</table>

*Source: Survey Data, 2018*

Table 3 above shows that the relationship between accessibility and adaptability is positively correlated given that the calculated p-value of 0.004 is lesser than the significant level 0.05. (0.004 < 0.05). The correlational value of .275 indicated a low linear correlation. We therefore
reject the null hypothesis and uphold that: There is significant relationship between Accessibility and Adaptability in the beverage firms in Rivers State, Nigeria.

**Ho4:** There is no significant relationship between accessibility and robustness in the beverage firms in Rivers State, Nigeria.

**Table 4 Accessibility and Robustness**

<table>
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<th>Accessibility</th>
<th>Robustness</th>
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<tbody>
<tr>
<td><strong>Accessibility</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>1</td>
<td>.285**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>81</td>
<td>1</td>
</tr>
<tr>
<td><strong>Robustness</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>.285**</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>1</td>
</tr>
<tr>
<td>N</td>
<td>81</td>
<td>81</td>
</tr>
</tbody>
</table>

*Source: Survey Data, 2018*

Table 4 above shows that there is a positive significant relationship between accessibility and robustness given that the calculated p-value of 0.000 is lesser than the significant level 0.05. (0.000 < 0.05). The result indicated a low correlation between the two variables. We therefore reject the null hypothesis and uphold that: There is significant relationship between Accessibility and Robustness in the beverage firms in Rivers State, Nigeria.

**Discussion of findings**

Drawing from the analysis of the variables, it is observed that there is a significant relationship between the measures and dimensions.

**Flexibility and Adaptability**

The result of the correlation between flexibility and adaptability revealed a high correlational value of 0.724, which indicate that flexibility have a high relationship with adaptability of an organization. This implies that the extent to which the strategy of an organization is flexible will have an impact on the adaptive nature of the organization.

The flexibility of organizational strategy will to a great extent help the firm to easily adapt to varieties in the business environment and thus enhance their performance. This findings agree with that of McCann (2004) which asserted that strategic agility enables a firm to initiate and apply flexibility in a way to respond positively to changes in the environment. Firms’ flexibility will enhance their chances to easily adapt to dynamism in the environment of business.
Flexibility and Robustness

The bivariate analysis between flexibility and robustness shows that flexibility had a significant positive relationship with robustness given that p-value was less than 0.05. Thus, the null hypothesis was rejected and alternate hypothesis was accepted. This implies that flexibility in the strategy of the business organization influences their level of robustness. Increasing the level in flexibility in organizational strategy will boost up their robustness in the long run. When a firm inculcate element of flexibility in their strategy more, the robustness of the firm to gain competitive advantage over rivalries increases. This findings align with the findings of Oyedijo (2012) which found out that strategic agility influences the competitive performance of an organization. Thus, a firm which wishes to enhance its robustness should inculcate element of flexibility in their strategy.

Accessibility and Adaptability

From the bivariate analysis, result of the relationship between accessibility and adaptability revealed a positive linear correlation between the variables given that the p-value of 0.004 was less than the level of significance (p = 0.004 < 0.05). Thus the null hypotheses was rejected and the alternate hypotheses was accepted. This implies that the extent to which a firm is able to adapt to any changes in the environment, depends on their easy accessibility to information and other relevant organizational needs from the result, when accessibility increases, the firms adaptability also increases. This findings is not far from the previous findings of Ahiazu and Eketu (2015) which observed that product innovation significantly relates with organizational resilience.

Accessibility and Robustness

Table 4 revealed that there is a significant positive relationship between accessibility and robustness. This implies that accessibility of a firm enhances the organizational ability to maintain and sustain its operational capabilities irrespective of the dynamic circumstances. This findings agree with the work of Perera, Soosay and Sandhu (2013) where they remarked that diversifying core competencies in an optimistic manner and apply agility practices at all strategic level will enable a firm to respond to disruptive market change and remain competitive.

5.0 Conclusion and Recommendations

Drafting from the findings of the bivariate analysis, it is clear that strategic agility of an organization enhance the resilience ability of the firm. Organizations operates in a dynamic environment which is capable of influencing its wellbeing. Organizations that are technological fit and materially fit may not last the test of time without a high resilience ability through strategic agility. When strategic agility of an organization increases, the firm’s resilience also increase based on their linear relationship. The flexibility of organizational strategy and the
extent to which they are able to access real information and other organizational needs will boost their resilience ability. It is on this note that this study recommend that;

1. The management of the food and beverage firms should create flexibility in their choice strategy, as such will enhance their possibilities to rapidly address and adapt to unforeseen circumstances.

2. The management of the food and beverages firm should enhance their agile competence and keep a close watch on the environment in order to easily identify prompt needs and rapidly respond to dynamic needs and thus enhance their resilience ability.

3. The management of the food and beverage firms should develop agile strategies that will enable the organizations to withstand turbulent moment and thus enhance the firms’ resilience.

References


