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# Antecedents of Ambidexterity and Their Relationship with Organizational Resilience of Telecommunication Firms in Port Harcourt, Rivers State

Onyinye Ogonna Onwughalu\*, Edwinah Amah\*

Department of Management, Faculty of Management Sciences, University of Port Harcourt, Port Harcourt, Nigeria

### Email address

Onyi4Godalone@yahoo.com (O. O. Onwughalu), edwinah4christ@gmail.com (E. Amah)

\*Corresponding author

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### Abstract

This study examined the relationship between ambidexterity and organizational resilience among telecommunication firms in Port Harcourt. Cross sectional research design was adopted in studying the four selected telecommunication firms. Krejcie and Morgan table of population and sample size determination was used to arrive at the number of respondents engaged for this study. From the field survey, we retrieved and analyzed twenty-four (24) sets of questionnaires using Spearman's Rank order correlation coefficient to determine the relationship existing between the variables. The findings revealed that the dimensions of ambidexterity namely; leadership based characteristics, organizational designs and dynamic capabilities exhibited significant relationship with organizational resilience. We then concluded that organizations that are ambidextrous in their leadership, structures/designs and in the utilization of dynamic capabilities possessed are resilient. This gave rise to our recommendation that organizations operating in this era of stiff competition should adopt exploitative and explorative strategies so as to effectively utilize their current competencies as well as being strategically positioned to take advantage of opportunities in the business environment in order to remain competitive and resilient.

## 1. Introduction

Present day organizations operate in environments encumbered with unprecedented changes arising from the operations of competitors as well as other agents within the environment of business, for survival and sustainability, therefore, individual firms ought to be equipped with requisite capabilities that will enable strategic response to the complexities prevalent in the environment. Organizational resilience according to [13] is the amount of disturbance a given system can tolerate and still persist.

According to [22] to withstand the tides of competitive pressures stemming from the jockeying of players in the market place, the organization needs remain resilient. [30] maintains that organizations as open systems must be at a homeostatic equilibrium thus possessing within them error control measures in the form of feedback adjusters or adjuster organizers so as to check as well as forestall complexities from the environment

to remain in a state of negative entropy. Apart from being able to adapt and adjust itself to tides from the business environment, a resilient organization must be proactive in its operations to identify potential influences so as to forestall their occurrence and minimize effects early enough. And as such to say we live in challenging times is an understatement, but crisis may also be understood as an opportunity because resilient organizations are constantly scanning the horizon of their businesses for the next competitive battle or market innovation thus they are forward-looking and self-correcting – anticipating changes routinely and addressing them proactively. Those who cultivate a resilient organizational culture will be better positioned to prosper when others falter.

The concept – organizational resilience has attracted research interest from scholars focusing on differing cultures, contexts, sectors, countries adopting various explanatory variables; [31] examined the effect of knowledge management on organizational resilience among manufacturing companies in Rivers State. Organizational resilience has been argued to respond significantly to management development practices among selected manufacturing firms in Port Harcourt [32]. [9] in their study evaluated the impact of firms' collaborative behavior on enterprise resilience of banks in Nigeria.

[17] in their work examined the effect of mentoring on organizational resilience in the Nigerian manufacturing industry. [16] investigated the relationship between innovation and organizational resilience in selected manufacturing firms in Enugu state, Nigeria. [1] examined the effect of talent management on organizational resilience in manufacturing firms in Port Harcourt involving a total of 120 managers randomly drawn from six selected firms out of the 31 manufacturing firms operating in Port Harcourt.

From the studies conducted above, it would interest us to know that none of the scholars had examined the relationship between ambidexterity and organizational resilience. Also, none of the highlighted works was carried out on the Nigerian Telecommunications Industry thus creating an identified gap in literature. It is in attempt to bridge this gap that this study is embarked on to examine the relationship existing between ambidexterity in the management of resources and opportunities and organizational resilience in the Nigerian Telecommunications Industry in Port Harcourt, Rivers State. The conceptualization of ambidexterity is drawn from the works of [11], [6] and [23] to include leadership characteristics, organizational designs and dynamic capabilities respectively.

### 1.1. Statement of the Problem

The telecommunication industry is confronted with a number of complexities spanning across speedy technological advancements, incessant changes in customers' preferences, competitive pressures stemming from the jockeying of players in the industry, agile and innovative technological trends, cost competitions, government policies among other factors prevalent in the business arena within

which they operate; these current realities put to test the resilience of firms; to remain resilient, therefore, there is need to strategically respond to these realities.

Customers' lamentation over the perennial issues of poor quality of services which has resulted in increased drop calls, credit depletions, unsolicited SMS, among others have necessitated that the operators develop approaches, practices and methodologies to proffer a lasting solution to the identified drawbacks. It is evident that firms who are able to speedily attend to these perceived needs will have competitive advantage over others and consequently become more resilient. This study therefore seeks to find out whether being ambidextrous has any relationship with improving the resilience stance of telecommunications firms in Port Harcourt.

### 1.2. Aim and Objectives of the Study

The aim of this study is to examine the effect of ambidexterity on organizational resilience among telecommunication firms. Other specific objectives are;

- i. To ascertain if there exists any relationship between leadership characteristics and organizational resilience.
- ii. To find out if there is any relationship between organizational designs and organizational resilience.
- iii. To determine if there exists any relationship between dynamic capabilities and organizational resilience.
- iv. To determine if there exists any relationship between ambidexterity and organizational resilience among telecommunication firms.

### 1.3. Research Questions

The aforementioned objectives give rise to the following research questions;

- i. What is the relationship between leadership characteristics and organizational resilience?
- ii. Is there any relationship between organizational designs and organizational resilience?
- iii. Do dynamic capabilities have any relationship with organizational resilience?
- iv. What is the relationship between ambidexterity and organizational resilience among telecommunication firms?

### 1.4. Research Hypotheses

To provide tentative answers to the research questions above, this research work is guided by the following propositions stated in the null form:

H<sub>01</sub>: There is no significant relationship between leadership based characteristics and organizational resilience among telecommunication firms in Port Harcourt

H<sub>02</sub>: Organizational designs do not have any significant relationship with organizational resilience among telecommunication firms in Port Harcourt.

H<sub>03</sub>: There is no significant relationship between dynamic capabilities and organizational resilience among

telecommunication firms in Port Harcourt

H<sub>04</sub>: There is no significant relationship between ambidexterity and organizational resilience among telecommunication firms in Port Harcourt.

### 1.5. Significance of the Study

The study expands the horizon of knowledge by examining the effect of ambidextrous potentials possessed by telecommunication firms have on their resilience stance. The study offers clarity on the literal meaning of the term ambidexterity to inform its managerial implication thus outlining the operational aspects of the concept which would aid scholars in their investigations and studies.

The study shows what traits leaders of organizations must possess to be described as ambidextrous and the corresponding outcomes of such traits, also the balance between organic and mechanistic designs is expressed in the context of structural ambidexterity, accordingly, the dynamic capabilities possessed by organizational members and how they are utilized has been shown to have effect on organization's competitiveness.

Hence, it goes without saying that this study is very significant to practitioners and captains of industries as they are exposed to factors that would result to enhanced resilience stance to their business establishments in this era of stiff competition.

## 2. Review of Literature

### 2.1. Ambidexterity

Ambidexterity in its literal meaning is the ability to use both hands with equal ease. The term 'organizational ambidexterity' was first used by [8] however, [21] has been credited for shedding light into the concept by introducing the paradoxical components of 'ambidexterity' – exploration and exploitation, which allows the organization to be creative and adaptable, while also continuing to rely on more non-traditional, proven methods of business.

The term connotes the balance between explorative and exploitative organizational strategies [3] [11] [14] [26]. Thus short and long run success is determined by the ability of organizations to be both exploitative and explorative in the management of their competencies and opportunities as competitive advantage accrue to organizations that can actualize such a balance [11] [14].

An organization's capacity to exploit existing assets and resources while exploring new opportunities to radically innovate its products or services is expressed in the context of organizational ambidexterity [4] [23], faced with the need to constantly respond rapidly and flexibly to the overwhelming pressures stemming from the business environment due to market globalization, changes brought by technological transitions, short lifespan of products and services, incessant changes in preferences of customers amongst others [12] [34]. Confronted with these modern realities, organizations are challenged to strategically

leverage on exploitation as well as exploration in order to combat efficiently [10] [21]

### 2.2. Leadership Based Characteristics

Investigations into certain characteristics and processes that enable top management teams to simultaneously pursue exploitation and exploration have been made by a number of researchers. [2] found empirical evidence that the composition of the founding team is an important antecedent of exploitative and explorative behavior, so that firms whose founding teams had both diverse and common prior company affiliations demonstrated a higher degree of ambidexterity.

Prior studies have considered the attempt in striking a happy medium between exploration and exploitation to be invincible, however, a number of extant researches has paid attention to a range of organizational solutions to instigate the existence of ambidexterity. One of such functional approach is leadership attributes that enable organizations to manage the dissensions they face and achieve ambidexterity [2] [20] which is the origin of the concept 'ambidextrous leadership'.

Another leadership based factor highlighted by recent research as antecedent to organizational ambidexterity is leadership style. Different styles of leadership adopted could have remarkable influence on the degree of innovativeness for any given firm [33] [25].

### 2.3. Organizational Designs

Organizational structure has been argued to be a key component in building ambidexterity. Prior works suggest that structural separation of exploratory and exploitative units can play an important role in ambidexterity [13]. Three key areas have been identified to be associated with organizational structure and possibly how they help organizations achieve ambidexterity and they include structural separation, decentralization/centralization and formalization [18].

In relation to structural separation, [24] suggested that firms should use separate structures for exploratory and exploitative units, and then, align these units with, for example, a firm-wide common identity and culture.

Also [23] advocated that firms should operate with complex organizational designs that provide for short-term efficiency and long-term innovation.

### 2.4. Dynamic Capabilities

[24] contend that the appropriate lens through which to view ambidexterity remains that of dynamic capabilities. According to them, the firm's ability to integrate, build, and reconfigure internal and external competencies to address rapidly changing environments [29] or "the capacity of an organization to purposefully create, extend, or modify its resource base [15] delineates dynamic capability. In this view, the company's competitive advantage lies mainly in its dynamic capabilities, which refer to the capacity to build,

renew and reconfigure capabilities and competences so as to achieve congruence with the changing business environment [29]. Dynamic capabilities, manifest in the decisions of senior managers thus helping an organization reallocate and reconfigure its skills and assets to permit exploitative and explorative actions simultaneously [23] [28].

## 2.5. Organizational Resilience

[5] has defined organizational Resilience as the ability of an organization to anticipate, prepare for, respond and adapt to incremental change and sudden disruptions in order to survive and prosper. The concept is more than simply managing risks prevalent in business; it incorporates issues that concern organizational health and long term sustainability. A resilient organization is one that not merely survives over the long term, but also flourishes – passing the test of time. Hence, organizational resilience is a strategic imperative for an organization to prosper in today's dynamic, interconnected world. It is not a one-off exercise, but achieved over time and for the long-term. For organizations to attain resilience, adoption of excellent habits and best practices to deliver business improvement by building competence and capability across all aspects of an organization is required [27]. This allows leaders to take measured risks with confidence, making the most of opportunities that present themselves. A resilient firm is the one which realizes its own potentials through nurturing the abilities of those working within it to bounce back from adversity, thrive on challenge, explore and reach its own full potential [7]. Organizations are now seeking greater resiliency because they are overexposed to environmental turbulence in the form of more frequent and intense competitive and operational disruptions [13].

## 3. Methodology

This study adopts a cross sectional survey research design in engaging four telecommunication firms out of eighteen (18) registered with the Nigeria Communications Commission (NCC) the target population involves the top managers of the firms as the level of analysis is the organization. The human resource department provided the guide on this. The simple random sampling technique was used to assure good representation of each member of the population.

[19] sample size determination table was used to arrive at a sample size (S) of 24 employees of the population size (N) 25 of the firms. The telecommunication firms include; Mobile Telephone Network (MTN), Globacom, Airtel Nigeria and 9 Mobile. The instrument with which we elicited data from our respondents is questionnaire and was analyzed using Spearman's Rank order correlation coefficient statistical tool.

## 4. Discussion

The study examined the effect of ambidexterity on

organizational resilience among telecommunication firms in Port Harcourt. The results from the correlation analysis involving all elements of ambidexterity exhibited positive correlation coefficient values among the variables. This is an indication that they are appropriate dimensions of the variable. The results from the multiple regression analysis recorded the effect of the dimensions of ambidexterity on organizational resilience.

The three dimensions of ambidexterity; leadership based characteristics ( $\beta = 0.471, 0.01$ ), organizational design ( $\beta = 0.210, 0.01$ ) and dynamic capabilities ( $\beta = 0.332, 0.01$ ) exhibited significant positive effects on organizational resilience among the firms.

From the findings, the result of the tested  $H_{01}$  implied that there exists significant relationship between leadership based characteristics and organizational resilience ( $r = 0.001 < 0.05$ ). This agrees with the opinion of [2] in his argument that the composition of the founding team of any given organization is an important antecedent of exploitative and explorative behavior exhibited.

The result of the tested  $H_{02}$  led to the non-acceptance of the null proposition to accept the alternate ( $r = 0.003 < 0.05$ ) thus suggesting that there exists a significant relationship between organizational design adopted by these firms and their resilience stance. This finding was in congruence with the view of [24] who held that a combination of various designs support for exploratory and exploitative units thus helping the organization to immediately adapt to demands in the environment.

Accordingly, the  $H_{03}$  tested revealed that there exists a significant relationship between dynamic capabilities and organizational resilience among telecommunication firms in Port Harcourt ( $r = 0.010 < 0.05$ ), this empirical finding is in support of [29] who posited that the company's competitive advantage lies mainly in its dynamic capabilities for through such abilities they are able to build, renew and reconfigure their competences to achieve congruence with the changing business environment.

## 5. Conclusion

Senior executives have been regarded as important actors and facilitators of ambidexterity within organizations; the traits they possess as well as their roles contribute immensely at sharpening the organization in the light of what it is desired to be; this strongly supports the opinion of [23].

The study revealed that within the telecommunication industry the structure prevalent is almost consistently flexible, organic and one that is permeable allowing for constant alignment and responsiveness to changes in the business environment.

Congruence between the firm's strategy and its environment is enhanced by dynamic capabilities possessed thus enabling the competitiveness building, integrating and reconfiguring resources to maintain desirable performance outcomes in the face of high volatility in the business arena; this view is in consonance with [15].

## Recommendations

From the research analysis and conclusions above, the following recommendations are made for the benefit of telecommunication firms alongside other institutions;

Organizational leaders should acquire traits that would enable ambidexterity, because the trajectories of any given organization are communicated by these leaders who directly influence performance outcomes.

Telecommunication firms should maintain a very flexible structure that allows for speedy responsiveness to the demands of their customers as well as strategic response to their competitors.

Organization members should be trained and developed to acquire skills and technical know-how with which to build hard to imitate business techniques, reconfigure and adapt to ever changing business environment.

## Appendix

*Table 1. Regression [Data Set 1].*

Variables Entered/Removed <sup>a</sup>			
Model	Variables Entered	Variables Removed	Method
1	Dynamic Capabilities, Leadership Characteristics, Organizational Design <sup>b</sup>	.	Enter

a. Dependent Variable: Resilience

b. All requested variables entered.

*Table 2. Model Summary.*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.980 <sup>a</sup>	.961	.955	.623

a. Predictors: (Constant), Dynamic Capabilities, Leadership Characteristics, Organizational Design

*Table 3. ANOVA<sup>a</sup>.*

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	190.231	3	63.410	163.242	.000 <sup>b</sup>
	Residual	7.769	20	.388		
	Total	198.000	23			

a. Dependent Variable: Resilience

b. Predictors: (Constant), Dynamic Capabilities, Leadership Characteristics, Organizational Design

*Table 4. Coefficients<sup>a</sup>.*

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	10.150	2.810		3.612	.002
	Leadership Characteristics	.613	.148	.471	4.130	.001
	Organizational Design	.488	.313	.210	1.558	.003
	Dynamic Capabilities	.461	.161	.332	2.857	.010

a. Dependent Variable: Resilience

*Table 5. ReliabilityScale: ALL VARIABLES.*

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.937	.966	3

*Table 6. Summary Item Statistics.*

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Covariances	3.085	2.446	4.207	1.761	1.720	.759	3

*Table 7. Scale Statistics.*

Mean	Variance	Std. Deviation	N of Items
53.08	29.645	5.445	3

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