



LONG TERM SURVIVAL AND GROWTH STRATEGIES DURING A CRISIS.

Dzingai Katsamba
Innovation and Technology, Davinci Institute of Technology, South Africa
dkatsamba@yahoo.com

Prof. Paul Singh
Research, Davinci Institute of Technology, South Africa
pauls@davinci.ac.za

Abstract

Background: Innovation has proved to be a messy process during turbulent environments - hard to measure and hard to manage. Most people recognize it only when it generates a surge in growth. When revenues and earnings decline during a recession or crisis, executives often conclude that their innovation efforts are just not worth it. Maybe innovation is not so important after all, they think. They may even think that their teams have lost touch. Most executives would even think that it is better to focus on the tried and tested than to waste money on untested ideas. The global Covid-19 pandemic has left many leaders grappling for survival as most organizations are suffering from acute financial hemorrhage. The question is, whether innovation is important during economic turbulence and what strategies are best for long term survival and growth during a crisis.

Purpose: The purpose of this paper is to produce a framework which helps in the understanding of the extent to which business model innovation can be used to capacitate multinationals in South Africa and beyond to develop strategies which can enable growth and survival in a volatile environment like the Covid-19 pandemic. The outcomes of this provide a tool to ensure survival and growth in subsequent volatility.

Results: Models generated show that an organization will have an increase in revenue, an increase in profit, a return on investment, a return on equity, a return on assets and positive bottom-line if organization innovation is implemented. Survival and growth will be possible through process and product innovation, flexibility, creativity, combining and mutually adapting technological knowledge. The recognition of organisational innovation as a necessary activity for business will also ensure sustainability. If the organization does not align its strategies and activities to organizational innova-

tion, then failure is imminent. This stagnation or reduction of revenue may lead to the closure of the business if it fails to cover fixed costs for a protracted period.

Methods: Financial indicators were used as predictors of survival and growth if leadership, OI and BMI are used with their associated factors. To evaluate the relationship between the constructs OI, leadership, and BMI toward survival and growth, a series of discriminant analysis models were estimated. The constructs survival and growth consist of different financial indicators, including revenue, profit margin, return on investment (ROI), return on assets (ROA) and earnings before interest, tax, depreciation and amortisation (EBITDA). Models were run to optimize model fit. The standardized canonical discriminant functions which were used were significant and the correlation coefficients were high.

Conclusions: The findings from the literature, the qualitative and quantitative outcomes, lend credence to the effect that organizational innovation will help companies to survive and grow despite volatility in the environment.

Key words: Organizational-innovation, leadership, business-model-innovation, crisis, volatility, survival, growth.

Introduction

Organizational innovation plays an important role for the survival and growth of organisations. It is perhaps too strong to refer to innovation as “life or death” to survive, yet innovation forms an integral part of this (Nguyen & Hooi , 2020; Tidd & Bessant , 2020). In volatile environments, such as the 2008/2009 global economic melt-down and the Covid-19 pandemic, organizations have to implement innovative strategies and management practices in order to survive or grow. Expósito , Fernández-Serrano and Liñán (2019) suggest that innovative organizations , increase their chances of survival and growth during a crisis. Pansera and Fressoli (2021) suggest that innovations help to grow sales and productivity. However, the role of organizational innovation, despite a volatile economic environment to achieve long term survival has not been explored fully. There is a need for

organizational innovation to be implemented in order to ensure long term survival following a global crisis.

Due to the dynamic nature of the global environment and volatility, organizations and businesses have to permanently deploy the most effective strategies for long term survival.

Problem Statement

Adina and Ramona (2013), Ahmad, Francis and Zairi (2007), Jain, Chandrasekaran and Gunsasekaran (2010), Marin-Garcia, Aznar-Mas and Gonzalez-Ladrón-de-Guevara (2011) studied organizational innovation, focused on innovation in general and did not demonstrate the effect of Organizational innovation (OI) following a crisis. Therefore, the research problem that informs this research is that in the modern global environment, volatility is not new, although specific events on a global scale can be destructive and

may lead to the demise of organizations operating in a global domain. Multinationals in South Africa could not escape the impact of the world economic crisis in 2008/2009.

Thus, the research statement was: South African multinationals need to establish appropriate organizational innovation strategies to deal with and survive the effects of volatility in the global environment. The study aimed to ascertain if there were any organizational innovation strategies established in South African multinationals following the global economic crisis. The study sought to identify the organizational innovation strategies implemented by these companies and how these impacted on their survival due to their multinational orientation.

Purpose

There seems to be a strong indication that volatility is on the rise (Tong & Wei, 2010). The purpose of the research is to provide a model which helps in the understanding of the extent to which innovation can be used to assist in the sustainability and survival of businesses in a volatile environment. The research outcomes could provide a tool to ensure sustainability and growth in subsequent volatility. The theoretical objectives provide the concepts and variables as they are outlined in the current literature while the empirical research objectives inform the specific outcomes of the research. Thus, the development of a model for understanding the use of innovation in periods of global volatility is the main focus of this research. With innovation

delimited to OI, this research aimed to develop a model for OI, BMI and Leadership, in order to sustain or grow an organization through a period of unexpected volatility.

Aim and Objectives

The aim of this research was to determine the elements of innovation (with specific reference to OI and BMI) that supports leadership in creating successful multinational companies in South Africa following the global economic crisis of 2008/2009, in order to establish the effects of such elements on the survival and growth of the organizations.

The objectives were to:

- 1) Identify the key success factors for OI that supported sustainability and growth despite the unexpected volatility
- 2) Establish the effect of OI on long-term survival and growth
- 3) Analyze the role of leadership during organizational innovation
- 4) Synthesize the elements of possible turnaround strategies.

Literature Review

The study reviewed the relationships between the variables that affect organizational innovation, and the growth of organizations in a volatile environment. The strategies outlined in the discussion below addresses the various strategies for long term survival as variables within BMI.

Customer Focus

The success of any organization is directly related to its customers. Customers represent the soul of any business and differentiates successful businesses and unsuccessful ones. Customer focus was defined by Blanding (2020) as the orientation of an organization towards serving its client's needs. The importance of customer focus in any organization cannot be overemphasized. When businesses are close to their customers, they can gain an understanding of their needs, and what need to be done to meet those needs. The farther the distance between an organization and its customers, the higher the likelihood of failure. It is important for organizations to create a culture of bonding closely with customers. This culture is often found in small businesses or organizations that are starting up.

However, often, as the businesses grow bigger, they have the tendency to move their focus from their customers to management of business and its growth. When management's attention is no longer on the frontline, that's when they loose business because customer focus is key. This was supported by Dahlgaard-Park (2011) who mentioned that customers have the power to determine the fate of any organization and they must be given the utmost focus and priority at all times.

In order to maintain customer focus, management should create a customer centred culture where if customers complain or have a challenge, it is the responsibility of customer representatives or management to help them address the challenge accordingly. Adequately engaging with customers

or clients will help put the organization in a position to decipher what the company can do to create value for them. By being customer focused, the organization will be able to capture value from it customers in return. This was supported by Blanding (2020) who mentioned that developing a close relationship with customers is a sure way of ensuring that the organization thrives in the middle of an unfavorable economy.

Therefore, organizations must go beyond the call of duty. In addition to putting automated processes in place to improve customer service, it is important to have human interface. While technology has advanced tremendously and feedback from customers can be collected through automated surveys, human interaction will always remain important. For example, everyone appreciates it when they are wished happy birthday or when they are asked about their experience working with the company in person. Customers are no different, they need appreciation and by adding a human touch, an organization will achieve sustainable success.

Benchmarking

Benchmarking is an important tool that companies can use to stay up to date with trends that are happening within their industry. Companies can benchmark various aspects in their company such as sales and customer service. This type of tool shows an organization where it can improve internally to increase overall performance and revenue. Research carried out by Edril and Erbrik (2019) identified that

by using the benchmarking process, organizations can determine the best standard of performance based on other companies' success. In this section, we will explore what benchmarking is, and the reasons why benchmarking in business is important to the success of an organization.

How Benchmarking Contributes to the Success of an Organization

Increase effectiveness and efficiency.

Performing regular benchmarks contributes to a company's overall effectiveness and efficiency by allowing an organization to identify any potential areas of improvement internally. This is true for both sales and manufacturing businesses as well as service-oriented companies. According to Edril and Erbrik (2019) by looking at the most effective and efficient companies within your business's industry or niche, you will have the opportunity to analyse areas that are more efficient and effective and use this information to support your company's improvements. This will help to increase productivity, thus increasing revenue.

Setting clear business goals.

Performing regular benchmarks will allow an organization to set clear business goals. Understanding why competitors are performing better than your organization will give you important insight that will allow you to create measurable goals by defining success, develop innovative strategies to make an impact and effectively monitor your progress towards each goal over time (Lenet, 2018). As an organization monitors progress, adjustments will be made when necessary to ac-

commodate changes in the market or changes within the organization.

Providing new opportunity for discovery.

Another reason why benchmarking in business is important is because it gives organizations a way to discover new opportunities for increased growth and success. This is especially important if an organization is stuck or not moving forward in the way initially intended (Lenet, 2018). Performing benchmarks allows organizations to identify new opportunities in the market and analyze how the internal structures and systems in the organizations are failing to exploit these opportunities. Without exploitation of external knowledge through benchmarks, an organization might miss opportunities which make other companies in the industry successful. By assessing what other companies are doing to be successful, an organization can then develop a plan to boost performance and take advantage of new opportunities.

Increase business sales performance.

Strong sales greatly increase a company's overall success, but not having the appropriate insight to understand your sales performance can create a barrier for your organization. Benchmarking provides an opportunity to assess your sales figures and compare them to that of the most successful organizations in your niche or industry (Edril & Erbrik, 2019). For example, you could examine how much another company is selling, how many people they have on their sales team, how many sales teams they have and where they are located and whether competitors are working with other

major organizations in the form of partnerships.

Motivate employees.

Regular benchmarking in business also provides a great opportunity to rejuvenate employees and increase their overall motivation and contribution to the organization. The best benchmarking to increase employee motivation is benchmark tests that evaluate the competition's individual departments. Research carried out by Edril and Erbrik (2019) showed that benchmarking employee motivation levels can be difficult, since it requires intrinsic motivation that cannot be measured. However, surveys can be used to measure motivation and an organization can compare these results to the departments within your own organization and set goals to match the competition.

Improve quality of product.

Organizations can also use benchmarking to assess their current product quality and improve it using competitor's processes. Benchmarking can involve purchasing another company's product, analyzing what makes it different from yours and coming up with ways to outperform that product. Through benchmarking, organizations can find ways to improve their product quality.

Pre-set Signals and Protocols.

Pre-set signals and protocols are the guidelines of operation in production, communication or service delivery in a business setting. In a world where the ability to interact quickly and efficiently is considered the cornerstone of any business, these guide-

lines can provide tremendous benefits to your business or organization. Protocols in business communication are closely related to proper etiquette (Antman, 2016). The norms and rules of conduct in communication as a business professional rely on a rooting in courteous and respectful attitudes. This is sometimes referred to as being diplomatic in communications. Ideally there should be no difference between the level of respect shown whether using internal or external communications. Standards and protocols can greatly improve the productivity of your organization (Antman, 2016). When expectations are established for quantity, formatting and submission of work, employees are better able to deliver the needed results in a shorter amount of time. This, in turn, can increase the amount of work produced, thus increasing your productivity. The more productive your company is, the more income it can produce.

Having an established set of standards and protocols can increase the quality of the services rendered or products created. Standards and protocols allow for managers and supervisors to outline the correct way to accomplish something. If these standards and protocols are used on a consistent basis, this ensures that your clients are getting the best results possible (Antman, 2016). This can breed higher customer satisfaction rates, increased patronage and extensive customer loyalty, all of which contribute to the bottom line of the company.

Simulations

A business simulation is a powerful tool for organizational learning and development. Business simulations enable employees to align to the business strategy, improve their business acumen and business finance skills, and ultimately improve a company bottom line (Banabay, Devins & Beech, 2021).

Business simulations are a hands-on, interactive learning experience that allow participants to truly engage in learning. Instead of focusing on theoretical knowledge like in a typical classroom, participants build skills, improve conceptual knowledge, and gain a bigger picture of the organization and how to steer it through success. There are many benefits to using simulations in business and these include:

- **Imitation of Reality.** Simulations emulate the real-world factors and challenges that an organization faces. It gives employees a big-picture view of operations by scaling everything down to a smaller scale (Banabay et al, 2020).
- **Risk-free environment.** Employees will be able to learn from their mistakes in a safe environment and see the consequences of their actions across the whole organization – without affecting the organization. This minimises costs that a business would have incurred when employees make mistakes during their work (Banabay et al, 2020).
- **Stimulates co-operation.** Simulations allows employees to collaborate and work as cross functional teams. Working in cross-functional teams stimulates conversation and

co-operation between colleagues. These conversations create peer-to-peer learning and open employees to better understand the different perspectives in the organization.

- **Learning by doing.** Research carried out by Banabay et al (2020) identified that people remember 10% of what they read, 20% of what they hear, 70% of what they discuss with others, and 80% of personal experience. A business simulation allows employees to personally experience the various factors that enhance the performance of the organization and gives them opportunity to discuss with others and learn from personal experience. Overall, this improves business success.
- **Engages learners.** Experiential, hands-on learning engages all the senses. Participants visualize, discuss, plan, receive feedback, and practice real techniques that they will use in the workplace (Banabay et al, 2020).
- **Accelerated learning.** A simulation provides a big picture view of operations, meaning that participants can grasp a wide range of concepts and materials in a short period of time. By relating their new learning back to their own work, knowledge flows into the workplace.

Patents

Organizations spend more time and money on developing new products and processes, thus making patents vital. A patent is a statutory right for an invention granted for a limited period of time by the Government,

which helps to exclude others from making, using, selling or importing the patented product or process without consent (Saha & Bhattacharya, 2011). Initially, there was limited awareness about the significance of patents in business. This was for a variety of reasons. For example, in the early days of Independence, Indian companies and organizations rarely came up with new innovations in products and processes (Saha & Bhattacharya, 2011). Most domestic companies were trading firms, involved in buying and selling. And the production of goods and services were controlled by foreign multinationals, with know-how from the parent company.

But things have changed in the last decades, companies are coming into their own, developing new products, services and processes. Developing these products, services and processes involves huge investments in manpower, money and time (Saha & Bhattacharya, 2011). Companies that invest in new product development expect to reap rewards. These rewards may not be attained if the product is not protected, therefore patents help organizations to protect investment and innovation. A Patent right provides security for product, design or process that meets certain specification in step with this originality, utility and practicality.

How Patents Contribute to the Success of Organizations

Firstly, patents help organizations to have a strong market position. This is because patents greatly differentiate your product, design or process among

competitors. This helps in building a brand image, as an organization will be seen as a market leader and innovator. Businesses can also generate revenue through patents through selling their patents (Saha & Bhattacharya, 2011). Selling patents does not only increase revenue to the organization but also helps it to increase market share.

Generation and Exploitation of New Forms of Knowledge

All businesses have access to an extensive pool of knowledge - whether this is their understanding of customers' needs and the business environment or the skills and experience of staff. The way a business gathers, shares and exploits this knowledge can be central to its ability to develop successfully. This does not just apply to huge multinational companies. Knowledge management can benefit everyone from a small business to big firms. The Fourth Industrial Revolution is paving way for a new form of industry built on new sorts of knowledge and intelligence. In one corner are the sexy e-business models such as Google, Baidu, Facebook, Tencent, Airbnb, Uber, and Spotify which are highly valued on the stock exchange, with two-figure annual growth rates and have the appeal of no historic legacies to live up to and are well versed in cannibalistic dealings in oligopolistic markets (Kim, 2020). In the other corner are the traditional and undeniably successful companies such as VW, Mitsubishi with a proven track record of sustainability and profitability. According to Kim (2020), they have plenty of experience, a long-term outlook and are supported by considerable

investment in infrastructure. This enables them to compete in extremely active markets governed by clear regulations (and fiscal frameworks) while guaranteeing their commitment to creating shareholder value – and meeting the needs of their other stakeholders to help create a society with fewer inequalities (Kim, 2020).

This defence of tradition makes no secret about the need to embrace the cornerstones of what is known as the Fourth Industrial Revolution (data management, the internet of things and additive technologies) paving the way for a new form of industry built on new sorts of intelligence and knowledge (Kim, 2020). In addition to the dynamic interaction of the business world, companies need to strengthen their ability to explore this new form of knowledge that the 4th industrial revolution is bringing and create shared benefits and prioritise the sustainability of traditional businesses while attaining the benefits of new business models which bring quick gains.

In order for organizations to exploit the new forms of knowledge that the fourth industrial revolution brings, they should be better prepared by building a culture in which knowledge is valued across the organization. One-way businesses can do this will be to offer incentives to staff who bring in new information from market research every week. This will encourage learning and bring up a learning organization (Kim, 2020). As part of knowledge management, companies should also make sure that any intellectual property that the business holds is protected (Kim, 2020). Protecting and ex-

ploting their knowledge base will be more effective if businesses develop efficient systems for storing and retrieving information. For example, files whether stored digitally or on paper, contain knowledge which can be used to make products, services, systems, and processes better and more customer-focused.

Creation Of New Social Connections.

Strong social connections make people happy and have physical health that can translate into work performance. Labour relations are incredibly important to the welfare of workers. As human beings, we desire to communicate with other people. Unfortunately, for many employees, work can be a very lonely place (Carr, 2019). Research carried by social psychologists identified that people yearn for belonging. The feeling of belonging is an important inner motivation. Employers who support social connections in the workplace help employees to build strong relationships and be productive at work.

Creation of new social connections helps to lower stress levels at work. By helping employees to create new connections, they relieve their mind of work and stress which gives them the opportunity to be rejuvenated and be more productive (Carr, 2019). Furthermore, employees who are open to new connections tend to create networks that can be beneficial to business. New social connections can bring in potential customers, partnerships and can open markets.

Organizational Intelligence

Just as we now measure human intelligence through intelligence quotient (IQ), studying the intelligence of an organization involves measuring the intellectual capacity of all organizations. IQ accounts for about 50 percent of human success, and when translated half of a business's performance can be attributed to the company's ability to respond to change and complexity using intelligence (Falletta & Combs, 2018). The rest is determined by other factors such as leadership and strategy. Just as people, for a variety of reasons, may not use their intelligence to succeed, organizations may not use their intelligence if they do not have good leaders, strategies and a conducive environment.

Organizational intelligence is the ability of an organization to create information and use it to adapt to local or market strategies. It is the same as IQ, but it is built at the organizational level. Whereas organizations in the past were viewed as a combination of functions, products, personnel, profit centers and processes, today they are increasingly seen as smarter systems designed to manage information (Falletta & Combs, 2018). Experts have shown that organizations engage in learning processes using encrypted methods of accurate information, complex data stored on computer networks and information available in the environment, all of which are used to make informed decisions. Because this sophisticated process involves many people interacting with various information systems, OI is more than the collective intelligence of the members of the organization. The use of various systems such as business intelligence

will help an organization to perform better.

Business Intelligence (BI)

BI is a concept that often involves the delivery and integration of relevant and useful business information to an organization. Companies use BI to find important events and identify business styles to quickly adapt to their changing environment and situation (Shollo & Galliers, 2016). If you apply effective business training to your organization, you can improve decision-making processes at all levels of management and improve your strategic management processes.

One of the great benefits of investing in BI and skilled workers is the fact that it will improve your ability to analyze current consumer purchasing methods. Once you understand what your customers are buying, you can use this knowledge to create products that are in line with current usage styles and as a result improve your profits.

Data Collection and Analysis

The research followed a mixed methods research methodology. This research design involves both a quantitative and a qualitative approach to data collection and analysis. This methodology is appropriate due to its methodological pluralism or eclecticism, which frequently results in superior research (compared to monomethod research) (Johnson & Onwuegbuzie, 2004:26).

Strategies for minimizing bias and

error

Strategies related to this research.

To minimize bias and error a number of aspects of the topic were explored before reporting. General terms related to the topic were searched on a number of data bases. The databases were in disciplines such as organizational innovation, BMI, volatility, growth, survival and turn-around strategies. To limit the amount of bias, topics that consistently showed up in literature were included in the paper. The topic had to deal with the major constructs as highlighted in the research ideation (see Figure1). This method of choosing literature was chosen instead of limiting the paper to the areas of the author's own interest to effectively analyze organizational innovation, BMI, leadership and its effect on organizations in order to survive and grow despite volatility in the environment.

Strategies related to future inquiry.

The response bias may be an issue when conducting future research. The participants may be inclined to give responses that do not reflect the true and fair view of their organizational performance. The respondents may deliberately try to manipulate the outcome of the research by advocating a more extreme position than they actually hold to boost their side. The respondents may also feel under corporate pressure not to give certain information. In order to minimise possible biases, researchers should not inform participants of their hypothesis. The researcher can ask participants to be as truthful as possible and assure them of strict confidentiality. Another possible

bias may be the wording and order of questions. In order to minimise this possible bias, the researcher should ask sufficient questions to allow all aspects of the major constructs to be covered and to control effects due to the form of the question (such as positive or negative wording).

The research was carried out in three phases as shown in Figure 1.

Findings from literature.

Literature was useful for understanding the contribution of BMI and its attributes. It enabled the researcher to address the objectives and the research question. Based on the literature findings, the researcher came up with a model of understanding the constructs underpinning the research. The model shows the factors within business model innovation that facilitate the survival and growth of organizations during a crisis. Firm survival and growth can be evaluated using revenue generated in a particular period compared to a base period, return on investment, return on assets, return on equity and earnings before interest, tax, dividends and amortisation. It is important to note that business model innovation happens within the context of organizational innovation and comprises attributes like customer focus, benchmarking, systems thinking, post crisis reviews, pre-set signals, simulations, patents, generation and exploitation of new knowledge, creation of new social connections and organizational intelligence.

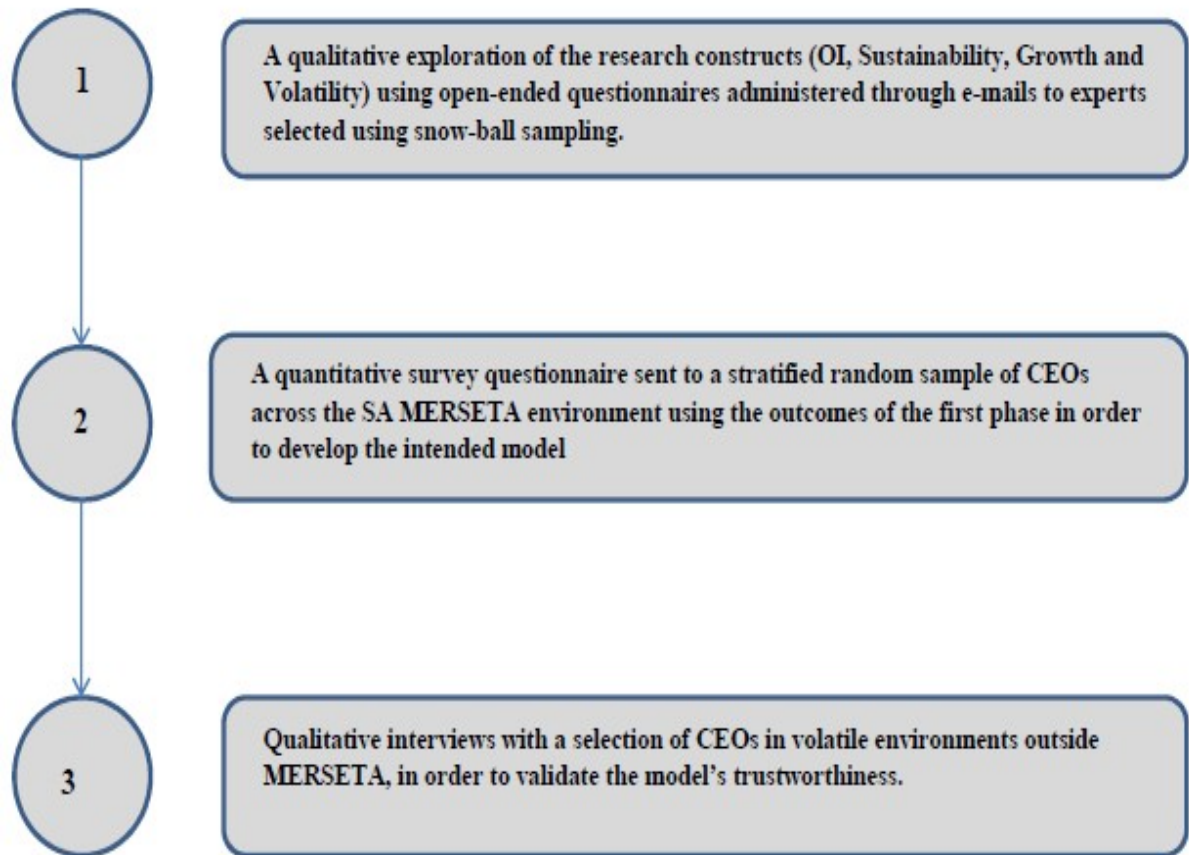


Figure 1. The Three Phases of Research

Findings From Research.

Figure 2. Standardised Canonical Discriminant Function Coefficients for EBITDA

Positive drivers	Negative drivers		
Q9_ Our organization consolidates all our value creation activities through business model architecture.	1.068	Q8_ Our organization stores Intellectual Capital.	-0.902
Q9_ We endeavour to beat the best-in class organizations in our operations.	0.500	Q8_ We conduct an internal organizational climate audit.	-0.880
Q9_ We start with the customer and end with the customer in mind in all our strategies.	0.489		

Figure 3. Test for Group Means

Q9_Our organization has a post crisis and turn-around strategy in place.	0.947	4.678	1	83	0.033
Q9_Our organization consolidates all our value creation activities through business model architecture.	0.963	3.216	1	83	0.077
Q9_We align our strategies and activities to the agreed upon business processes.	0.962	3.297	1	83	0.073
Q9_We believe in a collective approach to provide better information input to decision makers.	0.996	0.357	1	83	0.552
Q9_We start with the customer and end with the customer in mind in all our strategies.	0.994	0.528	1	83	0.470
Q9_We endeavor to beat the best-in class organizations in our operations.	0.953	4.069	1	83	0.047
Q9_We use patents to protect our intellectual property.	1.000	0.041	1	83	0.840
Q9_Managers generate and exploit new forms of knowledge.	0.982	1.500	1	83	0.224
Q9_We believe business model architecture helps us create new forms of social connections.	0.970	2.603	1	83	0.110
Q9_Business model architecture engages managers in the Strategy development process.	0.938	5.469	1	83	0.022
Q9_Business model architecture can assist managers to quantify /qualify strategic choices and articulate strategies.	0.955	3.955	1	83	0.050
Q9_Key Decision-makers are surveyed or interviewed to verify that the business model architecture practices produced for them satisfy their needs.	0.965	2.995	1	83	0.087
Q9_Simulations are carried out on new business models.	0.981	1.595	1	83	0.210
Q9_We collect and utilise Business Intelligence in decision-making.	0.961	3.377	1	83	0.070

As depicted above, organizations which consolidate their business processes through business model architec-

ture, enjoy good financial performance. Organizations also need to beat best in-class companies and remain customer centric for them to remain

profitable. However, if the organization does not conduct internal organizational climate audits, then morale of the staff may be low to such an extent that it is not capable to deliver profitability. Intellectual property is a source of sustainable competitive advantage and organizations which do not keep such a valuable asset may not be profitable in the long run.

Therefore, the test for equality of group means were used to identify attributes that could meaningfully discriminate between either an increase or a decrease in the financial indicators as shown in the green highlight which

indicates significant attributes. These significant attributes are the ones outlined in the construct BMI. Each attribute or question was used as an independent variable to predict the outcome group, which is the financial indicators (increased or decrease) to validate the model. From the model, it is evident that the combination of these attributes within BMI can enhance the survival and growth of organizations following or during a volatile environment. It can therefore be suggested that the factors within the BMI construct contributes significantly to the achievement of good financial performance.

LEADERSHIP, OI & BMI MODEL

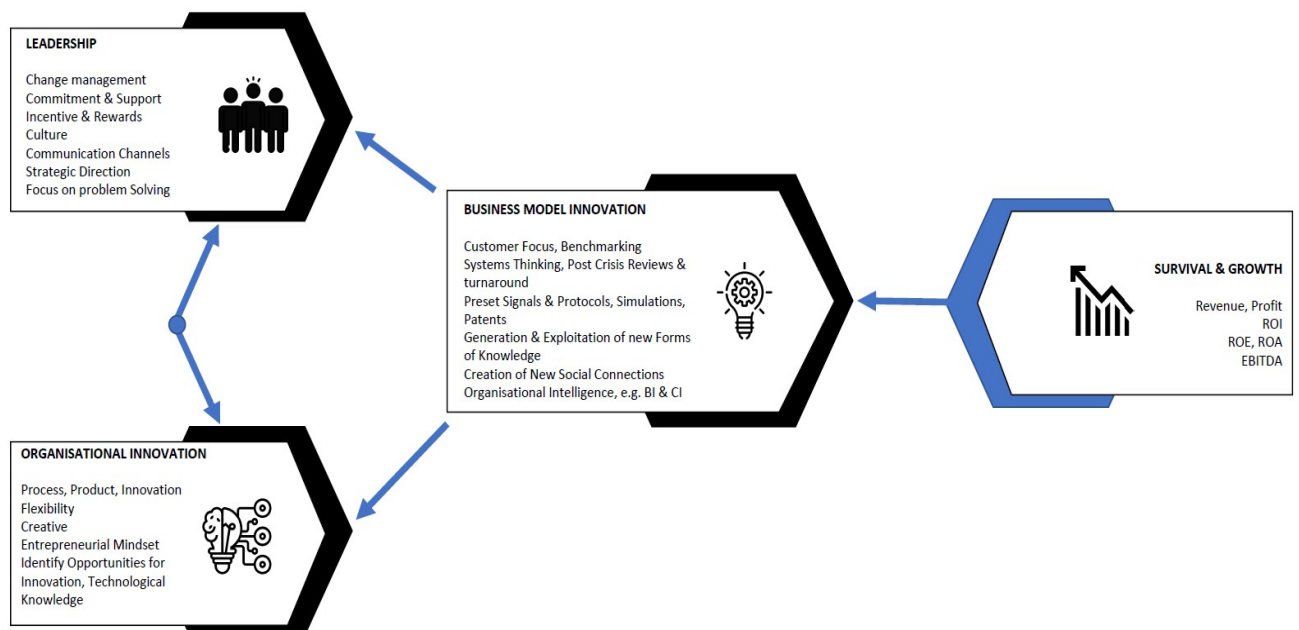


Figure 4. OI Based Model for Survival and Growth in a Turbulent Environment

Conclusions

The findings from literature as outlined on the proposed framework

(Figure 4.) led the researcher to draw conclusions about the effect of OI, BMI and leadership on companies in order to survive and grow despite vola-

tility in the environment. The findings also enabled the researcher to be able to make recommendations for future study. It is evident that there is no single factor within OI, BMI and leadership responsible for survival and growth. There is therefore a compelling reason to develop a model that integrates most of the factors that can be used by an organization in order to survive and grow despite volatility in the environment.

The findings from literature, the qualitative and quantitative outcomes, lend credence to the existence of an effect of leadership, OI and BMI on companies in order to survive and grow despite volatility in the environment. The findings also enabled the researcher to make recommendations for future study. It is evident that there is no single factor within OI responsible for survival and growth. There is therefore a compelling reason to develop a model that integrates most of the factors that can be used by an organization in order to survive and grow despite volatility in the environment.

The model developed provides a system consisting of three interrelated components, namely, the constructs of leadership, OI and BMI. In stable environments, it is a matter for multinationals to manage their sustainability and growth. Indeed, leadership is generally tasked with this undertaking. However, when the environment becomes unexpectedly volatile, a combination of activities and actions are required encompassing the interrelation between leadership, OI and BMI as one management system to achieve sustainability and growth. It is difficult

for competitors to copy a synchronous system like this, unlike a product or a process innovation.

At the time of completing this research, there was volatility in the world environment again. There were huge political and economic outcomes that will have extreme impacts on the longevity of business in the world. The more the business world becomes connected, the greater the impact of these pressures on the long-term survival of entities. In focusing on OI and deploying appropriate leadership and BMI practices, it is possible to circumvent the possibility of failure. Since business creates its own value, even if the objective is only to provide employment and produce products for consumption, its survival is of utmost importance to the survival of mankind in an increasingly volatile and turbulent environment.

If at least the research can add value to survival in the face of extreme volatility, the purpose of the research has been achieved. At the time of writing, the world is anticipating again significant threats to its stability and its obvious consequences to the world of business and its survival and growth. Classical examples are the rise of ISIS, the shift in the political environment in the US and the Covid-19 pandemic coupled with its knock-on effects on Africa. Indeed, it is not an event that these volatilities will be sustained, but most important is how do organizations survive and grow despite these? This research proposes that when leadership entrenches innovation in the form of OI and BMI, then its survival and growth are assured.

Recommendations for Future Research

Based on the literature, the following recommendations for future research are posited: Further research should be conducted to see how organizational innovation can be used in the services industry as the study focuses on the manufacturing industry. Further research should be done on non-managerial staff to understand how organizational innovation can be applied from this perspective.

References

- Antman, P (2016). Core Protocols. A workshop. <https://www.plays-in-business.com/the-core-protocols-make-yourself-and-your-team-great/>
- Banabay, J., Devins, D & Beech, N (2021). Using simulation to develop business strategy skills of entrepreneurs - Some reflections on a pilot. <https://doi.org/10.1177/0950422220945672>
- Blanding, M (2020). The Right Way to Manage Customer Churn for Maximum Profit. <https://hbswk.hbs.edu/item/the-right-way-to-manage-churn-for-maximum-profit>
- Carr, E (2019). The Value of Belonging at Work. <https://hbr.org/2019/12/the-value-of-belonging-at-work>
- Dahlgaard-Park, S.M. (2011). The quality movement: Where are you going?, *Total Quality Management and Business Excellence*, 22 (5), 493-516
- Edril, A & Erbrik, H (2019). The Importance of Benchmarking for the Management of the Firm: Evaluating the Relation between Total Quality Management and Benchmarking. doi.org/10.1016/j.procs.2019.09.106
- Expósito, A., Fernández-Serrano, J. and Liñán, F., 2019. The impact of open innovation on SMEs' innovation outcomes: New empirical evidence from a multidimensional approach. *Journal of Organizational Change Management*.
- Falletta, S. and Combs, W., 2018. The Organizational Intelligence Model in Context. *OD PRACTITIONER*, 50(1).
- Johnson, R.B. and Onwuegbuzie, A.J., 2004. Mixed methods research: A research paradigm whose time has come. *Educational researcher*, 33(7), pp.14-26.
- Kim, S.S., 2020. Exploitation of shared knowledge and creative behaviour: The role of social context. *Journal of Knowledge Management*, 24(2), pp.279-300.
- Nguyen, N.T. and Hooi, L.W., 2020. Relationship between leadership styles, employee creativity and organisational innovation: a proposed framework. *International journal of business innovation and research*, 22(1), pp.23-46.

- Pansera, M. and Fressoli, M., 2021.
Innovation without growth:
Frameworks for understanding
technological change in a post-
growth era. *Organization*, 28(3),
pp.380-404.
- Shollo, A. and Galliers, R.D., 2016.
Towards an understanding of the
role of business intelligence sys-
tems in organisational know-
ing. *Information Systems Jour-
nal*, 26(4), pp.339-367.
- Tidd, J. and Bessant, J.R.,
2020. *Managing innovation: in-
tegrating technological, market
and organizational change*. John
Wiley & Sons.
- Saha, C.N. and Bhattacharya, S., 2011.
Intellectual property rights: An
overview and implications in
pharmaceutical industry. *Journal
of advanced pharmaceutical
technology & research*, 2(2),
p.88.