

Scientific Journal of Pure and Applied Sciences (2014) 3(6) 411-415

ISSN 2322-2956

doi: 10.14196/sjpas.v3i6.1421

Contents lists available at Sjournals

Scientific Journal of

## **Pure and Applied Sciences**

Journal homepage: www.Sjournals.com



#### **Original article**

# The relationship between individual factors, organizational and financial performance among university faculty

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#### **ARTICLE INFO**

Article history,
Received 03 June 2014
Accepted 27 June 2014
Available online 30 June 2014

Keywords, Individual factors Organizational Universities

#### ABSTRACT

The concept of organizational change, is a contradictory concept. Change can be positive and good, and can evaluate the negative and bad. University and higher education in any country is the most important part of the educational and training system. Universities, their origin and evolution is change. The purpose of this study was to examine organizational change based on individual factors, management and organization at the University of Urmia and Urmia University of Technology and its relationship with the university's faculty in 2013. The results suggest that from the perspective of one of the faculty members of the University and the University of Technology, personal factors, organizational change and performance faculty members, there is a significant relationship.

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#### 1. Introduction

The organizational change is a contradictory concept. It can be treated positive and good, or negative and bad. Our attitude towards organizational change and our stance on the events and the kind of using this transformation determine the meaning of [organizational] change. Organizations want to act in line with achieving their own aims through maintaining their own elements and structures. But, every moment, their elements, structures, surrounding institutions, and environment are changing; therefore organizations are forced to adapt to

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these changes for survival. It requires consistency and a higher level of learning and knowledge, as if such organizations wear a new coat every time. Kondalkar (2009) describes the concept of [organizational] change as an evolution that occurs in the workplace of an organization. This change can be related to the technology, organizational structure, work processes, work environment, organizational policies and the roles that people play. It is clear that a change in one aspect of the organization can lead to changes in other aspects of the organization. Organizational changes are important, especially in universities. University can be the initiator of the changes and innovations. The important role of the performance of university faculty is noteworthy in this transformation. Knowing what factors are involved in the performance of the professors of University of Urmia and Urmia University of Technology and the weight of which variable is greater has a significant role in decision makings and forthcoming actions.

Universities and higher education in any country are the most important parts of the educational and training system of that country. Universities are the origin of the evolutions and changes. The study, examination and review of a system interested in working in the field of teaching, and the study and research on social and cultural phenomena reflect the sensitivity and epistemology of this issue. The one who studies will be also the subject of the study. A researcher will be also the subject of the research and an investigator will be also the subject of investigation. This work has its own difficulties. When members of an organization are involved in the planning and in the process of change, they increase their knowledge and skills and improve their own efficiency and effectiveness of the organization. In this case, people will see themselves as a part of the overall configuration of the organization and consider their own interests in line with the interests of the organization, which is called the value of ownership or the sense of ownership. Such people feel empowered and satisfied in the organization. When people see the result of their activities in organizational performance, this sense of ownership is created and strengthened, and it will be aligned with the organizational change. Yonnedi's research (2010) indicates that the types of institutional ownership are important organizational elements which have a significant effect on organizational change. Cook and Kirkpatrick (1988) point out that the privatization in the form of changes in the sense of ownership affects the productive effectiveness of the organizations. Sense of belonging to the organization and treating the organizational goals in line with the individual goals causes people to show concern towards organizational priorities.

While quoting Winter and Saros (2002), Emami pointed out that in a research conducted on 1401 university faculty members in Australia, it was found that variables of role ambiguity, role overload, role conflict, and bureaucratic hierarchy have significant negative correlation with organizational commitment. However, variables related to job characteristics, supportive leadership style, and the levels of participation of faculty members have significant positive correlations with organizational commitment. He also quoted Robinson, Saimord and Porporinu (1992) and stated that according to studies, employees who exhibit high organizational commitment:

1) are happy in their work 2) spend less time on tasks unrelated to their job, and 3) are less likely to leave their organization.

In a review of the literature on organizational commitment, Emami also points out that the commitment is a function of personal characteristics and job-related situational factors. Personal characteristics include factors such as age, experience, gender and education. Emami, B. quotes Winter and Saros (2002) and points out that faculty members will have a positive attitude to their job and university if:

- Roles are clear and achievable,
- The job tasks are challenging,
- Supervisors follow supportive leadership styles,
- Organizational structure is such that involves employees in decision making process.

On the contrary, when the roles are ambiguous, tasks are monotonous and inflexible, supervisors do not provide required supports and the university limits the staff involvement in decision-making process, the academics will show poor motivation.

In a research conducted by Hiorley (2006) on 450 executive directors in 30 companies, he found out that about half of them do not trust their superior leaders and managers (Hioy, et al, 2011).

In the public organizations of our country, the trust in managers is at a low level. The trust between management and employees has an impact on the quality of public administration, therefore, low levels of trust or its decline is one of the issues that cause employees to be unmotivated and indifferent which leads to the slow implementation of programs (Gholipour et al.). Organizational performance is a dependent variable influenced by individual, organizational, and managerial variables, that is, the organizational performance is resulted from the

interaction between the said variables, their effects on each other and taking effect from each other. Haghighi (2009) quoted Goldsmith H. (1980) and pointed out that in the latest investigation into the factors affecting the performance, the following seven main factors were mentioned:

- -Ability: Relevant working knowledge, relevant work experience and talent.
- Knowledge or role clarity (understanding of the role): Understanding and acceptance of the work, when, where and how work is done. Work objectives and plans must be clear and the individuals should know the priorities in their work. Also, determination of the scope of work and duties are of the factors involved in the acceptance and true understanding of the role.
- Organizational help or support: is the support that employees need to receive to conduct their tasks successfully and efficiently. Factors such as funding, equipment and etc., are variables effective in the successful implementation of the job.
- Motivation or inclination: Motivation is an internal stimulus for the development of an exogenous action by human. This action may be physical, intellectual or artistic.
- Performance feedback: Refers to the formal or informal provision of results of daily practices to the individual.
- Validity: Refers to the relevance of management decisions. This relevance is in connection with the accepted rules and norms. The more decisions are reliable and organization's policies are coordinated, the more they have acceptance.

#### 2. Materials and Methods

The questionnaire developed by Mirkamali and Zeinalipoor (2009) was used to collect data related to the issue of organizational change in public universities. This questionnaire provides a model for organizational changes through factor analysis. For collecting the research related data, comprehensive study of the variables were applied using internal and external magazines, related books, research projects and university theses. The statistical population of this research is all faculty members of University of Urmia and Urmia University of Technology.

In both levels of descriptive statistics and inferential tests (Analysis of multivariate variance, multiple regression, t-independent, one-way variance and Pearson correlation coefficient), a statistical software (SPSS) was used and for the confirmatory factor analysis and drawing the final research model, LISREL was used.

#### 3. Results and Discussion

Based on survey results conducted on faculty members of University of Urmia and Urmia University of Technology, Pearson correlation coefficient between the level of individual factors of the organizational change and organizational performance were calculated as equal to 0.34, which is based on the probability value of 0.00 (P-value = 0.00) at a significance level of 0.01, there is no reason for the independence of two variables and it can be said that from the perspective of faculty members, there is a significant relationship in terms of individual factors of organizational change and perspectives of organizational performance of faculty members, between the University of Urmia and Urmia University of Technology.

| Table1      |         |           |             |             |         |
|-------------|---------|-----------|-------------|-------------|---------|
| Factors     | Mean    | Standard  | Pearson     | The         | Numbers |
|             | value   | deviation | correlation | probability |         |
| Performance | 64.3333 | 13.0036   | 0.344       | 0.000       | 102     |
| Individual  | 98.7451 | 14.1503   | 0.344       | 0.000       | 102     |
| Factors     |         |           |             |             |         |

#### 3.1. The results showed that

(1) From the perspective of the faculty members of University of Urmia and Urmia University of Technology, there is a significant relationship between individual factors of organizational change and performance of faculty members (correlation coefficient of 0.344).

- (2) There is a significant relationship between managerial factors of organizational change and performance of the faculty members of universities (correlation coefficient of 0.695).
- (3) From the perspective of faculty members of the University of Urmia and Urmia University of Technology, there is a significant relationship between organizational factors of organizational change and performance of faculty members of universities (correlation coefficient of 0.548).

Results indicate that the highest correlation is between managerial factors and organizational performance (0.695) and the lowest correlation is between individual factors and organizational performance (0.344). Managerial factors are in -between status with coefficient correlation of 0.548. This result suggests that in an organization under the rule of professional bureaucracy, the human and managerial factors have the highest correlation with the performance.

#### 4. Conclusion

Based on the results of survey conducted on faculty members of the University of Urmia and Urmia University of Technology, from the financial perspective, the Pearson correlation coefficient between individual factors and organizational change was equal to 0.521 which based on the probability value 0.00 (P-value = 0.00), there is no reason for the independence of two variables at a significance level of 0.01. Therefore, hypothesis number three is confirmed and it can be said that from the perspective of faculty members, there is a significant relationship between individual factors of organizational change and financial perspective among faculty members of the University of Urmia and the Urmia University of Technology. The following table shows the results of Pearson coefficient of correlation between individual factors of organizational change and financial perspective among faculty members of Urmia University and Urmia University of Technology.

**Table2** results of Pearson coefficient of correlation between individual factors of organizational change.

| organizational change. |         |           |             |             |        |  |  |  |
|------------------------|---------|-----------|-------------|-------------|--------|--|--|--|
| Factors                | Mean    | Standard  | Pearson     | Probability | Number |  |  |  |
|                        | Value   | Deviation | Correlation |             |        |  |  |  |
| Financial perspective  | 64.3333 | 13.0036   | 0.521       | 0.000       | 102    |  |  |  |
| Individual factors     | 98.7451 | 14.1503   | 0.521       | 0.000       | 102    |  |  |  |

With regard to the fact that ownership is one of individual factors of organizational change, therefore, this result is consistent with the results of the research conducted by Yondy (2010) which indicates that different types of the sense of ownership are of important organizational elements and have a significant effect on organizational changes. Also, Cook and Kirkpatrick (1988) say that privatization in the form of changes in the sense of ownership will affect the productive effectiveness of organizations.

Knap (1988) also indicates that the sense of ownership increases tendency of employees towards controlling. Soparnat (2011) also argues that the collective ownership will lead to effectiveness and efficiency of the organization. This result is consistent with the results of meta-analysis conducted by Rice and Hasard (2010) on the Asian organizations which implies that the sense of ownership and management of human resources have played a prominent role in Asian organizations. Also Viring (2004) believes that the sense of ownership increases confidence and efficiency of the system and lead to a team approach and significant steps towards preventing future problems. Virberg et al., (2010) also argue that the sense of ownership in the employees of the organization decreases the resistance to change.

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