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ORGANIZATIONAL RESILIENCE AND EMPLOYEE PERFORMANCE IN CRISIS ECONOMY

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Abstract

The aim of the study was to critically analysis the significance of organizational resilience on employee performance, especially during crisis situation, such as the current Covid-19 pandemic that keep all the nations and business organizations at a disarray. It could be seen that firms all over the world are crying wolf due to the loss of manpower, low profitability, low productivity, poor service delivery and so on, as a result of the Covid-19. The cause of the low performance could be attributed to not being pro-active by the employees, or non-anticipation of perturbations, inability to learn from experience, inability to adapt and dynamic capability to work in any given environment and changes in policies and programmes as the situation demand to achieve organizational sustainability. Therefore organizational resilience is the ability of organizations to prepare, absorb shock or develop resistance in the face of perturbations within its environment, and surmount all insurmountable to move to a better next level. The study concluded that organizational learning, adaptive capacity and dynamic capability have significant relationship with employee performance. Hence, the study recommended that management should foster conducive organizational learning, adaptive capacity and dynamic capability, as these will equip

the employees to remain with the organization, and put up their best work effort for increased productivity and profitability.

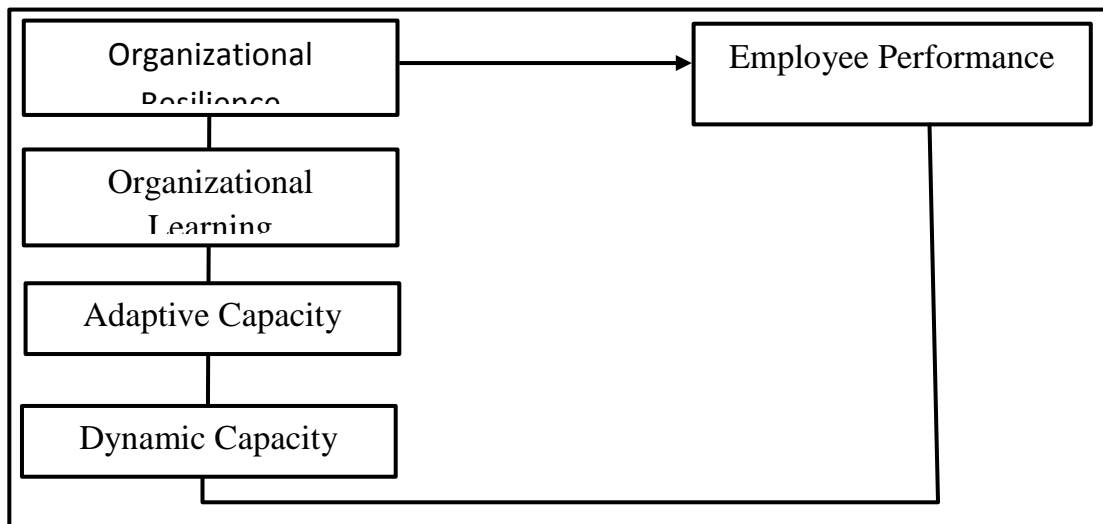
Keywords: Organizational Resilience; organizational learning; adaptive capacity; dynamic capability; employee performance, crisis economy.

Introduction

The main objective of High Performance Organizations (HPO) is how to achieve high performance at all times, irrespective of turbulent and unstable economy. According to Aki, Harri and Maila (2011), performance refers to excellence, and includes profitability attainment by an organization, productivity from the employees, among other non-cost factors such as quality, speed, delivery, flexibility, market share and so on. Many researchers have concluded that, achieving sustainable performance could depend on the resiliency of the organizations Alastir (2010) admits that as our environment becomes more complex and crisis ridden, organizations are becoming more vulnerable to disruptive events from hazards and threats to survival. He contended that the aim of building resilience is to reduce the exposure of organizations to threats and hazards by developing protective measures aimed at reducing the likelihood and consequences of a disruptive events, by preventing when possible, responding effectively and efficiently when an events occurs, and by recovering as quickly and completely as possible.

Seville et al. (2008) see organizational resilience as an organization’s ability to survive, and potentially even thrive, in times of crisis situation. Mitroff (2005) asserts that organizational resilience is a continuously moving target which contributes to performance during business-as-usual and crisis periods. It requires organizations to adapt and to be highly reliable and enables them to manage disruptive challenges (Durodie, 2003).A resilient organization is one that not merely survives over the long term, but practice and surmount all threats and flourishes-passing the test of time. There is no gainsaying that most organizations crash and die because of their inability to learn and innovate, accept and make sense of and respond to internal and external change that could enhance sustainable performance.

Conceptual Framework



Source: Researcher (2021)

Conceptual framework showing the relationship between organizational resilience with its dimensions as organizational Learning, Adaptive Capacity and Dynamic Capability, and Employee Performance as dependent variable.

Aim/Objectives of the Study

The aim of the study is to examine the relationship between organizational resilience and employee performance. The specific objectives of the study are:

1. Ascertain the relationship between organizational learning and employee performance
2. Ascertain the relationship between adaptive capacity and employee performance
3. Ascertain the relationship between dynamic capability and employee performance

Theoretical Background

Darwin Theory of Change

Charles Darwin (1809-1882) "it is not the strongest or most intelligent that survive, it is the most adaptable to change."

Whilst Darwin may have been referring to individual resilience in the survival of the species, the concept remains true for organizations that do not just need to "survive" constant change, but need to grow and evolve in their own right to become stronger, fitter and more capable of adaptation to any kind of challenge. Indeed, if organizational resilience is discussed as the ability to bounce back, or to recover from challenges in a manner that leaves the organization more flexible and better able to adapt to future challenges, then organizational resilience is a quality that leaders and managers in all organizations should seek to foster at all times (Denhardt and Denhardt, 2010).

Measures of Organizational Resilience

The measures of organizational resilience include organizational learning, adaptive capacity and dynamic capacity.

Organizational Learning

Organizational learning has been defined in the web dictionary as an Organization-wide continuous process that enhances its collective ability to accept, make sense of and respond to internal and external change. Organizational learning requires systematic integration and collective interpretation of new knowledge that leads to collective action and involves risk taking as experimentation.

Organizational Learning is an area of knowledge within organizational theory that studies models and theories about the way an organization learns and adapts. In organizational development (OD) is as characteristic of an adaptive organization, ie, an organization that is able to see changes in signals from its environment (both internal and external) and adapt accordingly. Learning is acquiring new, or modifying existing knowledge, behaviors, skill, values, or preferences and may involve synthesizing different types of information, knowledge.

Aggestam (2006) posits that a learning Organization has a culture that supports learning and innovations both by individuals and by the organization. The environment promotes a culture of learning, a community of learners, and it ensures that individual learning enriches and enhances the "organization as a whole. The process of learning must ultimately be made part of the culture, not just be a solution to a given problem. Learning organizations demand a new view of leadership, leader as designer. Culture begins with leadership, but because culture

is the result of a group's accumulated learning the culture itself will later define the wanted leadership.

The first step in building a learning organization requires a leader who inspires the vision of the learning organization. To be a learning organization has no value in itself, it must always serve the broader aims of the organization. Shared visions emerge from personal visions. A Learning Organization has a design and a culture which takes in, and in a learning organization members know why. In other organizations they know-how.

Aggestam (2006) maintains that a learning organization is organized in such a way that it scans for information in its environment, creates information by itself, and encourages individuals to transfer know-ledge between the individuals in team. This must be guided by the structure and by the vision that is guided by the strategic leadership of the organization.

Learning is when changes in knowledge happen inside an individual and learning and accumulation of (new) knowledge always starts with the individual. Individual learning does not necessarily imply changes in organizational knowledge. Organizational knowledge is knowledge independent of specific members in the organization, e.g. knowledge in know-ledge repositories, and knowledge embedded in policies, and routines. Organizational Learning (OL) is considered to depend on the collective cognitive processes of individuals. Individuals can be regarded as subsystems in the organization. The concept of learning organization regards the organization as an entity and focuses what are the characteristics such that encourages its members may learn. Organizational learning, on the other hand, focuses on how learning is developed in an organization.

Organizational learning in Complex System

Organizations as complex adaptive systems display, to varying degree, a capacity to learn. Schein (1996) describes four factors that are intrinsic in an organization's learning ability and its overall system health. These include:

- A sense of identity, purpose or mission
- A capacity on the part of the system to adapt and maintain itself in the face of internal and external changes.
- A capacity to perceive and test reality; and
- Some degree of internal integration or alignment of the sub-systems that make up the total system.

There are several elements that contribute to an organization's learning ability. These include the recognition of an essential interconnectedness (the systems view of the world), the ability to change how the world is viewed (generative learning) and the ability' to adapt to changed environments (adaptive learning) (Murray, 2002; Schein, 1996; Senge, 1990). It is the ability of the organizational culture to ensure that learning is not entirely based on adaptive learning but becomes accommodating of both adaptive and generative learning types. New learning tools are also required to achieve this, however as this is unlikely to be achieved through cognitive changes alone (Murray, 2002). Examples of these tools may be found in Table I below (in Murray, 2002 and modified from Senge, 1990). The following discussion introduces the theories and concepts behind adaptive and generative learning in terms of adaptivity and situation awareness for organizations.

New organizational learning tools.

Building shared vision	Surfacing and testing mental models	Systems thinking
➤ Encouraging personal vision.	➤ Seeing leaps of abstraction	➤ Seeing interrelationships, not things and processes, not snapshots
➤ Communicating and asking for support	➤ Balancing enquiry and advocacy	➤ Moving beyond blame
➤ Visioning as an ongoing process	➤ Distinguishing espoused theory from theory in use	➤ Distinguishing detail complexity from dynamic complexity
➤ Blending extrinsic and intrinsic visions	➤ Recognizing and defusing defensive routines	➤ Focusing on areas of high leverage
➤ Distinguishing positive from negative visions		➤ Avoiding symptomatic solutions

Adaptive learning centres on the ability of an organization to cope; to learn and change simultaneously and align itself with its environment (Daft and Weick, 1984; Murray, 2002). Organizations that are successful in adaptive learning are proficient in:

1. Sensing the change in the environment, both internally and externally,
2. Acquiring information and make sure it is disseminated to where it can be processed and acted upon.
3. Interpreting the information and formulate correct or appropriate conclusion.
4. Making internal transformation to address the changes in the environment without drawing adverse side effects.
5. Obtaining feedback on the appropriateness of the new actions (the Adaptive Coping Cycle, after Schein, 1980)

It is important to realise that adaptive capacity is not a static feature of any system. There are a number of studies (Folke, 2006; deVries, 1985) that look at how these components change over time and in response to environmental changes (economic, social, political and institutional) (Smit and Wandel, 2006). Furthermore, researchers have considered the inter-relationships between determinants of adaptive capacity, recognizing that strengths or weaknesses in one aspect, for example managerial ability, may influence other determinants such as the reduction of psychological stress among workers (Smit and Wandel, 2006).

The concept of adaptive capacity is at the core of current organizational resilience methodology, Adaptive capacity is defined as the ability of an enterprise to alter its 'strategy, operations, management systems, governance structure and decision-support capabilities' to withstand perturbations and disruptions (Starr et al, 2004). Organizations that focus on their resilience in the face of disruption generally adopt adaptive qualities and proactive responses. Furthermore, they emphasize positive behaviour within the enterprise and within employees and look at disruptions as being opportunities for advancement (Folke, 2006; Mallak, 1998).

The study of adaptive capacity in relation to organizational systems has resulted in considerable advances in recent years particularly regarding the cultural capital of an organization and the effects this may have on its ability to withstand crises. The idea is not new and may be linked to Perrow's work on normal accidents (1979) and various studies into High

Reliability organizations (HRO's). Several different organizational cultures have been identified in terms of both adaptivity and learning ability (see in particular the work by Schein, 1996). Some examples of organizations have been shown to exhibit favourable workplace cultures that help them to adapt to changes in their operating environment, even when these changes are unforeseen and unexpected. Examples include Nokia, Toyota (Sheffi, 2006a), Dell (Sheffi, 2005), UPS (Coutu, 2002) and Coca-Cola (Seaman and Williams, 2005). While terminology differs regarding what attributes actually make up such effective organizational cultures, there are some widely accepted qualities that organizations can encourage (these attributes are discussed below).

Additionally, employees that are conditioned to expect the unexpected contribute significantly to an organization with a high adaptive capacity. The ability for an organization to combine the development and testing of a plan with enhancing the capacity of its staff to cope with the unexpected is a critical balance. No organization can plan for every possible circumstance and therefore the organizational culture becomes vital (Sheffi, 2005). This is very apparent in high reliability and reliability seeking organizations where the culture of safety becomes more important to operational efficiency than controlling or mitigating unforeseen and unexpected events (Rochlin, 1999).

Complex Adaptive Capacity

Generally speaking, systems thinking is marked by its focus on a holistic viewpoint; a viewpoint where the relationships between the agents in a system are more important than the agents themselves. As the number of agents in the system increases and the behaviour of the system becomes non-linear (namely, system behaviour cannot be predicted by the behaviour of individual agents), then the system becomes complex. When the agents in a complex system exhibit learning-type behaviours, then it becomes a complex adaptive system. Leading researchers in complex adaptive systems (CAS) include Gell-Mann, 1994; Holland 1995; Dooley, 1996, 1997 provide guidance regarding the essential components of CAS whereby:

- a. A CAS is composed of agents each acting semi-autonomously and which evolve over time.
- b. Agents scan their environments and develop mental models, or schema, of that environment.
- c. Agents can increase their fitness by acting to change the schema to fit the observation, or act to change the observation to fit the schema.
- d. The schema define how agents interact with other agents in the environment around them.
- e. Further, CAS typically exhibit the following characteristics (after Vogelsang, 2002):
- f. individual agents interacting and re/constructing their relationships at the local level
- g. development of global patterns and the emergence of self-organization
- h. Constant creation of variety; the ability to develop new methods for action that build on the successes of the past. Knowledge that the system can only be influenced, not directed.

It could be argued that all organizations are complex because of the complexity of their most common agent, humans (Schein, 1980). However, it is more typically the internal or external environment which contributes the most to complexity in organizations (Dooley, 2002). The internal environment reflects the organizational processes and supportive technologies

within the organization while the external environment consists of suppliers, competitors, markets and so on.

The complexity that arises in internal environments for organizations is often attributed to increases in technology. Perrow (1984) introduced the concept that some technological systems have what are termed as 'normal' or unavoidable accidents and incidents based on two inter-related dimensions; interactive complexity and loose/tight coupling. Interactive complexity is the phenomenon of a unforeseen and unplanned sequences of events that are not visible in a system. Loose and tight coupling refers to the degree to which parts of a system are tied to one another. In a tightly coupled system, the composite parts are linked very closely so that any changes in one part of the system have immediate implications and effects on all others. This can lead to disastrous results. Loosely coupled systems, on the other hand, have links, but the performance of one element of the system is not dependent on another. Typically these loosely coupled systems are able to absorb disruptions and perturbations without destabilization of the entire system (Marias et al, 2004).

The premise of Perrow's approach is that these tightly coupled systems, which also exhibit interactive complexity, are likely to experience 'system accidents' that are entirely unpredictable and also potentially cascading in nature. Many examples of these types of system failures have been documented. Examples include the chemical disaster at Bhopal (Shrivastava, 1992). Chernobyl nuclear power plant (Pidgeon and O'Leary, 2000), the Exxon Valdez oil spill (Grabowski and Roberts, 1996) and the Marin Gulch disaster (Weick, 1993) to name but a few.

Additionally, researchers have noted that some types of organizations which exhibit the interactive complexity and tightly coupled systems identified by Perrow seem to experience remarkably few 'system accidents'. These organizations have been labelled as High Reliability Organisations (HRO's) (Weick, 1989). One of the principal elements of HRO's is the concept of mindfulness (Vogus and Welborne, 2003; Weick and Sutcliffe, 2001). This mindfulness includes:

- i. **A preoccupation with failure:** recognition that the identification of near misses and any failures are an indicator of the entire system reliability and health; recognition and reward for the reporting of errors.
- ii. **A reluctance to simplify interpretations:** a commitment to finding and maintaining divergent viewpoints about a situation in order to ensure that key variables of the system and environment are not overlooked.
- iii. **A sensitivity to operations:** looking at the big picture on a constant basis from the viewpoint of real-time information.
- iv. **A commitment to resilience:** a belief that the existing body of information is not complete and faith that the organization has the ability to bounce back from failures, and handle any surprises that either the system or the environment momentarily produce.
- v. **An under-specification of structures:** the deferment of decision making to individuals with the greatest experience and expertise in the organization regardless of the structured hierarchy, and recognition of more 'fluid' decision making processes.

In socio-ecological context, Folke et al. (2003) define adaptive capacity as an aspect of resilience that reflects learning, flexibility to experiment and adopt novel solutions, and the development of generalized responses to broad classes of challenges. Folke et al, (2003) identified four dimensions of adaptive capacity:

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- Learning to live with uncertainty
- Nurturing diversity for reorganization and renewal
- Combining different types of knowledge for learning
- Creating opportunities for self-organization.

Armitage (2005) adapts Folke et al.'s (2003) four dimensions for socio-institutions. In a socio-institution context, adaptive capacity depends on the attributes of individuals, organizations and institutions that might foster learning when faced with change and uncertainty, such as willingness to learn from mistakes, engage in collaborative decision-making arrangements, and encourage institutional diversity.

Adaptive capacity may be defined as the ability or inclination of individual or group to maintain an experimental attitude towards new situations as they occur and to act in terms of changing circumstances. Adaptive capacity is addressed in this context through two approaches; socio environmental, and organizational (McManus, 2007). An organization's ability to adapt is at the heart of their ability to display resilient characteristics.

Amah and Baridam (2012) discuss the importance of adaptation and note that the aim is to create advantages over less adaptive competitors. This suggests that adaptive capacity is also linked to competitiveness. Dalziell and McManus (2004) define adaptive capacity as, the engagement and involvement of organizational staff so that they are responsible, accountable and occupied with developing the organization's resilience through their work because they understand the links between the organization's resilience and its long term success? "...the ability of the system to respond to changes in its external environment, and to recover from damage to internal structures within the system that affect its ability to achieve its purpose". They also define adaptive capacity as relating to strong leadership and a culture which enables clear communication, good working relationships, and a shared vision across the organization. The organization is innovative and creative and people are able to constantly and continuously act to match or exceed the needs of the organization's operating environment in anticipation of, or in response to change.

Dalziell and McManus (2004) go on to demonstrate the difference between adaptive capacity and vulnerability, which they argue are often used interchangeably because of the inclusion of adaptation in definitions of vulnerability. Vulnerability is defined by Dalzille and McManus (2004) as the amount of deviation from the organization's original state to the point at which it experiences significant change or impacts as a result of the disaster. Adaptive capacity then, is the envelope or space in which the organization's performance or management of the disaster fluctuates until it reaches an equilibrium.

Indicators AC1 to AC7 are McManus's (2007) indicators of adaptive capacity within Relative Overall Resilience (ROR) model, and indicators AC6 and AC7 have been added as part of the updated model.

- AC1 - Minimization of Silo Mentality
- AC2 - Communications and Relationships
- AC3 - Strategic Vision and Outcome Expectancy
- AC4 - Information and Knowledge
- ACS - Leadership, Management and Governance Structures
- AC6 - Innovation and Creativity

- AC7 - Devolved-and Responsive Decision Making

Adaptive Features of Organizational Resilience

The interest in creating an increased adaptive capacity during and immediately following a disaster has led some researchers to propose a set of adaptive features to enhance organizational and societal resilience (Kendra and Wachtendorf, 2003; Mallak, 1998; Weick, 1993).

- **Bricolage:** This is the capacity to adapt known information and apply it to the current situation in a creative manner. People and organizations that engage in bricolage on a regular basis are adept at using limited resources in a chaotic situation to create order and solve problems.
- **Virtual Role Systems:** This is the ability of sub-sets of an organization to take on the role and responsibility of absent members. Additionally, Virtual Role Systems require that all elements of the system have a common vision of the risk they face, the goals that they are aiming for, and the possible actions that they may engage in to achieve their collective goals. This is true for individuals within an organization and for groups of organizations serving a community or society. Comfort *et al.* (1999) points out the importance of information technology for development of Virtual Role Systems. They support the critical appearance of linkages between and within organizations/communities and the subsequent creation of a sociotechnical system in which the ability to exchange timely, accurate information among multiple participant facilitates a more open, responsive, creative approach to solving shared problems (Comfort *et al.*, 1999).
- **Wisdom:** The capacity to know the limits of the information at hand, and the ability to seek out additional information is termed by Weick (1993) as wisdom. This may be also viewed as the ability of a system to self-organize (Kendra and Wachtendorf, 2003). Mallak (1998) further subdivides 'wisdom' into:
 - **Ensure Adequate External Resources:** access to further resources over and above those required for everyday decisions will enable a positive adaptive response for situations that are outside the ordinary.
 - **Expand Decision-Making Boundaries:** this is the ability of employees within an organization to make decisions within their experience and knowledge base without having to continually refer to upper management levels. Expansion of decision-making boundaries can significantly enhance the adaptive capacity of an organization in times of crisis.
- **Respectful Interaction:** The respectful interaction of all levels within an organization, and between organizations is closely related to Mallak's 'Expand Decision-Making Boundaries' above. Respect for the reports and decisions of others, the respect for one's own perceptions and decisions, and the ability to act upon these decisions honestly and openly is a key feature in the adaptive capacity of organizations during and following disaster events.
- **Positive Adaptive Behaviour:** Together with the ability to perceive experiences in a constructive manner, developing positive adaptive behaviour is critical if change is to be viewed as opportunities, not just negatively. The development of these strategies is important in allowing decisions and actions based on the situations at hand, rather than

a pre-programmed response to a crisis.

- **Develop tolerance for uncertainty:** No individual or organization can accurately map out all the risks that could be faced now or in the future. Therefore it is vital that a tolerance for uncertainty is created as part of an organizational (and perhaps societal and global) culture. This is related to bricolage in that the ability to cope with a crisis will require using the information that is at hand, and accepting that one will never have all the required information about a situation.

Dalziell and McManus (2004) introduce the concept that systems (specifically organizational systems) can adapt to changes in different ways. Firstly they may use existing responses and apply them to the problems at hand, which may involve up-scaling this response. Secondly, existing responses may be utilized in a new context for a crisis situation. Thirdly, an organization may develop novel responses and apply them to a problem. The problems may be new and unforeseen or those that the organization has been able to see coming. Typically organizations enlist either a command and control type structure to deal with crisis or a more organic and innovative approach (Dalziell and McManus, 2004).

Dynamic Capabilities

Teece et al. (2010) defined Dynamic capabilities as "the firm's ability to integrate, build, and reconfigure internal and external competencies to address rapidly changing environments". Dynamic capabilities can be distinguished from operational capabilities which pattern to the current operations of an organization. Dynamic capabilities, by contrast, refer to "the capacity of an organization to purposely create, extend, or modify its resource base" (Helfat et al, 2007) cited in Teece, et al., (2010).

The basic assumption of the dynamic capability framework is that core competencies should be used to modify short-term competitive positions that can be used to build longer-term competitive advantage. These authors affirm that the Literature on dynamic capabilities grew out of (1) the resource based view of the firm and (2) the concept of "routines" in evolutionary theories of the organization (Nelson and Winter, 1982) cited in Teece, et al (2010). It thus provides a bridge between the economic-based strategy literature and evolutionary approaches to organization. They opine that three dynamic capabilities are necessary in order to meet new challenges. Organizations and their employees need the capability to learn quickly and to build strategic assets. New assets such as capability, technology and customer feedback have to be integrated within the company. Existing strategic assets have to be transformed or reconfigured.

Teece's concept of dynamic capabilities essentially says that what matters for business is corporate agility: "the capacity (1) to sense and shape opportunities for threat, (2) to seize opportunities, (3) to maintain competitiveness through enhancing, combining, protecting, and when necessary, reconfiguring the business enterprise's intangible and tangible assets. The need for building the capacity for individuals to be resilient has traditionally been more apparent within industries including health, defence, crisis management and emergency services. However, with work environments that are continually evolving, adapting and responding to the needs of various stakeholders, the value of individual resilience in the wider working population cannot be underestimated. Organizations, management and leaders are now

starting to recognize the benefits of a resilient workforce and have witnessed a subsequent increase in the quality and range of program offerings for building resilience. This article explores the concept of resilience among individuals in the workplace, and takes a critical look at the factors that enable resilience and suggests constructive ways for boosting the resilience capacity of individuals at work.

Resilience involves an interaction between our internal and external environments as we respond to stressor and/or a context. It is the capacity for individuals to not only to "bounce back", "survive" or "cope successfully" in response to adversity, uncertainty, change or risk, but to do so "robustly" and recover more "quickly". It is this capacity for adaptation and use of positive psychological systems to facilitate resilience (i.e., Seligman) which has contributed to the development of programs and for organizations to foster resilience outcomes in its employees.

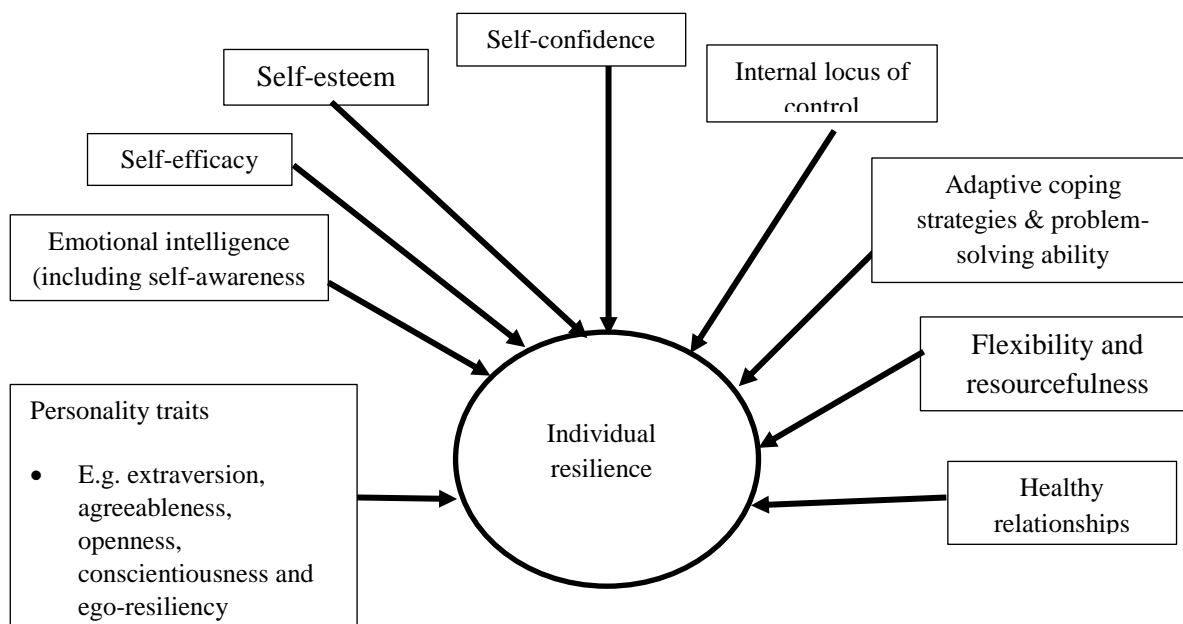
Resilience is not a static state that is inherent in you nor is it a transient phenomenon. Rather, it is a dynamic process that can be cultivated in most individuals and - importantly - evidence suggests the behaviours, thoughts and actions underpinning resilience can be learnt and developed (McAllister & McKinnon, 2009; Jackson, Firtko & Edenborough, 2001).

Factors Affecting Individual resilience

So what affects an individual's capacity to be resilient? The literature suggests that resilience is derived from the interaction between internal/personal characteristics and external/situational factors.

Individual Factors

Research suggests there are several personal characteristics among individuals that may serve as protective factors and/or promote one's capacity to be resilient. The diagram on the following page highlights some of these key individual characteristics:



Source: Luthans (2002)

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Situational/Environmental Factor

We exist in a fast paced and continually evolving environment where individuals are constantly being faced with changes and uncertainty has the potential to affect them. Within the workplace, these changes may manifest themselves in the form of situational risk factors affecting resilience. The different examples of different external or situational risk factors that could impact individuals in the workplace are outlined in the table below:

Individual Disruptions	Team Disruptions	Organizational Disruptions	Other Disruptions
Changing jobs	Changing team structure and dynamics	Acquisitions and mergers	Global financial crisis (GFC)
Changing work role	Continuous team reorganization	Corporate restructure	Environmental and natural disasters
Redundancy	Employee inexperience		Terrorism
Bully and harassment	Stakeholder management issues		Global health crises (pandemics)
Work demands	Resources shortages		
Work-life balance	Ineffective leadership		
Ideological tensions			
Conflict			

Note: Building resilience among employees often focuses on the negative events, changes and/or stressors within the workplace. However, positive changes such as job promotions and increased role responsibility may also significantly reduce an individual’s capacity to be resilient (Luthans, 2002).

Resilience in Employees: Why Invest in Them?

When not managed appropriately, workplace issues have the potential to impact individuals physically, emotionally and psychologically. More often than not, the organization also incurs significant costs - both hidden and apparent.

In 2006-2007 work stress claims in Australia resulted in an average of 10.9 weeks of lost time to injury (average for all claims was 3,9 LTI) with median payment of \$14,300 per person (average for all claims was \$5,800) (Safe Work Australia, 2010, Compendium of Workers’ Compensations Satisfies Australia 2007-2008). Recent studies have also demonstrated how individual resilience impacts on work related outcomes (see Table below for examples). While it difficult to draw causal relationships between stressors, levels of resilience and outcomes, it definitely has the potential to contribute to important organizational outcomes.

The Outcomes of High and Low Resilience on Individuals and Organizations

Outcomes of High Resilience Among Employees	Outcomes of Low Resilience Among Employees
Adaptive behaviours such as revising goals in the face of adversity	Increased stress claims burnout
Positive organizational behaviour	Low engagement
Contributions to a positive organizational climate and/or culture	Decreased productivity
Higher productivity	Physical issues (e.g., cardiovascular stress)
Increased innovation	Emotional responses such as helplessness, hurt, guilt, and fear
Use of effective and appropriate coping strategies	Use of “avoidance” strategies (e.g., substance use,

	disruptive behaviours)
Greater intention to remain	Retention issues
Increased job satisfaction	Family costs

Building Individual Resilience in the Workplace

Organizations can contribute significantly in managing the well-being of employees while boosting their capacity to overcome adverse events. This is also beneficial for leaders, as leadership becomes more challenging in the presence of heightened emotion and reactivity. Many organizations utilize the resources provided by Employee assistance Programs (EAPs) to address the professional and personal needs of employees. EAP programs have evolved to not only consider the breadth of personal issues individuals may experience (e.g., family, substance abuse and gambling issues) but also how organizational factors influence an individual's work experiences (e.g., ' psychosocial and organizational stressors).

In recent years there has been a shift towards engaging employees in proactive programs of resilience training, regardless of industry or occupational position. These programs have sought to foster general well-being and enhance the immediate working experience for employees, while also equipping them with skills and strategies to embrace future challenges change and uncertainty.

Empirical Review

Madni (2007) connotes resilience as the ability to anticipate a perturbation, state as much as possible. McMonus et al. (2008) assert that the numerous concepts that emerge from definitions of organizational resilience include knowledge of the environment, level of preparation, anticipation of perturbations, adaptation, capacity to recover, etc. The ability of organizations to absorb shock or develop resistance in the face of perturbations within its environment is a reflection of how prepared the organization can be in the face of economic crisis.

Alastir (2010) contends that managers of resilient organizations should understand at board level, the environment in which their organizations operates, and be aware of changes which may represent a risk to their people, facilities, activities, services and supply chains. He maintains that managers need to understand the increasing complex cultural, political, legal, regulatory, economic, technological, natural and competitive context within which they operate and monitor key issues and trends that may impact on the objectives of the organization and the perceptions and values of external stakeholders.

Erica (2006) asserts that the economic implication of organizations being unprepared for crisis are significant. In September 11th attacks, business interruption losses far exceeded the sum of all property losses. The importance of organizations being resilience can be well appreciated when we examine the decline in talented skills in certain workforces due to some unanticipated disaster or crisis or loss of key executives either as a result of death or being incapacitated to perform their duties.

In their argument. Amah and Daminabo-Weje (2004) are of the opinion that successful organization was those who understood the dynamic nature of their environment (Competitors, technology, the availability and cost of finance, taxation, government policy and their customer needs and expectations). In this regard, they contend that a successful

organization should evolve like a resilient eco-system constantly adopting to reflect the changing external environments.

According to United Nations Report (2003) events such as the 1998 ice storm in Quebec and Ontario and the August 2003 black out that affected 50 million people in the Midwestern and Eastern U.S.A and Ontario made governments realize that it had become crucial to develop a culture of resilience within organization. The restless and chaotic business operations make organizations vulnerable to a multiplicity of risks at all times. These environments require organizations to be flexible, adaptable and creative enough to respond to changing conditions which implies resilience for the organizations.

Organizational resilience in the context of being concerned with crisis prevention. According to Smith, there are two wide areas of crisis prevention. The first is concerned with the development of a crisis preparation culture; the second area is concerned with the ethical aspects of corporate behaviour and the creation of resilience as a consequence of suspect ethical behaviour.

Mallak et al (1997) identified four tools that will be used to help better prepare for crisis: (1) Risk analysis. (2) Contingency plan (3) Logic charts and (4) Table top exercises. They believe that resilience "results from processes that promote competencies, restore efficacy, and encourage growth as well as structures and practices that enable these processes". According to Robb, a resilient organization "is able to create structure; dissolve it; provide safety in the midst of change; manage the emotional consequences of continuous transformation and change (anxiety and grief); and learn, develop, and grow".

The September 11th attacks and their aftermath are a living laboratory for those wishing to better understand how individuals, groups, and organizations respond under extreme disaster conditions. Along with other major disaster events, 9/11 revealed much about institutional responses and collective behavior in crises, underscoring what is already known about the social processes that characterize such events, while at the same time highlighting aspects of disasters that the literature has yet to explore fully. Interesting data have emerged from reports written after 9/11. One such report looked at resiliency factors that could be implemented in private industry and the banking business based on what was learned from the attacks at the World Trade Center.

McManus's (2007) definition and indicators of organizational resilience, which she called. Relative Overall Resilience (ROR), is based on a definition of organizational resilience as, "...a function of an organization's situation awareness, management of keystone vulnerabilities and adaptive capacity in a complex, dynamic and interconnected environment". This definition identifies three components or dimensions of organizational resilience; situation awareness, management of keystone vulnerabilities, and adaptive capacity. McManus (2007) also identified fifteen indicators of organizational resilience, five for each dimensions. He talks about, robustness redundancy, resourcefulness and rapidity, as well as four domains; technical, organizational, social and economic.

Summary

It can be seen from the study that organizational resilience could positively and significantly influence employee performance. All the dimensions of organizational resilience of organizational learning, adaptive capacity and dynamic capability are all very significant on

employee performance. Hence employees are keen to learn, adapt to changes, and capable of overcome all odds and challenges, bounce back and achieve greater success.

Conclusion

Based on the extant literature, the study concluded that:

1. Organizational learning is positively related to employee performance.
2. Complex adaptive capacity is positively related to employee performance.
3. Dynamic capability is positively related to employee performance.

Recommendations

The study recommended as follows:

1. Management should foster organizational learning as regular training and development of employees will lead to resourcefulness of the employees during crisis situation such as coronavirus – Covid-19 Pandemic. Such organizational learning will lead to profitability and productivity.
2. Management should foster adaptive capacity as employees are ever ready to adapt to relevant work systems that will allow for employee retention and continuous performance.
3. Management should foster dynamic capability of the employees so that there will be less resistant to change, hence employees are able to meet the current prevailing technology in order to achieve profitability and productivity.

Contribution to knowledge

The study has contributed to knowledge by discovering that organizational resilience such as organizational learning, complex adaptive capacity and dynamic capability can positively influence organizational performance such as profitability and the productivity.

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