THE IMPACT OF ORGANIZATIONAL STRUCTURE ON PERFORMANCE AT GENERAL ELECTRIC AFRICA

BY

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UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

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STUDENT’S DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted to any other college, institution or university other than the United States International University in Nairobi for academic credit.

Signed:……………………………… Date:……………………………………

Edward O. Onono (ID 622444)

This project has been presented for examination with my approval as the appointed supervisor.

Signed:……………………………… Date:……………………………………

Dr. Joyce Ndegwa

Signed: …………………………… Date: ……………………………

Dean, Chandaria School of Business
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ABSTRACT

The research study sought to establish the relationship between organizational structure and performance at General Electric Africa. This is a key relationship within the principle study of strategic management and has been present in different industries as a guide to necessitate structural and strategic change every so often in many organizations. This study refined the available literature around this relationship to better understand it by examining the real-world business application of the dynamics of organizational structure at General Electric Africa and the resulting impact on performance. To achieve this study objective, the research questions sought answers to questions on the effect of three key dimensions of organization structure on the speed of decision making, the effect of organizational structures on internal organizational complexities and bureaucracy and finally the effect of organizational structure on efficient information exchange within the company. This was done by gathering responses from employees at GE Africa collocated in Nairobi and Johannesburg offices as a representative of GE Africa employee population.

A descriptive research design was used in this study. The target population was 290 employees at General Electric in the Sub Sahara Africa region based in four General Electric sites locations in Nairobi in Kenya, Lagos in Nigeria, Luanda in Angola and Johannesburg in South Africa. Structured questionnaire was used to collect quantitative data. Data was analyzed using descriptive statistics and SPPS version 21.

The study conducted Pearson correlation to establish the relationship between organizational structure and performance, results revealed that there was a strong and positive relationship between organizational structure and performance $r=0.404^{**}$, $p<0.000$. In addition, the study also conducted a regression to determine the relationship between dependent and independent variable. The value for organizational structure was $\beta=0.371$, $p<0.001$. This implies that 37.1% of the change in performance was caused by organizational structure.

Pearson correlation analysis was conducted to determine the relationship between organizational learning and the resulting impact on organizational performance. The findings indicated that there was a strong positive relationship between organizational learning and organizational performance with $r=0.536^{**}$, $p<0.000$. In addition, a regression model was done to determine the relationship between organizational learning
and performance. The outcome of the analysis returned values of organizational learning at $\beta=0.533$, and $p<0.000$ meaning that 53.3% of the change in performance was can be directly attributed to organizational learning.

In conclusion, it was apparent from the findings that the type of organizational structure embraced in an organization affected the speed and accuracy of decision making and directly influenced the learning and growth culture within the organization as well as the efficiency of information exchange within the organization. Empirically the study was able affirm that organizational learning had the impact of further helping managers align employee’s assignments’ based on their abilities and interests, establish efficient information exchange systems within the organization thereby creating the positive impact of increasing the speed and accuracy of execution of operational tasks as well as implementation of long term strategic alignments within the business in the region.

The study recommended that organizations ought to empower their regional and local business leadership teams to make decisions faster as opposed to using the longer and less efficient bureaucratic approach of making such decisions centrally from their global headquarters. This was because such authorizations on local projects, provide customers with quick feedback loops and in the process increase employee’s performance within the organization, helps develop organizational learning techniques that are friendly and adaptable, establishes good communication channels that will facilitate easy and accurate flow of information, aid easy access to the information while at the same time motivate the local leadership teams.
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DEDICATION
I would like to dedicate this research project to my mother, Rosebella Akeyo Onono for her endless support, love and encouragement.
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Problem
An organizational structure divides the entire organization into distinct parts, functions and defines the relationships among the various teams. The organization structure defines who has responsibility for what roles as well as documenting the reporting lines within the organization. The organization structure defines the chain of command and resources accountability. Designing the structure of an organization goes beyond the definition of the relationships among the parts, but also shows the resources and systems needed to support performance within the organization. The appropriate structure should therefore facilitate proper coordination of organizational processes to achieve the set goals of the organization (Mansoor, Aslam, Barbu, & Carpusneanu, 2012).

Karlsson (2012) in her research study on the decision making processes in multinational manufacturing organizations argued that the success of such organizations depended largely on building a clear shared vision among the management and all the employees and that this is at all times fostered by the organization structure. She further posited that the vision must be communicated with clarity, continuity and consistency across the entire organization’s hierarchies. Clarity in the context of this study will specifically refer to the clear expression of company goals to all stakeholders within the organization whereas consistency refers to applicability and replicability of strategic decisions across the all the business units.

Maduenyi, Oluremi, & Fadeyi (2015) in their study on impact of organizational structure on organizations performance concluded that the organizational structure has a direct impact on both financial and non-financial performance within an organization. Hao, Kasper, & Muehlbacher (2012) in their study of organizational structures of corporations in Austria and China found that organizational structure influences performance both directly and indirectly. They further argued that many businesses ought to persistently alter their organizational structures to achieve superior performance in the marketplace. Achieving superior business excellence is critical objective of many business organizations, and effective strategy formation and implementation have been identified
as the key elements that must align with the organizations’ structure at all instances (Tavitiyaman, Zhang, & Qu, 2012).

Mansoor et al. (2012) argued that the performance effect of an organizational structure strategy change is moderated by changes in the business environment and they arrived at a conclusion that to attain the desired level of superior performance by an organization compared to their peers in an industry, adequate attention is required to have the structure to remain aligned at all times to the prevailing environment’s dynamics. In their conclusion they stated that an ideal organizational structure should create a good recipe for superior performance over their peers in the industry. In order for businesses organizations to consistently succeed in meeting their customers’ needs and attaining their strategic objectives, there is a necessity for such organizations to constantly change the approaches to the organization of work and resources which consequently leads to organizational change (Biloslavo, Bagnoli, and RusjanFigelj, 2013).

Jens, Khalid and Hassan (2014) argued that an organization that can embrace a blend of multiple structures at the same time will always tend to maximize aggregate performance outcomes compared to their peers in the marketplace who fail to embrace the dynamic organizational structures that are aligned to the market needs and the complexity of their business organizations. They further stated that the type of the organization structure adopted by an organization should enable such organizations to continuously stay responsive to the very dynamic and complex business environments that they operate in. Damanpour (1991) posited that organizational structure can also be used to relate to the nature and extent of formalization, layers of hierarchies, and levels of horizontal integration, centralization of authority as well as communication patterns within the organizations’ set up. It therefore features that organizational structure refers to the way power and responsibilities are allocated and work procedures executed within an organization and these work procedures have a direct impact on the organization’s performance outcomes.

Hao, Kasper, and Muehlbacher (2012) defined organizational structure as the organization’s formal reporting relationships, allocation of responsibility framework as well as procedures that are carried out among and by the organizational members and components to achieve strategic objectives within the company. Organizational structure is also described as the continuous arrangement of organizational tasks and activities
within a system with clear goals (Mahmoudsalehi and Safari, 2012). They proceeded to define organizational structure as a formal allocation of work responsibility and administrative mechanism to control and integrate work activities within an organization. Akinyele (2011) also argued that the type of organizational structures and strategies adopted by oil and gas marketing companies in Nigeria had exhibited that it affected their market share growth positively within the industry compared to their peers in the market.

Organizational performance can be defined as the organization’ ability to accomplish its aims using the resources it has in a properly structured manner. Organizational performance can also be defined by the extent to which the organization is effective in executing its strategies. An, Yom and Ruggiero (2011) identified two dimensions of organizational effectiveness that is, job satisfaction and organizational involvement. These two parameters are used to assess and measure effectiveness and provide a factual picture to the organization on how it is performing against set objectives. The aim of organizational effectiveness and its relationship with organizational structure is the existence of an appropriate structure that should make an organization more effective. Appropriate structures, in which there are fully defined regulations and relations, are a success factor for organizations.

Daft (2011) identified three key dimensions of organization structure which include decision making processes, span of control, and communication systems to have direct impact on organizational performance. He further explained decision making dimension as the improvement of decision processes and quality through planning and coordination of business operations to achieve objectives. Span of control as the feedback process between managers and their direct reports to ensure an input-output system which manages the operations effectively by emphasizing on performance. Communication effect can be analyzed from perspective of the efficiency of information flow within the organization. Hao, Kasper, and Muehlbacher (2012) further reinforced that the organization structure embraced by an organization affects performance outcomes through mediating effects of organization learning and innovation.

Performance within an organization can be evaluated as the process of assessing the organization’s progress in achieving its goals and objectives (Kairu, Wafula, Okaka, & Odera, 2013). The assessment can be in financial or non-financial measures like profitability growth, brand relationship and corporate image. The idea of measuring
Performance is not only to identify the current performance of the business but it is also how the business can perform better in the future in line with its strategic objectives (Okwo, 2012). Performance measurement is therefore crucial since it measures the effectiveness of the organization's operations that contribute in creating value to stakeholders as well as the efficiency of the transformation of resources into products (Kairu et al., 2013).

Organizational performance measurement can also make several important contributions to an organization such as increasing the motivation amongst the employees to perform better, achieving organizational goals, improving employees’ learning and commitment to the organization and its strategic objectives. Organizational structure significantly affects performance and efficiency of a company through the mediating effects of communication (Okwo, 2012). To achieve the objective of the study, the balanced score card approach was used to measure impact of strategic organizational changes on performance as developed by Kaplan and Norton. The study specifically concentrated on focusing on the learning and growth dimensions as well as the business processes dimensions arising from the organizational structures’ alignment. Balanced scorecard primarily refers to management report that can be used to manage the implementation of management strategies or operational activities’ management within specific business contexts. The balance score card approach can also be used to measure individual employee contributions against pre-set key performance indicators.

As organizational structures become more complex due to evolution of business strategies, organizational learning for instance becomes more complex. This is because the critical variables that facilitate organizational learning like centralization and indoctrination become more and more detailed in terms of procedures and controls (Martinez-Leon & Martinez-Garcia, 2011). A highly diversified organizational structure may for instance in some cases impede organizational learning because the central management is unreachable due to the myriad layers of multidivisional structures. The organizational structure therefore becomes a key driver for either an excellent or poor organizational performance. Top performing organizations are the firms which will therefore successfully attain an optimal mix of their strategies to the right organizational structure. They are rewarded with steady success over time, as they enjoy first mover
advantage in the marketplace due to their ability to adapt to customer needs, learn faster and make quick and accurate decisions (Chong C, Chong S & Gan, 2011).

In their research study, Invernizzi and Romenti (2012) argued that the organizational structure needs to accommodate the central and strategic role that communication takes in an organization’s decision making process and that communication can no longer limited to merely communicating images, but rather it should enter the decisional and productive processes of an organization, be it strategic or operational, and that it should get increasingly more association with managerial methodologies, products, services, and in the final analysis and quality of products and outcomes at the aggregate organization level.

According to Martinelli (2001), organizational performance can be defined as the measure of the state of an organization, or by looking at the outcomes that amount from the management’s decisions and the subsequent execution of those decisions by the employees of the organization. From the foregoing definition, organizational performance can be a set of financial or non-financial indicators which can be relied upon to offer information on the degree of achievement of the objectives and results (Greenberg, 2011). In their study on the relationship between the type of organizational structure and organizational entrepreneurship in small and medium enterprises, Khanifar and Vakili (2009) arrived at the conclusion that there is a significant positive relationship between the type of organizational structure and organization’s level of economic entrepreneurship which in turn is a key driver for organizational performance.

Birkinshaw (2010) prescribed through very detailed empirical findings that highlighted the importance of top management’s attention on strategic adaptation within organizations. Through inference, this can be drawn to imply that the organizational structure should support strategic adaptability of the organization to respond to the business opportunities and risks in the marketplace and this involves looking at how the organizational architecture facilitates individual business units’ performance. From the foregoing, the question of organizational structural changes’ impact on performance is stressed much further (Carroll & Karim, 2011). If an organization pursues structural changes based on their current performance and turbulent market scenarios in the marketplace, would that lead to improved performance? What is the timeframe over which these actions take place? Do organizations have processes in place to ensure the
structural changes are beneficial to the business strategy, and do organizational structure changes affect decision making processes, communication and employee satisfaction? These are the questions that this research examined to better understand how firms effectively change their organizational structure. Accordingly, the findings from this research have provided additional insightful contribution to the literature on organizational structure’s impact on performance.

The focus of this research was to perform a structural analysis of General Electric Africa (GE) as it strives to attain global competitive advantage considering the companies ever evolving new strategic business leadership strategies in Africa. In addition, the paper sought to present recommendations that can guide future strategic organization structural design that aim to establish alignment between General Electric’s (GE’s) structure and its growth strategies. GE’s growth strategies focus on key areas of digital industrial internet capabilities that will drive customer value and efficiency into the future, innovation, leadership in technology, commercial excellence which are aligned to respective business portfolio processes.

When analyzing the above through the spectrum of the balance score card approach, globalization, and market segmentation based on growth leadership. The technical core capabilities within the company’s system (also called GE Store within the company) and the peripheral sub systems (excellent workforce, best cost strategies and bridging of task environment efficiency through simplification projects) interrelationships within GE provide the key to establishing a foundation for determining an optimal organizational structure that will align with GE’s strategies. In summary, this paper evaluates GE’s current technical core and peripheral components from a systems perspective to make structural recommendations on how to best align GE’s structure with its newly strategic objectives.

Rapid growth is not new to GE’s management; the organization is implementing strategic growth initiatives with the aim to sustain the company’s high-performance culture with bold investments in technologies that will drive the future of industrial manufacturing such as additive manufacturing and digital twin technology for all industrial assets’ install base throughout the world within the space of internet of things on their digital industrial platform also known as predix. Consequently, GE being at a pinnacle period in its growth trajectory is constantly realigning the organization’s structure to match the new growth
strategies. The departure from prior strategies primarily occurs in GE’s shift of attention to organic growth instead of growth through acquisitions and mergers, a customer focus instead of strict focus on technical core competencies alone, and the constant restructuring of business divisions to sustain growth leadership across the globe GE’s organizational structure needs to have the strength and capability to accomplish its ever evolving strategic objectives.

1.2 Statement of the Problem
In the current era of globalized competitive markets, the quest to improve the performance and competitiveness in organizations is a key priority for all business leaders. This research sought to establish how the organizational structure that a company embraces affects its overall performance. Organizations’ ability to pursue its objectives rests upon its efficient decision-making processes, level of employees’ motivation, organizational learning and the availability of efficient information exchange systems within the organization. The resulting efficiency will be construed to largely depend on the design and functioning of the organizational structure that is in play at any given time within an organization (Wenxiao, Yicheng, Yunju and Lijie, 2016).

The organizations’ structure modelling, therefore, could be evaluated if they can support the businesses capabilities to produce better performance if they significantly and positively improve the respective organizations’ capabilities to make and execute strategic decisions better and faster than their competitors in the marketplace. This may in other instances be about the strategic priority of an organization to become more innovative than their peers in the industry or in a market segment. In either case, in order for an organization to attain such a leadership position against peers and completion, the challenge is to structure the organization such that its leaders can make decisions that produce more and better outcomes overtime for their business ahead of their competition (Blenko, Mankins and Rogers 2010).

The importance of taking effective strategic decisions when implementing strategic organizational changes initiatives could be easier to understand but at the same time it is very difficult to achieve due to the organizational structural reforms that are necessary to achieve the intended performance outcomes at the aggregate organizational level (Carroll & Karim, 2011). Caruana, Mirris and Vella (1998) on their research study on the impact
of organizational procedures formality and centralization of strategies on organizational entrepreneurship capabilities, concluded that the performance patterns in most of the international markets subsidiaries for multinational corporations predicted a significant positive relationship between their respective entrepreneurial behavior and the extent of centralization of the decision-making processes. In summary, they posited an argument that high levels of centrality in such multi-business multinational operations organization would cause significant lower levels of entrepreneurship tendencies while at the same time high levels of formality within such organizations correlated positively to organizational entrepreneurship. This study’s finding clearly brings out the organizational performance effects that are associated with the respective organizational structure models.

Loraine Powell (2002) stated that organic organizational structures provide more suitable conditions to implement employee psychological empowerment within an organization since they promote individual employee level flexibility, dynamism, significant freedom to decide and act, competency skills’ levels and so on. She further argued that the people working in organizations with organic structures tend to show better performance when they are more encouraged to be independent in their thinking and contribute more in the decision-making processes within the organizations they work for. Every organization must focus at very granular detailed level to increase their capabilities in both its performance and efficiency as its main goal, and this research study of GE Africa is to clarify the path to achieving this goal. Organizational performance can be defined as the organization’s ability to accomplish its aims using the resources it has in a properly structured manner. Organizational performance can also be defined by the extent to which the organization is effective in executing its strategies. An, J & Yom, H. (2011) identified two dimensions of organizational effectiveness that is, job satisfaction and organizational involvement.

Recognizing and studying organizational structure factors is therefore a necessity driven by organization’s interests to identify resource allocation efficiency and growth opportunities while at the same time mitigating on any risks to their business growth that could arise from them applying inappropriate organizational structure models. Having the right organizational structure not only provides optimal combinations of existing
resources efficiently to keep winning in the marketplace, but also, pave the ground for the organizational sustainable growth run way into the future. This calls for the organizational structure to be designed in alignment with the organizational goals and to match the employees’ capabilities in their respective markets for global multi-business organizations (Soltani, Altaha & Taheri, 2013). Researchers use organizational design theory (Galbraith, Downey and Kates, 2002) to investigate the effects of the different organizational structure dimensions on performance. For example, empirical research in product performance in the market place tests the effectiveness of organizational leadership and culture (Homburg and Pflesser 2000), metrics and incentives (Neff, 2008).

Hao, Kasper, and Muehlbacher (2012) concluded that all organizations need to pay attention to the suitability of their organizational structures to drive learning, growth and innovation within their businesses. Surprisingly, there has been scarce research on the effects of organizational structure on performance outcomes, through the mediating effects of decision making, organizational learning and communication in a single model despite the immense interest in the role of organizational structures. So, the below questions arise in relation to the above management problem, how does organization structures influence organizational performance? Is the effect direct or indirect? What is the relationship between organization structure and decision-making processes, organization learning and efficiency of communication within a company?

From the foregoing, the need for further research on the impact of organizational structure has been highlighted by many researchers who have carried out studies in this area, Biloslavo et al. (2013). Hult (2011) recommended that further research is needed to understand how organizational structural design elements impact performance outcomes. Yeon Lee, Kozlenkova and Palmatier, (2014) also recommended further research to explore how the organizational structures that managers are implementing in their respective business divisions affect their performance outcomes in the marketplace. Specifically, for the case of General Electric, many research studies have been conducted by different researchers on the topic area of the performance culture within the company, the innovation leadership and technological capabilities within the company as well as how GE as a multi-business global company has embraced globalization to grow its business footprint across 180 countries around the world with over 330,000 employees in multiple locations globally.
There are few studies however that have been carried out specifically on General Electric to establish how the company’s organizational structure changes have impacted performance in the global marketplace where it has enjoyed commendable growth and profitability success for over 125 years of its existence. It is this information gap that this research sought to establish answers for by looking at how the speed and quality of decision making, organizational learning and communication efficiency dimensions’ affect performance at GE.

1.3 Purpose of the Study
The purpose of the study was to investigate the impact of organizational structure on performance at General Electric Africa.

1.4 Research Questions
1.4.1. Does the speed and quality of decision making facilitate performance at GE Africa?

1.4.2. Does organizational learning affect performance at GE Africa?

1.4.3. Do efficient communication systems affect performance at GE Africa?

1.5 Significance of the Study
The findings of this study will add significant contribution to the academic and industry contexts of practical knowledge regarding the evolution of organizational structures of businesses and the resulting impact in large global organizations’ strategic performance in both established and emerging global markets.

1.5.1 Scholars
Scholars will rely on this research’s findings to conduct further research on other incidental areas of organizational structures’ life cycle and the related impacts on organizations’ performance. The findings of this research on the organization structure’s effect on organizational performance through the mediating effects of the speed and quality of decision making, organization learning and communication systems will assist scholars to comprehend the rationale behind business leaders’ choice of various organizational structures to efficiently manage their organizations.
1.5.2 Business leaders and Managers

Business leadership in the many multinational corporations like General Electric will find the findings of this study insightful to better manage organizational structure decisions within their organizations. To survive the intense competition and resiliently adapt to the environmental conditions, in the marketplace today, the leadership in these organizations are faced by the necessity to change their structures and establish alignment with their growth strategies both in the short, medium and long run. Industry policy makers will also rely on the study’s finding to optimally organize their institutions’ and industry structures to maximize long term value creation and growth of businesses in emerging markets for global multi-business organizations.

1.6 Scope of the study

The study was conducted on the GE Sub Sahara Africa operations, referred to as General Electric Africa in the study and in other sections of the study as GE Africa, with regional headquarters based in Nairobi Kenya. The study was done using data collected over a two months’ period from mid-March through to May using questionnaires from a sample of 140 GE Africa employees based in Nairobi and other satellite offices in Sub Sahara Africa. The target population for this study was the entire GE employees’ population in the region.

1.7 Definition of Terms

1.7.1 Organizational Performance

Kairu et al. (2013) defined performance as a measure of how well an organization achieves its goals. This concept gives an indication of the well-being of a company’s business portfolio growth into the future.

1.7.2 Organizational Structure

Mansoor et al., (2012) defined organizational structure as a grouping of people, resources and tasks into different units to boost coordination of communication, decisions, and actions. Realizing the close connection between the processes taking place inside an organization makes it is easier to understand the intricate task of directing an efficient organization.
1.7.3 Communication Systems

Sun and Zhang (2011) defined organizational communication systems as the tool used for creating, modifying and ending relationships between people; moreover, it is also said to be the channel of influence, mechanism of change, thereby being a critical dimension of an organization.

1.7.4 Organizational Learning

Learning organization can be defined as an organization that focuses on “learning” as a crucial component in its values, visions and goals, as well as all its functions with systems that continuously and proactively emphasize and facilitate learning amongst all the employees and to develop strategies that encourage learning as a differentiating culture (Van Grinsven and Visser, 2011).

1.8 Chapter Summary

Chapter one has covered the introduction of the research study topic, including a limited citation of previous research topics in relation to this area of effects of organizational structures on an organization’s overall performance. The chapter has also identified the research questions arising from the management problem with respect to General Electric Africa, defined the scope of the study and provided definitions of the key variables of the research. The next chapter discusses literature review relating to the identified research study objectives from chapter one. Chapter three covers research design and methodology whereas chapter four outlines the findings based on the analysis of the data collected from the respondents. Finally chapter five discusses the conclusions and recommendation based on the findings from chapter four.
CHAPTER TWO

2.0. LITERATURE REVIEW

2.1 Introduction
This chapter reviewed the relevant literature on organizational structures and the respective effect on organization performance that have been carried out by past researchers’ studies on this topic area. This chapter should provide the reviewer with a tailored in-depth understanding of the discussed dimensions of organizational structures, as well as the concepts used for analysis of the gathered data from the respondents to achieve the objectives of the study.

2.2 The Impact of Speed and Quality of Decision Making on Organization Performance
An organizational structure having been defined as a mechanism which links and coordinates all the company resources and individuals within the framework of their roles, authority and power, is a key driver on the speed of strategic decision making process within an organization. In that regard organizational structures therefore represents a useful tool that directs individuals’ behavior through creation of shared values, norms, and goals within an organization’s entity (Jones, 2013). Organizational structures have also been characterized as the technique through which organizations can be differentiated and integrated by the allocation of work roles and activities to drive performance (Tran & Tian, 2013). The structural centralization, decentralization, span of control, flat or tall organizational dimensions in an organization all have an associated effects on the aggregate organizational performance outcomes (Hao, Kasper, and Muehlbacher, 2012).

2.2.1. The Impact of Decentralization on Organizational Performance
The concepts of centralization and decentralization are necessary in the maintenance of authority and direction in an organization. In the process of dispersal of authority among lower levels of the administrative system in an organization, decentralization strategies help in the exercise of authority by various employees within the organization. Decentralization democratizes the decision-making process and authority within the organization by empowering more and more people within the company with decision making responsibilities and the accompanying business accountability.
Marume and Jubenkanda (2014) however, cautioned that decentralization must be used in a rather judicious manner to avoid causing further complexities within the organizations that have chosen to embrace it as a tool to drive efficiency and organizational performance. Looking at the centralized organization structures of small businesses, for instance, the top-tier management maintains decision making control over the rest of the organization. This could be due to the rather smaller organic size of the organization at this stage. On the contrary, larger and more complex organizations tend to delegate such authority fully or partially with clearer accountability checks to their lower ranks due to vastness of their operations.

According to Gilani (2013) the optimum authority and decision-making model for an organization must at all times include a balance between the centralized and decentralized organizational structures to optimize speed and quality of the decision-making process. Leitao and Franco (2008) in their research study presented an empirical evidence regarding the relationship between organizational structure and both types of performance; financial and non-financial, appraised using the balanced scorecard techniques showing that the two variables have a significant positive correlation. The organizational structure within a global multi-business conglomerate would inform in detail the number of layers of the hierarchy, the extent of centralization of authority and extent of horizontal integration as well. This is presented as a multi-dimensional construct though which, division of work especially individual responsibilities relating to specialization and departmentalization decisions are configured for the rest of the business enterprise.

These variations in organizational constructs normally address the accompanying communication and the administrative control mechanisms relating to areas such as standardization of processes, formalization and the overall flexibility within the organization (Nahm, Vonderembse, and Koufteros, 2003). Yang, Zhou, and Zhang (2015) observed that the relationship between centralization and innovation performance in an organization can be positively moderated if the constrained information rising from the hierarchical administrative structures can be compensated for, or the undermined motivation of employees can be adjusted for. Notable in this finding is the need for the management of such organizations to clearly understand how the organizational structure...
model they embrace affects the performance, so that any adverse effects can be remedied and progress monitored to ensure that no adverse impact goes unnoticed. This essentially means that centralization, due to high levels of formalization, would naturally tend to stifle performance unless corrective measures are taken by the management to mitigate any possible adverse effects on the performance of the employees within their company.

Akinyele (2011) observed that organizational structures adopted by oil and gas marketing companies in Nigeria had a positive effect on their market share with empirical evidence showing that the number of hierarchical layers within their organizational structures was positively related to the respective company performance. The study reported that more successful companies had well defined organizational structures in sharp contrast to less successful ones within the same industry. Following from the above findings, there is an agreement with the outcomes of a research study by Zachary B. Awino (2015) in which she argued that the organizational structure adopted by an organization plays a significant role in the achievement of the organization’s set objectives and accomplishment of its strategic goals and growth direction.

As an organization’s structure becomes more and more relevant to their strategic objectives, it can ostensibly be noted that such organizations that have attained strategic alignment for a long term sustainable and strategic business growth. Novak and Stern (2008) found out that there is a negative relationship for the vertical integration decisions on performance outcomes in the short run but greater performance gains over the product life cycle for organizations with higher levels of centralization on their decision-making processes. These findings point to the probable need for business leadership teams to strike a balance between decentralization and centralization strategies in order to keep their companies competitive into the future.

Centralization of management processes, as an aspect of organizational structure can be described as the extent to which decision making processes is concentrated to the upper levels of management in an organization and usually this can be measured in terms of hierarchy of authority and the degree of participation in the decision-making process by the employees of the organization at the different levels of the hierarchies (Mansoor, Aslam, Barbu Capusneanu & Lodhi, 2012). O’Toole and Meier (2004) posited an
argument that the extent to which decision making is centralized or decentralized in an organization will always have a determination on the speed and adequacy of the organization’s policies and how it is going to allocate its resources as well as its investment decisions in the markets where they have presence. They further argued that for mechanistic organizations operating in stable environments, highly centralized decision making structures could be preferred to drive efficiency and keep a grip control from the top leadership teams. These structures are in many occasions characterized by attributes such as excessive controls, top-down communication systems and concentrated organizational knowledge with certain pockets of the organization as opposed to free flow of the same throughout the entire organization (Nandakumar et al., 2010).

Zabojnik (2002) in his study of the comparison of decision making processes in centralized versus decentralized organizations identified a rather new and latent type of systemic cost associated with centralized decision making processes in large multinational organizations. He explained it as when effort and accuracy of project choice are complementary, under centralization; a manager can choose a project that the worker dislikes. This can make it costly to motivate the workers to work on these types of projects and the incidental tasks. Decentralization on the other hand would achieve the desired motivation from an employee to commit to a project since they are involved in making the decisions themselves.

Mechanistic organizations which are normally highly centralized in most cases usually show a high degree of hierarchical authority which is a measure of the extent to which decision-making authority is exercised at the upper levels of the organizational hierarchy and a low degree of participation in decision making by the rest of the employees (Mansoor et al., 2012). Companies operating in highly dynamic environment should rather adopt decentralized structures since they have lesser degree of formalization and can adapt fast to their business environments without facing system rigidities within their organizations. Organic structures encourage open communication systems, empowerment and delegation of authority which creates the path for innovation and result in high performance of an organization. Decision making in the lower hierarchies is created by assigning tasks, performing and distributing tasks, where, authority is the power to make
decisions relating to the job assignments that employees are routinely work on (Akinyele 2011)

2.2.2. The Impact of a Flat Structure on Organizational Performance

Organizational structure is used in various forms as a control mechanism to affect employee work outcomes, by ensuring that the specific assigned tasks are performed effectively and efficiently with the main aim of achieving organizational goals and objectives (Katsikea et al, 2011). The organizational structure therefore has a direct impact on the performance of an organization in a wide range of ways (Csazar, 2008) specifically with the level of hierarchical flatness affecting the organization’s performance outcomes directly (Hao et al, 2012).

Teixeira, Koufteros, Peng, and Schroeder, (2008) in their study of the relationship between organizational structures and integration argued that the level of flatness in an organization’s structure directly influences its performance outcomes. In flat organizational structures, fewer levels of management create more flexibility in the decision-making process. Since employees at all levels can make business process decisions quickly since they are not restricted with the need to wait all the time for managers’ decisions before they can act.

The flatness of the organizational structures also defines some of the pivotal variables that determine how effectively businesses can meet their objectives. These variables include centralization, formalization and integration within a business. Flat organization structure has the effect of decentralizing the concentration of management and power of decision-making process at the top of an organization’s hierarchy (Mahmoudsalehi et al., 2012). They further posit that organizations with tall organization hierarchies tend to restrain interactions among the organization members and are characterized by lengthy decision making processes. This sort of restraint has a negating potential to hinder inventive solutions to the business challenges and at the same time curtail individual employees’ development opportunities. This is because centralization is highly related to the decision-making power by the top management of the organization meaning that the lower levels of the organization are not very engaged in running of the business from a strategic stand point.
Hierarchical structures are often inflexible. In a May 2011 "Harvard Business Review" article, Harvard Business School professor John Kotter posited that hierarchical organizations inhibit timely transformations, which are essential if a business is to survive in a rapidly changing environment. He further suggested that tall hierarchies would only be effective for organizations that already have in place standardized processes but will most likely have serious business growth needs’ limitations in dynamic environments where flexibility is a key aspect to keep ahead of the completion in the markets an organization has presence in.

Highly hierarchical structured organizations are slow to react to new opportunities, which often require quick transformative and responsive changes within their organizational systems. Decision-making is usually slower in hierarchical structures because responsibility and authority are concentrated with a few people at the top (Katsikea et al, 2011). The highly hierarchical system therefore places a lot of limitations on the responsibility and authority of individual employees, which reduces such organization's ability to adapt fast enough to the dynamic business conditions. To give employees more responsibility and authority requires a reduction of the number of hierarchy layers within an organization. Hierarchical systems can also stifle creativity and innovation within an organization since the top-down decision-making structure means that business units are unable to respond rapidly to competitive threats (Sibindi, 2014).

Neff, J (2010) had separately argued that flat organizational structures feature fewer layers of management and that in such kinds of organizational structures, employees feel empowered to take responsibility for a range of traditionally managerial decisions in their daily routines. The management structure in turn affects how individuals within the organization make decisions and how quickly the company reacts to the various challenges and opportunities in the marketplace. In flat organizational structures, vertical boundaries are removed to flatten the hierarchy, and horizontal boundaries are removed to replace functional departments with cross-functional teams and to organize activities around processes. When fully operational, a boundary-less organization is created that moves faster on execution of projects and tasks and thereby driving organizational performance in general (Rishipal, 2014).
2.2.3 The Impact of Span of Control on Organizational Performance

Senior and Swailes (2010) explained the concept of span of control in an organization as the number of people reporting to a single manager. In the flatter organization structures, the span of control consists of a larger number of people reporting to one manager at any given moment. One reason for changing the structure to a flatter one is that it will shorten response and communication time in the organization. The reduction is due to reduced number of hierarchical levels within the organization. Bloisi et al. (2007) suggested that one way to flatten an organization’s structure is to widen the span of control, especially when the organization is large with complex global business models across several locations; it will maintain flexibility without becoming too hierarchical. The more flat the organization hierarchy is, the more efficient the decision-making process is likely to be. The fast decision making process translates to improvement in the performance outcomes within the organization.

Formalization is one of the important dimensions of an organization structure that is closely incidental to span of control within the framework of an organization structure. Every aspect of work processes is documented in formalized procedures that are required in operating processes (Martínez-León and Martínez-García, 2011). Effective organizational structures facilitate proper functioning among the various formal sub units within an organization with clear reporting lines to line managers and staff managers. This should translate to an improvement in the organizational efficiency in regards to decision making processes. The span of control also provides the framework for specialization of work processes and labor performance which implies that the organizational structure will directly impacts the adaptive performance of every employee in the company (Maduenyi et, al, 2015).

Per Sibindi (2014) formalization has varying effects on performance from the two types of organizational stakeholders involved. The employees can depict a negative appreciation with formalization since erodes away their innovativeness hence affecting performance adversely. On the contrary, managers tend to find formalization to be positively correlated with performance as it removes organizational role ambiguity which directly affects performance positively. Such contrasts in appreciation of the extent of the resulting benefits of organizational span control necessitates the top leadership’s reaction
to ensure that the organizational structure adopted is clearly communicated to all stakeholders and that there are no resulting ambiguities.

Daft (2011) in his publication on the organizational structural alignment, argued that the management have a critical responsibility to find the right balance between vertical control and horizontal coordination depending on the needs of their organizations. He further identified the need for vertical control to achieve organization wide goals of efficiency and stability whereas horizontal coordination is associated with improving organization learning, innovation and flexibility. Whenever the organizational structure is not in alignment with the needs of the organization, some of the key symptoms that show quickly include, delayed decision making or the decisions lack in quality, the organizations fails to respond adequately to the opportunities or challenges in the marketplace and lastly, too much conflict becomes perennially evident in the system, thereby hampering the overall organizational performance (Greenberg, J. 2011; Hall, 2013; Carroll and Karim, 2011).

2.3 The Impact of Organizational Learning on Organizational Performance

All business organizations exist to achieve specific strategic objectives for their respective stakeholders. In the management practice, organizations continuously adapt their structures to achieve these objectives or in many instances learn from advanced experiences that encourage organizational learning from other companies in similar or related industries. The learning process within an organization can either be external or internal. The key intent of the firms is, however, to be able to establish the prudent mechanisms of organizational learning and embed it in their own structures to drive their competitiveness in the marketplace by improving performance outcomes. Organizational structures must therefore achieve strategic structural fit that will ensure that the companies continuously learn (Bunderson & Boumgarden, 2010).

2.3.1. Dimensions of Organization Learning

Given the fact that majority of the contemporary multinational corporations are among the most sophisticated organizations in the corporate world today, one of the focal determinants of their success is dependent on how well-structured, effectively implemented and smoothly functioning their organizational structure is (Galbraith, 2014).
Basing on earlier research findings by Peter Drucker, stating that an organization is a means for achieving business results and that the best structure will not always guarantee improved performance, although, at the same time a wrong organization structure is a guarantee of non-performance. Notably, therefore, every modification of the formal organizational set-up has an impact on the behavior of the organization’s employees and would therefore impact their performance by impacting how they learn within the organization and the levels of motivation to achieve the set objectives for the company (Biloslav, Bagnoli, & Rusjan Figelj, 2013).

Peter (1990) in his book the Fifth Discipline cites five dimensions that can help foster employees’ learning culture within an organization. These five disciplines include the top management’s ability to create a shared vision for all the employees in the organization, institute mental models, team learning practices, personal mastery and system thinking for everyone in the organization. The fifth discipline, which Peter Senge (1990) referred to as system thinking, binds all the other four organization learning dimensions and therefore this is the discipline where the most focus of the top management ought to be.

2.3.2. Organizational Structure’s Effect on Organizational Performance through a Shared Vision within an Organization

A shared vision means that all employees in the company share the same understanding and purpose of where the organization needs to go. It is only when the vision is authentic and shared by all employees will they participate in the improvement of processes within the institution to get the company closer to accomplishing its vision. In his study findings on leading in a learning organization Joel (2009) found that encouraging an atmosphere of learning in more traditionally structured organizations required techniques that the organization’s members viewed as being friendly. He further discovered that identification of an organization as a learning organization enhances this friendliness view to learning when this identity is clearly communicated to the various members of the organization.

Leaders who recognize this need for clarity in the shared vision succeed in establishing and encouraging a shared identity by creating clear goals for all the members of their organization. Past studies have shown that having clearly-defined group goals resulted in a clearer sense of purpose and higher performance among group members (Mitchel &
Group goals help to establish the vision of the learning organization and allow for some systematic measurement that the organization’s members can use to evaluate their performance. The top leadership teams in such learning organizations can best achieve cooperation or group collaboration through a process of creating a shared vision and clear purpose (Eisenberg & Goodal, 2007). Communicating a shared vision is very instrumental to uniting the various facets of an organization; thereby allowing them to redirect their attention from their own individual positions to the common greater good of the organization (Wheatley, 2001).

Senge (1990) argued that for an organizational system to function effectively, members of an organization needed to ignore their own individual assumptions and strive to become a collective unit that thinks through project and processes together. These mutual desire to gain an organizational body of knowledge establishes the importance of the learning organization and creates a shared vision easily that will end up uniting all the other members of the learning organization. Clearly understanding and communicating the need for the members of a learning organization to abandon their own self interests in favor of a higher organizational goal of collective learning is a strategy that will allow leaders to better prepare an organization’s members to prosper within the organizational system, as well as within their specific industrial field (Wheatley, 2001).

Highly centralized organization structures with high standards of formalization tend to make employees not to take ownership of projects they are assigned to work on, this results in individualism and less motivation to share and learn amongst the team members, if the management remains focused only on their functions without considering this adverse impact on the employees, adaptability and collaboration is greatly hindered within the organization and this in turn leads to a decline in performance outcomes. Wang et al. 2012) argued that an organization’s structure should promote flexibility and be more receptive towards collaboration and change. Okwo (2012) posited that organizational structures need to create the requisite flexibility to drive performance. Akinyele (2012) further added that among the major advantages of a suitable organization structure should encompass efficiency in managing complexity, communication systems as well as promoting organizational learning and innovation within the organization.

A learning organization has been presented by many past studies as organizations that focus their resources to enhance ‘learning’ as a critical composition of its values, vision
and goals as well as its functions at organizational aggregate level. The organizational learning culture within such an organization will help promote team learning both at individual and at the aggregate organizational level. Similar past research studies have identified organizational learning as a key element that drives competitive advantage for many organizations (Van Grinsven and Viser, 2011; Maniam, 2013, Messarra and El-Kassar, 2013; Dahanayake and Gamlath, 2013). In addition, past studies have also highlighted organizational learning to have a positive impact on the individual employee performance and job involvement levels (Malik and Danish, 2010).

2.3.3. Organizational Structure’s Effect on Organizational Performance Through Team Learning

There is significant research literature on the topic of how organization level team learning in organizational affect aggregate level of the performance (Argote, Gruenfield, & Nacquin, 2001). Senge (1990) suggested that team learning lies at the heart of organizational change strategy and renewal management within any company across all industries. Previous research studies on team effectiveness have identified the organizational structure as one of the most important influences on both processes and outcomes in teams. The structural designs or models in an organizational context concerns areas such as specialization of tasks, hierarchical arrangements, as well as formalization of objectives and procedures (Bunderson and Boumgarden 2010).

According to Senge (1990) team learning can be studied from two interrelated dimensions. These dimensions relate to effective teamwork; which in return leads to the achievement of results that the individual team members could not have achieved on their own. Such facilitation of the individuals within the teams enables them to learn more and faster than they would have on their own. The team members must be willing to shift their mental models and be open to learn from their colleagues. Vargas (2013) explained that many of the organizational systems that exist are left over from an antiquated approach to leadership where reductionist, linear thinking leadership structures at the top allows for only a limited view of an organization’s needs. The study further argued that a strict hierarchal-structured organizational system in many cases achieve little to encourage members of the organization to work together within the organizational set up to drive performance. From the foregoing, the conclusion that organization structure ought to exists specifically to provide a means of developing a collaborative perspective.
while working on joint projects, the members of an organization are better positioned to work together and acknowledge their need to be a part of the knowledge system (Tsoukas & Mylonopoulos, 2004).

Business process improvements have a positive correlation with knowledge sharing and learning behaviors within an organization (Law and Ngai, 2008). It therefore follows that organizational structure positively, either directly or indirectly, influences organizational performance through organization learning (Morales, Montes, and Jover, 2007). Hao et al, (2012) described organizational learning as the firm’s capability to improve its performance overtime based on experiences. There are various of organizational learning which cumulatively together are essential preconditions for effective knowledge management in an organization (Panayides, 2007). An organization structure should therefore foster the necessary commitment to continuous learning, shared vision, open mindedness, system perspective and process architecture within itself in order to drive performance and growth (Hao et al, 2012).

The type of organization structure has as an influence on the behavior of individuals and groups who make up the organization. Small organizations can get along very well without a formal organization chart as long as everyone within it has a clear understanding of what they are to do and who they are to do it with (James, L., James, H., John and Robert, 2012). This means that for small organizations, the structure is decentralized by default and is capable of delivering their strategic objectives as intended; however for large and complex organizations the general tendency is to have a lot of decision support and controls centralized with the global leadership teams at their global and or regional headquarters. Regarding leadership, the more creative, innovative, and visionary leaders engage in decentralized organizations. This category of leaders are therefore able to present more creative solutions based on their knowledge and vast localized awareness of the multiple environments their businesses operate in (Fraher, 2011).

Hashim (2013) concluded that an individual employee’s performance levels in an organization are directly related to the traits of the learning organization they work in. He further noted that organizational learning in addition helps to inform the extent of motivation of the employees within an organization, while at the same time having an impact of creating a concept that be described as ‘organization-employee fit’. This
employee and organization fit alignment refers to the match between an individual’s abilities and the organization’s requirement at any given time. Organizational learning also enables the employees to adapt to the many changes that arise within their work environment from time to time. The individual employees are thus enabled to perform their jobs effectively and be more responsive to any variations and changes in their work environments as they may come be it internal or external from time to time (Widianto and Abdullah, 2013).

2.3.4. Organization Structure’s Effect on Organizational Performance Through System Thinking

System thinking can be viewed as the management parameter that can analyze the patterns in an organization’s system by looking at it from a holistic viewpoint rather than small unrelated manageable parts Senge (1990). King and Marks (2008) studied the dynamics of a knowledge system within the context of hierarchal-structured organizations and they found that although the development of a knowledge-sharing culture has been viewed as something that is sought after by many organizations and business leadership teams, the success of the system may also be dependent on the structure of the organization itself. The structure and culture of an organization for instance are factors that should guide the strategies used by organizational leaders (Yukl, 2006). Within a learning organization, the leaders must be committed to studying their organizations and adding to their own knowledge to effectively encourage the learning acquisition of their followers. It is the leadership of the learning organization that is therefore mandated with the task of equipping their teams with the right learning platforms to allow for individual growth and development within the larger collaborative and dynamic environment that is the organizational system itself (Joel, 2009).

The concept of learning organization has been recognized by many other scholars to have a critical significance for organizational performance to attain and sustain competitive advantage in the marketplace (Maniam, 2013; Messarra and El-Kassar, 2013; Dahanayake and Gamalath, 2013). These studies also concluded that organization learning has positive effects on organizational performance as well as individuals’ attitudes and behaviors at work. Some of the outcomes they identified to be direct outcomes of organizational learning include impact on individuals’ commitment to an organization, levels of job satisfaction, turnover intention and work engagement levels and their
innovative behaviors (Hashim, 2013). In addition to these, other studies have also asserted that individual employee’s performance and job involvement levels of employees are affected by the learning organization strategies and structures (Cho, 2007; Rose et al., 2009; Malik and Danish, 2010).

Performance outcomes can be viewed as an outcome of organizational learning, either directly and indirectly through mediating effects of innovation. As organizational structures become more complex because of new strategies, organizational learning processes become longer and more complex. The critical variables that affect organizational learning are decentralization and indoctrination (Martinez-Leon & Martinez-Garcia, 2011). A highly diversified organizational structure may impede organizational learning if the central management is unreachable. In an analysis of the relationship between organization structures, organizational learning and performance outcomes, (Panayides 2007), concluded that to achieve improvement in the effectiveness of an organization’s performance, organizational learning remains a key component.

One of the widely-used classifications of organizational structures classifies organizational structure as either mechanistic or organic systems. Mechanistic organization systems are characterized by highly formalized, standardized and centralized functions. Subsequently, in a mechanistic organization system there is a clear understanding on everyone’s job responsibilities and people follow established guidelines specified by policies, practices, and procedures. On the other hand, organic organizations are more flat, flexible and adaptable to environmental conditions, so individuals’ behaviors are guided by shared values and goals. Moreover, organic organizations possess other systemic characteristics such as informal networks of authority and informal networks for communication as well as opportunities for participating in the decision processes (Veisi, M, Veisi, K. and Hasanvand, 2012; Danzfuss, 2012; Dust, Resick and Mawritz, 2013). The key traits of organic structures includes the constant systemic encouragement of employees to effectively collaborate with one another and allow for organizational learning which in the long run will be the key drivers for performance improvements within an organization.

Learning organizations systems have a mediated effect on individual employee performance as an off shot of the effects of organizational structures in place. The organization structures are considered as important components of the organizations’
system design due to their significant contribution to the effectiveness of operations and attainment of strategic objectives (Pelin, Selahattin and Gurlek, 2014). Armstrong and Rasheed (2013) argued that arising from growth of global markets in the recent past, rapid changes in the business ecosystems coupled with the diversity in the workforce in many organizations today; organizational learning is expected to play a significant role in the creation of future and sustainable competitive advantage that works collaboratively together as a system as opposed to having those various categories of distinct circumstances and workforce members to remain differentiated. More specifically, organizational structures through organization system thinking prism has been found to have direct effect on individual’s attitudes and behavior such as job satisfaction, organization commitment, motivation, innovative behaviors, stress levels and turnover intentions among others (Tseng 2010).

2.4 The Impact of Communication Systems on Organizational Performance

Access to information within an organization enables employees to make far more accurate decision which enhance their individual performance and overall business competitiveness, as they are more and correctly informed (Sun & Zhang, 2011). It is important that the organizational structure enable easy and effective communications systems that aid efficiency of workflows within the company. In any given organizational structure, interactions tend to be characterized by both familiar and unfamiliar groups of people coming together for either long or short periods to work on projects from time to time. The appropriate organizational structure at any time should therefore be designed to suit these circumstances.

Organizational communication system is therefore very pivotal ingredient for effective and efficient organizational functioning as well as strategy implementation and management. Veisi et al. (2012) stated that it is the managers’ responsibility to establish and maintain internal communication channels within the business to ensure that all stakeholders are aligned on the business objectives. The main objective of internal communication within an organizational includes transmitting directions or ideas along the lines of command and providing confirmations, information on changes relating to the business strategies.
2.4.1. Organizational Structure’s Effect on Communication Channels

Past researchers have recognized that the way an organization is organized will have a significant impact on the successful completion of the project by facilitating clear communication channels (Wang et al. 2012). For example, it may affect the willingness and ability of different participants to exchange information within the organization, which could in turn impact performance (Tseng 2010). Poor communication channels between key partners within an organization’s hierarchies have been reported as the main cause for organizational failures to meet their strategic objectives. Organizations must therefore establish good communication channels as a key factor in their organizational design (Sun & Zhang 2011). Information is only beneficial to an organization if the members of the organization know how to access and use that information. Knowing how to seek and retrieve information is therefore an essential aspect during times of problem-solving and decision-making within an organization (Wu, 2011; Zhuang, Qiu, & Peng, 2011).

Effective communication systems also reinforce excellence in leadership and organizational learning within the company. The knowledge-sharing initiatives help organizations to streamline the processes of knowledge management (Kumar & Ganesh, 2011; Levy, 2011). Rishipal (2014) noted that the chain of command in a flat organization is always small or in certain instances only a single layer making communication faster and more effective. When communication channels begin to take too long due to tall organization structures, especially for large complex multi-business multinational corporations, through all the levels hierarchical organizational layers, it is likely to hamper the efficiency of the decision-making speed and quality which in turn affects the overall aggregate organization level effectiveness in executing their strategic growth in the marketplace in a negative way.

2.4.2. Communication’s impact on Strategy Clarity

Top leadership in an organization’s miscommunication within hierarchical organizations is a common recurrence. Cloke and Goldsmith (2002) reported that hierarchies can create unnatural inequalities in power, privilege and status between managers and employees which then transform to organizational communications into a one-way street. These one-way lines of communication in organizational ecosystems result in dead end messages not
getting to their intended teams. This misalignment can cause enormous inefficiencies within such an organization. The filtering of messages up and down the ladder predictably produces animosity, hostility, resistance to change, distrust and unresolved conflicts which in the long run hamper organizational performance (Gray, 2012; Mueller, 2014).

Rishipal, (2014) pointed out that smaller organizations with flat organizational structures easily communicate with employees at all levels with increased clarity. On the same note, due to global presence, larger companies face challenges in communicating consistent and accurate information. Flat organizational structures remove barriers between top-level managers and front-line employees. Communication of information on leadership’s strategic plans flow across the organization instead of from the top to the bottom. Another aspect of this management structure is that informal communications and honest critiques occur between peers more easily than from managers to subordinates.

Growing organizations that maintain or adopt a flat organizational structure can better the strategic objectives’ alignment with all the employees within such companies. These structures organize work and processes around information flows by ditching the tall hierarchy systems. This helps organizations to get the speed in execution and promote within-organization learning by creating empowered teams. Rantakari (2012) recognized that organizational hierarchy serves as the principal structure of information exchange, delegation span and thereby creates an “informational distance” between the holder of formal authority and the individual to whom real authority has been delegated. Such informational distance affects the length of the path through which information travels between actors involved in decision-making.

The long informational distance creates higher likelihood that the vertical communication between the top leadership teams and rest of the organization leading to miscommunication risks (Wang et al. 2012). Delegation span influences the efficiency of information transmission and communication between those actors and reflects the closeness of contact between them, as well as the degree to which the hierarchical coordination is required (Rantakari 2011). Such separation of the decision authorities in an organizational creates a structural design challenge that can only be addressed by creating the right organizational structure. Managers who delegate real authority are faced by decisions of how far down the organizational hierarchy real authority should be allocated (Jensen & Meckling, 2011; Aghion & Tirole, 2014).
Hardani Widhiastuti (2012) pointed out that the management in any organization has multiple types of categories of information to communicate through the organization’s hierarchies. These include but are not limited to job instructions, job rationale, organizational procedures and practices, the feedback about performance, and the indoctrination of organizational vision and values. Besides that, employees communicate the information about themselves to the top leadership and colleagues. The organization structure significantly affects the way individuals interact and communicate, and therefore presents an opportunity as it pertains to conciseness and clarity of objectives to be achieved. Through the appropriate determination of the layering of organization structure, a means to reduce the number of barriers and hence resistance to communication was presented (Wang et al. 2012).

A leader’s ability to effectively communicate the purpose of certain tasks is essential to maintaining collaborative learning within a learning organization. Clear identification and communication of one’s specific purpose within a system leads to the successful completion of organizational tasks. It is necessary for the respective team members to focus on both their own individual knowledge and the collective knowledge gained while working together on projects (Hertel, Niedner, & Herrmann, 2003). As the teams work together on larger tasks that allow them to communicate and share their findings with their fellow teammates, they end up creating an open, collaborative, learning-focused organizational system (Joel, 2009)

2.5 Chapter Summary

Various scholars have contributed to the relationship between organizational structure and the resulting performance effects. This chapter has covered each of the stated objectives in merit with how they relate to the objectives of the study. There seems to be a diverse set of studies that have researched various facets of this topic area in different dimension, each coming to varied conclusions, sometimes in agreement. The significant underlying effect is that every organizational structure influences the performance and efficiency of an organization to meets its strategic goals. These implications are in regard to organizational decisions making efficiency, organizational communication efficiency and speed of execution in the diverse markets that an organization has presence in. Chapter three will cover the research methodology of the study.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction
This chapter has provided the readers with an understanding of methods that was used to conduct the research. It is divided into five sections and includes the research design, the population and sampling design, data collection methods, research procedures and instruments, and data analysis methods. The research methods adopted are appropriate in the context of cost, time, adequacy and accuracy of the information required to satisfactorily answer the research questions in this study topic.

3.2 Research Design
According to Cooper and Schindler (2014) the research design is a plan that guides on the time, scope of the study whilst also giving a practical guideline of the activities that were implemented in the research process with a view of answering the research questions to satisfy the objectives of the study. Furthermore, the research design provided a clear direction on how to select the appropriate sources and types of information that were necessary to understand the relationship between organizations structures and the resulting performance outcomes.

The research design used in this study was descriptive in nature and applied the use of the appropriate quantitative analysis techniques to establish the causal relationship of organizational structure’s dimensions; namely speed and quality of decision making processes, organizational learning and efficiency of the information exchange systems, on organizational performance. Descriptive studies are often designed to collect data that describe the characteristics of the populations under the scope of the research topic through carefully selected representative samples. This involved the collection of quantitative data from General Electric employees in the Africa region subsidiary collocated in the Nairobi and Johannesburg to obtain responses that were further analyzed to understand the impact of organizational structure on performance at General Electric.

The choice of this design was because it was best suited to get the kind of data needed to measure the outcomes of organizational structural changes within an organization guided by the research questions and the related literature review of past studies in this topic.
area. To achieve the objectives of this research study, the sample respondents for this study was drawn from the employees of GE Africa.

3.3 Population and Sampling Design

3.3.1 Population

A population is the sum of all the elements about which the researcher intends to make assumptions (Bryman & Bell, 2011). To address research questions of this study, the respondents were drawn from a population of 290 employees at General Electric in the Sub Sahara Africa region based in two General Electric site locations in Nairobi in Kenya and Johannesburg in South Africa (General Electric Human Resource Data Base, 2017).

Table 3.1: Population Distribution

<table>
<thead>
<tr>
<th>Employee Band</th>
<th>Total Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Contributors</td>
<td>184</td>
</tr>
<tr>
<td>Functional Process Leaders</td>
<td>64</td>
</tr>
<tr>
<td>Senior Leadership</td>
<td>42</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>290</strong></td>
</tr>
</tbody>
</table>

Source: General Electric Human Resource Data Base, 2017

3.3.2 Sampling Design

3.3.2.1 Sampling Frame

According to Cooper and Schindler (2014), a sampling frame is a list of elements from which the sample is drawn and closely related to the population. The sampling frame was drawn from the full time employees of General Electric in the Sub Sahara Africa region. This sampling frame was chosen because it provided accurate and relevant responses for the attainment of the research study’s objectives. This is because they had the visibility and have first-hand experience of the effects of organizational structural changes in the company. The sample frame intentionally excluded short term contractors and consultants in the company since by the nature of their engagement with the rest of the organization, working on specific projects; they did not have an end to end view and experience of the organizational structural changes.
3.3.2.2 Sampling Technique

A sampling technique refers to the method that is used to select the members of a sample for the research study (Cooper & Schindler, 2014). The members of the sample can be selected using either probability or non-probability procedures. This study adopted the probability sampling technique to identify respondents using the stratified sampling method. Through stratified sampling technique, the sample identified a proportionate number of members from the senior leadership in the region, regional functional process leaders and individual contributors within the company to ensure that the data gathered cuts across the entire organization.

3.3.2.3 Sample Size

Ligthelm and Van (2005) described the sample size as a smaller sub set of the larger population. The sample size is the smaller representation of the entire population under consideration for a study and which should characteristically resemble or reflect the entire population by generating generalizable conclusions. This study identified a good sample that could provide an accurate and precise representation of the population’s perspectives on the effect of organizational structural alignment on the performance using guiding principles as enunciated by Cooper and Schindler (2014). The sample size was arrived at using the Cooper and Schindler’s technique where \( n \) is the sample size, \( e \) the error term and \( N \) is the population size. An acceptable error margin of 5\% was provided for and the analysis of the outcome will be done at 95\% confidence level. The sample size of 140 was arrived as calculated below:

\[
\text{Formula; } n = \frac{N}{1+N(e)^2}
\]
\[
= \frac{290}{1+(290)(.05)^2}
\]
\[
= 140
\]

The table below shows the sample size and the distribution of questionnaire to the respondents among the different categories identified within the organization.
Table 3.2: Sample Distribution

<table>
<thead>
<tr>
<th>Employee Band</th>
<th>Total Number</th>
<th>Percentage distribution</th>
<th>Sample Size Selected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Contributors</td>
<td>184</td>
<td>63%</td>
<td>89</td>
</tr>
<tr>
<td>Functional Process Leaders</td>
<td>64</td>
<td>22%</td>
<td>31</td>
</tr>
<tr>
<td>Senior Leadership</td>
<td>42</td>
<td>14%</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>290</td>
<td>100%</td>
<td>140</td>
</tr>
</tbody>
</table>

Source: General Electric Human Resource Database, 2017

3.4 Data Collection Methods

A structured questionnaire was used to collect quantitative data for the purposes of answering the research questions for this study. A structured questionnaire is typically used in large surveys where specific answers are anticipated from the respondents. Closed ended questions would on the other hand typically limit the response from the respondents to predetermined categories; offering the advantage of often being quick and easy to answer as well as to keep the answers within the objective facts that questionnaire aims to collect (Burns & Ryman, 2008).

The closed ended questions on this study’s questionnaire were structured on a 5 (five) point likert scale with options ranging from not at all to a great extent answer options for the respondents to choose from. Whereas the open ended questions would allow the respondents to answer the questions in their own words, through their own their opinions and perspectives, analyzing data collected from such a questionnaire is more subjective as compared to when the questionnaire has closed ended questions (Bryman & Bell, 2011).

Past research studies have pointed out that the likert scale is a very effective technique in the designing of data collection tools (Burns & Ryman, 2008). This study therefore from the foregoing position, applied closed ended questionnaires on a five point likert scale, specifically designed in line with the research questions and organized as per the outline of the literature review covered in chapter two of this research study.
3.5 The Research Procedures

The research questionnaire was pretested through a pilot administration exercise to ensure that the tool was appropriate for the study’s objectives and to detect if there were any weaknesses in the design of the instrument that ought to have been corrected before carrying out the final data collection exercise (Cooper and Schindler, 2014). According to Bryman and Bell (2011), a pretest of the data collection tool is helpful in refining the information contained in the questionnaire. The pilot test was done with 10 (ten) respondents, 1 (one) from the senior leadership level, 4 (four) functional process leaders and (5) individual contributors based in Nairobi to ensure that the questions in the tool met the intended objectives of the research study.

The final questionnaires were then emailed to the selected sample respondents using online data collection forms that were also printable to allow every respondent the flexibility to reply to the questions as per their preferred form but only once. Before sharing the questionnaires through email links to the respondents, all of the potential respondents were notified in advance of the research study and adequately briefed on the objectives of the study as well. The General Electric global compliance and security teams’ permission and approval was also sought and obtained since some of the data shared by the respondent could be potentially company information that require approval before they could be disseminated for external use. Respondents were given ample time of up to 7 (seven) weeks to complete the questionnaires. Speed and response rate was enhanced through follow up calls and reminders to the sampled employees throughout this period.

3.6 Data Analysis Methods

Data analysis in a research study is the process of scrutinizing, cleaning, inspecting and modelling the collected data with the objective of identifying outcomes or relationships that can be generalized back to draw inferences about the population under study in line with the specific research questions (Hyndman, 2008). The data collected was reviewed and edited to ensure completeness and validity in line with the research questions in this study. The quantitative data collected was then coded to facilitate further analysis using data analysis namely; SPSS version 21 and Microsoft excel applications which were the principle analytics tools used for this study. Descriptive statistical analysis was carried out to determine the characteristics of the measures of central tendencies on the
performance outcomes of the organization’s structural variations within the organization from the perspectives of the respondents’ feedback. Regression analysis was also carried out to determine the performance relationships between independent and dependent variables.

3.7 Chapter Summary
This chapter described the methodology that was used in conducting the research. The component of the research methodology were the research design, population and sampling design, data collection and analysis method, research procedures and measurement variables as well as the data analysis methods. The next chapter covers data presentation and analysis of the results and findings gathered from all the valid responses gathered by the questionnaires tool.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction

This section presents results and findings based on data collected from the field. The first section covers respondent’s profile. The second section discusses impact of organizational structure on the speed and accuracy of decision making at General Electric Africa. The third section contains an analysis of the impact of organizational learning on organizational performance and finally, the fourth section examines impact of efficient information exchange systems, interchangeably referred to as communication in other sections of this study, on organizational performance.

4.1.1 Response Rate

A total of 140 questionnaires were sent to the respondents out of which 83 were considered to be validly completed resulting to a response rate of 60%, which according to Mugenda & Mugenda (2003) is sufficient to meet the objectives of the study. Table 4.1 shows the response rate for the study.

Table 4.1: Response Rate

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Filled and returned</td>
<td>83</td>
<td>60</td>
</tr>
<tr>
<td>Non-response</td>
<td>57</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td>140</td>
<td>100</td>
</tr>
</tbody>
</table>

4.2 Respondents Profile

The research analysed data with regard to the respondents profile and results were presented as follows:

4.2.1 Gender

To analyze the gender, it was revealed that 55% of respondents were male while 45% were female as shown in Figure 4.1.
4.2.2 Position in the Organization

An analysis of the respondents’ position in the organization revealed that 9 of the respondents were company executives/senior leaders representing 11% of the total population, 39 respondents were functional process leaders representing 47% of the population and 35 respondents were individual contributors representing 42% of the population sampled. With this distribution of the response across all the levels in the organization, the data gathered was considered to validly represent the entire organization’s perspectives and could thereby be validly relied on to analyze and test the objectives of the study. The distribution was as shown in Figure 4.2.

Figure 4.2: Position in the Organization

4.2.3 Business/ Function

To analyze the business and process functions within General Electric Africa that the respondents worked for, 13 respondents worked for GE Healthcare business, representing
16% of the total sampled population, 20 respondents worked for GE Global Growth Organization, representing 24% of the total sampled population, 18 respondents worked for GE Power representing 22% of the population, 21 respondents work for GE Transportation business representing 25% of the population and a final 11 of the respondents worked for GE Digital representing 13% of the population sampled as shown in Figure 4.3. The study was therefore able to get varied response from all the General Electric business verticals and shared service functions, thereby giving a broad and wide perspective of how the employees felt the organizational structures impacted the entire business’s success in the region.

![Figure 4.3: Business/ Function](image)

4.2.4 Number of Years in the organization

The study questionnaire also sought to establish the number of years the respondents have worked in the organization. It was revealed that 43% of the respondents had been in the organization for duration of 1 to 10 years, 47% of respondents had been in the organization for 11-20 years and 10% respondents have been in the organization for more than 21 years as shown in Figure 4.4. This aspect would give the study a deeper insight into to what extent the respondents understood the organizational structures within the company as well an in-depth understanding of how the structure of the organization has evolved overtime.
4.3 The Impact of Speed and Quality of Decision Making on Organizational Performance at GE Africa

The first objective sought to understand if the speed and quality of decision making as mediating effects of organizational structure facilitated the organizational performance at GE Africa. Respondents were given a set of questions from which they were supposed to indicate the extent to which they agree with the statements on a scale of 1-5 whereby: 1=Not at all, 2= Small extent, 3= Considerable extent, 4= Good extent, 5= Greater extent.

4.3.1 Descriptive Findings of the Impact of Speed and Quality of Decision Making on Organizational Performance

The findings revealed that to a good extent (71%) organization structure affected the speed and quality of decision making process at GE Africa, implying that organization structure adopted helped foster the creation of lean teams within the company at 61% affirmative response, that the organization structure adopted fosters efficient tasks’ completion (54%), organization structure positively increased the efficiency of solutions delivery to General Electric customers (46%), organization structure adopted empowered local business leaders to make decisions locally (45%), organization structure empowered individual employees to make decisions relating to the routine tasks they are working on (57%) and to that extent increased their motivation to succeed in those tasks and projects.

According to the findings of the study 49% of the respondents indicated that organization structure has helped create an optimum number of hierarchy levels within the
organization. A similar proportion of the respondents (49%) agreed to the fact that organization structure facilitated optimal span of control for all the people leaders within the organization. Significant to notice was also the finding that organization structure facilitated excellence of the leadership team in communicating and implementing strategic objectives within the company with an affirmative feedback at 63%. The respondents also indicated on their recoded responses that the organization structure helped foster effective organization-wide communication and execution of global strategic decisions within the organization (59%). Significantly, 58% of the respondents confirmed that the organization structure adopted at General Electric helped facilitate organizational adaptability to opportunities within the region for GE Africa.

Organizational structure fostered clarity of roles and priorities to all employees at GE Africa with 53% of the respondents agreeing to the fact that the organizational structure helped the organization to have clarity of roles and priorities for the employees and team leaders, 42% confirmed that organization structure adopted facilitated faster decision making processes with a final 55% of the respondents confirming that the right organizational structure would facilitate quality decisions customized for local customers within the African marketplace as shown in Table 4.2.
### Table 4.2: Descriptive Findings on the Impact of Speed and Quality of Decision Making on Organizational Performance

<table>
<thead>
<tr>
<th>Variable</th>
<th>Distribution (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization structure affects the speed of decision making</td>
<td>0 1 17 71 11 4.08 0.648</td>
</tr>
<tr>
<td>Organization structure adopted fosters creation of lean teams</td>
<td>0 1 13 61 24 4.19 0.634</td>
</tr>
<tr>
<td>Organization structure adopted fosters efficient tasks’ completion</td>
<td>0 1 13 54 31 4.27 0.682</td>
</tr>
<tr>
<td>Organization structure positively increases efficiency solutions delivery to customers</td>
<td>0 0 22 46 33 3.82 0.665</td>
</tr>
<tr>
<td>Organization structure adopted empowers local business leaders to make decisions locally</td>
<td>0 0 28 45 28 4.01 0.615</td>
</tr>
<tr>
<td>Organization structure empowers individual employees to make decisions relating to the routine tasks they are working on</td>
<td>0 0 25 57 18 4.17 0.695</td>
</tr>
<tr>
<td>Organization structure has created optimum hierarchy levels within the organization</td>
<td>0 0 24 49 27 4.23 0.687</td>
</tr>
<tr>
<td>Organization structure used facilitates optimal span of control for the all the people leaders</td>
<td>0 0 30 49 21 3.96 0.652</td>
</tr>
<tr>
<td>Organization structure facilitates excellence of the leadership team in implementing strategic objectives</td>
<td>0 0 18 63 19 3.95 0.661</td>
</tr>
<tr>
<td>Organization structure used fosters effective execution of global strategic decisions</td>
<td>0 1 21 59 19 3.87 0.64</td>
</tr>
<tr>
<td>Organization structure facilitates organizational adaptability to opportunities in the region for GE Africa</td>
<td>0 0 8 58 34 4 0.681</td>
</tr>
<tr>
<td>Organizational structure fosters clarity of roles and priorities to all employees at GE Africa</td>
<td>0 0 15 53 33 3.99 0.757</td>
</tr>
<tr>
<td>Organization structure facilitates faster decision making</td>
<td>0 0 24 42 34 3.9 0.655</td>
</tr>
<tr>
<td>Organization structure adopted facilitates making of quality decisions customized for local customers in the African marketplace</td>
<td>0 0 25 55 19 3.95 0.714</td>
</tr>
</tbody>
</table>

Key: 1=Not at all, 2= Small extent, 3= Considerable extent, 4= Good extent, 5= Greater extent.
4.4 The Impact of Organizational Learning on Organizational Performance at GE Africa

The second objective sought to investigate the impact of organizational learning on organizational performance as a mediating impact of organizational structure at General Electric Africa. Respondent were given a set of questions and they were supposed to indicate the extent to which they agreed with the statements on a scale of 1-5 whereby: 1=Not at all, 2= Small extent, 3= Considerable extent, 4= Good extent, 5= Greater extent

4.4.1 Descriptive Findings on the Impact of Organizational Learning on Organizational Performance

The findings from the completed and returned questionnaires revealed that the respondents affirmed that to a good extent organizational structure fostered a continuous learning environment between different teams within at General Electric Africa (61%). The findings affirmed that the organization structure helped foster a continuous learning culture among individual employees (57%), and that team learning in turn facilitates continuous sharing of ideas among employees within the organization (47%). Significant affirmation from the findings indicated that the organization learning helped align tasks’ assignments to employee abilities and interests (53%).

At the same time organization learning facilitated creation of a shared vision within the organization (63%), organizational learning was also seen from the findings to help General Electric Africa gain competitive edge against its competitors with the region (49%). It was also worth noting from the findings that organizational learning significantly fostered collaborative teamwork across various business divisions (48%), organizational learning fostered organizational level system thinking discipline (58%), organization learning facilitated strategic adaptability in the region (57%), organization learning fostered organizational innovation (58%), organization learning helped create organization-fit employees at GE Africa (54%). Finally, 43% of the respondents agreed that organization learning helped General Electric to attain and sustain a competitive advantage in the marketplace within the region, increased employees’ motivation at 57% and had a positive impact on individual employees’ performance at 49% affirmative response as shown in Table 4.3.
<table>
<thead>
<tr>
<th>Variable</th>
<th>Distribution (%)</th>
<th></th>
<th></th>
<th></th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>organization structure fosters a continuous learning culture between different teams within the organization</td>
<td>0 1 13 61 24</td>
<td>4.08</td>
<td>0.648</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>organization structure fosters a continuous learning culture among individual employees</td>
<td>0 0 12 57 31</td>
<td>4.19</td>
<td>0.634</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Team learning facilitates continuous sharing of ideas among employees within the organization</td>
<td>0 0 13 47 40</td>
<td>4.27</td>
<td>0.682</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organization learning helps align tasks’ assignments to employee abilities and interests</td>
<td>0 0 33 53 15</td>
<td>3.82</td>
<td>0.665</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organization learning facilitates creation of a shared vision within the organization</td>
<td>0 0 18 63 19</td>
<td>4.01</td>
<td>0.615</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational learning gives GE Africa competitive edge against its competitors</td>
<td>0 0 17 49 34</td>
<td>4.17</td>
<td>0.695</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational learning fosters teamwork</td>
<td>0 0 15 48 37</td>
<td>4.23</td>
<td>0.687</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational learning fosters organizational level system thinking discipline</td>
<td>0 0 23 58 19</td>
<td>3.96</td>
<td>0.652</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organization learning facilitates strategic adaptability in the region</td>
<td>0 0 24 57 19</td>
<td>3.95</td>
<td>0.661</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organization learning fosters organizational innovation</td>
<td>0 0 28 58 15</td>
<td>3.87</td>
<td>0.64</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organization learning helps create organization-fit employees at GE Africa</td>
<td>0 0 23 54 23</td>
<td>4</td>
<td>0.681</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organization learning gives competitive advantage in the marketplace</td>
<td>0 0 29 43 28</td>
<td>3.99</td>
<td>0.757</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organization learning increases employees’ motivation</td>
<td>0 0 27 57 17</td>
<td>3.9</td>
<td>0.655</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational learning at has a positive impact on individual employees’ performance</td>
<td>0 0 28 49 23</td>
<td>3.95</td>
<td>0.714</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Key: 1=Not at all, 2= Small extent, 3= Considerable extent, 4= Good extent, 5= Greater extent
4.5. The impact of Communication systems on Organizational Performance at GE Africa

The third and final objective sought an understanding of the impact of communication, as a mediating effect of organizational structure, on organizational performance at General Electric Africa. Respondents were given a set of questions and were supposed to indicate the extent to which they agreed with the statements on a scale of 1-5 whereby: 1=Not at all, 2= Small extent, 3= Considerable extent, 4= Good extent, 5= Greater extent

4.4.5 Descriptive Findings of the impact of Communication systems on Organizational Performance

The findings revealed that to a good extent efficient information exchange systems within the organization facilitated the speed and accuracy of execution of tasks and projects at GE Africa (71%). Efficient information exchange systems also helped facilitate organizational competitive advantage in the marketplace (64%), organization structure facilitated easy access company information within the organization (52%). The respondent also affirmed that an efficient information exchange processes facilitated easy access to accurate information by employees within the company which the study found to have a direct and positive impact on employee performance (45%).

It is also worth noting that the findings indicate that an efficient information exchange systems facilitated leadership excellence in strategy communication and execution (49%), helped facilitate two-way communication mechanisms amongst employees and the top leadership teams (52%). Efficient information exchange systems also facilitate the flow of consistent and accurate information across all hierarchies (52%), help relay strategic decisions to all employees accurately (55%), and effectively reinforce of organizational leadership excellence within the company (45%) as shown in Table 4.4.
Table 4.4: Descriptive Findings of the Impact of Communication on Organizational Performance at GE Africa

<table>
<thead>
<tr>
<th>Variable</th>
<th>Distribution (%)</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Efficient information exchange facilitates speed and accuracy of execution at GE Africa</td>
<td></td>
<td>0</td>
<td>0</td>
<td>15</td>
<td>71</td>
<td>15</td>
<td>4</td>
<td>0.541</td>
</tr>
<tr>
<td>Efficient information exchange facilitates organizational competitive advantage in the marketplace</td>
<td></td>
<td>0</td>
<td>0</td>
<td>8</td>
<td>64</td>
<td>28</td>
<td>4.19</td>
<td>0.573</td>
</tr>
<tr>
<td>The organization structure facilitates easy to access company information</td>
<td></td>
<td>0</td>
<td>1</td>
<td>21</td>
<td>52</td>
<td>27</td>
<td>4.04</td>
<td>0.723</td>
</tr>
<tr>
<td>Efficient information exchange processes facilitate easy access to information</td>
<td></td>
<td>0</td>
<td>0</td>
<td>24</td>
<td>39</td>
<td>37</td>
<td>4.13</td>
<td>0.777</td>
</tr>
<tr>
<td>Access to accurate information has a direct positive impact on employee performance</td>
<td></td>
<td>0</td>
<td>0</td>
<td>24</td>
<td>45</td>
<td>31</td>
<td>4.07</td>
<td>0.745</td>
</tr>
<tr>
<td>Efficient information exchange systems facilitates leadership excellence in strategy execution</td>
<td></td>
<td>0</td>
<td>0</td>
<td>19</td>
<td>49</td>
<td>31</td>
<td>4.12</td>
<td>0.705</td>
</tr>
<tr>
<td>Efficient information exchange systems facilitate two-way communication amongst employees and the top leadership</td>
<td></td>
<td>0</td>
<td>0</td>
<td>23</td>
<td>52</td>
<td>25</td>
<td>4.02</td>
<td>0.698</td>
</tr>
<tr>
<td>Efficient information exchange systems facilitate flow of consistent and accurate information across all the hierarchies</td>
<td></td>
<td>0</td>
<td>0</td>
<td>30</td>
<td>52</td>
<td>18</td>
<td>3.88</td>
<td>0.688</td>
</tr>
<tr>
<td>Effective communication systems help GE Africa to relay strategic decisions to all employees accurately</td>
<td></td>
<td>0</td>
<td>1</td>
<td>29</td>
<td>55</td>
<td>15</td>
<td>3.83</td>
<td>0.678</td>
</tr>
<tr>
<td>The effectiveness of communication systems at GE Africa helps reinforce organizational leadership excellence within the company</td>
<td></td>
<td>0</td>
<td>0</td>
<td>28</td>
<td>54</td>
<td>18</td>
<td>3.9</td>
<td>0.674</td>
</tr>
</tbody>
</table>

Key: 1=Not at all, 2= Small extent, 3= Considerable extent, 4= Good extent, 5= Greater extent
4.6 Inferential Statistics

4.6.1 Correlation

An analysis through the approach of the Pearson correlation coefficient was also done to establish the causation impact of the speed and quality of decision making processes, as a result of the structural hierarchy in the organization, organizational learning and communication systems affected organizational performance. The findings revealed that there is a significant positive relationship between organizational performance and speed and quality of decision making processes $r=0.404$, $p>0.000$, organizational performance and organization learning $r=0.536$, $p>0.000$ and lastly performance and organizational communication systems $r=0.399$, $p>0.000$ as shown in Table 4.5.

Table 4.5: Correlation Analysis

<table>
<thead>
<tr>
<th></th>
<th>Speed and quality of decision making</th>
<th>Organization Learning</th>
<th>Communication</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Speed and quality of decision making</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>0.159</td>
<td>0.202</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td>0.151</td>
<td>0.067</td>
</tr>
<tr>
<td>Organization Learning</td>
<td>Pearson Correlation</td>
<td>0.159</td>
<td>1</td>
<td>0.300**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.151</td>
<td></td>
<td>0.006</td>
</tr>
<tr>
<td>Communication</td>
<td>Pearson Correlation</td>
<td>0.202</td>
<td>0.300**</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.067</td>
<td>0.006</td>
<td></td>
</tr>
</tbody>
</table>

**. The Correlation is significant at 0.05 level of significance (2-tailed).

The correlation coefficients amongst the independent variables themselves, as shown in Table 4.5 above, were all relatively insignificant implying that the resulting causation
relationship in the model will not have multicollinearity problem and that all the independent variables can be accommodated in this model to explain changes in the dependent variable; organizational performance.

4.6.2 Regression Analysis of Organizational Structure and Performance

The study was set to analyze and establish the impact of organizational structure on the aggregate organizational level performance. A regression analysis was therefore carried out to determine if organizational structure influences performance at General Electric Africa relying on the data gathered from GE employees for the purposes of this study’s objectives.

4.6.2.1 Model Summary

The resulting analysis of the data was able to establish the relationship between organizational performance against speed and quality of decision making processes, organizational learning and communication systems. The results showed that the $R^2$ value was 0.432, implying that 43% of the variation in organizational performance is explained by the variations in the speed and quality of decision making processes, organizational learning and communication as illustrated in Table 4.6.

**Table 4.6: Model summary of Organizational Structure and Other Variables**

<table>
<thead>
<tr>
<th>Model</th>
<th>$R$</th>
<th>$R$ Square</th>
<th>Adjusted $R$ Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.657*</td>
<td>.432</td>
<td>.410</td>
<td>.336</td>
</tr>
</tbody>
</table>

*a. Predictors: (Constant), Speed and Quality of decision making processes, Organizational learning and communication systems.*

4.6.2.2 ANOVA

An ANOVA analysis was also done between the three organizational structure’s dimensions on performance and at 95% confidence level, the $F$ value=19.991, $P<0.000$) thereby affirming that organizational structure has a positive and significant effect on performance as shown in Table 4.7.
Table 4.7: ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>6.769</td>
<td>3</td>
<td>2.256</td>
<td>19.991</td>
</tr>
<tr>
<td>Residual</td>
<td>8.917</td>
<td>79</td>
<td>.113</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>15.687</td>
<td>82</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A. Dependent Variable: Organizational Performance

B. Predictors: (Constant), the speed and quality of decision making, organizational learning and communication systems.

Table 4.8: Coefficients of Organizational Performance and Other Variables

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>-.499</td>
<td>.625</td>
<td></td>
<td>.799</td>
</tr>
<tr>
<td>Speed and quality of decision making processes</td>
<td>.371</td>
<td>.110</td>
<td>.293</td>
<td>3.367</td>
</tr>
<tr>
<td>Organization Learning</td>
<td>.533</td>
<td>.112</td>
<td>.426</td>
<td>4.763</td>
</tr>
<tr>
<td>Communication</td>
<td>.266</td>
<td>.113</td>
<td>.212</td>
<td>2.357</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Organizational Performance

The standard regression coefficients at 95% confidence interval indicate that all the three independent variables have a positive impact on the performance within the organization.

Using the unstandardized coefficients as per table 4.8, the equation \(Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3\) becomes:

\[Y = -0.499 + 0.1371X_1 + 0.533X_2 + 0.266X_3\]

Where \(Y\) is the dependent variable; Organizational performance

\(X_1\) – Speed and quality of decision making processes

\(X_2\) – Organization Learning

\(X_3\) – Communication systems
The regression equation illustrated in Table 4.8 has established that when all the three organizational structures are at zero or inexistent, (an organization lacking in fast responsive and quality of decision making processes, organization learning and effective communication systems) all other factors held constant organizational performance reduces by -0.499. The findings presented also showed that with all other variables held at zero, a unit change in speed of decision making would lead to a 0.371 increase in organizational performance, and a unit change in organization learning would lead to 0.533 increases in organizational performance. In addition, it was also revealed that a unit change in communication systems would result in 0.266 increases in organizational performance. All variables were significant (p>0.05), therefore, in the equation organizational performance is determined by organization structure, organization learning and communication system.

4.7 Chapter Summary
This chapter discussed the results and findings based on the following research objectives; the impact of speed and quality of decision making on organizational performance at GE Africa, the impact of organizational learning on organizational performance at GE Africa and finally the impact of communication systems on organizational performance at GE Africa. Chapter five covered the conclusions and recommendations based on the findings presented in chapter four.
CHAPTER FIVE

5.0 DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents findings in a summary. In addition, the findings are also discussed based on the literature review for or against hence, drawing to the appropriate conclusions. The chapter has divided into four sections which are; summary of findings, discussion, conclusion and recommendations.

5.2. Summary

The purpose of the study was to establish the relationship between organizational structure and performance at General Electric Africa. The study was guided by the three research questions; Does the speed of decision making facilitate performance at GE Africa? Does organizational learning affect performance at GE Africa? Do efficient communication systems affect performance at GE Africa?

Descriptive research design was applied in this study. The target population was 290 employees at General Electric in the Sub Sahara Africa region based in four General Electric sites locations in Nairobi in Kenya and Johannesburg in South Africa. Structured questionnaires were used to collect quantitative data that was then coded and analyzed using SPSS and Microsoft excel analysis tools. Descriptive statistical analysis was carried out to determine measures of central tendencies on the performance outcomes of the organization’s structural variations within the organization from the perspective of the respondents’ feedback. Regression analysis was also carried out to determine the correlational relationships between the three dimensions of organizational structure and performance outcomes within the organization.

The study also conducted Pearson correlation to establish the relationship between organizational structure and performance, results revealed that there was a strong and positive relationship between organizational structure and performance $r=0.404^{**}$, $p<0.000$. In addition, the study also conducted a regression to determine the relationship between dependent and independent variable. The value for organizational structure was $\beta=0.371$, $p<0.001$. This implies that 37.1% of the change in performance was caused by organizational structure.
Pearson correlation was conducted to determine the relationship between organizational learning and performance. It was established that there was a strong positive relationship between organizational learning and performance \( r=0.536^{**}, \ p<0.000 \). Additionally, a regression model was done to determine the relationship between organizational learning and performance. The value for organizational learning was \( \beta=0.533, \ p<0.000 \). It was revealed that 53.3% of the change in performance was caused by organizational learning.

Pearson correlation was done to determine the relationship between communication and performance. The study revealed that there was a strong and positive relationship between communication and performance \( r=0.399^{**}, \ p<0.000 \). A regression analysis was also done. It was revealed the value for communication was \( \beta=0.266, \ p<0.000 \). This indicates that 26.6% of the change in performance was caused by communication.

5.3. Discussion

5.3.1. Impact of Speed and Quality of Decision Making on Performance

Pearson correlation coefficient established the relationship between organizational structure and performance, revealing that there was a strong and positive relationship between organizational structure and performance. This is in line with a study done by Akinyele (2011) who observed that organizational structures adopted by oil and gas marketing companies in Nigeria had a positive effect on their market share with empirical evidence showing that the number of hierarchical layers within their organizational structures was positively related to the respective company performance. Like in Akinyele (2011) the study reported that the more effective General Electric Africa business was due to well defined organizational structures in the region.

According to Tran and Tian (2013), organizational structures have also been characterized as the technique through which organizations can be differentiated and integrated by the allocation of work roles and activities to drive performance. Hao, Kasper, and Muehlbacher (2012) who stated that the structural centralization, decentralization, span of control, flat or tall organizational dimensions in an organization all have a direct and indirect effects on the performance outcomes of an organization. Zachary (2015) in which she argued that the organizational structure plays a significant role in the achievement of organizations set objectives and accomplishment of its strategic goals and growth direction.
Findings based on regression analysis revealed that a unit change in organization structure would lead to an increase in organizational performance. In support to this statement according to Jones (2013) an organizational structure having been defined as a mechanism which links and co-ordinates individuals within the framework of their roles, authority and power, is a key driver on the speed of strategic decision making process within an organization. Organizational structure is used in various forms as a control mechanism to affect employee work outcomes, to ensure that the specific assigned tasks are performed effectively and efficiently to attain organizational goals and objectives (Katsikea et al, 2011).

Bloisi et al. (2007) who suggested that one way to flatten an organization’s structure is to widen the span of control, especially when the organization is large; it will maintain flexibility without becoming too hierarchical. The more flat the organization hierarchy is, the more efficient the decision-making process is likely to be. The fast decision making process translates to improvement in the performance outcomes within the organization. O’Toole and Meier (2004) argued that the extent to which decision making is centralized or decentralized in an organization determines the speed and adequacy of the organization’s policies and how it is going to allocate its resources on investment decisions in the marketplace. Aslam, Siddique, and Tanveer (2012) organic structures encourage open communication systems, empowerment and delegation of authority which creates the path for innovation and result in high performance of an organization. Decision making in the lower hierarchies is created by assigning tasks, performing and distributing tasks, where, authority is the power to make decisions relating to the job assignments that employees are routinely work on.

5.3.2. Impact of Organizational Learning and Organizational Performance

Pearson correlation to establish the relationship between organizational learning and performance, results revealed that there was a strong and positive relationship between organizational structure and performance. Similar to this statement According to studies done by Maniam (2013); Messarra and El-Kassar (2013); Dahanayake and Gamlath, (2013) findings revealed that learning organization have a critical significance for organizational performance to attain and sustain competitive advantage in the marketplace. These studies also concluded that organization learning has positive effects on organizational performance as well as individuals’ attitudes and behaviors at work.
Eisenberg and Goodal (2007) states that group goals help to establish the vision of the learning organization and allow for some systematic measurement that the organization’s members can use to evaluate their performance. According to Mitchel and Silver, (1990) leaders who recognize this need can establish and encourage a shared identity by creating clear goals for the members of their organization. Past studies have shown that having clearly-defined group goals resulted in a clearer sense of purpose and higher performance among group members. According to Malik and Danish (2010), based on past studies findings have revealed that organizational learning has a positive impact on the individual employee performance and job involvement levels.

The regression equation showed that a unit change in organization learning would lead to an increase in organizational performance. This is in line with the findings of Manian (2013) which stated that teams perform better when they engage in team learning bolstered by managers’ support. Tsoukas and Mylonopoulos, (2004) organization exists to provide a means of developing a collaborative perspective while working on joint projects, the members of an organization are better positioned to work together and acknowledge their need to be a part of the knowledge system. In contrast Wheatley (2001) argued that a strict hierarchal-structured organizational system might do little to encourage members of the organization to work together within an organizational structure.

Business process improvements have a positive correlation with knowledge sharing and learning behaviors within an organization (Law and Ngai, 2008). Hashim (2013) concluded that an individual employee’s performance levels in an organization are directly related to the traits of the learning organization they work in. He further noted that organizational learning in addition to informing the extent of motivation and employee will have in an organization, it also has an impact in creating a concept he described as organization-employee fit. This refers to the match between an individual’s abilities and the organization’s requirement at any given time. Organizational learning also enables the employees to adapt to changes within the work environment. The individual employees therefore can perform their jobs effectively and be responsive to variations and new changes in their work environments. Be it internal or external (Widianto and Abdullah, 2013).
According to Wheatley (2001), communicating a shared vision is key to uniting the various members of an organization; this allows them to redirect their attention from their own individual positions to the greater good of the organization. There is significant research literature on the topic of learning in organizational teams showing that teams perform better when they engage in team learning (Argote, Gruenfield, & Nacquin, 2001).

5.3.3. Impact of Communication and Organizational Performance

The study conducted a Pearson correlation to establish the relationship between organizational learning and performance, results revealed that there was a strong and positive relationship between organizational structure and performance. This is in line with Sun and Zhang (2011) who stated that access to information within an organization enables employees to make far more accurate decisions which enhance their individual performance and overall business competitiveness, as they are more and correctly informed.

According to Wang et al. (2012), past researchers have recognized that the way an organization is organized will have a significant impact on the successful completion of the project by facilitating clear communication channels. For example, it may affect the willingness and ability of different participants to exchange information within the organization, which could in turn impact performance (Koufteros et al. 2007). Poor communication between key partners within organization hierarchies has been reported as the main cause for organizational failures to meet their strategic objectives. Organizations must therefore establish good communication channels as a key factor in their organizational design (Sun & Zhang 2011). Hardani Widhiastuti (2012) pointed that the management in any organization has multiple types of categories of information to communicate through the organization’s hierarchies. These include but are not limited to job instructions, job rationale, organizational procedures and practices, the feedback about performance, and the indoctrination of organizational vision and values.

The regression equation showed that a unit change in communication would lead to increase in organizational performance. This is similar to Wu, 2011; Zhuang, Qiu, and Peng (2011) who stated that Information is only beneficial to an organization if the members of the organization know how to access and use that information. Knowing how
to seek and retrieve information is an essential aspect during times of problem-solving and decision-making within an organization (Wu, 2011; Zhuang, Qiu, & Peng, 2011). Effective communication systems also reinforce excellence in leadership and organizational learning within the company. The knowledge-sharing initiatives help organizations to streamline the processes of knowledge management (Kumar & Ganesh, 2011; Levy, 2011).

Rishipal, (2014) pointed out that smaller organizations with flat organizational structures easily communicate with employees at all levels with increased clarity. On the same note, due to global presence, larger companies face challenges in communicating consistent and accurate information. Flat organizational structures remove barriers between top-level managers and front-line employees. Communication of information on leadership’s strategic plans flow across the organization instead of from the top to the bottom. Another aspect of this management structure is that informal communications and honest critiques occur between peers more easily than from managers to subordinates. Growing organizations that maintain or adopt a flat organizational structure can better the strategic objectives’ alignment with all the employees within such companies. These structures organize work and processes around information flows by ditching the tall hierarchy systems. This helps organizations to get the speed in execution and promote within-organization learning by creating empowered teams.

5.4. Conclusions

5.4.1. The Speed and Quality of Decision Making Facilitate Performance

Based on findings it was concluded that organizational structure used in the organization affected the speed and accuracy of decision making, which in turn affects organizational performance by for instance helping in the creation of lean teams, influence employees to complete tasks and make decisions related to their tasks faster, increased delivery of solutions to customers, and helped leadership teams to implement strategic objectives within the organization.

5.4.2. Impact of Organizational Learning and Organizational Performance

It also came out very clearly that the organization structure adopted by General Electric Africa promoted a learning culture within the organization. In addition, organizational
learning helped managers align employee’s assignments’ based on their abilities and interests, the organization easily builds a shared vision, increase employee innovation and motivation and as well adaptability of strategies to keep winning in the market place.

5.4.3. Impact of Communication Learning on Organizational Performance

From the findings of the study, efficient information exchange systems within the organization had positive impacts of increasing the speed and accuracy of execution of tasks and strategies, increased organizational competitive advantage in the market place, and easy access of information, effective two way communications systems within the organization thereby resulting into a more resilient organization.

5.5. Recommendations

5.5.1 Recommendation for Improvement

5.5.1.1 The Speed and Quality of Decision Making Facilitate Performance

Based on the findings it is apparent that an organization should have fewer hierarchy levels since this that will ensure free flow of information between employees and top management teams. Senior business leaders should ensure that the organizational structure adopted empowers local business leaders to make decision faster to remain competitive. The organizational structure should also ensure that all performance metrics, roles and responsibilities are clearly outlined to ensure accountability on the performance outcomes and expectations.

5.5.1.2 Impact of Organizational Learning and Organizational Performance

The organization should ensure that the organizational structure adopted promotes constant learning opportunities for all employees; the structure must motivate the employees to work collaboratively as team as opposed to few cases of departmental silos noted during the study. This can be achieved through creating policies that encourage individual employees to embrace cross functional and horizontal learning. With everyone in the organization managing and collaborating horizontally, better teamwork is achieved and at the same time organizational learning is enhanced, which in turn means increased productivity.
5.5.1.3 Impact of Communication Learning on Organizational Performance

This study found out that organizations should establish efficient communication channels that facilitate easy flow of information, aid easy access to the information, motivate leaders to communicate the importance and all critical milestones on tasks and strategic projects, since these aspects of information exchange within the organization have significant positive impact on employee performance. As corporations grow, structures and leadership layers become more and more complex and it is on this backdrop that this research recommends that the leadership teams should ensure that the communications channels remains simple to use, robust in accuracy and fast enough to facilitate the speed of reaching the right groups in the most efficient ways. This will involve constant review of the current business technology against business needs and investing in the right technological infrastructure.

5.5.2 Recommendations for Further Studies

Given that this study was based on one organization which from the findings enjoys high employee satisfaction ranking towards its top leadership team and strategies; a recommendation to have similar studies being done in other organizations or similar industries to determine whether the factors affecting performance in one organization are identical. Further studies can also be done to establish how the various dimensions of organizational structure affect one another in a matrix organization structure. For instance how would organization communication systems affect learning and or speed and accuracy of decision making in global manufacturing or service conglomerates like the General Electric, Procter and Gamble, or the global pharmaceutical giants like Pfizer, Novartis or GlaxoSmithKline.
REFERENCES


60


Khanifar and Vakili (2009). The Relationship Between the Type Of Organizational/Economic Structure And Organizational Entrepreneurship In SMEs. *Journal of Entrepreneurship Development* *1*(2), 35-55


APPENDIX I: QUESTIONNAIRE

PART A: Respondents Profile

1. What is your gender? Male ☐ Female ☐

2. What is your position at GE Africa?
   - Executive/Senior Leader ☐
   - Functional Process Leader ☐
   - Individual Contributor ☐

3. What business/function do you work for at GE Africa?
   - GE Healthcare ☐
   - GE Global Growth ☐
   - GE Power ☐
   - GE Transportation ☐
   - GE Digital ☐

4. How long have you worked at GE Africa?
   - 01-10 years ☐
   - 11-20 years ☐
   - 21+ years ☐
PART B: The Impact of Speed and Quality of Decision Making on Organizational Performance

Indicate the extent to which you agree with the following statements on a scale of 1-5 whereby: 1=Not at all, 2= Small extent, 3= Considerable extent, 4= Good extent, 5= Greater extent

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>5. The organization structure affects the speed of decision making within GE Africa</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>6. The organization structure adopted fosters creation of lean teams at GE Africa</td>
<td></td>
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<td></td>
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<tr>
<td>7. The organization structure adopted fosters efficient tasks’ completion within GE Africa</td>
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<tr>
<td>8. The organization structure positively increases efficiency solutions delivery to GE customers.</td>
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<tr>
<td>9. The organization structure adopted empowers local business leaders to make decisions locally for GE Africa</td>
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<tr>
<td>10. The organization structure empowers individual employees to make decisions relating to the routine tasks they are working on</td>
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<td>11. The organization structure at GE Africa has created optimum hierarchy levels within the organization</td>
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<tr>
<td>12. The organization structure at GE Africa facilitates optimal span of control for the all the people leaders</td>
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<td>13. The organization structure facilitates excellence of the leadership team in implementing strategic objectives at GE Africa</td>
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<tr>
<td>14. The organization structure at GE Africa fosters effective execution of global strategic decisions</td>
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</tbody>
</table>
15. The organization structure facilitates organizational adaptability to opportunities in the region for GE Africa

16. The organizational structure fosters clarity of roles and priorities to all employees at GE Africa

17. The organization structure at GE Africa facilitates faster decision making

18. The organization structure adopted at GE Africa facilitates making of quality decisions customized for local customers in the African marketplace

19. Organizational structure has an impact on performance at GE Africa

### PART C: Impact of Organizational Learning on Organizational Performance

Indicate the extent to which you agree with the following statements on a scale of 1-5 whereby: 1=Not at all, 2= Small extent, 3= Considerable extent, 4= Good extent, 5= Greater extent

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
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</thead>
<tbody>
<tr>
<td>20. The organization structure at GE Africa fosters a continuous learning culture between different teams within the organization</td>
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<tr>
<td>21. The organization structure at GE Africa fosters a continuous learning culture among the individual employees</td>
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<tr>
<td>22. Team learning at GE Africa facilitates continuous sharing of ideas among the employees within the organization</td>
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<tr>
<td>23. Organization learning at GE Africa helps align tasks’ assignments to employee abilities and interests</td>
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<tr>
<td>24. Organization learning at GE Africa facilitates creation of a shared vision within the organization in the region</td>
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<td>25.</td>
<td>Organizational learning gives GE Africa competitive edge in the region against its competitors</td>
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<tr>
<td>26.</td>
<td>Organizational learning at GE Africa helps foster teamwork within GE Africa</td>
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<tr>
<td>27.</td>
<td>Organizational learning at GE Africa fosters organizational level system thinking discipline</td>
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<tr>
<td>28.</td>
<td>Organization learning at GE Africa facilitates strategic adaptability in the region</td>
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<tr>
<td>29.</td>
<td>Organization learning at GE Africa fosters organizational innovation within GE Africa</td>
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<tr>
<td>30.</td>
<td>Organization learning helps create organization-fit employees at GE Africa</td>
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<tr>
<td>31.</td>
<td>Organization learning gives GE Africa competitive advantage in the marketplace</td>
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<tr>
<td>32.</td>
<td>Organization learning increases employees’ motivation within GE</td>
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<tr>
<td>33.</td>
<td>Organizational learning at GE Africa has a positive impact on individual employees’ performance</td>
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<td>34.</td>
<td>Organization learning has an impact on performance at GE Africa</td>
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</table>
## PART D: Impact of Communication Systems on Organizational Performance

Indicate the extent to which you agree with the following statements on a scale of 1-5 whereby: 1=Not at all, 2= Small extent, 3= Considerable extent, 4= Good extent, 5= Greater extent

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
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</tr>
</thead>
<tbody>
<tr>
<td>35. Efficient information exchange at GE Africa facilitates speed and accuracy of execution at GE Africa</td>
<td></td>
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<tr>
<td>36. Efficient information exchange facilitates organizational competitive advantage for GE Africa in the marketplace</td>
<td></td>
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<tr>
<td>37. The organization structure at GE Africa facilitates easy to access company information</td>
<td></td>
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</tr>
<tr>
<td>38. Efficient information exchange processes facilitate easy access to information at GE Africa</td>
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<tr>
<td>39. Access to accurate information by employees has a direct positive impact on employee performance</td>
<td></td>
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</tr>
<tr>
<td>40. Efficient information exchange systems at GE Africa facilitates leadership excellence in strategy execution</td>
<td></td>
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<tr>
<td>41. Efficient information exchange systems at GE facilitate flow of consistent and accurate information across all the hierarchies</td>
<td></td>
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<tr>
<td>42. Effective communication systems help GE Africa to relay strategic decisions to all employees accurately</td>
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<tr>
<td>43. The effectiveness of communication systems at GE Africa helps reinforce organizational leadership excellence within the company</td>
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<tr>
<td>44. Efficient communication systems has an impact on organizational performance at GE Africa</td>
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</tr>
</tbody>
</table>

THANK YOU