DO THE STRATEGIC INNOVATIVE ORGANIZATIONS REDUCE SOCIAL LOAFING BEHAVIORS?

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ABSTRACT

This research aims to determine the effects of strategic innovation on employees’ social loafing behaviors. This mentioned relationship has been analyzed with 138 out of 170 employees working at the same hotel chosen by the convenience sampling method from Antalya/Turkey. The results showed that there is a statistically significant and negative relationship between social loafing and strategic innovativeness. Furthermore, strategic innovativeness is a descriptor of social loafing behaviors. Satisfactory results were obtained as predicted before and some suggestions for the managers and future researchers were given. The topic has a unique value in relevant literature in terms of combining both management and marketing areas.

Keywords: innovation, strategic innovation, social loafing, performance
1. INTRODUCTION

Modern business life necessitates teamwork for knowledge sharing and performance combination and enhancement to attain the goals in the fastest way. Teamworks provide some advantages such as job enrichment, self direction, performance enhancement in complicated tasks (YILDIZ; İŞÇİ; TAŞÇI, 2016). On the other hand, social loafing which can be described as a loss of process is also created by the groups as a disadvantage (KERR; TINDALE, 2011).

World is dominated by rapid change and technology, although the period “Industry 4.0” with the term innovativeness refers to the production facilities using advanced manufacturing technologies, the term innovativeness has actually been an essential value of service sector. As a new revolution concerning the technical evolution, Industry 4.0 provides the creation of new operational models in the service sector. It’s seen that the technological evolution of new operational models make the knowledge sharing and teamwork more effective.

It is a unique research because there is not too much work in related literature focused on social loafing and also the relationship between social loafing and strategic innovation. Strategic innovation is generally associated with marketing literature topics, likewise social loafing is associated with managerial topics as can be seen in relevant literature. Correlating one of the marketing-related topic with the management-related topic represents and emphasizes the value and importance of this research.

It is considered that the findings of this relationship based on the above-cited research question will open new horizons for the future studies and researches. This research was done to fill in the gap in the literature because of the absence of relationship between social loafing and strategic innovation. The research question is shaped whether the strategic innovation has an effect towards reducing social loafing behaviors in an organization or not.

2. THEORETICAL IMPLICATIONS

Following paragraphs emphasize the concepts of mentioned variables and their theoretical bases with the contributions of methodological analysis.

2.1. Strategic Innovative Organizations

One of the most important dynamics in explaining the behavior of an organization is to survive and grow by profit. An organization needs to innovate in every field related with responding customer profiles, demands, markets and many things changing by technology. Strategic innovation requires organisations to identify which of their products or services,
operations, processes, and human resources could be improved to boost the company’s profitability.

As a term of innovation is too wide to be expressed in a single word and it is defined in different ways by different researchers. It’s known that Schumpeter (1934) is the foundational contributor to the topic of innovation and development. In his book, The Theory of Economic Development (1934)¹ which is still one of the most influential books in the field of economics, innovation was defined as “new products or services, new production techniques or new organizational structures”.

According to Drucker (1985), innovation is the specific instrument of entrepreneurship. It is the act that endows resources with a new capacity to create wealth. Innovation, indeed, creates a resource (DRUCKER, 2002). The OECD, a think-tank for rich countries, says innovation can be defined as “new products, business processes and organic changes that create wealth or social welfare” (THE ECONOMİST, 2007). Ulwick (2005), CEO of Strategyn Inc., said that

“Inovation: The process of creating a product or service solution that delivers significant new customer value. The process begins with the selection of the customer and market, includes the identification and prioritization of opportunities, and ends with the creation of an innovative product or service”.

Actually there are many categorizations of innovation offered by different researchers like as Abernathy and Clark, Hjalager, Weiermar and etc. Based on all these definitions there are five types of innovation commonly used by researchers. These are process innovation, service/product innovation, strategic innovation, marketing innovation and business model innovation (İPLİK; TOPSAKAL; DOĞAN, 2014). All types of innovation efforts of an organization are not independent from the rapidly changing external environment.

In his book named as “The Concept of Corporate Strategy”, Andrews (1980) defined corporate strategy as “it is the pattern of decisions in a company that determines and reveals its objectives, purposes, or goals, produces the principal policies and plans for achieving those goals, and defines the range of business the company is to pursue, the kind of economic and human organization it is or intends to be, and the nature of the economic and non-economic contribution it intends to make to its shareholders, employees, customers, and communities”.

¹ This book was first published in 1911 under the name “Theorie der wirtschaftlichen Entwicklung” and the first English edition was published in 1934 (Croitoru, 2012).
In that context it can be said that innovation capital is one of the intangible assets that help an organization to innovate beyond the talent of its employees to explain competitiveness.

Porter (1985) argues that competitive strategy is “about being different”. He adds, “It means deliberately choosing a different set of activities to deliver a unique mix of value”. Strategy and innovation are not independent concepts and a good innovation is useless when combined with a bad strategy, therefore, “strategic innovation” appears as a unifying concept. The term of “strategic innovation” refers a combination of strategy and innovation and it is an organizational process of making renovation its corporate strategy.

Markides (1997) mentioned that strategic innovation requires breaking the rules of the game and thinking on new ways of competing in the marketplace. Similarly, Hamel (1998) defined the strategic innovation as a capability to understand the industry dynamics and to change them. From this point, strategic innovation researches the answers for three questions at least; where to operate, how to operate and how to create competitive advantage. Strategic innovation process searches new resources, identifies what services or products need to be reinvented or developed, what markets to compete in, what more efficient business models to develop.

According to DeWit and Meyer (2004) the process of strategic innovation can be defined with three components: strategy formulation, strategic change and strategic thinking. The process dimension of strategic innovation also emphasizes the organizational culture that facilitates generation of new ideas, and developing new products or services which cannot be easily copied by rivals (HANSEN; BIRKINSHAW, 2007).

Innovation management is the development of certain managerial methods to encourage employees for innovation. Employees are one of the most important innovation sources in successful, innovative organizations. It is highly important for innovative organizations to include the employees in the process of developing new products and services (SERİNKAN; KIZILOGLU, 2015). Innovation capital is a category of intellectual capital that includes anything that helps an organization to innovate beyond the talent of its employees. In other words, where innovation is mostly based on the creative ability of employees

2.2. Social Loafing

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Social loafing which can be described as a social disease (LATANE; WILLIAMS; HARKINS, 1979) is also defined as a tendency of employees to perform less effort to achieve a common goal when they are part of a working group/team than when they work alone (KARAU; WILLIAMS, 1993). This situation is defined as social loafing by Latane and co-workers.

The term of “loafing” was firstly used and adopted in organizational behavior and psychology literature by Max Ringelmann’s rope pulling experiment and the concept is also known as Ringelmann Effect today (KRAVITZ; MARTIN, 1986; BALCI, 2017). Ringelmann found that each member of a group showed less effort in doing their task for a common goal if they were not individually responsible.

Based on that, Ringelmann’s experiment emphasizes that there is a counter-effect and negative relationship between number of the team members and performance with regard to explain social loafing. Individuals generally show less efforts to be able to be productive in teams depending on losing motivation and coordination. Group size and personal effort are inversely correlated with each other. On the other hand, Ringelmann found that individual performances are not reflected to group performance (INGHAM et al., 1974; KRAVITZ, et al., 1986).

In 1974, same rope pulling experiment was implemented on the basis of individual and group by Ingham, et al. (1974). According to the results of Ingham and co-workers’ research, people demonstrate 20% more performance when they work alone. This decrease in performance also interpreted as motivation loss instead of coordination loss and named as “social loafing” (BALCI, 2017:376). Petty, Harkins, Williams and Latane (1977) also emphasized that individuals make less effort when they work with group members.

The term of “social loafing” was firstly used in a study by Latane and co-workers in 1979 as a factor decreasing performance (YILDIZ, et al., 2016; BALCI, 2017) Social loafing has been named as a “social disease” which has negative results for individuals, organizations and society (LATANE, et al., 1979; ILGIN, 2013:825).

Jackson and Harkins (1985) tried to explain social loafing as equality in efforts. Because employees think that others will loaf around the task when they work together in a group. For this reason, they also loaf and equalize their effort with others’.

Social loafing is occured when employees realized and felt that they are not valuable, important, responsible for decisions, appreciated, and they are abused in an organizations.
Social loafing behaviors of employees cannot be realized by managers but it is easily realized by other employees in a short time. Although the negative effects of social loafing on performance and motivation, sometimes this situation can create the exact opposite situation. Because other group members can be obliged to do the task of loafer employees and put more effort forth. However, it is possible that others can also shirk theirs duty as well (LATANE, et al., 1979; KARAU, et al., 1993; JASSAWALLA; SASHITTAL; MALSHE, 2009; SCHIPPERS, 2014). Besides, factors which push people to be a social loafer should be carefully analyzed and based upon a scientific foundation by the managers though just barely. Social loafing is one of the factors which negatively affects institutional performance especially in group works. Personal expectations, easy tasks in an organization, doing same work without division of labour, being lost in the throng, lie down on the job, employee perceptions, group size, motivation etc. are the factors which lead people to be socially loafer (HARKINS; PETTY, 1982; BRICKNER; HARKINS; OSTROM, 1986; KRUMM, 2000; PIEZON; FERREE, 2008; YILDIZ, et al., 2016). On the other hand, decrease in enthusiasm is another factor leading social loafing behaviors (BALCI, 2017).

2.3. Relationship Among the Variables

The relationship between innovativeness and social loafing behaviors in an organization can be explained by Social Impact Theory which focused on the group relationships. It is emphasized that there is a negative relationship between group size and tasks for each group member (LATANE, et al., 1979; KARAU, et al., 1993). Based on this theory, other group members’ work loads are increased because of the employees who act social loafing behavior (SCHIPPERS, 2014) and individuals can be considered as a social impact source (YILDIZ, et al., 2016). In parallel with social impact theory, it is stated that cooperation and social loafing behavior are in a negative relationship and social loafing behaviors decrease in collectivist organizations (EARLEY, 1989).

On the other hand, the relationship between strategic innovative organizations and social loafing behaviors can also be explained by Social Exchange Theory. According to this theory, grouping and social loafing behavior are in a positive relationship and this causes to decrease the group performance (LATANE, et al., 1979). Based on that, social loafing is not only an individual problem but also is a complex problem which negatively affects whole group and organization. If the employees feel that other group member are social loafer, they also start answering back in the same way (ŞEŞEN; KAHRAMAN, 2014).
As a result, there is not a single motivation theory contains the complication of social loafing (BALCI, 2017). It is aimed to find an answer why and how strategic innovativeness affects social loafing behaviors in the organizations especially in service industry. Based on the different theories mentioned above, strategic innovation create an organizational commitment and job satisfaction and reduce intention to leave of employment. Appreciation to the employees will also develop trust both organizational and individual. Therefore, employees in an environment of confidence with job satisfaction and openness to innovation will not exhibit social loafing behaviors. Based on the theoretical and empirical researches, our research hypothesis is predicted as follow:

**Hypothesis:** There is a negative and significant relationship between strategic innovation and social loafing.

3. **METHODOLOGY**

The main objective of this study aims to explain the relationship between strategic innovation and social loafing behaviors with the sample of hotel employees in Antalya/Turkey. It is also aimed to determine the effects of strategic innovation on employees’ social loafing behaviors. The relationship in question will be analyzed and examined with the support of related literature and previous researches. With reference to the literature review, theoretical basis and previous findings, the research question is whether the strategic innovation has an effect towards reducing social loafing behaviors in an organization or not as mentioned before.

3.1. **Scales and Samples**

Two different scales have been used to realize the purpose of the study. Firstly, strategic innovation scale with 13 items and one dimension (ECEVİT; IŞIK, 2011) created by using Oslo Manual: Guidelines for Collecting and Interpreting Innovation Data and the contribution of the papers by İplik, et al. (2014) has been focused.

Secondly, social loafing scale with 15 items and one dimension developed by Liden, Wayne, Jaworski and Bennett (2004) which was adapted and translated into Turkish by Ülke (2006) has been used.

Totally, 28 items and 3 demographic questions have been gathered in the same questionnaire form with Likert-type response scale from 1 to 5, indicating responses of “strongly disagree (1)” to “strongly agree (5)” to collect data from the hotels located in Antalya/Turkey.
150 questionnaire forms have been distributed to different randomly selected hotels in Antalya/Turkey. 144 questionnaire form returned and 138 of all returned questionnaire data were added to the analyses. 35.5% of participants were women (n=49) and 64.5% of them were men (n=89). The majority of participants are in 36-45 age range.

3.2. Analyses and Findings

Data were collected from 144 hotel employees and managers in the scope of the main objective of this research. Firstly, the data control was performed. In the examinations performed for the above mentioned purpose, it was seen that there was not any missing value within the data set. In the analysis of Mahalanobis distance method (p<0.01) which was carried out in order to determine the outliers, 6 survey forms were excluded from the data set (Mahalanobis, 1936). Final number of data is 138 (n=138).

Skewness – kurtosis test was also applied on the items for determining whether data showed normal distribution or not. Accordingly, the item with the highest skewness value is -1.4 and the item with the highest kurtosis value is 1.7. Due to the fact that skewness kurtosis values of the items met +2 ve -2 threshold values, it was concluded that normal distribution assumption was met (GEORGE; MALLERY, 2010).

Once and for all, Harman’s single factor test was carried out so as to designate possible common method variance problem within the data set. Accordingly, at the end of the principal component analysis performed without using rotation method, it was observed that a structure composing of 5 dimensions showed up and at the end of the principal component analysis performed by factor number as 1, a low percentage of first dimension variance was described 31.23% (% (s^2 < 0.50). These findings suggest that there is not a common method variance problem within the data set (PODSAKOFF, et al., 2003; DEVELI, et al., 2018).

3.2.1. Validity and Reliability Analysis

All scales were subjected to Exploratory Factor Analysis in order to determine structural validity of the scales used in the research. In the reliability analysis performed so as to designate internal consistency of the scales, Cronbach’s Alpha values were examined. The results are shown in Table 1 below:

Table 1: Validity and reliability analysis results
While performing factor analysis, 6 items were excluded because of cross-loading problem belonging to social loafing dimension and 1 item was excluded because of low factor loading belonging to strategic innovativeness dimension from the model. Sample adequacy value (KMO=0.86) shows that sample size is adequate for factor analysis. Due to the fact that Barlett sphericity test is significant [$\chi^2 (210)=1999.890$, p<0.001]. This statistic shows that correlation relationship among the items is suitable for factor analysis (HAIR et al., 2010; GÜRBÜZ; SAHIN, 2017).

Consequently, factor structures composed of 2 dimensions in total explain 56.74% of total variance (Social loafing=%29.97, strategic innovativeness=%26.76). Furthermore, it is seen that there are internal consistency reliability of the scales because of the fact that Cronbach’s alpha value acquired for each scale was higher than $\alpha=0.70$ critical value (NUNNALY, 1978).
3.2.2. Correlation Analysis and Descriptive Statistics

Correlation analysis was carried out in order to determine variation directions and intensity of social loafing and strategic innovativeness variables together. Results of the correlation analysis are shown in Table 2 below:

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social loafing</td>
<td>4.12</td>
<td>0.60</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Strategic innovativeness</td>
<td>2.54</td>
<td>1.13</td>
<td></td>
<td>-0.203*</td>
</tr>
</tbody>
</table>

p<0.05*, p<0.01**

According to the results of correlation analysis, a significant and negative relationship was found between social loafing and strategic innovativeness at p<0.05 significance level. Accordingly, if strategic innovativeness level increases, social loafing level will decrease, too.

3.2.3. Regression Analysis

Predictor situation of strategic innovativeness perception on social loafing was examined through regression analysis. Results of the regression analysis are shown in Table 3 below:

<table>
<thead>
<tr>
<th>Independent variable</th>
<th>Dependent variable</th>
<th>Beta</th>
<th>R²</th>
<th>F</th>
<th>Sig.</th>
<th>D-W</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic innovativeness</td>
<td>Social loafing</td>
<td>-0.203*</td>
<td>0.041</td>
<td>5.851</td>
<td>0.017</td>
<td>1.307</td>
</tr>
</tbody>
</table>

p<0.05*, p<0.01**

According to the results of regression analysis, estimation model being constituted with strategic innovativeness determined as independent variable and social loafing determined as dependent variable is significant (F=5.851, p<0.05). In other words, strategic innovativeness is a descriptor of social loafing. In this model, strategic innovativeness which is an independent variable describes 4% of the said model (R²=0.04).

Additionally, beta coefficient shows that there is a significant influence of independent variable on dependent variable is $\beta=-0.20$. Due to the fact that Durbin Watson (D-W) coefficient within the model is lower than 2, this shows that there is not any auto-correlation problem in the model (DURBIN; WATSON, 1971). Based on all of these findings, it can be said that strategic innovativeness has a negative contribution in estimating social loafing; that is, the perception of strategic innovativeness leads to decrease in social loafing behaviors.

4. CONCLUSION AND IMPLICATIONS
The main goal of this research is to determine the effects of strategic innovation on social loafing behaviors in an organization. People are often obliged to combine their efforts to reach the common goals in an organization. It is generally expected that working together will help to increase performance and motivation while decreasing individualism. In fact, researches showed that this will not create desired results all the time in an organization. In such cases, team members mostly prefer to evade responsibility (BALCI, 2017).

As a result of the statistical analyses which are done to be able to reach the goal of the research and to answer the research question as titled, it is found that there is a significant and negative relationship between social loafing and strategic innovation. As hypothesized before, strategically innovative hotels will decrease the tendency of social loafing behavior among the employees.

The results of the analyses demonstrated that strategic innovativeness is a identifier of social loafing. On the other hand, strategic innovation provided the negative contribution in estimating social loafing. Perspective and attitudes of innovation, openness to the change, being creative for the new experiences, and bringing a new perspective will help employees to avoid social loafing and enjoy whatever they have to do in an organizational group and to be enthusiastic about their tasks.

Researches in related literature showed that social loafing is negatively related to organizational citizenship behavior, being responsible for different aims and goals, task visibility, group commitment (KARAU; WILLIAMS, 1997; KELLY; JOHNSON; MILLER, 2004; HOONA; TANA, 2008) while positively related to impression management tactics or techniques (YILDIZ, et al., 2016).

Besides, strategic innovation is positively related to the characteristics such as using new sources, targeting non-customers, focusing less profitable customers beside the profitable ones, segmenting market according to similarities rather than differences, offering the services to mass customers, and implementing strategic price policy (SCHLEGELMICH, et al., 2010) while there is a negative relationship between strategic innovation and number of employees (IPLIK, et al., 2014).

Harkins, et al. (1982) emphasized that social loafing will decrease or disappear when people realized their efforts which are unique and necessary for the group and organization. Dick, Tissington and Hertel (2009) described social loafing in another way. According to them,
there is a negative relationship between social loafing behaviors and synergy. Synergy will
decrease or disappear when social loafing behaviors emerged in an organization.

Social loafing behavior express less individual effort in regard to other workers in an
organization (DÖGAN; BOZKURT; DEMİR, 2010). Managers should be responsible to find
different interesting tactics while forcing their followers to perform the group work. They
should also express the importance of group work in terms of the organizational and individual
advantage.

It was emphasized that the relationship among the variables can be explained by Social
Impact Theory and Social Exchange Theory. As a theoretical contribution, it can be said that
the dominated area of these theories was emphasized and extended. The growth of a business
depends on the external environment and the capacity to change this environment and they
have many choices and alternative strategies. They can use their sources, scientific and
 technologic skills for various compositions (FREEMAN; SOETE, 2003).

Reduction of the social loafing behaviors in workplace environment can be obtained by
strategic pricing; creating the new and unique products and service and searching the new
resources for that; supporting to team management are some of the factors to develop strategic
innovation and increase innovative behaviors while effective team management; performance
and reward systems in an organization; fair working environment and positive organizational
climate.

In addition to all, as some practical contributions, adopting effective and continuous
communication in an organization, being agree with the decisions, giving right to speak while
taking an organizational decision, being open to change might be useful and benefical in
working environment to encourage the employees and develop strategic innovation. These
factors are also important in terms of to increase the performance and productivity and to
prohibit social loafing behaviors among employees.

This research includes some limitations as well. First of all, this is the unique research
to examine the relationship between strategic innovation and social loafing behaviors.
Therefore, the lack of previous studies related to the subject created a limitation. Second,
remaining limited with a city and the hotel sample is the another limitation for this research. In
addition, chosing the convenience sampling method is also counted as another limitation. Last
but not least, just using the quantitative research pattern and survey technic are the other
limitations of this research.
Based on these limitations, it is suggested that new paper design should be planned by considering the mentioned limitations for the future researches. Data collecting method and sector can be changed. Qualitative analyses can also be used beside quantitatives. Thus, it will be possible to test and compare the obtained results with other research findings.

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