ROLE OF CREATIVITY ON ORGANIZATIONAL GROWTH A CASE STUDY OF AL-GHAZI TRACTOR LTD. (AGTL), PAKISTAN

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Abstract:
The purpose of the study is to learn the role of creativity in the growth of an organization. There are two hypothesis of that study. There are two research objective and research questions of that article.The statistical population in this research covers 500 employees of Al-Ghazi tractor Ltd(AGTL)D.G.Khan out of whom 100 employees are selected randomly as sample group. Data is analysis on SPSS. All hypotheses are confirmed. There are two determinant of creativity which are organization structure and organization culture. Outcome show that there is the Positive relationship between organization structure and organizational growth and also there is the Positive relationship between organization culture and organizational growth.
Keywords: Creativity, Organizational growth, organization structure, organization culture.

Introduction:
Organizations are facing many changes and pressure in today's globe in order to maintain organizational existence. If the organizations bring creativity into their growth processes and accommodating the effective changes they get the desired results.Determinantsof creativity are strategy, structure, culture, time & money politics, resources and skills.The sense of creativity to create impressive new and distinctive way that is suitable and useful, thereby solving a crisis (Rezaeian Ali, 2007).Organizationalgrowth is thework or practice, or a style of growingprogress, ongoing increase of asset up.By definition, creativityinvolves the design of impressivethe new that is key to the organizational practice" (Barringer& Ireland, 2006, p. 15). Creativity is defined as a decision of the uniqueness and effectiveness (or value) of something(Pirola-Merlo & Mann, 2004). Due to its importance to person, groups andOrganizations, the idea of creativityis usually discussed over the last decades in arange of disciplines including psychology, sociology,

organizational behavior (Styhre&Sundgren, 2005).Creativity is rootof organization growth but several occasions it is not delivering the assistance like when organization have no excellent organization structure and supportive climate in their work. Under such conditions, new approaches and development are highly valuable (Simonton, 2000).

1.1: Objectives: The objective of this study is to build up a model in between creativity and the organizational growth.These are included:

i. To see the impact of organization structure on the organizational growth.
ii. To see the impact of organization culture on the organizational growth.

1.2: Research Questions:

There are two research questions of that study:

These are included:

Q1.What is the relationship between organization structure and the organizational growth?

Q2. What is the relationship between organization culture and the organizational growth?

The creative atmosphere encourages group to create new thoughts and helps the organization to grow and enhance its competence and at the same time it enables group to create and execute the creative thoughts more efficiently (Ekvall et al., 1983).Various researchers think that creativity is extraordinarilyessential for the enduring survival of organizations because it enables organizations to stayviable in a fastshiftingsituation and to get a competitive advantage (Shapiro,2002).

2. Literature Review:

Creativity:

Basicstudy on creativity dates back to 1960, by the 90s scholars had ongoingrealize its importance in competitive advantage. (Andreopaulos& Lowe,2000) declare 'permanent challenging' as a way to boost organizational creativity.(Cook, 1998) argued that creativity iscause of competitive advantage for organizations.Organizations are ever try to encourage creativity, because it is an essentialcause of organizationalnovelty as well as competitive advantage (Oldham & Cummings, 1996).

Determinants of Creativity:

Four factors, i.e.organization structure, culture & climate, time and money politics, resources and skills influence on Organizational creativity (Andreopaulos, 2001).

There are two determinants of creativity:

1) **Organization structure**
2) **Organization culture**

Organization structure:

The structure and systems vital for creativity contain enduring employment of employees a smooth structure and kind evaluation of employees and pleasing creative performance to an organization (Amabile, 1979, 1983, 1990).(Thompson, 1965), organizational structure is the organizationinsideoutline of interaction, ability, and contact. Similarly, (Goldhaber et al.1984, p. 44) define organizational structure as "the system of interaction and roles existing all over the organization".(Porter & Roberts, 1976) and (Frederickson,1986) theories that organization

structure powerfully influences contact and facilitates the courseand processing of information, while (Koufteros et al. 2007) and (Kim, 2005) presentpractical evidence about the connection between organizational structure and insidecontact.Organization culture:Usually, culture as a precisematter was study by anthropologists. But, the notice in organizational culturefor the period of the 1980s and 1990s stems from at least four singular sources (Brown, 1995; p. 2).In Search of Excellence,Peters and Waterman (1982) draw a set of interest to the value of culture to achieve high levels of organizational success. These initiateseverallater publications on how to handle organizational culture (eg. Deal & Kennedy 1982; Ott 1989; Bate 1994).(Schein, 1999) informs thecompany culture matters, for the reason that the decisions preparedwith nounderstanding of the running cultureservices may have unexpected and unattractivepenalty.(Kotler& Keller, 2006) classify competitive advantage as an organizationcapability to execute in different ways that rivals cannot match. A cultural organizer help in hiring and enlargement of group with the requirement skill and competencies required to get the work done.(Mintzberg, 1991) hadrecommended that organizational value isarisewhen the interchange of seven central forces; trend, effectiveness, talent, novelty, awareness, cooperation/culture and rivalry/policy is control successfully.Organizational culturemight be resolute by watchfully analyzing the level of involvement, liberty of term, performance values, and relations among small barriers, large number of stimulus, liberty to research and formationof earlier thoughts.

Organizational growth:

The model of organizational growth is givenby Peters and Waterman (1982) in their manuscript "In search of excellence".For the period of the last 20 years mutuallyexplanation and maintain ability of growth have undergone dull changes (Hermel&Pujol, 2003). According to (Hillman,1994), growth is the process of evaluating an organization alongside a copy for nonstopmaturity in sort to underline what has been achieved and what needs enlightening.Mutuallybig and petite, manufacture and service, and communal and personal companies have made pledge to value initiatives like total quality management (TQM) by making it essential for their growth (Oakland, 2004).Improving goodsvalue results in elevated profits for the reason that costs are decreased and efficiency and market share are enhanced (Ryan, Deane & Ellington, 2001; Gupta, 2004).The role of quality in moving organizational growth or presentationmainlyinside the framework of petite businesses requires research awareness (Tatoglu and Zaim, 2006).

Theoretical Framework:

The Theory of Reasoned Action (TRA) is associated with our study. This Theory is given in 1967 by Fishbein. It is a model for the forecast of behavioral meaning, across predictions of attitude and predictions of actions.Faith change actions change.

Hypothesis:

H1: There is a positive relationship between organization structure and organizational growth.

H2: There is a positive relationship between organization culture and organizational growth.

Research Methodology:

The pattern shows the relationship between organizational growth (Dependent variable), organization structure and organization culture(Independent variable).The research is descriptive statistics. It is done by surveying. There are 2 hypotheses; Research tries to show the impact of organization structure, organization culture on the organizational growth in Al Ghazi tractor Ltd (AGTL) with help of questionnaires.

Population: The population includes 500 employees of Al-ghazi Tractor factory Ltd (AGTL) organization.

Sample, Method of Sampling: The sample includes 100 employees who have been selected randomly based. Data are unruffled through field work.We used Likert scale fifth choice from 1= strongly agree to 5= strongly disagree in that appraisal.

Data analysis:

SPSS software is used to study statistical facts of the survey. Reliability of the appraisal is done by a sample having 100 respondents of Al Ghazi tractor Ltd (AGTL) in Dera Ghazi Khan.

Table 1:

Frequency:

Statistics

		RES	AGE	GENDER	LOE
N	Valid	100	100	100	100
	Missing	2	2	2	2
Std.Deviation		50.5000	2.1000	1.5000	2.4600

Table 2:

What is your age

AGE

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	20	19.6	20.0	20.0
	2.00	50	49.0	50.0	70.0
	3.00	30	29.4	30.0	100.0
	Total	100	98.0	100.0	
Missing	System	2	2.0		
Total		102	100.0		

Table 3:
What is your gender?

GENDER					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	50	49.0	50.0	50.0
	2.00	50	49.0	50.0	100.0
	Total	100	98.0	100.0	
Missing	System	2	2.0		
Total		102	100.0		

Table 4:
What is your education?

LOE					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	14	13.7	14.0	14.0
	2.00	26	25.5	26.0	40.0
	3.00	60	58.8	60.0	100.0
	Total	100	98.0	100.0	
Missing	System	2	2.0		
Total		102	100.0		

Table 5:
Descriptive Statistics

Descriptive Statistics			
	Mean	Std. Deviation	N
Structure	1.0600	.11982	100
Culture	1.0900	.17188	100
Growth	1.0413	.08152	100

Table 6:

Correlations

		Structure	Culture	Growth
Structure	Pearson Correlation	1	.699**	.423**
	Sig. (2-tailed)		.000	.000
	N	100	100	100
Culture	Pearson Correlation	.699**	1	.633**
	Sig. (2-tailed)	.000		.000
	N	100	100	100
Growth	Pearson Correlation	.423**	.633**	1
	Sig. (2-tailed)	.000	.000	
	N	100	100	100

**. Correlation is significant at the 0.01 level (2-tailed).

Table 7:

Regression:

Hypotheses1: There is the Positive relationship between organization structure and organizational growth.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics			
					R Square Change	F Change	df1	df2	Sig. F Change
1	.423[a]	.179	.170	.07426	.179	21.318	1	98	.000

a. Predictors: (Constant), Structure

Table 8:

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.118	1	.118	21.318	.000[b]
	Residual	.540	98	.006		
	Total	.658	99			

a. Dependent Variable: Growth

b. Predictors: (Constant), Structure

Table 9:

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.736	.066		11.083	.000
	Structure	.288	.062	.423	4.617	.000

a. Dependent Variable: Growth

Table 10:

Regression:

Hypotheses2: There is the Positive relationship between organization structure and organizational growth.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics			
					R Square Change	F Change	df1	df2	Sig. F Change
1	.633[a]	.401	.395	.06340	.401	65.682	1	98	.000

a. Predictors: (Constant), Culture

Table 11:

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.264	1	.264	65.682	.000[b]
	Residual	.394	98	.004		
	Total	.658	99			

a. Dependent Variable: Growth

b. Predictors: (Constant), Culture

Table 12:

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.714	.041		17.449	.000
	Culture	.300	.037	.633	8.104	.000

a. Dependent Variable: Growth

Findings:

Hypotheses1: Correlation outcomeprove that there is a positive affiliationbetween organization structure and organizational growth (sig=.000 r=.423). R is the multiple correlation coefficients, between the observed and predicted values organization structure ofthe dependent variable organizational growth. In the range of 0 to 1 r value is significant.

Hypotheses2: Correlation results show that there is a positive relationship between organization culture and organizational growth (sig=.000 r=.633). R is the multiple correlation coefficients, between the observed and predicted values organization culture of the dependent variable organizational growth. In the range of 0 to 1 r value is significant.

Discussions:

This study is show a solid relationship among creativity and the organizational growth. Creativity has two determinants one is organization structure and second is organization culture. Results show that there is a positive relationship of organization structure and organization culture on the organizational growth.

Conclusion:

(Mc Adam and McClelland, 2000) novelty and creativity profit organizationaway from direct sales, new and creative goods present growth or competence improvements of a company.(Pretorius& Millard; Kruger et al;2005) “Creativity is obviously very important component of the entrepreneurial skills vital to fruitfullyinitiate a business enterprise”. Cook (1998) argued creativity is a cause of competitive advantage for company. Organizations that establishauseful creative and newmethod is also liable to recognize the societalprofit that occur from group working and workerincentive (Cook, 1998). Creativity and novelty is imperative not only in case of the goods and services, but also in case of the technologies and method that they develop (Bosma& Harding; Watson et al., 1998). Creativity has the major role in the organizational growth. If organizations bring creativity in their process then organizations will be capable to liveat the maturity stage, earn large profit, give competitive advantage, and try to winworldwide.

Future Research Directions:

The limitations of that research are following:

i. There is no former research exists on creativity, in the city of Dera Ghazi Khan.Many researches are done it in other countriesand well-known cities of Pakistan.
ii. The period of our learning is three months.
iii. Data resources are very few and I have no access of good data basis.
iv. The study is still in growth. The canvasser can also take other variables like time and money politics, resources and skills, motivation, to increase the organizational growth.

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