



## **CHANGE MANAGEMENT AND ORGANIZATIONAL INNOVATION IN SELECTED MANUFACTURING FIRMS IN AWKA, ANAMBRA STATE, NIGERIA**

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**ABSTRACT:** *This study examined the influence of Change Management on Organizational Innovation with particular reference to selected manufacturing firms in Awka. The study seeks to find out specifically the relationship between Environmental-adaptability and product innovation. The study is anchored on Three Steps Change Theory by Kurt Lewin. Survey research design was adopted. The population of the study is four hundred and eighteen (418) and complete enumeration was adopted. Pearson's Product Moment Correlation was used for data analysis. The findings revealed that there was significant positive relationship between environmental-adaptability and product innovation. The study recommends that focused manufacturing firms should always try to improve their products using innovations that are environmental adaptive.*

**KEYWORDS:** Change Management, Organizational Innovation, Product Innovation, Environmental Adaptability, Nigeria

## **INTRODUCTION**

### **Background of Study**

Most organizational managers today would agree that change has become a constant phenomenon which must be attended to and managed properly if an organization is to survive. Changes in technology, the market place, information systems, the global economy, social value, workplace demographics and the political atmosphere all have significant effect on the processes, products and service produced. The culmination of these forces has resulted in an external environment that is dynamic, unpredictable, demanding and often devastating to those organizations which are unprepared or unable to respond (Burnes, 2004). While change is a constant experience, knowledge and awareness about many of the critical issues involved in the management of such change is often lacking in those responsible for its progress.

Change Management refers to any approach to transitioning individuals, teams and organizations using methods intended to re-direct the use of resources, business process, budget allocations or other modes of operation that significantly reshape a company or organization. Organizational change management considers the full organization and what needs to change. Ansoff and McDonnell (1990), state that change arises out of the need for organizations to exploit existing or emerging opportunities and deal with threats in the market.

Change Management emphasizes the need for the change management plans and strategies to be formulated within the context of overall organizational strategies and objectives and to be responsive to the changing nature of the organization's external environment. It is an approach which requires interpretation and adaptation by practitioners to ensure that most suitable fit



between business strategies and plans. Thus, the overall themes of change management are the integration of all institutional functions, adherence to broad organization goals and responsiveness to the external environment (Armstrong, 2009).

Change Management is a systematic approach to dealing with change, both from the perspective of an organization and on the individual level. For organization changes, we can define change management as “activities involved in (1) defining and instilling new values, attitudes, norms, and behaviors within an organization that support new ways of doing work and overcome resistance to change; (2) building consensus among customers and stakeholders on specific changes designed to better their needs; and (3) planning, testing and implementing all aspects of the transition from one organizational structure or business process to another” (Pittaway, 2005).

The term, Innovation, dates from the 16<sup>th</sup> century, and is derived from the Latin, *innovatus*, “to renew or change”. In today’s business environment, to innovate is essential for survival; constantly evolving technologies and market dynamics ensure that stasis or inertia are certain to result in obsolescence. Innovation has been studied through the lenses of economics, engineering, political science, sociology and other fields. From the organizational perspective, Innovation is defined as the successful introduction of new thing or method. Innovation is the embodiment, combination, or synthesis of knowledge in original, relevant, valued new product, processes or services (Luecke & Katz, 2003). Innovation is widely regarded as a critical source of competitive advantage in an increasingly changing environment (Dess and Picken, 2000). According to management scholars, innovation capability is the most important determinant of firm performance (Mone, McKinley, Barker, 1998). In Cox, Annette, Rickard, Catherine, Tamkin, & Penny (2012) research, innovation means, renewal in structure, process or borders of one organization by purpose of access to thrift in use of workplace or capital source and or improved ability for satisfying customer needs, for example; teaming, diversifying staff skills and management system. Innovation includes the new methods of the management, new organization, new market concepts and new firms (Battisti and Stoneman, 2010).

Choopani, Zare, Mojtaba, & Aghil (2012) express three dimensions of Organizational Innovation that include; production innovation, process innovation and administrative innovation. Since Organizational Innovation involves changes, firms equally employed change management strategies to handle the inherent distortions embedded in the change process.

The manufacturing industry plays a vital role in the Nigeria economy and also in the lives of the people. The manufacturing industry is an organization that is motivated by a number of factors to utilize input like raw-materials, land and man-power in the production of physical or tangible products for their consumer satisfaction.

Juhel Nigeria Limited is a pharmaceutical company for production of antibiotic and anti-infectives, analgesics, vitamins and minerals, cough and cold preparations, cardiovascular and anxiolytics, antimalarial and anti-diabetics, antihistamines, antacids, anti-flatulents and table drinking water. The company maintains high quality standard in all its operations. With high production capacity, the policy thrust is to continue to provide cost-effective, affordable, local alternatives of life saving drugs to the teaming population. Juhel Nigeria Limited is also in the downstream petroleum product market. It has its corporate Headquarters and manufacturing plant for oral drugs at Enugu State Nigeria and manufacturing plant for other drugs (infusion injections and ear/eye drop) at Awka Anambra State.



Millennium Industries Limited is a domestic and industrial plastic company a subsidiary of St Michael Group. They are into the production of plastic chair, stool, tray waste basket, kitchen utensils and household appliances.

### **Statement of the Problem**

The quest to meet customer's ever-changing demand and taste, innovations in processes, procedures and operation have become inevitable so as to position the organization to compete favorably with its competitors and remain in business, in the ever-increasing dynamic business world. This requires various degrees of change in organizational procedures, processes, technologies and operations. However, the resistance to change by humans (the desire to maintain status quo) usually conflicts with such organizational intentions. This conflicting interest of employees with organizational policies has been the bane of change management. Thus, managing such change have become a subject of intense contemporary discuss, as it has proved intractable in some situations, especially for manufacturing industries, leading to organization breakdown. The focused firms have experienced various problems that range from resistance to changes brought by innovation of product, process and administration. However, in spite of all the improvement that are aimed at embracing the inevitable change, the workers in the focused firms find it difficult to adapt to the changes that was brought on by the innovation. It is against this backdrop that the researchers wish to assess the relationship that exist between these organizational variables and hence, to advance appropriate change management strategies which could be deployed by manufacturing firms, with a view to optimizing organizational innovations and better positioning, to compete favorably with its competitors, without necessarily leading to organizational breakdown.

### **Objective of the Study**

The broad objective of the study is to examine the influence of Change Management on Organizational Innovation with particular reference to selected manufacturing firms in Awka.

The specific objective of the study is:

- To determine the relationship between the management of Environmental-Adaptability and Product Innovation in selected manufacturing firms in Awka.

### **Research Question**

Following the objective of the study the following research question applies:

- What is the relationship between Environmental-Adaptability and Product Innovation in selected manufacturing firms in Awka?

### **Hypothesis**

For the purpose of this study, the following hypothesis is formulated and shall be tested:

H<sub>0</sub>: There is no significant relationship between environmental-adaptability and product innovation in selected manufacturing firms in Awka.



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### **Significance of the Study**

The entire study is important as it shall contribute to existing scholarly knowledge in Change Management and Organizational Innovation. The study will be of relevance to researchers, students and manufacturing firms. The result will help enlighten management of various organizations of the influence of change management strategies on organizational innovation. It will also serve as a reference point for further studies.

### **Scope of the Study**

The study is focused on Change Management and Organizational Innovation in the selected manufacturing firms in Awka. The manufacturing firms selected for this study are Juhel Nigeria Limited and Millennium Industries Limited.

### **Limitations of the Study**

The study experienced drawbacks due to uncooperative attitude of the employees. The researchers mitigated by revisiting the companies several times and convincing the employees on the need to assist in completing the questionnaire.

## **REVIEW OF RELATED LITERATURE**

### **Conceptual Review**

#### **Change Management**

Organizational change is seen as a necessary concept for organizations to compete in the ever changing and competitive business environment. The rapid development of information and communication technology has prompted many organizations to actively seek for new ways, ideas and creative solutions in improving their current product, process, system and technology which is referred to as organizational change. Change Management in organizations are now shifted from being the responsibility of an internal or external change agent dedicated to its implementation and management to increasingly being identified as a core competency for most organizational leaders (Doyle, 2002).

Change Management is an approach to shifting or transmitting individuals, teams and organizations from current state to a desired future state, it is an organizational process aimed at helping change stakeholders to embrace changes in their business environment. Organizational change involves both managing the change processes and handling human issues at the local level (Kanter & Dretler, 1998). The purposes of change management for different organizations are probably not the same, but the ethos of change management is the same, that is, making the organizations more effective, efficient and responsive to the turbulent environment changes (Armbruster, Bikafalvi, Kinkel and Lay, 2008)

Change Management suggests that resistance is a natural reaction to change that always contains a coded message and happens on an emotional and not an intellectual level. Accordingly, it is important not to 'overcome' resistance i.e. with logical arguments or even fight the resistance but treat resistance as an emotional process where feelings are involved. It



is also viewed as important to pause and deal with resistance immediately, when it appears which can mean a delay in the project plan (Doppler and Lauterburg, 2000).

Lending support to the above view, Kanji and Moura (2003) and Lycke (2003), state that changes can be numerous and could also include changes to procedures, structures, rules and regulations, technology, training and development and customer needs within organizations.

De Jager (2001) state that change is a simple process. At least, it's simple to describe. It occurs whenever we replace the old with the new. Change is about travelling from old to new, leaving yesterday behind in exchange for a new tomorrow. But implementing change is incredibly difficult. Most people are reluctant to leave the familiar behind.

### **Environmental-Adaptability**

Teece and Pisano (1994) identified environmental adaptability as a measure of change management strategy. Winners in the global market are firms that can demonstrate timely responsiveness and rapid and flexible product innovation, coupled with the management capability to effectively coordinate and redeploy internal and external competences. This source of competitive advantage is referred as dynamic capabilities. Zollo and Winter (2002) found that these capabilities are originated from a learned and stable pattern of collective activities, and that firms differ in their dynamic capabilities partly because they implicitly or explicitly emphasize differently the strategic importance of change in the future. Zollo and Winter (2002) and Eisenhardt and Martin (2000) also argued that firms dynamic capabilities differ because they are in environments with different rates of change dynamic capabilities are importance to consider in order for a firm to reconfigure and renew its organization. Brown and Eisenhardt (1998) found that present in high velocity industries needed to manage the demand for continual renewal, so they examined the aspect of renewal of firms further using complexity and evolutionary theories as well as literature exploring the fundamental nature of change and evolution. As a result, they developed a number of new concepts that all created a higher flexibility for a firm to adapt and reconfigure as a result external change.

### **Production Innovation**

The need for new product is driven by the fact that customers' habits are continually evolving, especially as new technology develops and competing suppliers offer innovative new solutions to satisfy customers' needs. There are several options for expanding an enterprise's reach and developing new products, with various levels of risk and reward associated with them (Prahalad and Hamel 1994). Generally, the option consists of the following

- Product extensions
- Market extensions
- Product and or Market diversification.

New product development is not just the status-quo; it is usually time consuming, risky and frequently costly. A clear strategic vision with regard to innovation needs to be articulated by an enterprise. Therefore, the drive for innovation and diversification generally comes from top of the organization, if new product development is to be successful (Hamel and Prahalad, 1994). Prior to instituting a process for product development, a new organizational structure



may need to be implemented, because new product development especially as the level of diversification and innovation increases, rarely resides easily in a non-dedicated group or unit. A new organizational structure may include innovation teams, or may integrate R and D into a business unit (Dessler, 2005).

### **Theoretical Framework**

This study is anchored on Three Step Change Theory by Kurt Lewin (1951). Social scientists view behavior as a dynamic balance of forces working in opposing directions. Driving forces facilitate change because they push employees in the desired directions. Restraining forces hinder change because they push employees in the opposite direction. Therefore, these forces must be balanced and Lewin's three-step model can help shift the balance in the direction of the planned change. Kurt Lewin developed a change model involving three steps: unfreezing, changing, and refreezing. Before a change can be implemented, it must go through the initial step of unfreezing. Because many people will naturally resist change, the goal during the unfreezing stage is to create an awareness of how the status quo, or current level of acceptability, is hindering the organization in some way. Old behaviors, ways of thinking, processes, people and organizational structure must all be carefully examined to show employees how necessary a change is for the organization to create or maintain a competitive advantage in the market place. Communication is especially important during the unfreezing stage so that employees can be informed about the imminent change, the logic behind it and how it will benefit each employee. The idea is that the more we know about a change and the more we feel it is necessary and urgent, the more motivated we are to accept the change.

Lewin's second step is changing. Now that the people are 'unfrozen' they can begin to move. Lewin recognized that change is a process where the organization must transit or move into this new state of being. This changing step, also referred to as 'transitioning' or 'moving' is marked by the implementation of the change. This is when the change becomes real. It's also, consequently, the time that most people struggle with the new reality. It is a time marked with uncertainty and fear, making the hardest step to overcome. During the changing step people begin to learn the new behaviors, processes and ways of thinking. For this reason, education, communication, support and time are critical for employees as they become familiar with the change. Again, change is a process that must be carefully planned and executed. Throughout this process, employees should be reminded of the reason for the change and how it will benefit once fully implemented.

Lewin called the final stage of his change model freezing, but many refer to it as refreezing to symbolize the act of reinforcing, stabilizing and solidifying the new state after the change. The changes made to organizational processes, goals, structures, offerings or people are accepted and refrozen as the new norms or status quo. Lewin found the refreezing step to be especially important to ensure that people do not revert back to their old ways of thinking or doing prior to the implementation of the change. Efforts must be made to guarantee the change is not lost; rather it needs to be cemented into the organization's culture and maintained as the acceptable way of thinking or doing. Positive rewards and acknowledgement of individualized efforts are often used to reinforce the new state because it is believed that positively reinforced behavior will likely be repeated. The relevance of this theory to the study is that it will help management to know how to go about the implementation of change in their organization.



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## **Empirical Review**

Empirically, change management and its effect on organizational performance of Nigerian telecoms industries was examined by Olajide Olubayo (2014). In conducting the study, 300 staff of Airtel were randomly selected from the staff of 1000. Data collected were analyzed using One-Way analysis of variance. The findings revealed that a change in technology has a significant effect on performance and that changes in customer taste have a significant effect on customer patronage.

Igwe, Nwokedi and Udeh (2013) conducted an empirical investigation on the impact of change management on selected manufacturing firms in South East Nigeria. The sample size of the study was 267 top and middle management staff of the selected manufacturing firms. Chi-square statistic and Pearson product moment correlation coefficient was used for analyzing the data. The study revealed that change management improves the level of performance and that there is every strong positive relationship between commitment of top management, middle management and success rate of implementation in the selected firms.

Islam Mohamed Salim and Mohamed Sulaiman (2011) conducted a research to investigate the effect of organizational learning on innovation as well as the impact of innovation on company performance. Data were collected via electronic survey from 320 small and medium enterprises operating in the ICT industry in Malaysia with a sample size of 200. The study incorporated two sets of analyses. First, Pearson correlation analysis examined the correlation between organizational learning and innovation as well as innovation and performance. Next, multiple stepwise regression analysis was performed to establish the predictive power of organizational learning on innovation and that of innovation on performance. Findings revealed that organizational learning capability is positively related to organizational innovation and that organizational innovation is significantly related to organizational performance.

Munyao (2013) investigated the role of change management on the performance of Kenyatta National Hospital with a sample size of 48. Qualitative data was analyzed by the use of statistical package for social sciences (SPSS) version 21. In addition, descriptive and inferential statistics were used in the study. The finding showed that information technology, innovation, employee's motivation and management skills positively related with the performance of Kenyatta National Hospital in Kenya.

## **METHODOLOGY**

### **Research Design**

This study employed survey research design. The method was chosen by the researchers because data would be collected directly from the participants. The primary data were collected through questionnaire.

### **Population of the Study**

A total staff strength of 418 from the two manufacturing firms constituted the population of the study. Out of the total population Juhel Nigeria Limited has 308 staff and Millennium



Industries Limited has 110. Complete enumeration method was adopted, as the researchers made use of the entire population of the two firms.

**Table 3.1 Selected manufacturing Firms**

Juhel Nigeria Limited	308
Millennium Industrial Limited	110

*Source: Field Survey 2017*

### Method of Data Collection

Data for the research were collected from primary source. Copies of a structured questionnaire were administered, and the respondents were placed on objective response for each statement on a Five Point Likert Scale. The response scoring weights were Strongly Agree-5 points, Agree-4 points; Neutral, 3-Disagree-2 points, and Strongly Disagree-1 point.

### Validity of Instrument

Face and content validity were used in the study to validate the instrument. These addressed whether or not the conceptual variables appeared to be adequately measured both on the content and surface. The validity of the instrument was ascertained by giving out copies of the draft questionnaire, research questions, hypothesis, alongside with the purposes of the study to experts and validators from Education Foundation Department of Nnamdi Azikiwe University, Awka. They were asked to check the face and content validity of the instrument to see if the instrument would actually measure what it intended to measure. All corrections made were incorporated in the final instrument used.

### Reliability of the Instrument

Reliability is the consistency of information overtime. This study adopted Split-Half reliability technique for reliability test of the instrument. The result obtained is given below

**Table 3.2: Reliability Table**

Cronbach's Alpha	Part 1	Value	.921
		N of Items	12 <sup>a</sup>
	Part 2	Value	.897
		N of Items	12 <sup>b</sup>
	Total N of Items		24
Correlation Between Forms			.910
Spearman-Brown Coefficient	Equal Length		.953
	Unequal Length		.953
Guttman Split-Half Coefficient			.892

*Source: Field Survey 2017.*



The formula is given as:

$$r_{SB} = \frac{2r_{hh}}{1 + r_{hh}}$$

Where

$r_{hh}$  = Pearson correlation of scores in the two half tests.

Applying the formula, we would have:

$$r_{SB} = \frac{2 \times 0.910}{1 + 0.910}$$

$$r_{SB} = \frac{1.82}{1.910}$$

$$r_{SB} = 0.952879$$

### Method of Data Analysis

In analyzing the data, Pearson's Product Moment Correlation Coefficient was adopted. Pearson Correlation was used to examine the relationship that exists between environmental-adaptability and product innovation.

### DATA PRESENTATION AND ANALYSIS

**Table 4.1 Schedule of questionnaire administered and returned**

<b>ORGANIZATION</b>	<b>No Distributed</b>	<b>No Returned</b>	<b>No Analysed</b>
Juhel	308	297	283
Millennium	110	93	87
Total	418 (100%)	390 (93%)	370
Percentage			(89%)

*Source: Field Survey 2017*

From Table 4.1 above, the questionnaire administered and returned is shown. A total of 418 copies of questionnaire were distributed to the focused firms, out of which 390 were retrieved. 20 of the retrieved copies were invalidated because some of the questionnaire items were double-ticked, not ticked or too mutilated to comprehend.



## Respondents Demographic Information

**Table 4.1.1: Sex**

		Frequency	Percent
Valid	MALE	216	58.4
	FEMALE	154	41.6
	Total	370	100.0

Source: Field Survey 2017

Table 4.1.1 shows the sex of the respondents, 216 representing 58.4 percent respondents were male while 154 respondents 41.6 were female. It shows that male workers are needed more in the focused firms because nature of job requires stamina.

**Table 4.1.2: Academic Qualification**

		Frequency	Percent
Valid	SSCE	219	59.2
	HND	69	18.6
	B.Sc/Bed/Btec	79	21.4
	M.Sc/MBA/Med	3	.08
	Ph.D	-	-
	Total	370	100.0

Source: Field Survey 2016

The table 4.1.2 shows that 59.2 % of the respondents are SSCE holders, 18.6% are HND holders, 21.4% are B.Sc/Bed/Btec holders, and .08% is M.Sc/MBA/MEd while no respondent had a Ph.D degree. This implies that the respondents were literate enough to understand the issues at hand and respond meaningfully to the questions that were asked.

**Table 4.1.3: Work Experience**

		Frequency	Percent
Valid	Less than 3 YEARS	250	67.6
	3-5 YEARS	75	20.2
	6-8 YEARS	43	11.6
	9-11 YEARS	2	.05
	12 years and Above	-	-
	Total	370	100.0

Source: Field Survey 2017



The table 4.1.3 depicts that 250 respondents have worked in the organization for less than 3 years, 75 have worked for 3-5, and 43 have worked for 6-8 Years, 2 for 9-11 Years while none of the respondents have worked for more than 12 years. Hence, the result indicate that majority of the respondents have not worked in the organizations for more than 3 years

### Descriptive Statistics

#### Research Question:

What is the relationship between Environmental-Adaptability and Product Innovation in selected manufacturing firms in Awka?

**Table 4.1.5: Descriptive Statistic for Research Question**

<b>Environmental- Adaptability</b>	<b>N</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Mean</b>	<b>Std. Deviation</b>
My organization work environment is very conducive	370	2	5	3.22	1.123
I am comfortable with my work environment.	370	2	5	2.94	1.025
My work place allows me to be highly productive.	370	2	5	3.19	.849
My organization maintains a work condition that discourages employees' turnover.	370	2	5	3.93	1.083
<b>Product Innovation</b>					
We change our existing product according to customers' evolving habits.	370	1	5	3.47	1.167
New products in my company often help us to respond to our competitors.	370	1	5	4.37	.896
In my company we continuously improve old products and raise the quality of new product.	370	1	5	3.64	.921
The need to enter new market encourages my company to develop new product	370	1	5	3.52	1.026
Valid N(listwise)	370				

Source: Field Survey 2017

From Table 4.1.5, it shows the mean scores of questions asked to answer research question. The decision rule is to accept all items with a mean score of 3 and above and to reject any with

a mean score below 3. From the result above, all questionnaire items were accepted except one which was rejected.

### Test of Hypothesis

H<sub>0</sub>: Environmental-Adaptability (ENVAD) has no significant relationship with Product Innovation (PRODINN) in selected manufacturing firms in Awka.

**Table 4.2.2: Correlation for Hypothesis**

Correlations		ENVAD	PROINN
ENVAD	Pearson Correlation	1	.933**
	Sig. (2-tailed)		.000
	N	370	370
PRODI NN	Pearson Correlation	.933**	1
	Sig. (2-tailed)	.000	
	N	370	370

\*\* . Correlation is significant at the 0.05 level (2-tailed).

Source: *Field Survey 2017*

Table 4.2.2 above shows the correlation result of hypothesis. The Pearson's r is .933 and the p-value is .000 which is less than the significant level at .05. Going by the decision rule, this goes to show that there is a significant positive relationship between the variables and therefore the research hypothesis is accepted, while the Null hypothesis is rejected.

### Discussions of Findings from the Test of Hypothesis

#### Result from test of Hypothesis

The result of this hypothesis reveals that Environmental-Adaptability has a significant positive relationship with Product Innovation. The result is in tandem with the outcome of the study by Mohammad and Ghazal (2012) which opined that organizational learning approaches can affect organizational innovation. Consequently, there is need for organization to pay attention to organizational adaptation strategies as this will improve product innovation. This is in line with the assertion of Edegbai (2014) that there is a strong positive relationship between environmental-adaptability and product innovation.

## SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

### Summary of Findings

From the discussion of findings, the summary was made:

- Environmental-adaptability has a significant positive relationship with product innovation.



- Correlation coefficient (r) of ENVAD & PRODINN (0.933) and it is significant at 0.05 (p-value (.000) < 0.05). This indicates that when work environment is conducive, it enables the employee to follow any change that may come up in the organization.

## Conclusion

Based on the findings of this study, it was established that changes in the organization have a significant impact on the whole firm. Change is unsettling and disruptive. It is occurring at an increased rate in the world of business and workers are easily worried by change and they have a variety of reasons to resist it but it is inevitable in the competitive business environment. Change needs to be managed right from the beginning of the innovation process so as to prevent resistance to the change. To be effective and efficient in managing this change, organizations and their managers need to develop effective and efficient change management strategy.

## Recommendations

Based on the findings the study thus recommends:

1. In order to achieve the intended change outcome, management of the focused companies need to control and by extension direct the employees to ensure compliance with the laid down rules and regulations so as to prevent them from going back to the former way of doing things.
2. Focused manufacturing firms should use appropriate change management strategies as situations demands because rarely will a single strategy suffice.

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**APPENDIX**  
**QUESTIONNAIRE**

Tick (✓) where; SD – Strongly Disagree, D – Disagree, U – Undecided, A – Agree and SA – Strongly Agree

**Personal Data**

SEX: Male [ ] Female [ ]

ACADEMIC QUALIFICATION: SSCE [ ] B.Sc/Bed/Btec [ ] M.sc/MBA/Med [ ] Ph.D. [ ]

WORK EXPERIENCE: less than 3years [ ] 3-5 years [ ] 6-8 years [ ] 9-11 years [ ] 12 years and above [ ]

S/ N	ITEMS	SA (5)	A (4)	SD (3)	D (2)	U (1)	N
	<b>ENVIRONMENTAL-ADAPTABILITY</b>						
1	My organization work environment is very conducive	78	48	121	123	-	<b>370</b>
2	I am comfortable with my work environment.	39	67	98	166	-	<b>370</b>
3	My work place allows me to be highly productive.	29	87	178	76	-	<b>370</b>
4	My organization maintains a work condition that discourages employees' turnover.	136	139	27	68	-	<b>370</b>
	<b>PRODUCT INNOVATION</b>						
5	We change our existing product according to customers' evolving habits.	89	103	78	91	9	<b>370</b>
6	New products in my company often help us to respond to our competitors.	206	127	9	24	4	<b>370</b>
7	In my company we continuously improve old products and raise the quality of new product.	49	199	67	50	5	<b>370</b>
8	The need to enter new market encourages my company to develop new product	78	103	125	61	3	<b>370</b>