



# Impacts of Strategic Learning Practices on Employees' Commitment in Small and Medium-Sized Enterprises (SMEs) Engaged in Agriculture and Protein Food Production Sectors in Guilan Province

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## Abstract

The survival of the firms depends on the adoption of techniques and methods for encouraging learning among people. On other hand, it is necessary to have an attitude for interaction and endeavour in order for the learning to be built and conserved. Therefore, committed people in organizations have always been emphasized as a driving force of the extension and creation of learning. The aim of this study was to examine the impact of strategic learning practices on employees' commitment in small and medium-sized enterprises (SMEs) engaged in agriculture and protein food production sectors in Guilan Province. The statistical society was composed of 650 key people of SMEs in agriculture and food sector in Guilan Province. Stratified sampling method was applied. Tseng's standard questionnaire was used as main tool for data collection. The research is a practical study in terms of objective and a correlation-based descriptive studied in terms of data collection methodology. Descriptive statistics were used for data analysis and stepwise regression was used for inferential statistics. In inferential section, Pearson's coefficient of correlation was used to examine the relationships between strategic learning methods and people's commitment. Furthermore, stepwise regression was used to examine the impact of various aspects of strategic learning methods on people's commitment. SPSS Software Package was applied for statistical analyses. It was found that strategic learning practices were significantly correlated with employees commitment. Based on the regression results, create system, strategic leadership and empower people were ranked as the first, second and third strongest factors influencing employees' commitment, respectively.

### Keywords:

*Learning organizations, Strategic learning practices, Employees' commitment*

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## INTRODUCTION

Today, some experts and administrators consider learning the only sustainable competitive advantage in organizations. Thus, they need to act as Learning Organizations (LO). Since the LO is where collective goals are formed and where the ability of individuals increases as they are continually learning how to learn, strategic learning techniques are used as a method to provide the necessary environment for questioning and freely expressing ideas. This method indeed supports the learning process (Plessis *et al.*, 1999). Examining small and medium-sized companies in USA, Tseng (2010) found that for the companies' success in responding to environmental changes and for the survival of the company, the variable of LO has a considerable impact on factors such as organizational commitment and effectiveness.

This study examines small and medium-sized companies located in Guilan province that have faced increasing problems and challenges over the past two decades. The development of science and technology, the introduction of various ideas, rapid technological advances and increasing competition have led to numerous challenges that require the implementation of strategic learning practices for learning creation.

However, due to neglect of the employees' commitment, the implementation of the techniques has met with some problems in the companies. This is because implementing a method will not achieve the desired result without due regard for However, neglecting people's commitment and their interests and motives will complicate the fulfilment of learning techniques and methods because committed people play an essential role in learning promotion throughout the organization. Unfortunately, no research has been done to examine the correlation and impact of dimensions of strategic learning techniques on employees' commitment in small and medium-sized companies.

The companies could create an appropriate environment for learning by taking advantage of the abilities of committed employees, and thus have the ability to deal with environmental challenges. Therefore, the researcher aims at helping firms create an appropriate environment for learn-

ing and also succeed by making use of committed employees' abilities by answering the question: How do various aspects of strategic learning practices affect employees commitment in SMEs of agriculture and food sectors in Guilan Province?

### Strategic learning practices

It is impossible to gain knowledge and acquire organizational knowledge reservoir without learning because learning is the heart of organization development. Strategic learning is always a programme that is designed and implemented with the aim to expedite and facilitate the learning process in organizations (Rahmati *et al.*, 2011). Learning from practices in work places which are badly organized for solving primary tasks, and geared for learning may be directly counter-productive. It will teach us neither improved practices nor improved theory and understanding. Whole work places need to be geared for individual and collective learning (Eikeland, 2013). Tseng (2011) suggested seven dimensions for strategic learning practices that include continuous learning, conversation and questioning, collaboration and group learning, create system, empower people, environmental association and strategic leadership.

**Continuous learning:** companies have to create the conditions for people to continuously learn and learn faster than competitors, in order to maintain their competitive advantage.

**Inquiry and dialogue:** an appropriate approach for collaboration. Conversation is the highest and most qualitative form of mutual innovative communication (Behnami, 2005). Collaboration and team learning: a proposal for group work.

**Create systems:** creating a system as an attempt to communicate with the internal and external environment (Mehrabi *et al.*, 2013).

**Empower people:** people are mainstays of the company, and increased motivation is the most important factor in their learning (Anvari *et al.*, 2011).

**Connect to environment:** companies should always be in contact with the external environment in order to respond to ever-changing environmental conditions, because the environment will always have the most influence on the structure and strategy of the organization.

**Strategic leadership:** strategic leadership refers

to how the leaders make use of learning to create motivation and creativity in their organizations (Mehrabi *et al.*, 2013).

**Employees' commitment**

Commitment is a dependent power; others have defined commitment as a desire to maintain a correlation with value (Fullerton, 2005). According to Kanter, it is people's willingness to spend their energy and loyalty to social system (Bagheri and Tolae, 2010). Tseng (2011) suggested three dimensions for commitment:

- (1)Willingness to exert effort
- (2) Degree of goal and value
- (3) Desire to maintain membership

Reported Organizational commitment as a strong belief in an organization's goals and values, a willingness to exert considerable effort on behalf of an organization and a strong desire to remain a member of the organization (Salami, 2008).

There is a significant relationship between organizational commitment and organizational learning, as well there is a significant relationship between different levels of organizational learning and organizational commitment (Mehrabi *et al.*, 2013). There is also a significant correlation between different levels of organizational learning and organizational commitment (Tseng, 2011).

**MATERIALS AND METHODS**

This study was a descriptive-correlation in terms of data collection methods and was practical regarding purpose. The statistical society was composed of 650 key people of SMEs in agriculture and food sector in Guilan Province. A sample size of 242 subjects was selected using a Morgan

table. Stratified sampling method was applied.

Tseng (2011)'s questionnaire was used as the standard questionnaire of the present study. It has been applied in many studies. Its validity was confirmed by a group of business management and governmental management professors of Islamic Azad University of Rasht, Iran

Cronbach's alpha was used to measure the reliability of the questionnaire. Table 1 shows the Cronbach's alpha coefficient for each part, which is greater than 0.7, and so it is reliable. SPSS software was used in this research. Data were first analyzed descriptively to examine the demographic variables of gender, age and educational level. Then, they were analyzed inferentially to examine the relationship between strategic learning methods and people's commitment for which Pearson's coefficient of correlation was estimated. The impact of strategic learning methods on people's commitment was examined by stepwise regression.

**RESULTS**

Results indicated that 5.3% of main employees had Ph.D., 31.3% had master's degree, 36.1% have bachelor's degree and 27.1% had associate Degree qualifications. In terms of gender, they were 37% female and 63% male and 14.5% were under 30 years of age, 26% aged 30 to 39 years, 43.2% aged 40 to 49 years and 16.3% were upper than 50 years.

As can be seen in Table 2, sig= 0.000 which is less than  $\alpha=0.05$  Then, the variable of strategic learning practices was significantly related with people's commitment whose coefficient of correlation was estimated to be 0.496.

In Table 3,  $R^2 = 0.254$  at the final step, i.e. the

Table 1: Cronbach's Alpha

| Variable                     | Cronbach's Alpha |
|------------------------------|------------------|
| strategic learning Practices | 0.751            |
| employees commitment         | 0.821            |
| Total alpha                  | 0.820            |

Table 2: Table of correlations

|                             |                              |
|-----------------------------|------------------------------|
|                             | Strategic learning practices |
| <b>Employees commitment</b> | Pearson correlation = 0.496  |
|                             | Sig: (2-tailed)= 0.000       |
|                             | N= 227                       |

Table 3: Table of stepwise regression model

| Model | R     | R <sup>2</sup> | Adjusted R <sup>2</sup> | SE      |
|-------|-------|----------------|-------------------------|---------|
| 1     | 0.436 | 0.190          | 0.186                   | 4.99504 |
| 2     | 0.491 | 0.241          | 0.234                   | 4.84594 |
| 3     | 0.504 | 0.254          | 0.244                   | 4.81422 |

Table 4: Table of strategic learning Practices and employee commitment

| Mmodel |            | SS       | df  | MS       | F      | p-value |
|--------|------------|----------|-----|----------|--------|---------|
| 1      | Regression | 1316.843 | 1   | 1316.843 | 52.778 | 0.000   |
|        | Residual   | 5613.844 | 225 | 24.950   |        |         |
|        | Total      | 6930.687 | 226 |          |        |         |
| 2      | Regression | 1670.470 | 2   | 835.235  | 35.567 | 0.000   |
|        | Residual   | 5260.218 | 224 | 23.483   |        |         |
|        | Total      | 6930.687 | 226 |          |        |         |
| 3      | Regression | 1762.280 | 3   | 587.427  | 25.346 | 0.000   |
|        | Residual   | 5168.407 | 223 | 23.177   |        |         |
|        | Total      | 6930.687 | 226 |          |        |         |

variables, altogether, predict 25.4% of the variations of employees commitment

In Table 4, the value of F at 0.01 level was significant, indicating a significant regression and a linear model. The error rate of variable size was greater than 0.05 and it was therefore excluded from the regression equation. Since significance level is less than 0.05 so the three dimensions, including system creation, strategic leadership and empower people, can predict people's commitment.

In Table 5, Beta coefficient was used to determine the extent to which the predictive variable aspects could predict the independent variable. According to B value, regression equation was found to be as  $Y = 13.724 + 0.633 (\text{create system}) + 0.697 (\text{strategic leadership}) + 0.504 (\text{empower people})$

Based on Beta value, the regression equation can be formed as follows:

According to beta values, for a unit change in

the SD of create system, strategic leadership and empower people variables, the standard deviation of the dependent variable (commitment) changes to 0.260, 0.234 and 0.136, respectively. Therefore, the create system variable has the strongest correlation with commitment, followed by strategic leadership and empower people, respectively. Other variables have no significant correlation with commitment in the presence of the three mentioned variables in the model.

### CONCLUSIONS AND RECOMMENDATIONS

In general, only three dimensions of strategic learning practices have some impact on the emotional commitment of employees in small and medium-sized companies engaged in agriculture and protein food production sectors in Guilan. Therefore companies can create the right system for employees and by creating a

Table 5: Results of regression analysis

| Mmodel |                      | B      | SE    | Beta  | t      | p-value |       |       |
|--------|----------------------|--------|-------|-------|--------|---------|-------|-------|
| 1      | (Constant)           | 19.919 | 1.527 |       | 13.043 | 0.000   |       |       |
|        | Create system        | 1.061  | 0.146 | 0.436 |        |         | 7.265 | 0.000 |
| 2      | (Constant)           | 15.073 | 1.938 |       | 7.779  | 0.000   |       |       |
|        | Create system        | 0.784  | 0.159 | 0.322 |        |         | 4.934 | 0.000 |
|        | Strategic leadership | 0.755  | 0.195 | 0.253 |        |         | 3.881 | 0.000 |
| 3      | (Constant)           | 13.724 | 2.041 |       | 6.724  | 0.000   |       |       |
|        | Create system        | 0.633  | 0.175 | 0.260 |        |         | 3.616 | 0.000 |
|        | Strategic leadership | 0.697  | 0.196 | 0.234 |        |         | 3.564 | 0.000 |
|        | Empower people       | 0.345  | 0.174 | 0.136 |        |         | 1.990 | 0.000 |

a. Dependent Variable: employee commitment

leadership style increase employees commitment.

In fact, strategic learning methods result in the acquisition, distribution and share of knowledge. They improve the communication between managers and employees and create a friendly environment equipped with trust to organization resulting in higher accountability and commitment. Then, people would be more inclined to stay in the organization and to try more. These findings are in agreement with Tseng (2011) that studied SMEs in the US and Balay (2012) that was conducted in a Turkish organization

To increase employees' commitment according to the dimensions of learning, the recommendations are as follows:

1. Train managers to develop their strategic mind-set
2. Make use of creativity software to increase tacit knowledge and experience of individuals
3. Train managers to reduce their fear of authority delegation.

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