Examining how Employee Characteristics, Workplace Conditions and Management Practices all combine to Support Creativity, Efficiency and Effectiveness

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ABSTRACT

Many organizations in the 21st century are facing rapid change in business environment, technology, economic shocks and other emerging issues like globalization. Traditional approaches to management in regards to people, process and tasks are no longer sufficient in guaranteeing efficient, effective and productive operations in most organizations and as such, adaptable leadership is required. From the perspective of organization’s desire to understand and meet their employee’s physical, emotional and psychological needs, consideration for personality differences and workplace conditions is desired as they affect both creativity and performance. Besides occupational health requirements like space, and fresh air, other considerations for staff welfare including rewards, appropriate systems, procedures and relevant policies are critical in ensuring staff engagement. Management practices that affect productivity and creativity in organizations include collaborative technology, diversity, culture and organizational structures. As brought out in the critical review of literature, there is evidence showing that employee characteristics, strategic leadership and flexible working all play an important role in supporting and encouraging innovation, desire for efficiency and effectiveness.

Key Words: Leadership, Employees, Personality, Workplace, Management Practices, Effectiveness, Creativity, Productivity

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1. Introduction

In looking at how individual characteristics, workplace conditions and management practices support creativity, efficiency, and effectiveness, a quick look at what leadership is will help put things into perspective. Silva (2016) offer that leadership is the process of interactive influence that occur when, people accept a person as their leader in order to achieve common goals. According to Kretzschmar (2002), effective leaders exercise authority and influence over others while having an impact on their follower’s lives, situations and structures. How then is the above definition related to organizational behaviour? Various scholars have offered helpful insights that help answer this question. Ivancevich, Konopaske, and Matteson (2014) suggest that organizational behaviour is a study that explores the impact individuals, groups and structure have on organizations. Additionally, Mullins (2016) offer that it is the study of human behaviour within an organization’s setting and usually involving understanding, predicting and
controlling such behaviour. It is upon this foundation of organizational behaviour that this review seek to offer insights on how organizations can remain competitive and relevant amid various emerging challenges.

2. Literature Review

People, organizations and processes all interact in order to achieve certain goals. What makes this happen is leadership and Dike, Odiwe, and Ehujor (2015) suggest that effective strategic leaders innovatively look at current trends with their customers and create environments suited for break-through performance. To support this perspective, Ivancevich et al. (2014) note that human resources provide the organization’s ability to get things done. How the people think, behave and work has an influence on the effectiveness and success of an organization. However, there are several other factors that enable organizations to achieve competitive edge and as Parjanen (2012) suggest, creativity is one of them.

2.1 Employee’s Characteristics and Creativity

According to Wenjing, Wei, and Shuliang (2013), employee’s creativity is crucial to the organizational innovation. In addition, knowledge workers are core to the competitiveness of a company in a knowledge-based economy. Creativity is related to knowledge and in this regard, Parjanen (2012) add that creativity is the process through which new ideas that facilitate innovation are developed. Moreover, an organization’s success and by extension survival, depend on its ability to create new knowledge and innovation. According to Ivancevich et al. (2014), creativity is a personality trait that involves the ability to break away from traditional thinking habits. Organizations therefore can provide opportunities and freedom to staff to think in unconventional styles depending on their personality differences. Individual characteristics of employees are different and in any organization, that leads to diversity. In this regard, Ivancevich et al. (2014) suggest that diverse organizations tap into the creative cultural and communication skills of people to improve processes and products. All individuals are different and when that is well understood and appreciated, it leads to higher financial performance. To support this argument, Parjanen (2012) suggest that creative thinking means that an individual is able to see things from more than one perspective. These views create an impression that, the more diverse people there are, the more likely they will contribute to new ways of thinking and doing things.

According to Yesil and Sozbilir (2012), individual innovative behaviour is one of the key pillars of high performing organizations and most companies depend on people with new and creative ideas to survive. Additionally, innovative work behaviours involve exploring opportunities, implementing change and applying new knowledge to improve process and performance. Wenjing et al. (2013) support this suggestion by noting that an employee’s creative performance largely depend on his or her characteristics. For instance, confident individuals may approach problems without hesitation and will be aware of various information available to them in generating new ideas to solve the problem. Parjanen (2012) add that access to resources, facilities and information does promote creativity and leaders have a duty to provide and allocate such to their employees. Due to an increase in interest to understand organizational behaviour from the perspective of personality, Ivancevich et al. (2014) note that various studies have been done to show how it affects creativity. For instance, openness to experiences is about an individual having a broad mind to new knowledge and ideas while having a keenness to take necessary risks. Ibrahim, Isa, and Shahbudin (2016) support this view by adding that developmental experiences consist of deliberate efforts to help staff acquire skills, knowledge, abilities and behaviours with a focus on applying the same for better performance.
An interesting perspective on how individual differences affect relationship with managers is shared by Ivancevich et al. (2014) who note that people who perceive things differently, equally behave in different ways. Similarly, those with different personalities interact differently with their line managers, colleagues and even customers. Yesil and Sozbilir (2012) add to this suggestion by noting that individuals are the keys to organizational innovation and personality plays an important role in understanding and explaining innovative behaviour in people. Some high levels of personality attributes like neuroticism have been found to affect innovative ability due to the anxious, irritable and moody nature of the personality. On the other hand, extraversion is linked to increased innovation, as persons with these characteristics tend to be self-confident, dominant and excitement seeking. To spin the discourse a little bit, Northouse (2016) argue that a person does not become a leader just because he or she possess some traits. Instead, the characteristics must be relevant to the context in which the leader is applying them. Indeed Ivancevich et al. (2014) agree with this notion by indicating that differences among people require certain adjustments for the individual as well as for those with whom they work. This imply that, when a leader is aware of the uniqueness each employee brings to the team, some level of flexibility is also required in order to get the best out of him or her. Abdullah, Omar, and Panatik (2016) also suggest that openness is linked to individual’s willingness to work on new ideas, curiosity, and suggestions. However, Parjanen (2012) note that sometimes negative attitude may prevent people from either sharing new ideas or embracing them once shared by others.

On power and political behaviour, Daft (2010) suggest that position and responsivity often have more influence on the organization’s outcomes more than personality. In connecting this suggestion with organizational structure, Parjanen (2012) argue that structure and culture play an important role in predicting realization of creativity. In actual sense, open flexible structures, decentralized decision-making and low-level hierarchies seem to favour innovation more. Another observation is by Gap International (2011) noting that past paradigms of hierarchy, command and control by bosses who direct and govern from point of authority appear to be fading away. Instead, 21st century leaders need to be more inspiring, and drive people to think more creatively in ways they may not have considered before. While the discussion on personality traits and staff characteristics can be endless, one other aspect to be considered is intelligence. According to Northouse (2016), intellectual ability in terms of verbal reasoning and perception make one a better leader and as such, there is a strong connection between leadership and intelligence. Goleman (2013) advanced the theory of emotional intelligence and note that skills like how well we manage our emotions and relationships with others distinguishes outstanding performers in organizations. Riggio and Reichard (2008) add that emotional intelligence is an important element of effective leadership and that is not to dismiss the relevance of intellectual ability. Goleman indeed suggest that both aspects are necessary for successful leadership. To connect the dots on how intelligence and creativity are linked, Northouse (2016) offer an example of Steve Jobs, the founder of Apple who is said to have had it abundance. It is no wonder that Apple products have continued to revolutionize the mobile device markets. However, Daft (2010) observe that there is another type of intelligence that is related to machines and technology and not just limited to people as a trait. This is business intelligence where employees use analytics to identify trends and relations that the leadership can then use to support decision-making. Daft (2010) float an example of Verizon where the company make use of business intelligence to gather data from customers in order to quickly detect and fix problems as they are occur.
2.2 Workplace Conditions and Creativity

Organizations need creative employees who can generate ideas for innovation and according to Dul and Ceylan (2010), work environment need to be designed in a way that promotes creative thinking. They further note that in traditional organizations, the manager’s role is to check and control whether the workers do the tasks in a predetermined plan. However, Cekmecelioglu and Gunsel (2013) note that in today’s globalized and changing business environment, creativity and innovation are critical across tasks, processes and occupations. Managers therefore are increasingly recognizing the need for employees to be actively engaged in developing new ideas and products in order to remain competitive. The thoughts around importance of creativity are also supported by Serrat (2009) who suggest that creativity has always been at the heart of human endeavours and is central to organizational performance. Due to the sudden shift towards knowledge-based economies, there is an increased interest in creativity as an imperative for organizational survival. In agreeing with these views on how creativity contributes to competitive edge, Ibrahim et al. (2016) add that it can only be achieved through support from the organization. The support could be in form of developmental experiences that enable employees to consider and utilize new ideas, technologies, and processes.

For creativity to be experienced, Dul and Ceylan (2010) suggest that, organizations should set the right workplace environment and avoid limiting employees to strict regulations, formal structures, and routine tasks otherwise they will not be stimulated enough. Cekmecelioglu and Gunsel (2013) support this idea by suggesting that work climate has the potential to nurture or hamper innovativeness. In addition, Serrat (2009) offer that through communities of practice enabled by communications technologies, employees are offered collaborative opportunities to share ideas and experience intellectual challenges while fostering mutual trust. With complex and turbulent times and environments, Mullins (2016) observe that a creative organizational culture is needed in order to remain afloat. Cekmecelioglu and Gunsel (2013) suggest that one of the ways of achieving that is by having a reward system that recognizes creativity. Another way is by ensuring managerial support and in this regard, research shows that managers who encourage risk taking and idea generation encourage creativity in individuals and teams. Serrat (2009) note that several other ways include providing brainstorming sessions, applying lessons learnt, free think spaces, information systems for positive coverage and publicising successes. Ibrahim et al. (2016) agree with the point on applying lessons learnt from the past by adding that work experience and continuous learning play an important role in staff development.

According to research by Cekmecelioglu and Gunsel (2013), individual creativity is directly related to creative climates which in turn leads to organizational innovativeness. In addition, a climate that support generation of ideas, staff empowerment and participation in decision making also lead to innovativeness. Ibrahim et al. (2016) add that when employees perceive that their organization supports them through training and coaching opportunities, they get motivated and become more creative in the workplace leading to increased productivity. Mullins (2016) equally support this view by noting that in order to promote creativity, staff should be motivated and supported through structures and leadership behaviour like trust and openness. In that regard, personality, creativity and communication skills are therefore essential requirements for managers in the 21st century.

2.3 Workplace Conditions and Productivity

There is a fair chance that performance in relation to efficiency and effectiveness is largely determined by the workplace conditions. A number of factors like globalization, technology and generational dynamics are influencing the workplace conditions. Indeed Mullins (2016) note that the evolving nature of work and social context has led to constant change which
require a lot of organizational flexibility. Comfort, convenience, safety, cost and emotional wellbeing are some of the considerations some employees look at when deciding whether a workplace is good enough for them. According to Demet (2012), workplace environment play a crucial role for staff and when they have a number of options to choose from when deciding which job offer to accept, the workplace is almost always the determining factor. According to Samson, Maina, and Joel (2015), the workplace environment may involve the physical premise, location, surroundings, behaviours, practices, policies, rules and even culture. They further observe that the extent to which employees feel content with the quality of the workplace also influences their performance and by extension, organizational productivity. Demet (2012) agree with this suggestion by adding that the quality of work environment affects staff motivation, error rate, innovation and degree of collaboration with colleagues. Most importantly, it also influences how long the employees decide to stay in the job and this is a major factor that organizations would need to give due attention to.

Two examples to learn from according to Baldonado (2015) include Google and Southwest Airlines. It is noted that at Southwest airlines, it is part of the workplace culture to incorporate humour at work and employees have the benefit of working with flexible rules. This allows them to make random decisions when they deem fit and in the interest of the company all aimed at boosting revenue. Baldonado (2015) further note that at Google, having fun and a sense of relaxation at the workplace is part of the company policy that promotes creativity and increased productivity. More surprising discovery by Omari and Haneen (2017) indicate that environmental factors like noise, air quality, temperature, furniture, lighting, colour and space have been shown to affect employee performance. George, Isaac, Mabel, and Yaw (2017) support this view by noting that there is a correlation between employee’s satisfaction and the work environment. Whether one feels good about their work and looks forward to coming to work the following day is largely influenced by how satisfied they are with the workplace conditions. They further observed from research that an attractive and supportive work environment is critical for job satisfaction as it affects both physical and mental wellbeing of employees.

In regards to aspects like spirituality at the workplace, Ivancevich et al. (2014) observe that there is a growing interest among researchers to explain the role of spirituality in organizations and the likely impact on employee performance. They noted from research that employee involvement, ability to identify with the organization and satisfaction with work rewards was somehow related to spirituality. Demet (2012) agree with this suggestion by observing that generally people assume that salary and compensation are key to attracting employees but unfortunately, the work environment factors have a strong influence in a company’s ability to recruit and retain talents. For purposes of clarity, Fanggidae, Suryana, Efendi, and Hilmiana (2016) note that spirituality at workplace is not about religion but more concerned with inner life, meaningful work and a sense of community. It is also about the framework of organizational values and culture that facilitates the feeling of being connected with each other, sense of completeness and happiness.

What really determines whether employees are happy with their job at work? Omari and Haneen (2017) suggest that since staff spend a lot of time in the office, they need to feel that the workplace is accommodative enough in order to perform highly and increase company productivity. Indeed, how well employees feel engaged with the work environment influences their ability to learn new skills to perform better. Besides the physical factors, George et al. (2017) suggest that psychological issues like emotions, mood, attitudes, decision-making and perceptions are part of the work environment characteristics that affect how workers feel. Such characteristics also affect stress levels, degree of cooperation and possibility of conflicts, which
by extension may influence performance negatively or positively. On the issue of how different generations perceive and adjust to workplace conditions, Mullins (2016) observe that by virtue of being technologically sophisticated, generation Y are likely to have fewer problems adjusting to the changing realities of 21st century work world. In order to cater for the various needs of employees depending on which generation they belong to, organizations should consider offering employment packages with flexible work conditions and characteristics. In addition, Ivancevich et al. (2014) note that diversity at the workplace is more than just understanding populations based on age, ethnicity or race. It is also about physical and cultural differences that make humans different from each other. A commitment to diversity promotes a culture of inclusiveness at the workplace thereby increasing employee satisfaction and productivity. Baldonado (2015) offer an example of Facebook where the company offers free bikes, computer accessories, vending machines, write on the walls, free meals and paid parental leave.

2.4 Role of Management Practices in Increasing Efficiency and Effectiveness

An observation by Tonkin (nd) show that there is often an expectation that a leaders will execute their mandate based on his or her abilities and skills. They therefore lead with a perspective accumulated over time through own experiences, values, beliefs, and a lot of learning from others. In this regard, Ivancevich et al. (2014) agree with this suggestion by adding that the key to managing people effectively in ways that lead to profitability, productivity and innovation rests with the manager’s perspective. Managers therefore should be agile and flexible in order to help their organizations develop a sustainable competitive advantage in a highly globalized context. Integrating technology in management practices is one way of increasing efficiency and effectiveness in organizations. However, according to Ask, Magnusson, and Frisk (2012), research conducted on Swedish firms indicate that use of accounting information systems (AIS) does not necessarily help companies to achieve competitiveness in significant measures. They further note that enterprise information systems are the backbone of organizational value creation process but alone they are not enough to guarantee efficiency but that knowledge sharing is equally important. Siebers et al. (2008) support this notion by observing that operational management focus on systems like information technology (IT), total quality management and lean production practices among other factors to increase efficiency.

Another angle to increasing efficiency in organizations is to look at leadership traits. Northouse (2016) suggest that organizations work best if those in leadership have the right profiles, and use of assessment instruments is recommended. Having the right people in the right positions increases effectiveness and therefore use of traits evaluation helps companies to hire those who fit the desired characteristics. Tonkin (nd) allude to this suggestion by adding that leadership depends on the leader’s values and beliefs that usually form at very early stages of life and improved over time. These combined with personality characteristics are what makes every leader unique. As noted by Wenjing et al. (2013), traits like self-confidence and broad interests to creativity often lead to better problem solving and risk taking through consideration of various information and new ideas.

Another perspective worth considering when talking about effectiveness and efficiency is Taylor’s theory as illustrated by Ivancevich et al. (2014) which give attention to scientific management practices. The theory highlights four principles that were meant to;

Develop a science for each element of an employee’s work, which replaces the old rule-of-thumb method.
Scientifically select, train, teach, and develop the worker, whereas in the past a worker chose the work to do and was self-trained.

Heartily cooperate with each other to ensure that all work was done in accordance with the principles of science.

Strive for an almost equal division of work and responsibility between management and non-managers (p. 7).

The idea of strengthening systems and structures is also supported by Daft (2010) who note that redesigning organizational structures and management practices leads to increased efficiency. In some companies like Wal-Mart, Daft suggest that efficiency is much more important than new products and activities are strictly guided by standard regulations and procedures.

In support of the above, Sanders and Linderman (2014) offer that due to stiff competition in today’s business arena, organizations must engage in activities that generate high performance and increase competitive advantage. Process management is beneficial to companies but when too much attention to improving efficiency through management practices is given, the company’s ability to be innovative is hindered. The key point therefore is to strike a balance between improving the process management for enhanced efficiency while at the same time paying due attention to creativity. According to Coelho and Augusto (2010), how much tasks are assigned and the room given to employees to execute may determine the extent to which they will be creative. Too little tasks and or too much of it yet with little freedom to control hinders the possibility of innovation as the focus is more on task autonomy. As observed by Wenjing et al. (2013), engaging employees in creative and innovative activities increases their intrinsic motivation. This can be achieved through promoting job autonomy, which they define as the employees’ self-rule and independence in conducting tasks, making decisions and time management. After all, Ivancevich et al. (2014) argue that people in organizations make all the difference and as such, understanding their behaviour, stress levels, productivity and career progression should be a concern for any manager. Tang, Yu, Cooke, and Chen (2017) support this idea noting that when staff perceive high level of organizational support, they become more creative.

The above observations seem to differ with Taylor’s theory earlier on discussed which according to Daft (2010) proposed that workers could be rebooted like machines and their mental and physical gears shifted for better productivity. Based on the changing business environment dynamics, it can be argued that flexibility and adaptability is what will enable leadership to determine when to put more focus on a particular model. Tracy (2014) recommend that once in a while, leaders need to consider using the manoeuvre principle by doing the direct opposite of what is expected to change an organization into profitability. In addition, Sanders and Linderman (2014) suggest that companies can increase gains in efficiency by consistently producing quality products but with minimal waste. While this could happen through continuous improvement and learning, sometimes it is the new ideas from employees that make it happen. This suggestion therefore underscores the need for combining both management practices for increasing efficiency while at the same time providing an enabling environment that encourages innovation. Alzoubi and Khafajy (2015) agree with this view by stating that to achieve superiority, companies need to continue improving products in order to meet customer requirements. Such improvements are supported by an organizational culture and keenness to learning.

According to Muathe and Nyambane (2017), motivation awakens employee’s curiosity to perform and therefore, companies need to put in place certain motivation strategies in order to
increase performance and productivity. Northouse (2016) further indicate that while some people are born with qualities like confidence, intelligence, drive, integrity and motivation, the same can also be acquired through learning. Companies therefore can use reward strategies to direct staff towards certain behaviours that increase their motivation levels. Daft (2010) note that one of the emerging trends lately is to move away from mechanical practices and pay more emphasis on natural, flexible systems and approaches.

Another important aspect of increasing effectiveness and efficiency is to make good use of knowledge management. According to Torabi and Den (2017), knowledge management is indeed a critical factor of production, next to labour, land and capital. Ivancevich et al. (2014) support this view by observing that the American economy for the past few decades has shifted from being manufacturing oriented to service and knowledge management based. Mullins (2016) offer that knowledge management involves practices that help identify, create, distribute and share knowledge throughout an organization. It is directly related to business strategy, people management and can be linked to organizational learning. Torabi and Den (2017) suggests that individual knowledge involves intangible awareness, facts, ideas, talent and concepts and knowledge management therefore plays a role in capturing and sharing that within the organizational processes. In citing Paladino’s key principles of corporate knowledge management, Daft (2010) note that use of knowledge management processes like systems to capture performance best practices, employee’s skills inventory and innovations is key to maintaining organizational performance. Alzoubi and Khafajy (2015) agree by adding that use of technology and systems to improve knowledge and by extension increase quality and performance in organizations is fundamental.

Process management can also be improved through ideas that come from learning. This suggestion is made by Sanders and Linderman (2014) who add that, as employees achieve mastery of tasks, they generate ideas on how to improve existing processes and the knowledge in this case is best created through cross-functional teams. Mullins (2016) however suggest that the success of knowledge management as an approach, largely depend on the organizational culture and the priority in sharing learning and knowledge. In this regard, Torabi and Den (2017) suggest that to create a knowledge sharing culture, organizations should develop policies that encourage creation and sharing of ideas and insights. The culture is then embedded into organizational values, mission and even in the way people behave. Leadership then need to focus on removing constraints that could hinder individual creativity and knowledge sharing. In order to promote a culture of creativity, staff have to feel motivated and together with a supporting organizational structure, managers need to maintain openness and trust to welcome new ideas. Organizational trust according to Hunt, Lara, and Hughey (2009) can be achieved when management develops patterns of behavioural consistency, integrity, effective communication and concern for employees. Daft (2010) offer an example of Nestle where the company has trust on their regional managers to make decisions based on local cultures that they know best. Siebers et al. (2008) agree with this notion by adding that integration of culture in management practices need to always be done in context.

There is according to Daft (2010), a shift from conventional approach based on hierarchy and power relationships towards more of collaboration and communication. In recent years, many organizations are focussing more on creativity and innovation than before in order to achieve their goals in a highly competitive market. According to Mullins (2016), managers will be required to go beyond their logical thinking and use more of their senses of feeling, creativity and intuition to create business for the future. Other necessary skills for running organizations in the 21st century are personality, sensitivity, good communication skills, proactivity and imaginative problem solving. Various scholars have argued that people endure poor work
conditions for lack of better alternatives and McDonnell (2015) observe that in near future organizations will struggle to get the best workers who are committed and skilled. Organizations should then seek to have policies and structure that safeguard employee’s rights and sense of decency. The fashion and nature of workstations is changing and some organizations are already encouraging staff to work from home as part of flexi working strategy. Ivancevich et al. (2014) support this approach by noting that a manager with social awareness may allow flexible schedule as a way of enabling staff to balance between work and family.

While flexi working has majorly been a managerial choice, certain situations like the corona virus disease (COVID-19) pandemic caused many organizations globally to consider work from home (WFH) arrangement for their staff. According to ILO (2020), the COVID-19 crisis caused an economic and labour market shock with travel bans, border closures and other quarantine measures that led to staff being unable to access their places of work. Some guidelines offered by WHO (2020) indicate that organization’s contingency plans should include business continuity plans that allow operations to continue in the event staff are not able to come to work. In this regard, ILO recommend remote working and teleworking as ways of protecting employees during pandemics.

2.5 Inter-play of Human Characteristics, Workplace Conditions and Management Practices in Supporting Creativity and Efficiency

There seems to be a link between self-efficacy and creativity in the form of productivity. Perceived self-efficacy according to Bandura (1994) is the belief about a person’s ability to produce levels of performance that lead to influencing events in their lives. These beliefs determine motivational levels as well as how people behave, think and feel. Cherian and Jacob (2013) support this view by noting that self-efficacy has an impact on people’s reactions and thought patterns that positively leads to high productivity. If a leader has a high degree of self-efficacy, the perceived benefit in an organization is increased performance. According to research by Brackett, Rivers, and Salovey (2011), emotional intelligence include the ability to identify emotions accurately and to use it for processes like reasoning, problem solving and interpersonal communication. Oginde (2011) add to this by observing that leaders ought to have the ability to listen intelligently to those they work with and this is a skill that leads to positive impact on individuals and teams.

According to George et al. (2017), an attractive and supportive work environment which factors physical and mental needs of staff leads to improved well-being and also has an influence on their ability to stay focussed on tasks. A good workplace makes consideration for fair remuneration, trust and relationship building as well as setting challenging but reasonably achievable goals. Samson et al. (2015) also suggest that a healthy workplace environment supports employee engagement and creates a high performance culture for innovation. In addition, performance is usually a combination of employee’s ability, effort and perception of tasks. Research by Demet (2012) show staff regard behavioural workplace characteristics as more important than the physical aspects. In this regard, while physical workplace factors affect staff performance, the behavioural environment aspects like fair treatment, relationships and communication have a greater effect on their performance. Serrat (2009) observe that creative thinking is crucial for innovation but expertise and motivation are also essential. Managers therefore should be keen on increasing intrinsic motivation for staff by being flexible in procedures, offering challenging tasks, and encouragement through rewards. Tang et al. (2017) agree with this view by noting that when employees have more power to determine the tasks they wish to undertake, they tend to feel free of external controls, a factor that increases their motivation to execute.
According to Wu, Tsai, and Yeh (2014), locus of control affects work attitudes and people with internal locus generally believe that results come from hard work and have a higher job engagement than those with external focus. However, in terms of obedience, those with external locus of control have a higher tendency to obey and are willing to accept anything that comes to them from either bosses or the organization in general. According to Ivancevich et al. (2014), leaders with strong internal locus of control believe they are masters of their own fate and they therefore take responsibility for their actions and consequences. This means that they attribute good performance to their effort or skills, a feeling that increases their motivation to do much more. In regards to aspects of globalization, there is a need for leaders to understand cross-cultural dynamics in 21st century organizations. Northouse (2016) observe that leaders are more often required to master skills that help them cope with emerging issues and remain effective in the changing context of diverse cultures. Some of these skills include the need to understand the political and cultural environments in which their business operates in, being aware of technological trends, the ability and will to learn, communicate and work with people from other cultures. All these should be done from a perspective of equality rather than cultural superiority based biases.

According to Daft (2010), leaders should embrace data and fact based decision making in order to make the above suggestions possible. Torabi and Den (2017) agree with this suggestion by adding that more information and communication is needed to support decisions that are not based on assumptions or experience. That way, costs can be reduced, efficiency and effectiveness increased and an improvement in profitability experienced. One way of encouraging accurate reporting and feedback is by having room for dissent. This is done by ensuring diversity in age, gender, subject matter expertise, experience and hierarchy levels are incorporated in policies. Related to the issue of management practices, Coelho and Augusto (2010) recommend that managers should aim at reducing the need for employees in service sectors to consult their superiors. This approach increases confidence in decision making by non-managers. Another method of encouraging creativity is by offering higher task feedback to staff in order to help them understand their job well and consider alternative ways of doing their tasks.

3. Conclusion

Having reviewed a number of theories and perspectives regarding how human characteristics, workplace environment and management practices support creativity, efficiency and effectiveness; there is no doubt about the positive effect of the combined inter-play of all factors. Bureaucratic structures hinder employee’s creativity and equally limits the organizations ability to respond to emerging business environment challenges. Managers should be clear in understanding their organizational structures, as it can often be more complex than just a chart on paper. Organograms often include patterns of activities and interrelationships between various units in the organization. Technology play a big role in management practices and it is nowadays affecting almost all aspects of goods and services production. Systems, structures, workflows, trends and customer needs all rely on technology and leaders need to pay keen attention to it in order to be more effective. It is necessary that in the process of trying to increase efficiency and effectiveness, management practices, technology, and employee activities all work together. Both private and public sector organizations are all concerned with management problems like structure, functions, efficiency and effectiveness of their operations.

Insights from the review show that the world is changing so rapidly and leadership need to position their organizations to adapt to new situations. The challenges faced and emerging customer needs are constantly evolving which call for flexibility in thinking and adoption of
more effective approaches. These may include rapid response to needs and situations, ethical scrutiny, diversity and digital workplaces. Leaders should be willing to accept diversity and appreciate that not all things will go their way. In any case, people have different ideas, different ways of doing things, and therefore being open to learn while embracing creativity is critical for success.

In summary, efficiency is about doing things right and relates to what managers do. On the other hand, effectiveness is concerned with doing the right things and linking outputs with achievements. Both are therefore required in any organization and that is where personality characteristics, environment, flexible policies, practices and innovation come in to make it possible. The nature of organizational operations is being defined by factors beyond their control and being adaptive is a sure way to respond rather than react. Use of technology systems to share ideas and exchange feedback, developing a healthy culture, rewarding innovation, improving physical and psychological aspects of the workplace are some of the interventions that 21st century organizations should consider to become more effective in their operations.

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