

The Effect of Evaluation of Factors Affecting Organizational Silence (Case Study: Parsian Insurance in Esfahan)

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Abstract

The purpose of this study was to investigate the effective factors on the organizational salience. Indeed, the effect of managerial, organizational, group, and individual factors on the organizational salience was investigated in the musicality of ParsianInsurance In Esfahan. This research, in terms of its purpose, is an applied one; and in terms of implementation method, is a survey with a correlation approach. The population includes 140 experienced managers, vice-presidents and employees of the Parsian Insurance in Isfahan city. The data were collected using questionnaires with a Cronbach's alpha coefficient calculated as 0.94, which includes personal data and main, specialized questions for examination of research hypotheses. From 155 distributed questionnaires, 140 (90%) were returned. The collected data were analyzed using SPSS and AMOS software programs through statistical tests at descriptive (frequency, percentage, accumulated percentage, average and standard deviation) and inferential (t-test, regression modeling, variance analysis, non- parametric Kolmogorov and Smirnov test, and Freedman non-parametric test) levels. The findings supported all research hypotheses. The results indicated that the Second sub-hypothesis, with a path coefficient of 0.65 is of the highest importance, and that the First sub-hypothesis with a path coefficient of 0.28 is of the lowest importance. Thus, The effect of Evaluation of factors affecting organizational silence.

Keywords: Managerial factors, Organizational factors, Group factors, Individual factors, salience significantly

Introduction

In the literature of modern management, human capital management is one of the main concepts. The possible reason is importance of human capital in the organizational success.

In other words, human capitals are more important than other organizational capitals. Indeed, human capital is the only capital which its utilization not only does not result in cost, but also its experiences will be increased. In comparison to other organizational capitals, another benefit of human capital is that utilization of any organizational capital depends on the utilization of human capitals. Currently, the most important competitive advantage of organizations is in their human capital rather than their facilities or equipment. The organizations with valuable human capitals will dominate in the competitive markets (Rezaeifar, 2013). Which organizations will success that utilize their human capital more effectively and improve their manpower motivation and ability. There are several mechanisms and methods for improving productivity of manpower such as participative management system, suggestion management system, etc. Higher levels of human capital participation in the organizational goals and functions results in much organizational efficiency and effectiveness (Shahzade Ahmadi, 2011).

Efficiency and development of any organization depends on the appropriate utilization of its human capital considerably. Increase in the organization size results in many problems and difficulties for them. On the other hand, managers attempt to control employees' problems. Some managers emphasize that employee satisfaction could be improved through rewards and motivation. Their probably perception is that employees are their subordinated and thereby employees should obey their supervisors. Although the current employees consider economic issues as important ones, they prefer to do jobs with more autonomous and meaningfulness. Indeed, employees prefer valuable jobs by which they can handle job-related and organizational problems and difficulties (Hasanpour, 2012). Regardless of this fact that employee salience is one of the common problems of organizations, it is not a kwon issue and a few studies have been done in this area (Shahzade Ahmadi, 2011).

Importance of study

In terms of organizational salience it should be remembered that there is a significant relationship between organizational salience with both internal factors (such as motivations, commitment, etc.) and external factors (such as reduced productivity and profit). This means that dominations of organizational salience in the organizational results in less employee motivation, commitment, and satisfaction. Disregarding organizational culture is one of the main factors which contribute to organizational salience. Different definitions have been suggested for organizational culture. Couture consists of underlying values, opinions, and principles which form the basis of organization management systems, performances, and behaviors. It should be noted that culture can be effective in formation of participative climate and organizational commitment. If organizational climate is designed in a way that employees can express their opinions and points, then organizational salience will be reduced in the organization. However, it should be remembered that roots of such a salience could not be found only in the organizational culture. But it may derive from overall social conditions, policies, and procedures. Suppose a participative couture like Japanese culture. A large part of organizational decisions in this country are made in teams. This is why that any organizational salience cannot be observed in such organizations (Shojaei, 2012). The results of past studies revealed that organizational salience is common in developing countries because of power distance, centralization, and bureaucracy in them. This is the main factor that discourages creativity and innovation in them (Shahzade Ahmadi, 2011).

Nevertheless of this fact that literature of organization and management emphasizes employee empowerment and participative communication channels, but the results of past

studies revealed that many employees complain that their organizations do not support communications and implicit and explicit knowledge sharing. Indeed, these are the main reasons of failure in achieving organizational goals and plans. Lack of information and trust are the main factors of organizational failure. It is a concept which is known as organizational salience. The concept refers to employees' unwillingness to express their opinions, preferences, and information in terms of organizational problems. Indeed, organizational salience is prevalent phenomenon of current organizations, but some studies have been conducted in this area (Rezaeifar, 2013).

Review of literature

Organizational salience is a new concept in which employees prefer not to express their opinions in terms of organizational problems and difficulties. Indeed, organizational salience is a symptom of organizational illness and managers should find and eliminate its main source. Disregarding this phenomenon may lead to organizational stagnation or even its death. Some authors indicate that organizational salience is employees' unwillingness to express their cognitive and behavioral evaluation of organizational success or failure. Others suggest that organizational salience is a social phenomenon that prevents employees from expressing their opinions and information (Hasanpour, 2012).

Effect of organizational salience on the organizational decisions and change processes

The effect of organizational salience on the organizational decisions and change processes is one of the main effects of organizational salience. The results of past studies in terms of group decision-makings revealed that the quality of organizational decisions depend on the investigation of different alternatives and visions. In this regard, development of strategies needs consideration of different and even contract approaches. It influences quality of organizational decisions and performance. In addition, organizational innovation need grounds in which employees have more freedom and express their new opinions and approaches or question existing opinions and approaches. All of these factors indicate that organizational salience reduces effectiveness of organizational decisions and organizational change processes through decreasing necessary information of managers. In addition, organizational salience leads to poor analysis of ideas and decision alternatives. As a result, it will not possible to analyze decision-making information comprehensively. It also leads to organizational failure and decrease decision-making processes and effectiveness of organizational change processes (Shahzade Ahmadi, 2011).

Organizational salience could be influenced by different organizational characteristics such as decision-making processes, culture management processes, and employee perceptions. Generally, there are two main effective factors on the organizational salience including:

1. Managers' fear of negative feedbacks which suggested by employees
2. Employees' perception of manager's implicit opinions about them.

Such implicit opinions refer to some managerial thoughts such employees' willingness to consider only their individual benefits. They also think that manager know the best alternatives. Although these are the main opinions of management and may not true about organizations, they form negative and destructive feelings and emotions about organization such as employees' fear and anxious. As a result, organizational salience will be formed and thereby other negative results such as reduced organizational effectiveness and organizational changes processes will be formed. This is the main problem which many organization face with it. On the other hand, organizational salience prevents negative

feedback and thereby obstacle effective organizational resolution and development. All in all, organizational salience is considered as one of the main organizational problems (Rezaeifar, 2013).

Regarding this fact that organizational salience is a new issue in the organizational and academic environments especially in Iran, the purpose of this study is to review literature of organizational salience and its components. These include organizational, managerial, group, and individual factors. Since organizational salience is obstacle for employee to express their ideas and opinions, identification of effective factors on organizational salience and attempt to eliminate them are the main prerequisite of encouraging employees to express their creative opinions and participate in the organizational decisions (Hasanpour, 2012).

In a general categorization, different types of organizational salience can be grouped in three sets:

1. **Obedient salience:** the main motivation of this salience is satisfying with any result.
2. **Defensive salience:** the main motivation of this kind of salience is self-preservation. In other word, the main reason of employee salience is his/her fear.
3. **Friendly salience:** the main motivation of this salience is love on others and providing opportunity of collaboration (Hasanpour, 2012).

Effective factors on the organizational salience

It should be noted that organizational salience is a multi-aspect phenomenon and can be studied from different aspects. In a general categorization, main reasons and factors of organizational salience can be grouped in the following sets:

1. **Managerial factors:** these include several factors such as managers' implicit opinions about organizational salience, managerial attempts, leadership style of organization management, fear of negative feedback, demographic differences between managers and employees, and climate of distrust and suspicion in the organization.
2. **Organizational factors:** these include different factors such as job station, organizational structures and policies, lack of up-to-down feedback mechanism, and centralized decision-making.
3. **Cultural, social, and group factors:** this kind of factors include adaptation with group, group-thinking, effectiveness of family culture on in the parents' behavior with others especially parents.
4. **Individual factors:** these include different factors such as maintaining existing conditions, distrust toward manager, feeling of inability in change, and fear of expressing opinions about organizational problems.

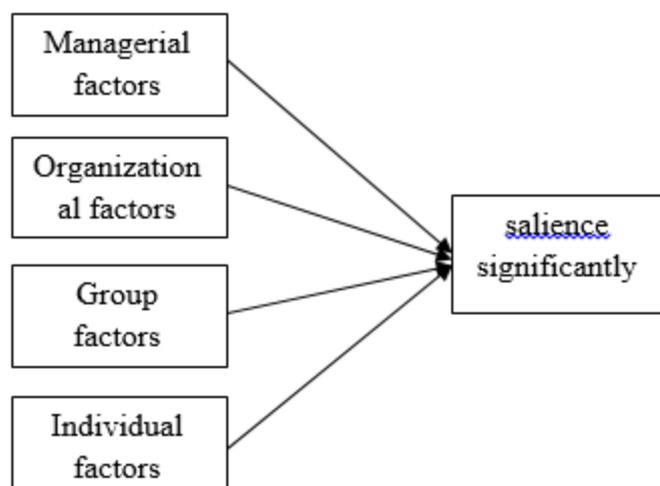
Motivations of organizational salience and organizational voice

As indicated previously, employees have different ideas, opinions, and appropriate information in terms of constructive methods of organization and job improvement. Such functions refer to organizational voice. There are two types of employees in the organizations so some of them express their ideas and some others do not express their ideas, opinions, and information. Organizational voice (expressing ideas) or organizational salience (not expressing ideas) seemed two different contract activities. However reality is that organizational salience is not contract of organizational voice. In other words, difference between organizational voice and salience is not expressing or not expressing ideas, but difference is in motivation of expressing ideas, opinions, or information (Shojaei, 2012).

Based on the review of literature, the following hypotheses were developed.

1. Managerial factors influence organizational salience significantly.
2. Organizational factors influence organizational salience significantly.

3. Group factors influence organizational salience significantly.
4. Individual factors influence organizational salience significantly.



Research methodology

Research methods: This study is a descriptive-survey research from methodology view, practical from purpose view, and correlation from identity view. The relationship between research variables is examined in the correlation studies. Because the authors of this study seek to study the relationship between dependent and independent variables, it can be said that this study is a correlation study. In order to collect the research data, both library and field methods have been used.

Statistical population and sample: the statistical population of this study includes managers, assistants, and employees Parsian Insurance In Esfahan Because this population is not very large, the authors decided to use census method rather than sampling.

Data collection method: in order to collect the research data, both library and field methods have been used. The survey method has been used for collecting the research data in order to confirm or reject the research hypotheses. For this purpose, library method has been used for reviewing the research literature and then a self-administrated questionnaire has been used for collecting the research data.

Validity of the questionnaire: reliability refers to degree of generalization of the results of study to a larger population. In order to improve validity of the questionnaire, it is necessary that the questionnaire is reviewed and modified by other experts and professors so that the questionnaire is finalized in a defect-less version. The questionnaire of this study has been developed based on reviewing research literature and then is reviewed and modified by experts and professors for improving its validity.

Reliability of the questionnaire: most of the studies that using questionnaire for collecting data use Cronbachs' Alpha coefficient for examining reliability of the questionnaire. In order to examine reliability of this questionnaire, Cronbachs' Alpha coefficient has been used in the SPSS. In order to this, 24 questionnaires have been used. This coefficient was 0.91 for our questionnaire. Because the minimum level of Cronbachs' Alpha coefficient should be 0.70, it can be said that the questionnaire of this study has good and desirable reliability as a data-

collection instrument. Also Cronbachs’ Alpha coefficient has been calculated for each items of this questionnaire individually. These findings have been indicated in table 1.

Table 1:pre test Cronbach's Alpha

Cronbach's Alpha	N of Items
total	0.94

Because the minimum acceptable level of reliability is 0.70, it can be said that the questionnaire of this study has desirable reliability. Also this coefficient was calculated individually for each of research variables. These findings have been indicated in table 2.

Table 2:
scale, frequency of the questions, Cronbachs’ Alpha coefficient, and resources of the questions

Variables	Scale type	Cronbachs’ Alpha coefficient
Managerial factors	Likert five-point	0.83
Organizational factors	Likert five-point	0.81
Group factors	Likert five-point	0.85
Individual factors	Likert five-point	0.87
salience significantly	Likert five-point	0.82

Data analysis

In order to summarize demographic characteristics of the respondents, 4 questions have been developed. The findings revealed that 76.3% of the respondents were male and 24.7% of them were female. From age perspective, 31.6% of the respondents had 30-39 years old and only 9.3% of them had more than 50 years old. 55% of the respondents had M.Sc. and only 1.4% of them had Ph.D. degree. 37.1% of the respondents had 6-10 years job experiences and only 15% of them had 16-20 years job experiences. About 39.2% of the respondents were managers, 22.9 of them were assistants, and 44.3 were employees. These results have been indicated in table 2. As the results revealed, all of the path coefficients were significant and so it can be said that all of the hypotheses of this study are confirmed.

Table 2:
the respondents’ demographic characteristics

percent	Distribution	Variables
76.3	Male	Sex
24.7	Female	
33.4	Less than 30 years	Age
31.6	30-39 years	
25.7	40-49 years	

9.3	More than 50 years	
29.2	Manager	Organizational Posts
10.9	Assistant	
64.3	Employee	
27.9	Less than M.Sc.	Educational levels
55	M.Sc.	
15.7	M.A.	
1.4	P.H.D	
25	Less than 5 years	Job experiences
37.1	6-10 years	
22.9	11-15 years	
15	16-20 years	

Measurement model

Generally, two main models are tested in the structural equation models. The first is measurement model for latent variables. This model refers to the factor loadings of observed variables for latent variables. The goodness of fit measures has been indicated in the following table for all of the latent variables. As indicated in table 3, all of the goodness of fit indexes is in acceptable and in desirable range.

Table 4:
the goodness of fit indexes for structural equation modeling

main model	index	kind of fit index
21	NPAR	
0	DF	
---	P (More than 0.05)	
0	CMIN (Chi Square)	Unconditional
---	AGFI (More than 0.9)	
1	GFI (More than 0.9)	
---	(More than 0.9)TLI	Comparative
1	(More than 0.9) NFI	
1	CFI (More than 0.9)	
0	PNFI (More than 0.5)	Thrifty
0	PCFI(More than 0.05)	
0.576	RMSEA (Less than 0.08)	
---	CMIN/DF(Less than 5)	

Structural model

It is necessary to test the structural model after testing the measurement model. It is possible through structural equation modeling. In order to this, the Amos has been employed. The conceptual model of this study has been showed in figure 2. In order to use Amos, it is should be remembered that γ refers to the effects of external variables on the internal variables and the β refers to the effects of internal variables on each other. In order to examine significance of β and γ , it is necessary to examine t-value of every path. If the t-value is more than 2 and is significant, it can be said that all of the paths are confirmed. Therefore, it can be said that all of the research hypotheses are confirmed and all of the paths are significant

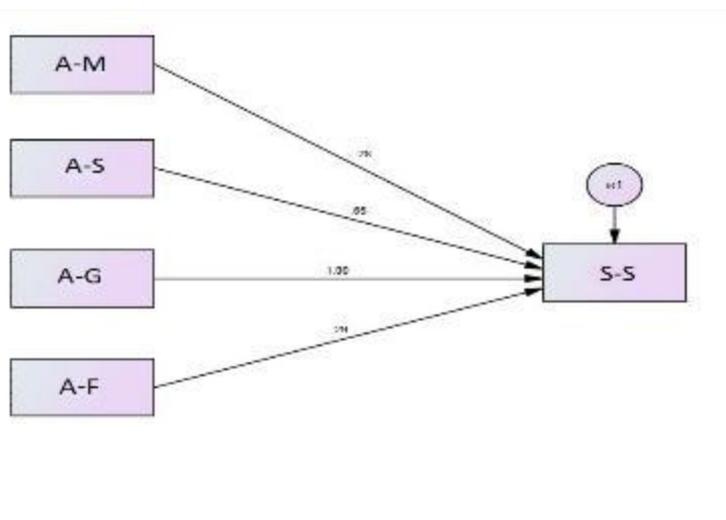


Figure 2: the effects of internal and external variables

Table 5: The results of hypothesis test

	Secondary hypotheses	Standard coefficient	Standard error	Critical ratio	p-value	Result
Managerial factors → salience significantly	H1	0.39	0.160	7.266	***	Is confirmed
Organizational factors → salience significantly	H2	0.53	0.067	7.007	***	Is confirmed
Group factors → salience significantly	H3	0.66	0.067	7.960	***	Is confirmed
Individual factors → salience significantly	H4	0.18	0.092	8.746	***	Is confirmed
salience significantly → salience significantly	H5	0.69	0.092	8.746	***	Is confirmed

Organizational Commitment → salience significantly	H6	0.34	0.116	3.085	7.244	Is confirmed
*** P is less than 0.001						

Conclusion

The results of this study reveal Empowerment influences Social behavior ($\beta= 0.39$). Also the results show that Job satisfaction influences Social behavior ($\beta= 0.53$). The results of Organizational Commitment influences Social behavior ($\gamma= 0.66$). Also the results show that Empowerment influences prosocial behavior ($\beta= 0.18$). The results of Job satisfaction influences prosocial behavior ($\gamma= 0.69$). Also the results show that Organizational Commitment influences prosocial behavior ($\beta= 0.34$).

Discussion and conclusion

In the current variable and complex world, which is characterized by intensive competition, human resources especially creative, innovative, and thoughtful employees are considered as the most valuable organizational assets. On the other hand, new organizational structures are changing and their manpower is influenced by many threats such as organizational salience. Organizational salience is the main effective factors on the knowledge creation of any organization. Indeed, salience of manpower, as the most valuable organizational asset, is a significant threat for organization and its survival. The results of the first hypothesis (the effect of managerial factors on the organizational salience) revealed that this hypothesis is supported. The path coefficient of this hypothesis is 0.28. The results of the second hypothesis (the effect of organizational factors on the organizational salience) revealed that this hypothesis is supported. The path coefficient of this hypothesis is 0.65. The results of the third hypothesis (the effect of group factors on the organizational salience) revealed that this hypothesis is supported. The path coefficient of this hypothesis is 1.00. Finally the results of the fourth hypothesis (the effect of individual factors on the organizational salience) revealed that this hypothesis is supported. The path coefficient of this hypothesis is 0.29.

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