

«THE IMPACT OF MANAGERIAL PRACTICES ON THE ORGANIZATIONAL PERFORMANCE ORGANISATIONAL PERFORMANCE OF MALAGASY COMPANIES»

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ABSTRACT

Organizational performance is based above all on optimal management of human resources that give the company a competitive advantage. The dilemma for each manager is to know how to manage these resources and to apply effective managerial practices that will lead the organization to performance. Thus, the problem arises of knowing to what extent these managerial practices can impact the performance of the organization?

Based on the hypothesis that managerial practice affects organizational performance, this study aims to analyze the dependence between these two variables by means of an opinion survey of 50 managers in Madagascar.

Key words: Leader, Management, Managerial practice, Performance, Organization.

INTRODUCTION

On the economic level, globalization and the development of technology are bringing about changes in the management of organizations. We are entering a period of profound transformation. Industrialized societies are turning to added value and corporate productivity is an important source of profit. The opening of markets, the computerization of processes and the relocation of production are contributing to accelerate the growth of companies, which is increasingly taking place on a global scale. However, the economic model of the large company is no longer considered the ideal and inevitable path to prosperity.

Many upheavals and changes have occurred in the labour market over time, including market globalization, increased competition and deregulation (**Roy, 1999**). These changes force the different companies to look for ways to optimize their situation. To do so, it has been necessary for many of them to rethink and redesign their managerial systems, as well as adapt them to the changing environment. The strategies and performance of companies are directly impacted by a constantly changing environment (**Vetinsky, 1984**). Thus, in order to survive, safeguard their place in the market and develop, managers must adopt new managerial behaviors that lead them to monitor and integrate the environmental dimension in their decision-making (**Lesca, 2008**); (**Philip Kotler, 2014**). In their daily practices, they are called upon to be attentive and responsive in order to capture threats and/or transform them into opportunities. (**Brouard, 2007**).

It is in this sense that the question arises as to the extent to which these managerial practices can impact the performance of the organisation?

The style and approach adopted by the leader towards the employees are crucial, and it is precisely the impacts that they can have on the success and development of the organizations that seem interesting. Also, these impacts have already been analyzed in several countries (notably in France, England, USA...), but it seems fascinating to see their validity in Madagascar. Given that Malagasy companies often experience management difficulties, the key points drawn from this study could serve as a reference for improving their situations.

Based on the hypothesis that managerial practice affects organizational performance, this work aims, from an opinion survey of 50 Malagasy company managers, to analyze the impact of these practices on company performance. In-depth statistical analyses of the results and correlation tests will serve as a basis for testing the dependence between variables.

I- CONCEPTUAL BASIS

Managing an organization consists of managing the unit so that the team of employees achieves the desired quantitative and qualitative performance, by accompanying the evolution of each employee in his or her professional career, while representing the unit concerned.

The role of a manager is therefore to lead the organization to performance, i.e. to obtain results through the intermediary of others, but above all through himself, by practicing an efficient managerial system adapted to the organization. The theory of organizations gives several concepts characterizing managerial practice. But the similarity lies in the definition of the managerial practice according to the manager's capacity in terms of Initiative, Creativity and Innovation, Leadership, Responsibility and Strategic Vision. Since decisions and planning are among the responsibilities of the manager, his capacity for innovation and creativity leads the company towards development. From a strategic point of view, the orientations come from the vision and the projects of the leader and its realization is often conditioned by the leadership style that he/she maintains towards the executives.

It is possible to associate leadership with a relationship but it should not be reduced to this idea. Leadership is the ability to influence, through interpersonal relationships, the behavior of subordinates in order to achieve the objectives set by the company's management. In 1927, Kurt Lewin, together with Lipitt and White, conducted a research project measuring the influence of the type of leadership on the work done by a group of young students, based on three different types of leadership. The three forms of leadership are: the authoritarian (autocratic) style, which divides and distributes tasks within the group; the democratic style, which consults, dialogues and encourages the group before making decisions; and the permissive or "laissez-faire" style, which leaves all initiative to the group. The leader contributes his knowledge and does not intervene.

The combination of these abilities characterizes the managerial practice that the manager puts in place to ensure the development and performance of an organization.

II-RESULTS

Managerial practices include all the techniques used to manage, organize and administer an organizational entity. According to the objective of this research, the following results will focus mainly on the characteristics of managerial practice and its impact on organizational performance.

2.1 Descriptive analysis

The table below shows the trend in the respondents' responses to the variable items studied.

The dependent variable is performance, reflected here by the organization's productivity. The explanatory variable is the managerial practice evaluated from the initiative, creativity and innovation, leadership, responsibility, and strategic vision of the manager.

Table 1: Response trends

Variabes	Items	Mean	Ecart-type
Managerial practice	Initiative		1,085
	Creativity and innovation	2,61	1,195
	Leadership	2,17	,924

	Responsibilities	2,39	1,092
	Strategic vision		,916
Organizational performance	Productivity		,873

Source: Authors, 2022

- Items with a mean frequency of less than 2 show that, overall, employees tend to disagree with the statements made.

- Items with a mean frequency of 2 show that, overall, employees are more likely to be neutral about the statements made.

- Items with a mean frequency clearly greater than 2 show that, on the whole, employees tend to agree with the statements made. Now that the population and response frequencies have been described, it is essential to present the preliminary analyses that tested the validity of the measurement instruments used.

2.2. Correlation test between variables

To continue, our objective is to know if the indicators support organizational performance. To do this, we will perform a correlation matrix analysis.

Table 2: Correlation matrix of performance according to indicators

		Productivity	Initiative	Creativity and innovation	Leadership	Responsibility	Strategic vision
Pearson correlation	Productivity	1,000	,390	,301	,149	,162	-,214
	Initiative	,390	1,000	,211	-,105	-,155	,052
	Creativity and innovation	,301	,211	1,000	,144	-,053	-,095
	Leadership	-,149	-,105	,144	1,000	,092	-,142
	Responsibility	,162	-,155	-,053	,092	1,000	-,406
	Strategic vision	-,214	,052	-,095	,142	-,406	1,000
Significance	Productivity	.	,045	,038	,02	,007	,002

Source: Authors, 2022

To examine the correlation between the variable to be explained and the explanatory variables, we observe the value of the Pearson correlation coefficient and the significance or Sig for each variable:

- For the manager's initiative: the Pearson coefficient which is 0.390 tends towards 0: there is a significant dependence between this variable and productivity.

- For his creativity and innovation: the Pearson coefficient which is 0.301 tends towards 0: there is a significant dependence between this variable and productivity.

- For leadership: the Pearson coefficient of 0.149 tends towards 0: there is a dependence between this variable and productivity but this is weak.

- For the responsibility: the Pearson coefficient is 0.162 tends to 0: there is a dependence between this variable and productivity but this is also weak.

- For the strategic vision of the manager: the Pearson coefficient is negative so there is no dependence between this variable and performance.

The indicators are therefore significantly correlated with organizational performance because p-value is less than 0.05.

Then, the following table summarizes the model of organizational performance according to the indicators

Table 3: Summary of the organizational performance model according to the indicators

Model	Change in the statistics				Modification of F signification
	Variation of R-two	Variation of F	ddl 1	ddl 2	
1	,305(a)	1,230	5	14	,346

Source: Authors, 2022

R-two represents the global variation. In this case, R-two is equal to 0.305. This means that 30.5% of the organizational performance is explained by the indicators

III- DISCUSSION

The validation of our hypothesis suggesting that managerial practices affect organizational performance is done by analyzing the coefficients of the indicators of performance variation in relation to the items characterizing the managerial practice.

Table 4: Indicator Coefficients Table

Model		Confidence interval of 95% de B
1	(Constant)	3,791
	Initiative	,673
	Creativity and innovation	,540

	Leadership	,327
	Responsibility	,565
	Strategic vision	,314

Source: Authors, 2022

- For the manager's initiative: B is positive: This variable therefore has a fairly high effect on firm performance.
- For creativity and innovation: B is positive: this variable has an effect on the performance of the company
- For leadership style: B is positive: but the effect of leadership style on company performance is low
- For responsibility: B is also positive: it therefore has an effect on the performance of the organization.
- For strategic vision: B is positive: it also has an effect on organizational performance

From the results presented in the table, we can get the following equation:

$$\text{Organisational performance} = 3.791 + 0.673 \text{ Initiative} + 0.540 \text{ Creativity and innovation} + 0.327 \text{ Leadership} + 0.565 \text{ Responsibility} + 0.314 \text{ Strategic Vision}$$

It is therefore verified that the managerial practice of the leader affects the organizational performance.

CONCLUSION

In order to analyze the impact of the managerial practice of the leader on the performance of the organization, this study was based on the analysis of the results of opinion polls with a sample of 50 managers of companies. The results of the different statistical techniques allow us to affirm that the managerial practice of the leader amply affects the performance of the organization.

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