

Level of agility in Gas Company (Guilan province - Iran)

**Ibrahim Haghighi Mozhdehi¹, Mehrdad Goudarzvand Chegini², Morad Rezaee Dizgah³,
Majid Shoushtari Rezvani⁴**

¹MA in Public Management, Islamic Azad University, Rasht Branch, Iran

²Associate Professor and Faculty Member, Islamic Azad University, Rasht Branch, Iran

³Faculty Member, Islamic Azad University, Rasht Branch, Iran

⁴Industrial Consultant in Gas Company in Guilan Province, Iran

ABSTRACT

Issues such as the rapid and unpredictable changes, expectations and needs of clients, expect good service, etc lead organizations to do some changes in attitudes, knowledge, procedures, and results that are expected. The aim of the present study is to evaluate the level of agility in Guilan Gas Company. In this regard, the population of this study is Guilan Gas Company with employees who are high school graduates and higher and sample size was calculated 323 employees. Research method is descriptive. The results of this study indicate that Guilan Gas Company in the culture of teamwork and virtual organization is not satisfactory in the agility. But in other dimensions, including: individual ability variability, innovation, information technology, educational programs, clients, senior management support has desirable agility. And overall, according to the first main hypothesis, Guilan Gas Company for providing the proper service has desirable agility.

KEYWORDS: Organizational agility, agility capabilities, agility drivers, Strategic capabilities, agility providers

1. INTRODUCTION

As today's companies are facing with issues such as competition, globalization and businesses environmental pressures, recognizing the growing importance of agility become a prerequisite for organizational success. Meanwhile, the impact of organization agility and work environment as well as its financial impact is increasingly approved (Holsapple, Xun Li, 2009).

Changes in customer demands, market environment and technological innovative, has faced company with increasing competition. The crisis condition led to a revision of business priorities and strategic vision and decrease reliability to models that are available. In such a competitive market, there is a need to develop and improve the flexibility and responsiveness and pay attention to the agility is essential to survival (Jafarnejhad et al, 1389).

To achieve this from apart of management scholars, various final solutions have been proposed that could be noted as networking, reengineering, generating small organizations, virtual organizations, delegation of authority to employees, organizations with high performance, flexible production, in time production and Among these solutions, three concepts of matching organizations, the flexible and agile organizations are more prominent and famous that some authors are made many differences between each of the words. However someone are used them as synonym and interchangeably (Sherrehiy et al, 2007). Thus, researchers in the present study sought to answer this question that what is the agility level in the Guilan gas company?

A REVIEW OF THE THEORETICAL LITERATURE

The concept of agility:

At present, there is no agreement about the true meaning of agility and how to measure it. Very few studies have been conducted to empirically investigate the importance of the concept of agility, some things that are still unknown and remain unanswered for good using of agility. For example, what exactly is agility and how can it be measured? What are the driving factors of agility and what is the relative importance of these factors? How can individuals or employees contribute to achieving the agility and improve its effectiveness?

Goldman is defined agility as: "The ability to success in the ever-changing and unpredictable environment (Goldman Steven, 1995).

Vernadat believes that agility can be defined as closer alignment of organization with changing business needs in order to gain competitive advantage. In such an organization, employee goals is aligned with organizational goals and these two combined together, are intended to provide an appropriate response to the changing needs of customers (Vernadat, 1999).

Bryan Maskell defined agility as the ability to prosperity in a continuing changing and unpredictable environment. In this regard, organizations should not be afraid to change their environment and avoid them, but can consider the change as an opportunity for competitive advantage in the market environment (Maskel, 2001).

Corresponding Author: Mehrdad Goudarzvand Chegini, Associate Professor and faculty member, Islamic Azad University, Rasht branch, Iran. E-mail: goudarzvand@iaurasht.ac.ir

According to Kidd, in order to build operational agility paradigm it can be seen as a combination of several institutions that each has a particular key skill or fitness for common activity and together can prepared organization for rapid response to customer variable needs. It is evident that the main purpose of Kidd here is virtual organization. Kidd defined one of the most comprehensive definitions of organizational agility as follow:

An agile organization is a fast, friendly and informed business that capable of rapid adaptation in response to changes and unexpected and unpredicted events, market opportunities and customer needs. In this business, processes and structures are found that facilitates speed, compliance and strength and has organized regular coordination that has the ability to achieve competitive performance in highly dynamic and unpredictable business environments and of course, this environment is not disproportionate with the current function of the organization.

Despite many definitions of the word agility, none of them are opposed and contradicted each other. These definitions generally, show the idea of "speed and change in the business environment". But according to the new issue of agility, there is no comprehensive definition that is acceptable to everyone (Kidd, 2000).

The emergence and development of the concept of agility:

From late 1980 to mid 1990, following extensive economic and political developments around the world, many efforts have been done to understand the roots and factors affecting on global business new systems. In 1991, a group of industrial experts observed that the rate of increasing change in the business environment is faster than the industrial- manufacturing organizations ability to adapt and cope with it. These organizations were unable to using benefit from the opportunities that were presented to them and this inability to adapt to the conditions in the long term may be the cause of their bankruptcy and failure (Jafarinejhad, Shahae, 2010).

The first one who proposed the concept of agile institute was Peter Drucker. At that time, he compared the structure of the present manufacturing firms with heavy Navi in the integrity in the nature. Drucker stated that a large ship can only be replaced by a series of smaller fleets. Therefore, Parandi organizations based on their structural nature need to increase their flexibility and responsiveness. In is evident that Drucker purpose of this explanation is organizations orientation toward flexible structures such as virtual organizations and organizations without boundaries (Drucker, 1968).

The dimensions and characteristics of the agile organization:

The challenges facing organizations is classification of concepts and characteristics of the agile organization based on their pivotal structure. With this regard, the general characteristics of agile organizations can targeted as goals for all high levels of management as well as for all company. Since, achieving the specific objectives of an organization is dependent on the type of that organization. Therefore, organization to achieve agility can identify some areas and try to achieve agility in the field. Most of the areas focus on customer satisfaction, collaboration, learning and knowledge management, and improve the culture of variability (Yusuf, et al, 1999). Agility in any organization usually takes into account several important features include:

- 1) Accountability: means to ability the change competency, rapid response and using it.
 - 2) Competency: a wide range of potential that provide activities productivity in order to organization's goals.
 - 3) Flexibility: It is capable of processing different services products and to achieve different purposes and with the same basic facilities.
 - 4) Speed: The ability to perform tasks and operate in possible time (Toorang Lin et al, 2005).
- Therefore, if the organization is looking for agility must consider the capabilities and develop and strengthen them into themselves as much as possible to increase productivity in the organization.

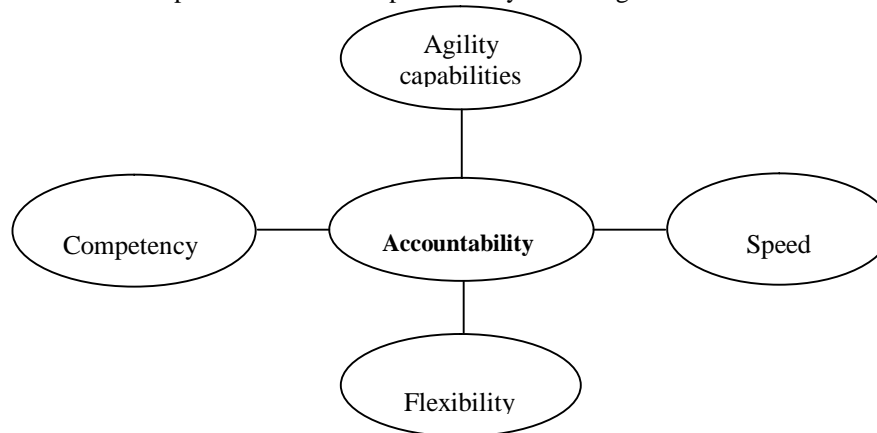


Figure 1: Key features of agility in the organization (Jafarinejhad, Shahae, 2010)

In another study, Yousef et al had been defined speed, flexibility, innovation, creation and appropriate controls in a position to meet the accountability, quality and profitability as the competitive basis to an agile organization.

Principles and characteristics of agility in the public sector:

The subject of agile government is not something new in the business world. States that are huge investments in speed, more flexibility and better responsiveness, most likely they will reach their goals. Because, the political, social, economic and high-speed technology affect on the governments and their decisions, citizens and businessman require more specialized and faster services and in turn, this policy should be developed and implemented faster than before and of course, by doing this, organization will be succeeded to doing its mission and achieving its goals.

Generally, public sector managers considered agility as the ability of the whole organization to respond quickly and effectively to the needs and variables opportunities. In this regard, an agile governmental organization, should reconstruct the operations and assets in the physical aspects. On the other hand, agility is a kind of bias towards citizens. Citizens believe that high laws, regulations and bureaucracy dominated on the government's actions and activities. And if someone wants to do something in the public sector must pass through several filters and to reach its destination. For this reason, if agility is supposed to be displayed in public sector activities, it required to change the vision of the citizens and seek their cooperation with public administration. If the public sector to achieve agility, fall away many of the mechanisms of aging and old and achieved to certain progress in service and aiming to meet the needs of its citizens. To reach this result, the public sector should pay attention to three principles:

1- To predict events, understanding the changes needed, and restructuring services based on this, the public sector should use the best of the networks.

2- The government must prove to have the ability to learn better ways to work and deal with the challenges.

3- The government should increase the efficiency and effectiveness of their available resources (Jafarinejad, Shahae, 2010).

But how a government organization becomes more agile? In this case, different priorities provided by the organizations policy and sometimes pay attention by the actors and directors. The results show that more agile government has been considered seven dimensions of agility. Institute of Social Science Studies, London, in his review has provided more comprehensive different aspects of the agility model than other existing models for government agencies.

That is including: Organizational change, leadership, culture and values, customer service, information technology (e-government), performance management and ultimately supply chain management (Kearney, 2002).

Agility and change:

What are certain is that variability is inevitable and the bulk of the manifest destiny of mankind. This means that human beings find him/her and the world where they live in changing. It also reading those changes that the short life of every human being does not see the opportunity and chance in ancient books and texts written. But the event that has characterized in the last few years is unprecedented speed of change phenomenon. So, to quote contemporary scholars, changes over the past one hundred years are equivalent all changes that humanity has passed during their several thousand years lifetime. The first issue that this fact exchanges into mind (i.e. rate of change) is assimilation, attunement, and compatibility with the rapidly changing, at least to survival necessity and in the maximum, to pioneer in the development caravan. The most things that this necessity is want are "agility"(Ameya et al, 2009).

Research Hypothesis:

Since the prerequisite for implementation of any technique in the organization is the assessment of that organization in that technique features, this study aims to evaluate the agility rate of the service in Guilan Province Gas Company. In this regard, the following hypotheses were tested:

The main hypotheses: Guilan Gas Company for providing proper service has desirable agility.

H1: Guilan Gas Company for providing proper service in the individual ability of employees has desirable agility.

H2: Guilan Gas Company for providing proper service in the variability potential has desirable agility.

H3: Guilan Gas Company for providing proper service in the innovation has desirable agility.

H4: Guilan Gas Company for providing proper service in the Information technology has desirable agility.

H5: Guilan Gas Company for providing proper service in the adequate training has desirable agility.

H6: Guilan Gas Company for providing proper service in customers has desirable agility.

H7: Guilan Gas Company for providing proper service in the culture of teamwork has desirable agility.

H8: Guilan Gas Company for providing proper service in the senior management support has desirable agility.

H9: Guilan Gas Company for providing proper service in the virtual Organization has desirable agility.

RESEARCH METHODOLOGY

Selecting the method depends on the nature of the subject, research objectives, and developed assumptions, ethical and human considerations governing on the research subject, its scope and execution capabilities. At this stage, researcher should be realized that what research method is appropriate for selected issue that with regard to the mentioned cases, because the researcher tries to examine and identify the level of agility in Guilan Province Gas Company, descriptive method determined in the practical purpose.

Gilan Province Gas Company with employees who were selected from corporate staff units is composed the population of this study. And sample was selected through convenience non-probability method. Sample size is calculated 323 employees.

Data collecting method in the present study is field study.

Researcher based on his/her research methodology and data types that are going to collect them decides what instrument to use to collect his/her data. In this study, standard questionnaire is used that is an effective tool for collecting data. Furthermore, the questionnaire is a closed-ended questionnaire.

This questionnaire is designed based on 5-points Likert scale. For the researcher can analyze and interpret research data, descriptive and inferential statistics were used. First, by estimating the central characteristic and setting frequency distributions tables, distribution of the research variables had been studied and then inferential statistics were used to test the hypotheses. The main hypothesis nor secondary research hypotheses were analyzed using T-test. Moreover, to facilitate the analysis, SPSS software was used.

Findings:

With regard to the test statistic of each of these hypotheses and their critical value at the 5% error level, it can be stated that only 7 and 9 secondary hypotheses was rejected and other assumptions are confirmed. In other words, in the 95% confidence level, Guilan Province Gas Company in the individual potential, the coefficient of variation, innovation, information technology, training program, customers and senior management support was in the desirable level of agility. While the same organization has not desirable level of agility in the culture of teamwork and virtual organizations. As a whole and with regard to the main hypothesis, the findings suggest an appropriate level of agility in Gilan Province Gas Company in providing services.

Tab.:1 Results of hypotheses testing

Hypothesis	Main Hypothesis	H1	H2	H3	H4	H5	H6	H7	H8	H9
The test statistic rate	3/3661	3/6892	3/5876	3/3963	3/3279	3/6896	3/7406	2/8849	3/0865	2/9453
Significant value	0/000	0/000	0/000	0/000	0/000	0/000	0/000	0/001	0/019	0/138
Test results	Supported	Supported	Supported	Supported	Supported	Supported	Supported	rejected	Supported	rejected

DISCUSSION AND CONCLUSION

With regard to the results of the tests conducted in this study and respondents frequency table to each question, some improvable points was identified that are presented in the form of practical solutions and recommendations as below:

- Organization can lead staff to work towards solving their problems initiatively through delegation, multi-skills training.
- Increased funding for training courses inside and outside the organization, the training program will improve.
- Agile organizations should always seek environmental changes and areas of growth and prosperity and did not spare any effort in this regard. At the other hand, the organization should not lost control with a view from the elementary progresses and considered himself/herself as the absolute and undisputed master of his world of business.
- The organization through the codified reward program (financial or non- financial) against providing the new ideas, must provides incentives needed for the creation of new ideas. And this way, employees are looking for new and innovative ways of doing things for their own will.
- To remove barriers to the utilization of paperless communication system and identify those employees who have yet used this system and benefits of using this system should be taught.
- To familiarize clients with the duties of positions, allows proper guidance for clients to receive the desired services.

- A codified system for the systematic identification of new and innovative ideas in the form of current systems such as participation, teamwork, and communication with director and ... is designed and encouraged appropriately by senior management and its feedback must be transferred properly to all employees.
- Culture of teamwork through the formation of specialized working groups and to select related members from the various units of the organization must increase.
- Preparing unit instructions for all working groups and committees until working groups is managed as an integrated form.
- The company can, through advertising, leveraging incentive, easy to process, easy access to required services and ... interested subscribers to more receive e-mail services without physical presence.
- Enable website by improving the information content, service diversity, continuous updating, and reporting of visitor survey ... will play an important role to make agile virtual organizations.

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