
ORGANIZATIONAL CLIMATE AND ROBUSTNESS OF SMEs IN RIVERS STATE

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Abstract

This study empirically examined the extent to which organizational climate relate with robustness amongst SMEs in Rivers state. Conflict resolution and leadership style were dimensions of organizational climate while business growth and productivity were adopted as measures of robustness. Five fast food restaurants within Port Harcourt were selected for this study with a total of 63 employees. The validity of research instrument were both face and content validity. The reliability was tested using Cronbach test which was accepted when a threshold of 0.7 was reached. Pearson Moment correlation was used in testing the null hypotheses. The findings revealed a significant relationship between the dimensions of organizational climate and robustness of SMEs in River state. The study further recommended that conflict within organization should be treated timely and professionally. Furthermore, leadership styles should be based on the situation on ground and not with a rigid standpoint.

Keyword: Organizational climate, conflict, leadership, business growth, productivity

Introduction

The ability to adapt quickly and successfully to new circumstances is what we mean when we talk about company robustness. Robustness, as described by Brandon-Jones et al. (2014), entails using several suppliers rather than just one and having a backup supply chain ready to go in case of an emergency. In the long run, a supply chain can be successful. It is stable both before and after disturbances, and it responds slowly to noise. Modern businesses may tell how well their supply chain is built by how well they weather both internal and external interruptions, as noted by Bakshi and Kleindorfer (2009). Catastrophic, supply-side, and demand-oriented risks are only few of the categories under which supply chain robustness may be analysed (Ji et al., 2020). Natural environmental hazards, terrorist attacks, economic instability, civil unrest, and social and political instabilities all pose substantial risks that might have catastrophic consequences. Flooding, drought, storms, earthquakes, and tsunamis are just some of the natural disasters that might occur. Although the supply chain typically has a worldwide impact, little problems in one area can have a disproportionately large effect on the entire system. Inadequate logistical performance, poor supply chain quality, changes in product design and technology, capacity concerns, and risks connected with firm suppliers are all examples of what we mean by "supply-side links." Late resource delivery is an illustration of this sort of risk. Downstream supply chain operations provide risks associated with demand (Bakshi and Kleindorfer et al., 2009). There are dangers involved in the actual shipping of products to customers. The actual demand may differ significantly from the predicted demand, the operational warehouse may be experiencing difficulties, transportation may be experiencing delays, or supply chain coordination may be lacking.

Small business owners and managers' resilience might be a key factor in fostering new ideas and increasing output. Small, owner-managed businesses often have more ambitious goals because of the expertise and personal drive of their founders, while large corporations often rely on extrinsic factors like performance incentives from the equity and loan capital markets to motivate their employees (Gkypali & Roper, 2017). However, owner-manager motivation may operate as a strong mediator between innovation and small businesses, such that firms performing at or below average may not benefit much from incremental innovation. While econometric studies of the corporate population as a whole have shown the value of more uniform management practises such change management programmes (Bloom & van Reenen, 2005; Bloom et al., 2012), this finding may go counter to the consensus.

According to several authors (Ostroff et al., 2003; Schneider & Reichers, 1983; Schneider et al., 2011), an organization's climate can be defined as the employees' general consensus regarding the policies, practises, and procedures that are rewarded, supported, and expected of them. In-depth quantitative studies of workplace environment first appeared in the 1970s. Little consensus existed in the early literature on the definition of "organisational climate," there was little conceptual direction to the early measures developed to assess it, and the term "organisational" was almost entirely ignored. Thus, earlier climate studies (let's say, up to the 1980s) adhered to the conventional individual differences technique typical of 1980s industrial psychology. Organisational climate fell to the wayside (at least temporarily) when the area of organisational culture exploded in the early 1980s (after Pettigrew introduced it to the field of organisational studies in 1979). In the 1980s, there was a surge of interest in the study of organisational culture because it seemed to capture the complexity of the workplace in ways that climate research had

not. According to Pettigrew (1990, p. 416), "there is the impression that climate studies have been boxed in by the appearance in the nest of this rather overnourished, noisy, and enigmatic cuckoo called organisational culture." In spite of this outside influence, climate scientists may be inspired to reconsider their field's purpose. Pettigrew's vision of climate study was spot on, as the resurgence of interest in the field led to important breakthroughs in theoretical understanding and methodological refinement (Kuenzi & Schminke, 2009).

Some writers define organisational climate as the degree to which workers are satisfied with their existing working conditions. According to Burke et al. (1992), others have described organisational climate as a "snapshot" of employees' impressions of the company, arguing that it is more dynamic than organisational culture since employees' impressions can shift in response to new developments (Obeng et al., 2021). In addition, it describes the members' thoughts and feelings about the company and its internal environment. After reviewing the work of other scholars, Zacher and Jie (2016) concludes that "organisational climate" describes how workers feel about the norms and practises currently in place at their workplace. To rephrase, it consists entirely of the thoughts and feelings that workers have developed regarding their workplace through time. Since many researchers have examined a specific dimension in which they are interested rather than trying to build a single view of the dimension, there has been a lot of conflict in the organisational climate dimension, which will surely be a difficulty for future researchers (Balachandran & Immanuel, 2007). The research found that it is difficult to examine and evaluate organisational climate due to the wide range of differences amongst companies in terms of size, complexity, structure, products, vision, purpose, and so on. Organisational climate research has proven helpful, but more study is needed to resolve or reduce disagreements on how to improve it.

The definition and importance of "organisational climate" have evolved over the past few decades. Organisational climate research criteria have also been changed. The researcher has made an effort to pinpoint the facet of organisational climate already investigated by other scholars; this is described further on. Leadership, motivation, communication, decision making, and goal setting are the six variables that Likert (1967) used to examine and quantify the organization's environment. Campbell et al. (1970) highlighted four characteristics of organisational climate in their study, "Perceived Organisational Climate and Process of Salesperson Motivation." These were task, structure, people, and technology. Employee and customer perspectives in the service sector (banks) were studied by Schneider and Bowen (1985). Five factors—work facilitation, supervision, organisational career, organisational status, and socialization—were given by him as an explanation for the culture of the company in this study. Koys and DeCotiis (1991) suggest that a focus on seven key aspects of organisational climate—including autonomy, coherence, trust, stress at work, justice, support, and recognition—will help businesses foster a healthy mental environment. In their work "Organisational Climate Similarity and Performance: International Joint Ventures in Russia," Fey et al. (2001) investigate the impact of cultural differences between the parent company and the joint venture organisation on the latter's efficiency. They studied factors including control commitment and national culture. The impact of organisational climate on workers' dedication to the job has been studied in five dimensions by Sargunam and Rathnamala (2014). Leadership, staff relations, staff commitment, staff satisfaction, and staff motivation are the five pillars.

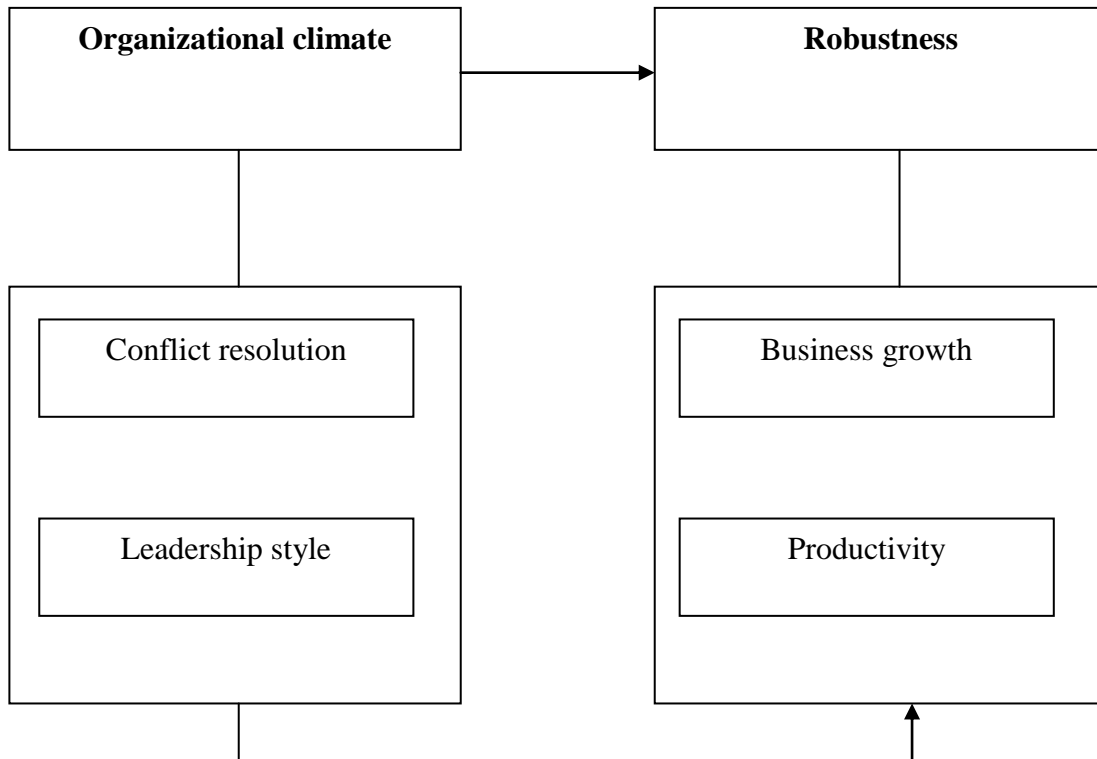


Fig. 1 Operational Framework

Research Hypotheses

The following hypotheses are formulate for this study

- H0₁: Conflict resolution does not relate with business growth of SMEs in Rivers state
- H0₂: Conflict resolution does not relate with productivity of SMEs in Rivers state
- H0₃: Leadership styles does not relate with business growth of SMEs in Rivers state
- H0₄: Leadership styles does not relate with productivity of SMEs in Rivers state

Theoretical Framework

Ethical Climate Theory (ECT)

Kohlberg's (1969) research on moral growth might be seen as a pivotal moment in the evolution of ECT because of its firm grounding in ethical philosophy. According to Kohlberg, there are three pillars of ethics: egoism, utilitarianism, and deontology. The term "egoism" refers to actions motivated only by one's own self-interest. Utilitarianism refers to an approach that prioritises the welfare of the greatest number of people or groups. Deontological behaviour entails adhering to guidelines set out by society for the greater benefit. To identify and classify the many sorts of ethical climate that might evolve in a company, Victor and Cullen utilised a sociological-theoretical approach to organisations (Gouldner, 1957). ECT bases its moral judgements on the triad of egoism, altruism (or utilitarianism), and principle (or deontology). According to the available evidence, one of the three ECT notions will arise within a sample and

come to describe the field's general ethical environment. The ECT proposed by Victor and Cullen expands on this idea by detailing the many forms of ethical action and decision-making that might alter the prevailing ethical norms. Individual, organisational, and societal (i.e., the community or society in which the organisation operates) levels of analysis were found to be significant in the study by Victor and Cullen in order to comprehend ethical climate. By comparing egoism, altruism, and principle to each of these criteria, Victor and Cullen developed a theoretical model of the current ethical environment. The empirical tests conducted by Victor and Cullen revealed five distinct conceptualizations of ethical environment, including a caring climate, an instrumental climate, an independent climate, a rules and law and code climate, and a law and code climate. Those that study ethical climate maintain its validity and identify five distinct ethical climates (Agarwal & Malloy, 1999).

Using the framework of ethical climate theory, we shall describe the five distinct ethical climates that can develop. Based on the idea of kindness, a caring work environment is one in which employees trust that their company's decisions are made out of genuine concern for the welfare of others, including those who are not directly employed by the business (such as members of the community or the general public). The policies, methods, and people of caring organisations are believed to reflect and promote these values (Martin & Cullen, 2006). Researchers have focused on various varieties of ethical climates, but previous studies have shown that caring climates are more appreciated by workers (Cullen et al., 2003).

Organisational norms and expectations that promote ethical decision-making characterise instrumental ethical settings. These ethical standards and expectations are typically seen as in line with one's own or an organization's best interests. Therefore, in an instrumental ethical environment, ethical behaviour is often produced so that a party (such as the company or leadership) may reap the benefits of having such norms. According to the literature (Kehoe & Wright, 2013), instrumental ethical climates are the least preferred sort of ethical environment.

Personal moral principles give rise to distinctively independent atmospheres. In other words, employees of a company will act in accordance with their own personal moral code and convictions. Individuals in such settings are more inclined to make judgements in accordance with their own moral principles, rather than those of the group or the majority (Schminke et al., 2005). Individuals inside a company might look to the law and ethical norms as a set of external regulations to follow.

Ethical decision-making in the workplace is often influenced by cultures that place a premium on religious values (e.g., those based on the Bible or the Koran) or on the rule of law (Peterson, 2002). A person may make moral choices, for instance, to avoid breaching the law or going against their religious views. Rules. Ethical organisations have clear guidelines for employees to follow (such as a code of conduct (Appelbaum et al., 2005; Aquino & Becker, 2005). Policies and procedures are designed and institutionalised in accordance with these guidelines, which may be found in an organization's purpose statement (Aquino & Becker, 2005). The need for modern businesses to forge their own identities has led to a rise in the popularity of such environments. It is not unexpected that ethical climate has been related to a wide range of antecedents and consequences, considering the wide diversity of ethical climates that might exist depending on the circumstances.

Conflict Resolution

When at least two parties depend on one other, and those parties perceive and assess differences between themselves negatively, this is conflict. As a result, many people experience unpleasant emotions and actively work to assert themselves as the dominant group (Deutsch & Coleman, 2000). Conflict is a natural part of human life and may be found everywhere. While violence can lead to loss of life and property, it can also lead to growth in efficiency, strengthened bonds, and accomplished objectives. As a matter of fact, conflict is one of the "engines of evolution" that propels humanity forward. Instead of trying to eliminate conflict altogether, we want to learn how to use it to our advantage.

How one sees a conflict is crucial. If no one in an encounter sees an incompatible result or considers the current state of affairs to be troublesome, then there is no conflict. Inconsistency in outcomes is not always indicative of an existing or imminent conflict. Instead of analysing or managing latent conflicts or structural antecedents of conflict, this chapter focuses on resolving disputes that have already been stated by the parties.

Individuals, teams, and organisations can benefit from improved solidarity and trust if they embrace the opportunities, drama, development, and progress that conflict can provide. Personal and organisational effectiveness may also improve as a result. When disagreeing parties try to attain their aims at the expense of others, the negative effects often outweigh the favourable ones. Forced exchanges like these typically lead to an escalation of hostilities that is difficult to stop.

Managing an argument and coming to an amicable agreement is what's known as "conflict resolution." It is easiest to think of it as a model with the two main components being dispute resolution and bargaining. The goal of conflict management is to transform adversarial emotions into cooperative ones, paving the way for productive problem-solving (Cohen & Insko, 2008). Negotiation is the practise of communicating to resolve issues between contending parties.

To achieve a win-win or collaborative outcome in a disagreement, a unique kind of negotiation known as interest-based negotiation is required. An integrative agreement that serves the interests of the many parties can be reached through interest-based negotiation, which is a method of communication. Conflict management and negotiation are two separate yet necessary processes for productively resolving disagreements. Managing the mindsets and intense negative emotions that arise in the face of conflict is the first step. It requires calming down the tension caused by the situation and learning to accept one another's differences. The term "conflict settlement" is commonly used to describe this aspect. When damaging behaviour is eliminated and hostile attitudes are mitigated, the conflict can be settled. However, the underlying issues that led to the war have yet to be addressed. After tensions have subsided, the next phase is to employ negotiation or problem solving to reach an agreement that works for everyone involved. When the underlying conditions that sparked the fight are altered and improved in a way that benefits everyone involved, the dispute is said to be over. The ultimate goal of conflict management is resolution, and the ultimate goal of negotiation is settlement (Schelling, 1980).

Leadership styles

According to the work of Torrington et al. (2005), leadership is best understood as a process of social influence in which a leader attempts to enlist the cooperation of followers in order to achieve the organization's goals. One definition of a leader is someone who gets other people to do what they want them to do in order to reach certain goals. Leaders in today's businesses must be able to navigate the intricacies of a world that is always shifting. Employee productivity is likely to be high if the work is well-defined and the leader enjoys the support of his or her team.

Leadership is encouraging people to work towards a shared objective via the use of one's own skills and strengths. The success of an organization's goals, policies, programmes, and strategies relies, in large part, on the quality of its leadership. Leadership is the art of persuading people to work towards a common goal using one's own initiative and direction. It's the process of exerting one's authority and influence on others for the purpose of achieving organisational goals. Furnham (2005) argues that effective leadership entails influencing the actions of subordinates to further organisational goals. Leadership, according to McShane and Van Glinow (2000), is "the act of inspiring others and creating conditions in which they can succeed." Leadership, as defined by Brown (2007), is authority derived mostly from one's own attributes, which are often normative in nature.

There are a wide variety of leadership styles, including authoritarian, bureaucratic, charismatic, democratic, laissez-faire, transactional, and many others. Only a few will be covered here. The most severe type of transactional leadership is autocratic leadership. Workers have little say in decision-making and are rarely consulted, even when their input might be beneficial to the company. However, bureaucratic leaders are known for their strict adherence to procedure. They make sure that everyone in the company strictly adheres to the rules. Work that poses significant hazards to workers' safety or uses substantial resources benefits greatly from bureaucratic management. It's easy to confuse charismatic leadership with transformative leadership. Charismatic leaders are full of energy and passion, which they use to propel their teams and organisations ahead. However, as charismatic leaders typically have more faith in themselves than their staff, their departure might threaten the success of a project or perhaps the entire business. Success, in the opinion of the group's followers, is proportional to the leader's charisma (Fullan, 2001).

Although democratic leaders ultimately make all the calls, they are more likely to involve their teams in the decision-making process by asking for input. Therefore, it improves morale on the job by encouraging collaboration and fostering professional growth. Workers would have a sense of agency and be inspired to give their all for reasons beyond financial gain. The French expression "laissez-faire" translates to "let it be." It's a term for bosses that walk away and expect their staff to get things done on their own. If the leader keeps tabs on progress and relays that information to the group on a regular basis, then laissez-faire management could work. This method of management works best when each team member is highly competent and used to making decisions on their own. However, this kind of leadership is also possible if managers do not exert enough authority. Human-centered management is the antithesis of task-based management.

Leaders that put their team members first prioritise their organisation, support, and growth. It is a collaborative and open approach that fosters productive teamwork. When people accept jobs

under transactional leaders, they implicitly commit to blindly follow orders. The "transaction" frequently entails monetary compensation for the team members' time and cooperation from the company. The boss has the authority to "punish" workers whose output falls short of expectations. Under a transactional CEO, workers have little options for boosting their own happiness on the workplace. True leaders, or transformational leaders, consistently motivate their teams by communicating an exciting vision for the future. The team benefits from this leader's infectious energy, but he or she may require "detail people" to back them up. Therefore, transactional and transformational leadership are both required in various settings. Leaders may be classified as transactional if they focus on making sure that day-to-day operations run smoothly or as transformational if they prioritise creating something new and valuable (McShane & Van Glinow, 2000).

Business Growth

Researchers and policymakers all over the globe have paid a lot of attention to the expansion of small and medium-sized enterprises (SMEs) during the past several decades. The expansion of small and medium-sized enterprises (SMEs) is a common topic of research in the fields of business and economics. In light of Sexton's claim that "growth is the very essence of entrepreneurship" (1997:97), the topic of how growth relates to entrepreneurship becomes important. Levratto et al. (2010) found that the firm's resources, human capital (age and experience), and environmental and market features all play significant roles in the expansion of small and medium-sized enterprises (SMEs). In addition, Sirec and Mocnik (2010) identified the factors contributing to SME expansion as the number of employees, the value of assets, and business volume. Increasing revenue is often cited as a leading indicator of success for small and medium-sized enterprises (Isaga, 2012). Revenue growth is seen as critical by policymakers, who place a premium on it (Shepherd & Wiklund, 2009).

According to Jansen (2009), a growth in sales enables a company to invest in more production components like machinery and workers, which in turn increases the company's earnings. Studies on government policy typically evaluate progress by counting new hires, therefore rising employment is likewise seen as crucial to a thriving business (Shepherd & Wiklund, 2009). In light of South Africa's present urgency for job creation, which has been designated as a top policymaker objective, Fatoki (2013) argued that employment growth is an essential metric of business growth in the country. Measures of company growth that take into account the relative increase in assets have been emphasised by research (Shepherd & Wiklund, 2009; Levie & Autio, 2013). To further expand their enterprises, entrepreneurs might utilise the equity they've built up in their companies as collateral to secure funding from outside sources.

When business owners, workers, and external variables all contribute to an organization's success, development happens. When a company increases its client base, its income, or the number of items it manufactures, it is growing. The pursuit of expansion drives numerous managerial judgements that shape an organization's day-to-day operations, both within and internationally. The decisions taken by firm leadership, as well as shifts in customer tastes and market conditions, all have a role in the expansion of an organization.

According to several studies (Davidsson et al., 2010; Bosma et al., 2000), the growth of small and medium-sized enterprises (SMEs) is a primary factor in the generation of new wealth, the production of new jobs, and the expansion of economies everywhere. A company's rate of

growth is another useful indicator of its health. Wiklund et al. (2003) highlight the importance of growing SMEs as a primary driver of employment expansion. According to Davidsson et al. (2010), SMEs can grow into larger companies through expansion, and employment creation is crucial to an economy's health (Bosma et al., 2000). According to Dobbs and Hamilton (2007), fast expansion of small and medium-sized enterprises (SMEs) is essential to economic growth since it generates new job possibilities. Gundry and Welsch (2001) highlight the fact that SMEs fail to grow and that entrepreneurs' growth goals differ. According to research by Welsch et al. (2013), the primary focus of SMEs' owners is on maintaining the company rather than expanding it. According to Levie and Autio (2013), accomplishing growth is extremely challenging and time-consuming; as a result, if company owners do not have growth in mind, their companies are less likely to expand. These authors further categorise the variables that impact SMEs' development and growth intentions as personal, organisational, and external factors. Both Tan et al. (2007) and Davidsson et al. (2010) observed that many SME owner-managers are either not interested in expansion or consciously desist from seeking growth, attributing this to the founder's unique traits.

Productivity

Definitions of productivity in dictionaries tend to focus on concepts like "outcome," "achieved goal," and "quality" rather than on the monetary components of "efficiency" and "effectiveness." The term productivity was borrowed from the mechanical and sporting worlds and then repurposed to describe similarly outstanding achievements in other domains, as seen by the definition. This indicates that only a select few organisations, those with the most successful strategies, are able to achieve productivity. An outcome that is not exceptional cannot be equated with productivity. A definition for "exceptional" or "special" would be appreciated. First, it is a considerable improvement over previous outcomes; second, it is head and shoulders beyond what "others" have achieved; and third, it is a departure from the goals that were plainly established, but is still seen favourably. Because productivity is so open to interpretation, several other definitions have emerged in recent years. Many papers and research in the academic literature link productivity with environmental context.

Productivity, according to Didier (2002), is "achieving the goals that were given to you in the convergence of enterprise orientations." According to him, productivity is not simply the consequence of seeing an output; it is what happens when that outcome is measured against the goal. Didier, in contrast to some other authors, sees this idea as a contrast between the result and the goal. The author's definition lacks clarity because outcomes and goals can differ from one area of endeavour to another.

Lebas (1995) defines productivity as a word focused on the future, customised to account for individual or group differences, and grounded in a causal model connecting inputs and outputs. He considers a company "successful" if it is on track to meet, rather than having met, the goals established by the management coalition. Therefore, capability is just as important as the future when it comes to productivity. When compared to previous authors, Lebas made a distinction between the terms "productive," "productivity," and "being performant." "Productive" usually refers to an outcome that is better than what was expected or what had previously been achieved. Therefore, "productivity" is always seen favourably. The term "productivity" can be used in a good or bad sense depending on the context.

Whooley (1996) argues that the concept of productivity is a socially produced reality that exists only in people's thoughts, rather than an objective reality waiting someplace to be measured and appraised. He argues that productivity can be tied to concepts like efficiency, cost-effectiveness, and fairness, and that it may involve things like inputs, outputs, outcomes, and impacts. Productivity is viewed as subjective and interpretive by both Lebas (1995) and Whooley (1996) due to its relationship to the cost lines.

Effectiveness, efficiency, quality, productivity, quality of work, innovation, and profitability are among the seven productivity criteria that Rolstadas (1998) argues must be met for an organisational structure to maximise its output. The success in meeting the aforementioned criteria, which may be thought of as productivity goals, is directly correlated with productivity.

Empirical Review

According to Neelameham's (2013) research, religion has no discernible impact on workplace climate. According to research conducted by Verghese et al. (2010) on a sample of 500 bank workers in the public and private sectors, a positive organizational climate fosters a focus on customers. An improved organizational climate may be fostered by emphasising customers more. Srivastav (2009) used a motivational analysis of organisational climate to study the climate of an organisation by surveying 453 executives at a sizable Indian public sector firm on six climate motives. The results show that organisational climate is diverse, and the research contributes to a deeper understanding of the variety of employee actions taken by different departments.

Schulte (2006) examined whether the overall climate in a work unit has a significant influence on individual attitudes after accounting for individuals' idiosyncratic perceptions of the climate. His findings confirmed the correlation between individual-level climate perceptions and organizational climate and suggested that both contribute to workers' happiness on the job. Watkin and Hubbard (2003) hypothesised that the climate of an organisation is a decisive factor in its capacity for knowledge generation. Company output was found to be more strongly correlated with those facets of the work climate that had higher satisfaction loadings, as predicted by Patterson et al. (2004), who examined data from 42 manufacturing firms to draw this conclusion. Davidson's (2000) research into the impact of demography on organizational climate in the hotel business revealed that gender played no role. According to the findings, there is no difference in the sensitivity of males and females to the environment of their workplace. As a result, the gender of the workforce may not be taken into account when designing human resources systems and policies. Lin (1999) examined the connection between company culture and quality management practises at Taiwanese SMEs and came to the conclusion that such companies tended to have a high quality-tendency orientation because they downplayed the importance of company structure.

Methodology

This study was conducted at the micro level because the research intended to have accurate data concerning every employee in the fast food restaurant under study. Five fast food restaurants within Port Harcourt were selected for this study with a total of 63 employees. The validity of research instrument were both face and content validity. The reliability was tested using Cronbach test which was accepted when a threshold of 0.7 was reached. Pearson Moment correlation was used in testing the null hypotheses.

Data Analyses and Findings

Table 1. Copies of Questionnaire retrieved

S/N	Firm	Staff strength
1	Kilimanjaro	12
2	Genesis	10
3	<u>Sammies</u>	11
4	<u>Jovit</u>	9
5	Green house	10
		52

Out of the 63 copies distributed, 52 were retrieved and useful for the study as shown in table 1

Test of Hypotheses

H0₁ conflict resolution does not relate with business growth of SMEs in Rivers state

Correlations

		<u>Conflict resol</u>	<u>Bus growth</u>
Spearman's rho	Correlation Coefficient	1.000	.530**
	<u>Conflict resol</u> Sig. (2-tailed)	.	.000
	N	52	52
	Correlation Coefficient	.530**	1.000
	<u>Bus growth</u> Sig. (2-tailed)	.000	.
	N	52	52

** . Correlation is significant at the 0.01 level (2-tailed).

Our first hypothesis reveals that conflict resolution has a significant relationship with business growth with a correlation coefficient of 0.530 and a p-value of 0.000 which is less than alpha of 0.05. We therefore reject the stated null hypothesis.

H0₂ conflict resolution does not relate with productivity of SMEs in Rivers state

Correlations

		<u>Conflict resol</u>	Productivity
Spearman's rho	Correlation Coefficient	1.000	.840**
	<u>Conflict resol</u> Sig. (2-tailed)	.	.000
	N	52	52
	Correlation Coefficient	.840**	1.000
	Productivity Sig. (2-tailed)	.000	.
	N	52	52

** . Correlation is significant at the 0.01 level (2-tailed).

Test of hypothesis 2 reveals that conflict resolution has a significant relationship with productivity with a correlation coefficient of 0.840 and a p-value of 0.000 which is less than alpha of 0.05. We therefore reject the stated null hypothesis.

H0₃ leadership styles does not relate with business growth of SMEs in Rivers state

Correlations

		<u>Conflict resol</u>	Productivity
Spearman's rho	Correlation Coefficient	1.000	.840**
	<u>Conflict resol</u> Sig. (2-tailed)	.	.000
	N	52	52
	Correlation Coefficient	.840**	1.000
	Productivity Sig. (2-tailed)	.000	.
	N	52	52

** . Correlation is significant at the 0.01 level (2-tailed).

Our third hypothesis reveals that leadership style has a significant relationship with business growth with a correlation coefficient of 0.221 and a p-value of 0.000 which is less than alpha of 0.05. wealso reject the stated null hypothesis.

H0₄ leadership styles does not relate with productivity of SMEs in Rivers state

Correlations

		<u>Leadership style</u>	Productivity
Spearman's rho	Correlation Coefficient	1.000	.584**
	<u>Leadership style</u> Sig. (2-tailed)	.	.000
	N	52	52
	Correlation Coefficient	.584**	1.000
	Productivity Sig. (2-tailed)	.000	.
	N	52	52

** . Correlation is significant at the 0.01 level (2-tailed).

Test of hypothesis four reveals that leadership style has a significant relationship with productivity with a correlation coefficient of 0.584 and a p-value of 0.000 which is less than alpha of 0.05. We therefore reject the stated null hypothesis.

Summary of Findings

Our study revealed that our strongest relationship was found within our second test of hypothesis which had the highest correlation coefficient of 0.840 with p-value of 0.000 less than alpha of 0.05. This implies that in as much as organizational climate is concerned, the way conflict is handle matters a lot and significantly tells on the outcome of productivity amongst SMEs in Rivers state. For this reason, the stated null hypothesis was rejected. The least relationship was found within our third hypothesis which revealed a correlation coefficient of 0.221 and a p-value of 0.006. With this result, we also reject the stated null hypothesis and accept the alternate.

The results for our first and forth test of hypothesis revealed significant relationship between conflict resolution an business growth as well as between leadership style and productivity. This reveals that organizational climate has significant relationship with robustness of SMEs in Rivers state.

Conclusion

Organizational climate amongst other factors can bring about the much needed growth of SMEs in Rivers state. This can be achieved through the achievement of business growth and productivity. It further reveals that conflict resolution is a vital instrument in achieving the much needed robustness of SMEs in Rivers state. The style of leadership exhibited by mangers and business owners also go a long way in ensuring business growth and organizational productivity. When SMEs are conscious, they will build a formidable force in the achievement of robustness.

SMEs need robustness to survive. In a dynamic and complex environment where everything has become uncertain, firms would need to work hard and achieve the much needed business growth

and productivity to survive. This would be achieved when there is an entrepreneurial mindset flowing from the minds of business owners.

Recommendations

- i. Organizations must maintain internal stability in order to grow its customer base. There should be less conflict within the organization and conflicts should not be treated with kid gloves and every red flag should not be left unnoticed.
- ii. The leadership style adopted also goes a long way in maintaining both internal and external consistency which would eventually lead to the achievement of organizational goals. No leadership style is the best. One must choose the style that appropriately fits into the situation at hand.

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