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Research Article

The Relationship between the Rate of Taking Risk of Managers and Organizational Effectiveness in Government Offices of Kerman City

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ABSTRACT

The aim of this survey is reviewing the relationship between the rate of taking risk of managers and organizational effectiveness in government offices of Kerman city. Method of study is correlation. Statistical population includes all of the managers of government offices of Kerman city that they are about 67 managers and with according to Cochran formula about 56 persons chose as a sample. In order for collecting data is used 2 self-made questionnaires (the rate of taking risk of managers and organizational effectiveness). Data analyzed with Spss 18 software and so with Spearman test, Pearson test and multiple regression. There is a significant relationship between taking risk of managers and organizational effectiveness in government office of Kerman city. In addition, there is a direct and significant relationship between conceived risk and relational risk of managers with organizational effectiveness. The most predictor of organizational effectiveness is relational risk of managers.

Key words: taking risk of managers, organizational effectiveness, and government offices.

INTRODUCTION

In theoretical view, each economic activity is along with degree of risks. It is not possible to remove risk completely. Therefore, scientific attitude of problem of risk is not expecting any case just its management. The necessary of management and control of optimal risk causes extensive studies have done that is in growing and prosperous. The nature of management of risk call for these studies will be multifaceted namely in addition, of cognition of financial-economic performance. It is necessary that managers of risk be familiar with statistical, mathematics, strategic management, method, and models of controlling of risk. Although we can say in fact, deep and comprehensive understanding of developments of market and ability and courage of taking quick and optimal decision is art [2].

Risk disclosure is behavior whereby, person expose itself in front of physical and psychological injury and even death. Acceptance of risk, is exposing itself in front of injury or loss, so that the loss is possible [4].

Risk is the real and true possibility of damage. While perceived risk is a subjective assessment, in

which individual with according to the possibility of damage feels a decision or action and that can be not real. In other hand, in fact this perceived risk is effective on assessment of options and decisions on management. One of the main risks in organization is relational risks. This risk means that the damage is completely lack of understanding of parties in a relation [1].

Organizational effectiveness is a method that organization, how to evaluate realization of their successful mission by organizational strategy. In simple terms, the organizational effectiveness usually is degree that organizations achieve its aim on it [3].

The organizational effectiveness expresses a degree, which an organization approaches to its aim [1]. Rabins [3] in defining the organizational effectiveness pay attention to equipment and facilities (process) and so its results. Organizational effectiveness is a situation in which designed organization use resource as limited and according to determined criteria, can be achieve do its aim.

Organization effective defines in frame of achieving determined aim and satisfying of individuals who has play roll in achieving to its aim. The guidance and coordination in working groups

and satisfying the agent of human factors of organization will have determined effect in proficiency of organization and as a result it will have determined effect in success and improvement of performance of organization. In other hand, high organizational effective causes high and efficiency organizational culture and participative [1].

Since every organization for survival and achieving to its objective and success must be effective and each organization should have effective and efficacious for society the purposes which is designed for it. However, there are some organizations do not have any special effectiveness and even they had problem in executing the primary tasks. One of the main factors

For success and effectiveness of every organization, is manager characteristic and ability and One of the personality features of manager in which can be evolve in organization is taking risk of manager, but this claim must be based on research field, in order to clear if the manager have high taking risk, is their organization more effective. On this basis, the basic question in which this study sought to answer: Is there any relationship between taking risk of managers in government office and organizational effectiveness?

Method of research:

The present study has done in order of surviving the relationship between taking risk of managers with organizational effectiveness in government offices of Kerman city. Therefore base on aim, this is an applied research. The method of research is descriptive- correlation. The method of collecting information is field. In order of collecting data is used self-made questionnaires of taking risk (13 self-made question in two dimension of perceived taking risk ,question 1-6 and relational taking risk , question 7-13) and questionnaires of organizational effectiveness (47 self-made question, includes 4 components of innovation (question 1-13), organizational commitment (question-23), job satisfaction(question 24-33) and organizational health (question-47)), (13 question made by research, in two dimension of perceived taking risk, question 1 to 6 and relation taking risk, question 7 to 13). Statistical population of this study include all of the managers of government offices of Kerman city in which there are about 67 manager and according to Cochran formula chose about 56 persons as sample. For describing collected data used the descriptive statistical methods such as preparation and regulation of tables and drawing diagram and indexes of dispersion and so inferential statistics such as correlation coefficient of Pearson or Spearman and multiple regression and it used Spss software for analyzing data.

The research finding:

Demographic characteristic of respondents includes sex, age, work experience, marital and education. Based on the analysis data from the managers as follows:

There are 12 women and 44 men, 26 people are bachelor, 22 people are more than master, 8 people has PHD. ,1 person is between 20 - 25 years, 12 people are between 26 – 35 years, 21 people are between 36 – 45 years, 22 people have more than 45 years, 3 people have working experiences between 1 - 5 years, 9 people have working experiences between 6 - 10 years, 12 people have working experiences between 11 - 15 years, 10 people have working experiences between 16 - 20 years, 10 people have working experiences between 21 - 25 years, 12 people have working experiences between 26 - 30 years and 4 people are single and 52 people are marital.

Study hypotheses:

Main hypothesis:

There is a relationship between taking risk of managers with organizational effectiveness in government office in city of Kerman:

The analysis of data by using Pearson and Spearman test shows that the correlation coefficient between two variable of taking risk and organizational effectiveness equals 0.593, 0.474 respectively, with -P value (significant) equals 0.000 and is smaller than significant level $\alpha = 0.05$. Thus in this level reject H0 namely lack of existing any relationship and as result there is significant relationship between taking risk and organizational effectiveness in government offices in city of Kerman. This topic confirms by paying attention to the method of desperation of points and fitted line. In addition, the positive coefficient and slop of the fitted line represents direct relationship between these two variables. It means that no matter how much taking risk of managers in government offices in city of Kerman is more, organizational effectiveness become high. The coefficient of determination between two variables equal 0.351 ($r^2 = 0.351$). In other words, 35.1% alternation between two variables is in common (35.1% alternation of organizational effectiveness in government offices in city of Kerman justify by taking risk of managers).

Secondary hypothesis:

There is a relationship between taking risk (perceived and relational) with organizational effectiveness in government office in city of Kerman:

The analysis of data by using Pearson test shows that the correlation coefficient between two variable of perceived taking risk and relational taking risk with organizational effectiveness equals 0.515, 0.604 respectively, with -P value (significant) equals 0.000 and is smaller than significant level $\alpha = 0.05$.

Thus in this level reject H_0 and as a result the regression model is significant linear namely, there is significant linear relationship between perceived taking risk and relational taking risk with organizational effectiveness. The multiple correlation coefficient equals $r=0.69$ that represent the simultaneous relationships between perceived taking risk and relational taking risk with organizational effectiveness and with considering that the significant level equals 0.000 and is smaller than level $\alpha=0.05$. Therefore, this relationship is significant. So with paying attention that value R^2_{adj} (adjusted R^2) equals 0.347, then all of the entered variables in this model 0.347 explain variance organizational effectiveness. So with considering the calculate value $-P$ in regression coefficient test does not reject H_0^1 in level 0.05, but H_0^2 reject in level 0.05. Thus, due to the value of t for relational taking risk equals 2.918 and with significant equals 0.004. Therefore, organizational effectiveness with considering relational taking risk of managers is different. Then, with considering, the value of β for relational taking risk equals 0.514. Therefore, we can predict the organizational effectiveness by relational taking risk. However, we significantly cannot predict organizational effectiveness by perceived taking risk of managers because it is significant is more than 0.05 and the most predictor of organizational effectiveness is relational taking risk of managers.

There is a relationship between taking risk (perceived and relational) with organizational innovation in government office in city of Kerman:

The analysis of data by using Pearson test shows that the correlation coefficient between two variable of perceived taking risk and relational taking risk with organizational innovation equals 0.491, 0.532 respectively, with $-P$ value (significant) equals 0.000 and is smaller than significant level $\alpha = 0.05$. Then in this level reject hypothesis H_0 namely lack of existing any relationship and as a result the regression model is significant linear, it means, there is significant linear relationship between perceived taking risk and relational taking risk with organizational innovation. The multiple correlation coefficient equals $r=0.54$ that represent the simultaneous relationships between perceived taking risk and relational taking risk with organizational innovation and with considering that the significant level equals 0.000 and is smaller than level $\alpha=0.05$. Therefore, this relationship is significant. So with paying attention that value R^2_{adj} (adjusted R^2) equals 0.265, then all of the entered variables in this model 0.265 explain variance organizational effectiveness. So with considering the calculate value $-P$ in regression coefficient test does not reject H_0^1 in level 0.05, but H_0^2 reject in level 0.05. Thus, due to the value of t for relational taking risk equals 1.956 and with significant equals 0.05. Therefore, organizational innovation with considering relational

taking risk of managers is different. Then, with considering, the value of β for relational taking risk equals 0.358. Therefore, we can predict the organizational innovation by relational taking risk. However, we significantly cannot predict organizational innovation by perceived taking risk of managers because it is significant is more than 0.05 and the most predictor of organizational innovation is relational taking risk of managers.

There is a relationship between taking risk (perceived and relational) with organizational commitment in government office in city of Kerman:

The analysis of data by using Pearson test shows that the correlation coefficient between two variable of perceived taking risk and relational taking risk with organizational commitment equals 0.444, 0.507 respectively, with $-P$ value (significant) equals 0.001 and 0.000 and is smaller than significant level $\alpha = 0.05$. Then in this level reject hypothesis H_0 namely lack of existing any relationship and as a result there is significant linear relationship between perceived taking risk and relational taking risk with organizational commitment. With considering that the calculated value $-P$ (0.000) is smaller than meaningful level 0.05 then in this level reject H_0 and as a result regression model is significant linear. It means there is significant linear relationship between perceived taking risk and relational taking risk with organizational commitment. The multiple correlation coefficient equals $r=0.513$ that represent the simultaneous relationships between perceived taking risk and relational taking risk with organizational commitment and with considering that the significant level equals 0.000 and is smaller than level $\alpha=0.05$. Therefore, this relationship is significant. So with paying attention that value R^2_{adj} (adjusted R^2) equals 0.236, then all of the entered variables in this model 0.236 explain variance organizational effectiveness. So with considering the calculate value $-P$ in regression coefficient test does not reject H_0^1 in level 0.05, but H_0^2 reject in level 0.05. Thus, due to the value of t for relational taking risk equals 2.181 and with significant equals 0.34. Therefore, organizational commitment with considering relational taking risk of managers is different. Then, with considering, the value of β for relational taking risk equals 0.407. Therefore, we can predict the organizational commitment by relational taking risk. However, we significantly cannot predict organizational innovation by perceived taking risk of managers because it is significant is more than 0.05 and the most predictor of organizational commitment is relational taking risk of managers.

There is a relationship between taking risk (perceived and relational) with job satisfaction in government office in city of Kerman:

The analysis of data by using Pearson test shows that the correlation coefficient between two variable of perceived taking risk and relational taking risk with job satisfaction equals 0.437, 0.537 respectively, with $-P$ value (significant) equals 0.001 and 0.000 and is smaller than significant level $\alpha = 0.05$. Then in this level reject hypothesis H_0 namely lack of existing any relationship and as a result there is significant linear relationship between perceived taking risk and relational taking risk with job satisfaction. With considering that the calculated value $-P$ (0.000) is smaller than meaningful level 0.05 then in this level reject H_0 and as a result regression model is significant linear. It means there is significant linear relationship between perceived taking risk and relational taking risk with job satisfaction. The multiple correlation coefficient equals $r=0.538$ that represent the simultaneous relationships between perceived taking risk and rational taking risk with job satisfaction and with considering that the significant level equals 0.000 and is smaller than level $\alpha=0.05$. Therefore, this relationship is significant. So with paying attention that value R^2_{adj} (adjusted R^2) equals 0.263, then all of the entered variables in this model 0.236 explain variance job satisfaction. So with considering the calculate value $-P$ in regression coefficient test does not reject H_0^1 in level 0.05, but H_0^2 reject in level 0.05. Thus, due to the value of t for relational taking risk equals 2.707 and with significant equals 0.009. Therefore, job satisfaction with considering relational taking risk of managers is different. Then, with considering, the value of β for relational taking risk equals 0.407. Therefore, we can predict the job satisfaction by relational taking risk. However, we significantly cannot predict job satisfaction by perceived taking risk of managers because it is significant is more than 0.05 and the most predictor of job satisfaction is relational taking risk of managers.

There is a relationship between taking risk (perceived and relational) with organizational health in government office in city of Kerman:

The analysis of data by using Pearson test shows that the correlation coefficient between two variable of perceived taking risk and relational taking risk with organizational health equals 0.434, 0.548 respectively, with $-P$ value (significant) equals 0.001 and 0.000 and is smaller than significant level $\alpha = 0.05$. Then in this level reject hypothesis H_0 namely lack of existing any relationship and as a result there is significant linear relationship between perceived taking risk and relational taking risk with organizational health. With considering that the calculated value $-P$ (0.000) is smaller than significant level 0.05 then in this level reject H_0 and as a result regression model is significant linear. It means there is significant linear relationship between

perceived taking risk and relational taking risk with organizational health. The multiple correlation coefficient equals $r=0.548$ that represent the simultaneous relationships between perceived taking risk and rational taking risk with organizational health and with considering that the significant level equals 0.000 and is smaller than level $\alpha=0.05$. Therefore, this relationship is significant. So with paying attention that value R^2_{adj} (adjusted R^2) equals 0.274, then all of the entered variables in this model 0.274 explain variance organizational health. So with considering the calculate value $-P$ in regression coefficient test does not reject H_0^1 in level 0.05, but H_0^2 reject in level 0.05. Thus, due to the value of t for relational taking risk equals 1.007 and with significant equals 0.005. Therefore, organizational health with considering relational taking risk of managers is different. Then, with considering, the value of β for relational taking risk equals 0.529. Therefore, we can predict the organizational health by relational taking risk. However, we significantly cannot predict organizational health by perceived taking risk of managers because it is significant is more than 0.05 and the most predictor of organizational health is relational taking risk of managers.

Discussion and conclusion:

Based on achieved results from study, there is significant relationship between taking risk of managers and organization effectiveness in government office of Kerman city. The positive correlation coefficient and slope of the fitted line shows the direct relationship between these two variables. It means that no matter how much taking risk of managers is more high, organizational effectiveness become high. These results align with findings of Lee (2008) and Hillel (2002). Therefore, these results show that there is significant relationship between perceived taking risk and relational taking risk of managers with organizational effectiveness. Based on the results of regression, the most predictors of organizational effectiveness is relational taking risk of managers. This result align with findings of Williamson (1991) and Paulla *et al* (2012). The analyzed data shows that there is significant relationship between perceived taking risk and relational taking risk of manager with organizational innovation. Therefore, based on regression test the most predictors of organization innovation are relational taking risk of managers. These results align with finding of Mohamad Abidallah (2002). The analysis of data shows that there is significant relationship between perceived taking risk and relational taking risk of manger with organizational commitment. Therefore, based on the results of regression, the most predictors of organizational commitment is relational taking risk of managers. These results align with the findings of Isco *et al* (2012). The analysis of data shows that

there is a significant relationship between perceived taking risk and relational taking risk of managers with job satisfaction. So based on the result of linear regression test, the most predictor of job satisfaction is relational taking risk of managers. These result align with the finding of Teran (2010). The analysis of data shows that there is a significant relationship between perceived taking risk and relational taking risk of managers with organizational health and based of result of the linear regression test, the most predictor of the organizational health is relational taking risk of managers. These result align with findings of Lee (2008) and Paulla *et al* (2012). In general, we can say that if the managers take risk and accept the consequences of their decisions, partly in error, this may they can take good decision and too benefit and help the organization in achieving its higher goals.

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