

Effective HR systems: The impact of organizational climate and organizational strategy on strategic behaviour

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Preface

Within my bachelor education in industrial and organizational psychology at the University of Twente, I conducted this research and immersed myself into relevant scientific literature to build a theoretic basis for my topic, the impact of organizational strategy and climate on strategic employee behaviours. This paper presents the final assignment of the bachelor degree in psychology and is solely written by the author. The introduction part consists mainly of a screening and elaboration on prior scholar's work. Data from five companies were gathered collectively with other students. At this place my thanks go especially to the employees of the company Nedap N.V. for participating in my research. Nedap inspired me a lot. Furthermore my thanks go to my fellow students for their efforts to find companies to participate.

Abstract

This paper investigates which configurations of organizational climate and organisational strategy lead to strategic employee behaviour which is crucial for organizations to reach their goals. Based on literature research and empirical research in five companies in the technical sector in the area around Enschede ($n = 160$), this paper attempts to find out if strategic employee behaviour is related to the fit between the organizational strategy as perceived by all employees and the organizational climate within an organisation. The results show that fit is negatively related to innovative work behaviour. Customer oriented behaviour; knowledge sharing and affective commitment are not significantly related to fit.

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Introduction

In the age of globalization companies get confronted with increasing worldwide competition. So it becomes more than before necessary for a company to come up with a well thought-out business planning to be able to offer products and services with additional value beyond competitor products and services. Employees can act strategic by contributing to the proper implementation of the business strategy. The organization gains a competitive advantage from that strategic behaviour. Hence the performance of an organization depends a lot on the behaviour of people working in it. For this reason Human Resource Management (HRM) is an important part of the strategic planning in a company (Becker, Huselid & Ulrich, 2001).

Humans are not the same kind of 'resources' as machines. Instead, "they are active individuals with past experiences, internalized values, and norms that are not necessarily those of the employing organization" (Paauwe, 2004, p.3). Lewin and Cartwright (1951) say human behaviour could be understood as a function of the individual person in its surrounding area. The various meanings that people associate with their physical surrounding areas are referred to as their psychological environments (James et al., 2008). For organizational contexts, James and Jones (1974) call this aspect psychological climate. That refers to the meanings that people attach to their jobs, co-workers, leaders, equity of treatment and the like on individual level (James & Jones, 1974). Summarized, employee behaviour is a function of characteristics of the person and characteristics of the individually perceived psychological climate in the organization. In this paper psychological climate characteristics are degree of trust, conflict, morale, rewards equity, leader credibility, resistance to change and scape goating in the organization. Burton, Lauridsen and Obel (2004) define the sum of the individual perceptions of those climate characteristics as organizational climate.

The organizational strategy is the way how organizations try to reach their goals (Gibcus & Kemp, 2003). Burton et al. (2004) found that high firm performance requires a good fit between organizational climate and organizational strategy. Well, Burton et al. (2004) describe especially some misfits and just a few fits, appraised by return on assets.

This paper contributes to the scholarly research on fit between organizational strategy and organizational climate by investigating if there are other good fits and if the findings of Burton et al. (2004) can be confirmed empirically, appraised by the impact of fit on strategic employee behaviour. Practitioners are interested in the monetary implications of fit on firm performance. My paper looks if fit is related to strategic employee behaviour, which benefits firm performance in the long turn. I attempt to give practitioners an idea of the relevance of organizational strategy, organizational climate and their impacts on each other.

Consequently beneficial strategy/climate configurations are mapped and tested. To this the present strategy, climate and strategic behaviours are measured through a questionnaire research. Organizations considered as the research population are technical and innovative companies nearby Enschede and have more than 100 employees. The location was chosen because of practical considerations. Being a student in Enschede, it is straightforward to look close-by for participating organizations. The choice for sector and size of the organizations of our research population is based on the consideration that participating companies should be comparable to each other. Next to this, particularly in the technical and innovative sector, employees are crucial for the realisation of innovative products, processes and services. Thus this sector is especially interesting for my research, because employee behaviour is extraordinary important to reach firm goals there.

The following subchapters will give an overview of the most eminent scientific research on organizational strategy, organizational climate and strategic employee behaviour. For clarification research based choices will be made for definitions and typologies used in this research. This elaborative introduction intends to make the three concept's relevance clear and also to be able to measure them properly. Based on this theoretic foundation follows the development and description of my research elements. Hypotheses emerge based on expectations, coming through logical comparison with prior similar research. Those hypotheses are then tested and discussed empirically.

1.1 Organizational Strategy

In this paper strategy is defined as a coordinated plan that gives the outlines for decisions and activities of a firm. Strategy is focused on the application of the resources that a company has at its disposal in such a way that the activities have an additional value to the environment so that the firm can achieve its own goals (Gibcus & Kemp, 2003, p. 11). This definition has been chosen because it comprises several aspects of preceding perspectives on strategy. Below, elements of my definition are opposed to some earlier perspectives. That gives an overview of the complexity of this scientific concept.

The outer frame of my definition resembles the approach of Van Gelderen, Frese and Thurik (2000). I write: an organizational strategy is a coordinated plan that outlines how a firm can reach its own goals. Van Gelderen et al. (2000) state that in different, uncertain situations decisions in a company are made following a template. This template stands for action plans, that influence how people are doing things suchlike that the entrepreneur can reach its goals. Thus one core importance of strategy is to denote how to act successful with alternating situations. Previous to Gelderen et al. (2000), Mintzberg (1990) sees strategy as the specific pattern in a stream of decisions made in a company. His focus lies on the process. So strategy is how specific sub goals emerge depending on the firms planning, ploy, pattern, position and perspective. Seth and Thomas (1994) take on this thought and express strategy as that kind of process, which integrates policies, major goals, and action sequences of an organization into a cohesive whole.

Another part of my definition contains that strategy decrees the proper application of disposable resources. Buzzell and Gale (1987) stress that strategy means how policies and key decisions made by the company's management determine the use of resources. Furthermore my definition specifies that activities of the company must have an additional value to the environment. Porter (1996) enriched the understanding of strategy by stating its main goal as core element of its definition, creating a unique position. That is promoting those activities within a company that differ from the competitors, but are especially valued by customers. Without that kind of strategic positioning, an

organization will be stuck-in-the-middle. That means there will be no clear strategy and thus no chance for permanent advantage.

Now the relevance of organizational strategies is defined it is time to have a look at different strategies in particular. There are several typologies in the literature. The coming part chronologically explains a few that are relevant for this research. Finally this chapter on strategy ends up with a detailed description of the typology of Beal (2000) that is used in this research.

Miles and Snow (1978) distinguish three superior performing business types from all other less than average performing types. In order to perform higher than average an organization can engage either in the role of a defender, the role of an analyzer or the role of a prospector. Each of them has its specific advantages and altogether rule out one rest category which covers those kinds of businesses remaining, the reactor organizations. Those namely fail to handle a certain strategy and thus perform significantly lower than organizations where a strategy is well existent and also applied throughout all layers of the firm. The three superior strategies of Miles and Snow (1978) could be imagined lying on a scale going from highly efficient on the left side to highly effective on the right side. Of course the defender type is highly efficient and less effective. Characteristic for this type of business are the following aspects. Defenders have narrow product-market domains and aggressively maintain prominence within chosen market segments. They typically ignore developments outside their own domain but focus even more on their domain to gain efficiency and thus save costs, to make more profit and stay competitive. Very typical for this business type is its hierarchical structure. That means centralized control, high degree of formalization and vertical information flows are common. The opposite is the case for organizations handling the prospector strategy. This type lies on the right end of the scale, thus it is highly effective however less efficient. Hence prospectors are almost continually looking for market opportunities and are the creators of change in their industries. Typically for them, organizational control is result-oriented; their degree of formalization is low and information flows direct to decentralized decision makers. In between defenders and prospectors are the analyzers. Those score moderate on both, efficiency and effectiveness. Analyzers operate in two types of product-market domains, one relatively stable and the other changing. In their stable areas they equal the

defenders in operating routinely with formalized structures and processes. In its more turbulent area analyzers top managers closely watch their competitors for new ideas and adopt those which seem to be the most promising. Their internal forces are more complex, because for instance control must be able to trade off efficiency and effectiveness.

Another approach to organizational strategy comes from Porter (1996). As mentioned, this academic understands strategy as the process of creating and maintaining a unique and valuable position in the market. There is no one ideal position for an organization; otherwise a strategy would not be necessary. The strategy makes the difference between an organization and its competitors. Porter (1980) gives a framework for industry analysis and business strategy development, the five forces analysis. Accordingly the attractiveness of a market and the competitive intensity are affected by the competitive rivalry within an industry, the bargaining power of suppliers and customers, the threat of new entrants and the threat of substitute products. Based on those forces, Porter (1980) derives three generic strategies: cost leadership, differentiation strategy and focus strategy. The cost leadership strategy emphasizes efficiency. Through producing high volumes of standardized products the firm saves costs and is able to offer its products at the lowest prices of its industry. Maintaining such a strategy requires a continuous search for cost reductions in all aspects of the business. Organizations following a differentiation strategy try to get customers by offering a unique and highly valued set of products. To compensate for higher developing and production costs those companies can afford to charge premium prices for their products. That is an option because of the gained brand loyalty. Loyal customers are less sensitive to the product price. Companies who concentrate on a select few target markets follow a focus or niche strategy. By focusing marketing efforts exclusively on one or two narrow market segments this strategy wants to meet the needs of that target market better. The focus strategy can either be cost leadership oriented or differentiation oriented.

According to Beal (2000) SME's are too small to pursue a pure cost strategy. Instead, differentiation is a viable strategy for them. In order to meet the specific situation of SME's, Beal (2000) adjusts Porter's work by extending the differentiation strategy in more specific strategies. Based on the work of Dess and Davies (1984) SME's are thus either marketing differentiators, innovation differentiators, service differentiators or

quality differentiators. Gibcus and Kemp (2003) confirm the value of Beal's distinction of four differentiation strategies in their research. Exploratory and confirmatory factor analysis showed that distinction into the four differentiators and into cost leaders is most applicable (Gibcus & Kemp, 2003).

In this research strategy is conceptualized into the strategies of Beal (2000) as confirmed by Gibcus and Kemp (2003). Gibcus and Kemp (2003) conclude from earlier studies on strategy using Porter's classification that SME's might also follow a mixed strategy, emphasizing cost efficiency and differentiation at the same time. I will take this into account. It follows an overview of the different strategies a firm can engage in, used in this paper:

- Innovation differentiation:

The focus of the innovation differentiation strategy lies on research and development of new products, marketing of new products, developing new manufacturing processes and improving existing products.

- Marketing differentiation:

The focus of the marketing differentiation strategy lies on innovative marketing techniques, improvement of sales force performance, building brand/company identification, selling high-priced products, advertising/promotional programmes and producing broad range of products.

- Service differentiation:

The focus of the service differentiation strategy lies on improving customer services, improving customer care, product improvement in meeting customer expectations, immediate resolution of customer problems and strict product quality control.

- Process differentiation:

The focus of the process differentiation strategy lies on benchmarking best manufacturing processes in the industry and anywhere.

- Cost leadership:

The focus of the cost leadership strategy lies on reducing manufacturing costs and reducing overall costs.

1.2 Organizational Climate

In this research, organizational climate is defined as the aggregated perceptions of individuals concerning the organization - its degree of trust, conflict, morale, rewards equity, leader credibility, resistance to change and scape goating (Burton et al., 2004).

In the literature also appears the term psychological climate, which is in lines the same as organizational climate. Psychological climate consists of separate individual perceptions about the internal environment in the organization (James & Jones, 1974). It has been measured along dimensions as trust, hindrance, disengagement, spirit, intimacy, aloofness, production emphasis and consideration (Burton et al, 2004, p.4). Several of these dimensions are similar to or even the same as the ones in the definition of organizational climate that is given on top of this chapter. The difference is the level on which is dealt with those climate dimensions. In this paper climate is examined on organizational level rather than on individual level.

Another important perspective distinct from the understanding of organizational climate in this paper is represented by for instance Bowen and Ostroff (2004). They see organizational climate as linking force between HRM practices and firm performance. Bowen and Ostroff (2004) related this understanding to a whole school of researchers that defines organizational climate as shared perception of what the organization is in terms of practices, policies, procedures, routines and rewards (e.g., Schneider, 2000; James & Jones, 1974; James & Jones, 1979). The definition of organizational climate in my paper is not characterized directly by factors as procedures, routines and policies in the organization. My organizational climate is characterized by perceived psychological interpersonal dimensions like trust, conflict, and morale and so on; see above.

Yet another term often mentioned within organizational behaviour is organizational culture. It is mentioned here briefly, because it can be confused and confounded with organizational climate (Dension, 1996; Schneider, 1990 in Burton et al., 2004). The main difference is that organizational culture additionally includes norms, symbols, structure and rituals of an organization (Burton et al., 2004). However, organizational climate as I use it is exclusively a descriptive measure of organizational activities. It is based upon perceptions and is itself not an aspect of the organizational structure (Koys and Decotis, 1991 in Burton et al., 2004).

Now that the definition of organizational climate is clear, it is time to look at climate profiles in particular. The competing values framework: flexibility versus control and internal versus external focus, by Quinn and Rohrbaugh (1983, in Burton et al., 2004) is used by Burton et al. (2004) to classify types of organizational climate. Burton et al. (2004) cull out four climatic profiles: the group climate, the developmental climate, the rational goal climate and the internal process climate. Those are described based upon their degree of trust, conflict, morale, equity of rewards, resistance to change, leader credibility and scape goating. In Table 1 can be seen exactly how the four profiles score on each of those seven characteristics (Burton et al., 2004, p. 75). It follows a short description of the four organizational climate types (Burton et al., 2004) that will be used in this paper:

- Group climate:
The group climate is concentrated on internal focus with high trust and morale.
- Developmental climate:
The developmental climate is more externally oriented. Trust and moral are high as well, but the resistance to change is low.
- Rational goal climate:
The rational goal climate is externally oriented to succeed, but morale and trust are lower.

- Internal process climate:
The internal process climate is more mechanical with a high resistance to change, low trust and low morale. The focus lies internal, on staying functioning.

Table 1: Profiles of the four climate types

	Group	Developmental	Rational goal	Internal process
Trust	High	Medium/High	Low	Low
Morale	Medium/High	Medium/High	Medium	Low
Rewards equitability	High	Medium/High	Low	Low
Leader credibility	High	High	Low/Medium	Low
Conflict	Low	Low	High	High
Scapegoating	Low	Low/Medium	High	High
Resistance to change	Medium/High	Low	Medium/High	Medium/High

Note: Results of Burton et al. (2004) and Zammuto & Krakower (1991, in Burton et al., 2004) are combined in this Table.

1.3 Relationship between strategy and organizational climate

Burton et al. (2004) showed, that firm performance depends on the combination of an organization's climate and strategy. My research is also focused on the impact of strategy-climate interaction effects. To wit, their effects on strategic employee behaviours are investigated. The conclusions of Burton et al. (2004) were that especially some specific misfits between climate and strategy lead to weaker firm performance. It is interesting for scholars and practitioners to gain more knowledge about those combinations that match well. Maybe in this way firm performance can be improved when this knowledge is brought into praxis. This paper thus concentrates on good fitting combinations of organizational climate and organizational strategy.

Prior literature on strategy topics generally supports the relevance of the fit concept (Venketraman, 1989). Within companies, internal and external elements should match. Besides this, they should be in line with the strategy of the company (Scholz, 1987). Consistency of organizational elements influences firm performance positively (Gordon & DiTomaso, 1992). Milgrom and Roberts (1995) showed that organizational elements that are matched complementary make other elements more valuable.

Some combinations of strategy and climate have a negative effect, assessed by the return on assets (Burton et al. 2004). Burton et al. (2004) used the strategy typology of Miles and Snow (1978). In this paper I will use the strategy typology of Beal (2000) to investigate fits with organizational climate, which is conceptualized here according to Burton et al. (2004). In the following, those combinations of strategy type and climate type will be presented that form a good fit, based on prior elaborations:

- Innovation differentiation strategy and developmental climate:
The focus of the innovation differentiation strategy lies on research and development. This strategy needs creative employees and low resistance for change. The developmental climate has the lowest resistance to change and supports collective creativity by its high values for morale and trust and low value for conflict.
- Marketing differentiation strategy and rational goal climate:
The focus of the marketing differentiation strategy lies externally on profitable marketing. This concrete goal requires a climate where rationality and profitability is highly valued. Trust and morale are not important, but competition and good results are. The resistance to change must be as low as necessary for the adoption of innovative marketing techniques. Extreme values of resistance to change are disturbing, but a medium fits best. The rational goal climate goes with those requirements.
- Service differentiation and group climate:

The focus of the service differentiation strategy lies on providing high quality customer services. In order to deliver this high quality, the employees must work together. High trust, high morale and low conflict within the company are necessary to ensure good communication between the employees. Leader credibility and moderate resistance to change support the stability and continuity of services. The group climate fits the service strategy well.

- Process differentiation and as well internal process climate as rational goal climate:

The focus of the process differentiation strategy lies partly internally, on benchmarking best manufacturing processes in the company. The internal process climate is also inwardly focused, on good functionality. Those two form a good fit. Besides this, the rational goal climate also fits to the process differentiation strategy. Process differentiation is generally focused on benchmarking the best processes, also elsewhere than in the own company. This aspect suits the rational goal climate. The strange of this climate lies in the focus on success. This is useful to find and apply the best processes in the firm.

- Cost leadership and internal process climate:

The focus of the cost leadership strategy lies on reducing manufacturing costs and reducing overall costs. Change is expensive. Thus a climate with high resistance to change fits best to this strategy. Furthermore the focus must lie internally. Values as trust and morale are less important to lower costs. The internal process climate meets those requirements best.

1.4 Strategic behaviours and the strategy-climate fit

Fitting organizational components are thus good for the firm performance (Gordon & DiTomaso, 1992). It is not entirely clear how this happens (Burton et al. 2004). Strategic employee behaviour is also crucial for high firm performance. I propose that there is a

link with employee behaviours, because firm performance is just the outcome of other aspects. My research investigates if there is a relationship between the fit between strategy and climate and the occurrence of strategic behaviours.

Innovative work behaviour, customer orientation and knowledge sharing are behaviours that benefit in the long run, assessed by return on assets. Affective commitment is relevant for those behaviours as well. Each of those elements is discussed in the following part.

Innovative work behaviour (IWB) is the intentional creation, introduction and application of new ideas within a work role, group or organization, in order to benefit role performance, the group, or the organization (Janssen, 2000). According to Shipton, West, Dawson, Birdi and Patterson (2006) people are central in the realization of innovation. IWB is widely claimed to be crucial for the effective functioning and long-term survival of organizations (Janssen, 2000, p.287). Thus IWB can be seen as a pillar for superior firm performance that might correlate with the fit between organizational strategy and organizational climate.

Proposition 1: In organizations in the applied technical service sector there is a positive relationship between the strategy-climate fit and innovative work behaviour.

According to Saxe and Weitz (1982), employees are customer oriented when they engage in behaviour that is designed to build the customer's satisfaction and satisfy customer needs over the long term (Saxe & Weitz, 1982, in Rozell, Charles & Parker, 2004). Customer orientation (CO) of employees is important to ensure long-term commitment of customers to ones firm (Rozell, Pettijohn and Parker, 2004). Franke and Park (2006) show that CO is associated with a sustainable sales force performance. Stable sales are good for the financial performance of the firm. This is one pillar for superior firm performance that might relate with the fit between organizational strategy and organizational climate.

Proposition 2: In organizations in the applied technical service sector there is a positive relationship between the strategy-climate fit and customer orientation.

Affective commitment to a given entity is defined as an attachment characterized by an identification to and involvement in the target entity (Meyer & Allen, 1991). Employee behaviour, such as innovative work behaviour and customer orientation, reflects multiple commitments. Those commitments are not totally independent, but research has emphasized the value of distinguishing between different foci of commitment in the workplace (Vandenberghe, Bentein & Stinglhamber, 2004). In this paper affective commitment is distinguished into commitment to the organisation, to work, to the occupation, to the supervisor and to the team. Vandenberghe, Bentein and Stinglhamber (2004) found that affective commitments to the organization, the supervisor and the work group influence employee turnover and job performance differently. Thus positive affective commitment to the several aspects in an occupational setting is in general an antecedent of profitable employee behaviour. High commitment is a source of superior firm performance.

It is interesting if the strength of the several affective commitments is also related with the fit between strategy and climate, which is also a determinant of firm performance (Burton et al. 2004). If the employees experience that there is harmony between the strategic assets of the firm and the organizational climate that surrounds them while attempting to implement the strategy, than employees might experience aspects of their organisation, work, occupation and even their supervisors and work teams as more valuable. This shapes up as more identification and involvement in their job.

Proposition 3: In organizations in the applied technical service sector there is a positive relationship between the strategy-climate fit and affective commitment (3a) to the organization, (3b) to the work, (3c) to the occupation, (3d) to the supervisor and (3e) to the work team.

Knowledge sharing generates wisdom or understanding on organizational level (Bollinger & Smith, 2001). This process consists of the transformation of individual

expertise and experience into collective expertise and experience that is available in the whole organisation. According to the resource-based view, the strategy of the firm should be in line with the available human resources and their capabilities (Gibcus & Kemp, 2003). Based on this insight, Bollinger and Smith (2001) understand knowledge management as a strategic asset. A good fit between strategy and organizational climate can probably contribute beneficially by influencing employee's attitude concerning knowledge sharing positively. This proposition is based on prior considerations that showed that organizational elements, matched complementary, make other elements more valuable (Milgrom & Roberts, 1995). Business in this high-tech era gets increasingly knowledge intensive. Especially in the technical sector, knowledge sharing is a crucial key to success and thus a pillar of high firm performance. It is interesting if the fit between organizational climate and organizational strategy correlates with knowledge sharing.

Proposition 4: In organizations in the applied technical service sector there is a positive relationship between the strategy-climate fit and sharing of knowledge.

2 Method

2.1 Procedure and research population

In this research quantitative data were gathered in five technical companies near Enschede to investigate if my theoretical propositions hold empirically. The variables of interest consist conceptually of the shared perceptions of all employees in participating organizations. Thus in order to measure strategy, climate and strategic behaviours, a considerable amount of employees had to be queried to receive valid measures of the variables. To meet this request, I chose to use a survey research. To wit the strength of this instrument lies in the possibility to query a big amount of people systematically. The composed questionnaire comprises all necessary scales and additional information to give an image of the research sample. The section 2.3 gives information as location, type, size and configuration of the five companies that participated. This research uses scales that were developed and validated by other scholars. Section 2.2 gives details on the measurement of the research variables.

Data were gathered as follows. Internet search together with fellow students and personal connections gave a list of possible candidate companies. Thereby was the focus on finding applied technical, innovative companies in the service sector that are located in the area around Enschede (both the Netherlands and Germany), for practical reasons. Companies with more than 100 and less than 500 employees were preferred during the listing process. Some companies on the list were selected randomly and were invited to participate in the study. At first postal mails were sent and then e-mails and phone calls followed if the companies did not respond. Unfortunately, only a small fraction of the invited companies accepted. Frequent reasons for not being able to participate were cost-benefit considerations and a lack of time. Around 75 companies were invited, five companies participated. This results in a company response rate of round 7%. After getting permission of the firm's management the questionnaires were handed out to as far as possible all employees of the company, including supervisors and directors. Where it

was not allowed to ask all employees of the company to participate, the research was constrained to one part of the company; more details in section 2.3, Table 2. To avoid faked answers the anonymity of the research was emphasized. According to the preferences of the participating companies, questionnaires were distributed printed or digitally with the Internet application thesistools.com.

2.2 Questionnaire: scales & reliability

My research questionnaire was in Dutch for the Dutch companies and in German for the German companies. The used questionnaire consists next to the scales to measure the research variables also a couple of additional items to acquire the characteristics of the sample, see section 2.3.

There are 98 items to measure the research variables. Respondents indicate their answer on a five-point scale. This response format is easy for the participants and suits the measurement of the research variables. To wit, developed and validated scales of other scholars were available to measure the variables of interest reliable. It follows the detailed description and reliability of the used scales to measure organizational strategy, organizational climate and strategic employee behaviours.

- *Organizational strategy* is assessed by 22 items based on the operationalization of Gibcus and Kemp (2003). However during the English-Dutch translation process, some sub scales were adjusted a bit to meet the context of this study, the technical service sector. Gibcus and Kemp's (2003) approach to measure strategy is identical to the work Beal (2000). Beal (2000) based a couple of items on Dess and Davis' (1984) and Miller's (1988) operationalization of Porter's (1980) generic competitive strategies. Furthermore Beal (2000) added some more items based on Miller (1988) and Mintzberg (1988) to include also the multi-dimensional view of differentiation-based strategies in his strategy scale. Five separate sub scales measured the four different differentiation strategies and the cost leadership strategy. Employees had to give an indication about how frequent their

organization engaged in or drew attention to specific activities. The response format was a 5-point scale ranging from ‘no attention at all’ (1) to ‘very much attention’ (5). The *innovation differentiation* strategy scale consists of 4 items with a reliability of Cronbach’s $\alpha = .83$. An example is item one ‘Marketing of new products’. The *cost leadership* strategy scale consists of 3 items with Cronbach’s $\alpha = .61$. An example is item one ‘Reducing overall costs’. Item 3 had a very low item-total correlation and therefore it was removed. This results in Cronbach’s $\alpha = .77$. The *service differentiation* strategy scale consists of 5 items with a reliability of Cronbach’s $\alpha = .86$. An example is item two ‘Improving customer services’. The *process differentiation* strategy scale consists of 3 items with a reliability of Cronbach’s $\alpha = .77$. An example is item three ‘Benchmarking best manufacturing processes anywhere’. The *marketing differentiation* strategy scale consists of 6 items with a reliability of Cronbach’s $\alpha = .82$. An example is item two ‘Improvement of sales force performance’.

- *Organizational climate* was assessed with the items of Burton et al. (2004). Each of the seven items refers to one specific dimension. That means it is not possible to calculate the reliability of the total concept of organizational climate. The variables are trust, morale, rewards equitability, leader credibility, conflict, scape goating and resistance to change. Employees indicated how they experienced each of the variables in their organization. For instance item one, which assesses the degree of trust in the organization, was ‘Our employees can always trust each other’. The item on scape goating was recoded to match the way it is used in the climate profiles in Table 1. The response format was a 5-point scale ranging from ‘not applicable at all’ (1) to ‘very applicable’ (5).
- *Innovative work behaviour* was assessed by nine items, alike Janssen (2000). The measurement of IWB considers Kanter’s (1988) work on the stages of innovation. Respectively, three items refer to idea generation, on example is

the item ‘creating new ideas for difficult issues’; three items refer to idea promotion, an example is ‘mobilizing support for innovative ideas’ and three items refer to idea realization, an example is ‘transforming innovative ideas into useful applications’. Employees indicated how often they performed those innovative work behaviours in the workplace. The response format was a 5-point scale ranging from ‘never’ (1) to ‘always’ (5). Following Janssen (2000) idea generation, idea promotion and idea realization were conceived to combine additively to create an overall scale of innovative work behaviour. Cronbach’s α was .87 for the IWB scale.

- *Affective commitment* is distinguished into commitment to the organisation, to the work, to the occupation, to the supervisor and to the team. 28 items assessed affective commitment. Therefore employees judged statements. The response format was a 5-point scale ranging from ‘I do not agree at all’ (1) to ‘I fully agree’ (5). Affective commitment *to the organisation* was assessed by 8 items. The scale was developed by Allen and Meyer (1990) and in their research the scale is referred to as affective commitment scale (ACS). Two examples are item one ‘I would be very happy to spend the rest of my career with this organization’ and item seven ‘This organization has a great deal of personal meaning for me’. Items 4, 5, 6 and 8 are negatively formulated and were recoded in the data processing. Cronbach’s α was .70 for the ACS scale. Item 4 ‘I think that I could easily become as attached to another organization as I am to this one’ was removed. Apparently participants experienced this item ambiguous. After removal Cronbach’s α was .72. Affective commitment *to work* was assessed by four items. The scale was developed by Torka (2003). An example is item one ‘The work that I am doing is interesting for me’. Cronbach’s α was .79. Item 3 was removed. Afterwards Cronbach’s α was .84. Affective commitment *to the occupation* was assessed by 6 items that were based on Meyer, Allen and Smith (1993). In a study on the nursing sector they showed that commitment to the occupation is a separate factor in commitment research. Their items were reformulated to fit the context of my research by

using 'my career' instead of 'nursing'. Examples are item three 'I am proud of my career' and item six 'I am enthusiastic about my career'. Items 2,4 and 5 are negatively formulated and were recoded in the data processing.

Cronbach's α was .64. Item 5 was removed. Afterwards Cronbach's α was .71.

Then item 1 was removed also. Finally Cronbach's α was .76. Affective commitment *to the supervisor* was assessed by 5 items. Those are based on the affective commitment to the supervisor (AC-SUP) scale of Vandenberghe et al. (2004). They proved with confirmatory factor analysis that commitment to the supervisor is a separate factor in commitment research. Some changes were made to the original items. Due to English-Dutch translation issues none of the items in me study are negatively formulated and one item was removed. An example of the items used is item two 'I appreciate my supervisor'.

Cronbach's α for me commitment to the supervisor scale was .92. Affective commitment *to the team* was assessed by 5 items. The scale was developed by Ellemers, Gilder and Heuvel (1998). Confirmatory factor analysis showed that team oriented-commitment is different to career-oriented and organizational commitment. An example of the items is item three 'I try to invest effort into a good atmosphere in my team'. Cronbach's α was .67.

- *Customer orientation* was assessed by 12 items. Those items are from Saxe and Weitz' (1982) selling orientation – customer orientation (SOCO) scale. However, only the first part of the SOCO scale - the 12 positively stated items are used, because the interest of this study is only the frequency of customer-oriented behaviour of employees and not sales. Employees indicated how frequent they engaged in customer-oriented behaviour in the work place. The response format was a 5-point scale ranging from 'never' (1) to 'always' (5). Two examples of the items are 'I try to help customers achieve their goals' and 'I try to find out what kind of product would be most helpful to a customer'. The 12 items were combined additively to create an overall scale of customer orientation. Cronbach's α was .94 for the CO scale.

- *Knowledge sharing* within the organization is assessed by 10 items. The scale consists of items from Woerkom and Sanders (2008) and of items from Bosma and Sanders (2008). Employees judged statements about their handling of knowledge in the organization. The response format was a 5-point scale ranging from 'I do not agree at all' (1) to 'I fully agree' (5). An example of an item is item one 'I think the quality of knowledge sharing within our team is good'. The reliability of the scale was Cronbach's $\alpha = .80$.

2.3 Characteristics of the sample

The research sample consists of five companies. They are applied technical/logistical, small and medium sized, service providing enterprises in the area around Enschede. Specifically two are located in the Dutch province Overijssel, one is located in the Dutch province Gelderland and two are located in the German federal states North Rhine-Westphalia and Lower Saxony. Company 1 and 2 underlie German law with together 96% employees with the German nationality. Company 3, 4 and 5 underlie Dutch law with together 99% employees with the Dutch nationality. In total 56% of the people in this study have the German nationality, 43% have the Dutch nationality and 1% has another nationality.

The sample sizes as well as the dimensions of the five companies are presented in detail in Table 2. The company sizes lie between 35 and 600 employees. The overall response rate based on those people that were requested to participate in the research, weighted by the amount of employees per company, is 38%. In total 426 people were requested to participate in the study. My fellow students and I received 160 completed questionnaires back. The response rate, not weighted by the amount of employees per company, but calculated by the response per company or part of company is moderate, 50.4%.

Worth mentioning, the total response consists to 83% of male. The calculation is based on all people that participated, thus the amount of employees per company counts. This is to give a general overview. As can be seen in Table 2, company 3 lies a bit under

the average and company 5 lies a bit above the average. Nevertheless all companies employ more male than female. This is not astonishingly, because traditionally there are more male than female in the technical sector.

There are some differences concerning the spreading of the age of employees between the participating firms that must be mentioned. On average 14% are younger than 25; 25% are between 25 and 35; 28% are between 36 and 45; 24% are between 46 and 55; and 9% are older than 55 years. In this calculation, companies count evenly, the amount of participants per company was neglected. That is to say where there are reservations in the comparability between companies, since the analyses finally compares variables between companies. It is possible that research variables interfere with the age of employees. As can be seen in Table 2, there are some worth to mention variances. The most variance is in company 5. There are more employees than average in the age groups below 46 years, especially more employees below 36 years and the group 46 to 55 years is empty. Company 5 has on average the youngest employees of all five participating firms. This might be due to the fact that it was only possible to do the research in one single product sector in this company. Company 1 has fewer employees in the group between 25 and 35 years, but more in the group between 46 and 55 years of age. Company 3 has more employees in the group below 55 years of age and fewer in the groups younger than 46 years. Company 4 has more employees in the group 36 to 45 years and no employees younger than 25. Company 2 lies on average, but this might be due to the high amount of respondents and the hereby-connected statistical phenomenon of regression to the mean with higher sample sizes.

Concerning the years that employees are in service of the company, firm two and firm five are the extremes. In company 2 are 92% of the employees more than 5 years in service, in company 5 are only 10% of the employees longer than 5 years in service. How the sample was drawn in those firms, might be partly responsible for those extremes; see remarks two and three of Table 2. For the other three companies, the spreading of the percentages, years in service is more balanced.

The average percentage of permanent contracts across the five companies is 86% versus 14% temporary contracts. The biggest variances are in firm 2 that has 97% permanent contracts and in firm 5 that has only 65% permanent contracts.

Higher vocational education or college degrees were present for 16% of the employees of firm 1; 27% of firm 2; 47% of firm 3 and 80% of firm 5. However especially firm 1 and firm 2 had high percentages of an unspecified different education, respectively 58% of firm 1 and 44% of firm 2. This is due to another educational system in Germany. The used item to indicate the level of education was not able to capture their education comparatively to those of the Dutch employees.

Specifications of their department were neither completed by nearly all employees, nor were the received 'open' information useful enough. All received questionnaires consist of 4% directors and board members, 90% employees and 6% that did not know and thus did not complete that item.

Table 2: Characteristics of the five companies that participated in this study

	Total employees company	Response: employees	Male/ Female *	Age *	Years in service *	Contract: Permanent/ Temporary*
1	140	21%: 29	83% 17%	<25 11% 25-35 14% 36-45 25% 46-55 43% >55 7%	0-2 14% 3-5 22% 6-10 32% 11-20 21% >20 11%	89% 11%
2	390 (130) **	48%: 63	84% 16%	<25 7% 25-35 23% 36-45 34% 46-55 31% >55 5%	0-2 2% 3-5 6% 6-10 20% 11-20 36% >20 36%	97% 3%
3	35	54%: 19	63% 37%	<25 11% 25-35 21% 36-45 21% 46-55 26% >55 21%	0-2 37% 3-5 16% 6-10 10% 11-20 5% >20 32%	90% 10%
4	101	29%: 29	86% 14%	<25 0% 25-35 27% 36-45 45% 46-55 21% >55 7%	0-2 20% 3-5 7% 6-10 14% 11-20 38% >20 21%	86% 14%
5	600 (20) ***	100%: 20	95% 5%	<25 40% 25-35 40% 36-45 15% 46-55 0%	0-2 85% 3-5 5% 6-10 5% 11-20 0%	65% 35%

	>55	5%	>20	5%
*.	Percentage based on valid items. Missing values are ignored.			
**.	The firm's administration allowed offering participation to only one part of the company. This part consists of one third of all employees.			
***.	It was only possible to do the research in one product section of the company. This section consists of 20 employees.			

2.4 Statistical treatments & analysis

The statistical treatment of organizational climate and strategy is explained in the following.

To assess the organizational strategy all employees per company were used, equal if people were marked as director or just as employee in the questionnaire. Thus organizational strategy becomes conceptually to the aggregated individual perceptions of the organizational strategy. This decision was made based on the following considerations. In a conversation with a team leader, I got to know that the organizational structure of company 5 is very flat. There are almost no hierarchical structures that preset the strategic orientation of teams and employees. There exists purely financial control on costs from the top. The same principal is true for the product department where I conducted my research. Team members are equally participating on strategic questions. Here, the separation of directors and employees to measure the firm's organizational strategy only with director's responses is not wise. It is better to assess the organizational strategy with all employees to get a holistic measure of the strategy. At the end of section 2.3 there is the information that 6% of all respondents did not know if they are just employees or directors. Those 6% refer to firm 1 and 2. Apparently there are more functions in those companies than just being an employee or a director; maybe there are also team leaders or line managers and that like; and those did not know which option to check. After all, measuring organizational strategy with all employees of the companies is more reliable than measures that depend on the answers of one or just a few people. For instance, in company 1 there was just one response from a director. The data file was

split and per company strategy prominences were calculated. Based on the means of all employees per company, a ranking from the most applicable strategy to the least applicable strategy was generated for each of the five organizations. A maximum of five points were given to the strategy type with the highest mean score, four points for the second highest and so on. One point was given for the lowest mean score. The ranking was done for every company.

In order to build a meaningful measure of the organizational climate, mean scores were calculated per company for all the seven climate variables. Each variable stands for a specific aspect of the climate. Burton et al. (2004) call the seven climate variables 'climate dimensions'. After that, minimum and maximum values of the mean scores across the five companies were indicated per climate dimension. The absolute differences between those extremes were calculated and divided by 3. With this calculation, three equably intervals 'low', 'medium' and 'high' were separately computed for each of the seven climate dimensions. Hereby it became possible to generate climate profiles per company by translating the prior calculated mean scores per climate dimension and company into the labels 'low', 'medium' or 'high'. Those profiles are thus based on the internal norms of the total response of this study. Subsequently it was computed per company how good their profiles fit to each of the four climate types of Burton et al. (2004). For this, Table 1 was compared with the generated profiles of the five companies. Per climate type, fit-points were registered for each of the five companies. If there were the same labels for one climate dimension, 3 fit-points were given, for example 'low' and 'low'. For differences of one interval, 2 fit-points were given, for example 'low' and 'medium'. For differences of two intervals, 1 fit-point was given, for example 'low' and 'high'. For the cases where there were dual labels in Table 1, 1.5 or respectively 2.5 fit-points were given. For example the combination 'low' and 'medium/high' got 1.5 fit-points and the combination 'low' and 'low/medium' got 2.5 fit-points. Thereafter the fit-points were counted per company and climate type. Than the climate types were ordered per company according to their amount of fit-points. The number '4' was given to the best fitting climate type, number '3' to the second best fitting climate type and so on. Number '1' was given to the worst fitting climate type. For the case that two climate

types had the same amount of fit-points, .5 was used and those climate types shared a grade.

To build a measure for the fit between strategy and climate, based on theoretical considerations in section 1.3, the generated rankings of organizational climate types and strategy types of the five companies were used. Per company a Table was generated with that strategy type and climate type or types in one column that fit together. The ranking score of the strategy type was added to the column. Then the ranking score of the respective climate type was added to the column. The process differentiation strategy fits to internal process climate and also to rational goal climate. Thus for this case the mean score of their rankings was calculated and added to the column. Afterwards, per column the absolute differences between the ranking scores for climate and strategy were calculated and multiplied by the ranking score of strategy. This was done to weight misfits for higher represented strategy types stronger. The results of all five columns were added together. This score represents the concept fit score of the company, the higher the score the worse the fit. The described procedure was done for all five companies. Then all concept fit-scores were brought into SPSS and inverted scores were computed. The highest score now represents the best fit and the score zero represents the worst fit, based on our total sample. The fit score is a measure on organizational level. Thus the value was copied per company to all of its employees in the data file.

My propositions suggest that the fit correlates positively with innovative work behaviour, customer orientation, knowledge sharing and the various types of affective commitment. To investigate the correlations, the first choice is to use Spearman's rho. This nonparametric method is more applicable for small samples, where the sample size is smaller than $n = 30$. My sample consists of only $n = 5$ companies for the fit measure. On the other side, there are $n = 160$ results for the measurement of employees strategic behaviours, since those are assessed on individual level. Each person gets the fit score of his organization in order to analyse the results on individual level. The whole correlation matrix based on Spearman and descriptive statistics are presented in section 3, results.

Per proposition, scatter plots were generated with SPSS that show the fit at the x-axis and respectively the strategic behaviours of all employees at the y-axis. According to the

correlation analyses on individual level, each person gets the fit score of his organization to generate graphs per proposition.

3 Results

3.1 Descriptive statistics

Table 3 gives an overview of the descriptive statistics of all final variables of my research model. The fit is a measure on organizational level. Five companies participated, thus there are N = 5 different scores. All other research variables are measures on individual level. In total 160 people participated. Due to few missing values, for some scales there are N<160 different scores.

Table 3: Descriptive statistics of all research variables

	N	Mean	SD	Items	α
FIT	5	7.10	6.30		
IWB	160	3.18	.68	9	.87
CO	159	3.99	.78	12	.94
AC Organization	160	3.49	.68	7	.72
AC Work	160	4.14	.77	3	.84
AC Occupation	159	3.75	.84	4	.76
AC Supervisor	159	3.12	1.02	5	.92
AC Team	160	3.78	.59	5	.67
KS	158	3.69	.55	10	.80

Note: FIT = the fit between organizational strategy and Organizational climate; IWB = Innovative work behaviour; CO = Customer orientation; AC = Affective commitment; KS = Knowledge sharing.

3.2 Correlation matrix

Table 4 presents the correlations between all research variables. It shows the correlations based on Spearman's ranking test. To test my propositions only the first row is necessary. Unfortunately, eight of the nine correlations where I am interested in are not significant. Thus no strong conclusions can be drawn based on this sample. Only the correlation between fit and innovative work behaviour is significant with $p < 0.05$. Since the sample size is only $n = 5$ it was also checked if other correlations are significant with $p < .10$. Unfortunately this is not the case either. There were only five companies in the sample and the fit is a construct measured on organizational level, because organizational strategy and organizational climate are concepts on organizational level. Hence the sample was too small to test my propositions appropriately. The correlations between the strategic employee behaviours are significant. To wit there are individual scores for both variables and that is why the correlations between them are significant with $p < 0.01$. For the fit between organizational strategy and climate there are only five different fit scores, since five organizations participated. Respectively the fit scores were copied to all employees of the organizations. In the appendix there are scatter plots for each proposition that show the individual spreading on strategic behaviour within companies in relation to the fit of organizational strategy and organizational climate within the companies. Per scatter plot a regression line has been computed, to look of there is a connection between the variables. As could be seen in the figures, none of them is straightforward, since the spreading is very high.

Table 4: Correlations with Spearman's rho between fit (n = 5) and strategic behaviors (n=160)

	1.	2.	3.	4.	5.	6.	7.	8.	9.
1. FIT	1.000	-.173*	-.094	-.055	.011	-.066	-.002	-.075	-.049
2. IWB		1.000	.337**	.431**	.405**	.411**	.465**	.430**	.408**
3. CO			1.000	.230**	.277**	.282**	.266**	.213**	.316**
4. AC Org.				1.000	.556**	.511**	.414**	.485**	.294**
5. AC Work					1.000	.672**	.535**	.545**	.424**
6. AC Occupation						1.000	.458**	.487**	.464**
7. AC Supervisor							1.000	.411**	.391**
8. AC Team								1.000	.394**
9. KS									1.000

Note: FIT = the fit between organizational strategy and organizational climate; IWB = Innovative work behaviour; CO = Customer orientation; AC = Affective commitment; KS = Knowledge sharing.

*. Correlation is significant at the 0.05 level (2-tailed).

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

3.3 Results per proposition

Proposition 1:

In organizations in the applied technical service sector there is a positive relationship between the strategy-climate fit and innovative work behaviour.

Opposed to the theoretical proposition, the result shows that higher fit scores correlate with lower scores for innovative work behaviour. There is a weak negative correlation, see Table 4. Spearman's rho is -.173 and significant with $p < .05$. Figure 1 in the appendix shows a scatter plot where the individual spreading on innovative work behaviour per company fit is visualized. A regression line has been computed, to look if

there is a connection between the fit between organizational strategy and organizational climate and innovative behaviour. However, as could be seen, the spreading is very high and so the regression line is not very appropriate. The company on the right side seems to be an outlier here. Fit is high and innovative behaviour is high as well. Curiously this is the only aspect that confirms what has been expected theoretically, that higher fit scores are related to higher innovative behaviour. Because of the rest, unfortunately the total result is ambiguous. The company on the left end has very good scores for innovative work behaviour, but has a relatively bad fit. That was not expected.

On the basis of this result, proposition 1 does not seem to hold empirically.

Proposition 2:

In organizations in the applied technical service sector there is a positive relationship between the strategy-climate fit and customer orientation.

No correlation was found for the fit and the strength of customer orientation within companies. That is reflected in Table 4, Spearman's rho is $-.094$ with $p > .05$. If Spearman's rho is round zero than there is completely no correlation between two variables. The correlation between fit and customer orientation is almost zero. However the result is not significant at all, so it is not allowed to draw conclusions. Figure 2 in the appendix shows a scatter plot where the individual spreading on customer orientation per company fit is visualized. The linear regression line was drawn, but as could be seen, there is no relation between the variables in my sample of companies. The dots concentrate far beside the regression line and there are a couple of extreme outliers for all five companies.

On the basis of this result, it is not possible to conclude whether proposition 2 holds empirically or not, since the calculated correlation is not significant.

Proposition 3:

In organizations in the applied technical service sector there is a positive relationship between the strategy-climate fit and affective commitment (3a) to the organization, (3b) to the work, (3c) to the occupation, (3d) to the supervisor and (3e) to the work team.

The correlation matrix in Table 4 shows that there are no correlations between the fit and the five types of affective commitment, because for all five, Spearman's rho is round zero. Fit and affective commitment to the organization correlate with $\rho = -.055$ and $p > .05$. For fit and affective commitment to the work, the value of $\rho = .011$ with $p > .05$; for fit and affective commitment to the occupation, the value of $\rho = -.066$ with $p > .05$; for fit and affective commitment to the supervisor, the value of $\rho = -.002$ with $p > .05$ and for fit and affective commitment to the team, the value of $\rho = -.075$ with $p > .05$.

All five investigated correlations are not significant at all, so it is not possible to draw conclusions based on the results. Furthermore five scatter plots were generated to visualize the individual spreading on the scores of the five subscales for affective commitment per company fit. Those are respectively Figure 3a, 3b, 3c, 3d and 3e in the appendix. Per sub proposition, linear regression lines were computed. As could be seen in the Figures, there is no correlation in any of the five, because the dots lie to far besides the regression line, R square is to small.

On the basis of this result, it is not possible to conclude whether proposition 3 holds empirically or not, since the calculated correlations were not significant.

Proposition 4:

In organizations in the applied technical service sector there is a positive relationship between the strategy-climate fit and sharing of knowledge.

No correlation was found for the fit and knowledge sharing within companies. That is reflected in Table 4, Spearman's rho is $-.049$ with $p > .05$. The result is not significant at all, so it is not allowed to draw conclusions. Figure 4 in the appendix shows a scatter plot where the individual spreading on knowledge sharing per company fit is visualized. The linear regression line was drawn, but as could be seen, there is no relation between the variables in my sample of companies. The dots lie far beside the regression line and R square is too small for the linear regression. Especially the companies on the outer left, with a relatively bad fit and the one on the outer right side, with a good fit, have high individual scores for knowledge sharing. This was not expected at all.

On the basis of this result, it is not possible to conclude whether proposition 4 holds empirically or not, since the calculated correlation is not significant.

4 Discussion

This paper investigated configurations of organizational climate types and organisational strategy types that seem to be beneficial for firm performance through getting employees to behave more strategic. Unfortunately the data of my research did not confirm any of the four theoretical propositions. My hypotheses were that the fit between climate and strategy correlates positively with (1) innovative work behaviour, (2) customer orientation, (3) affective commitment and (4) knowledge sharing.

For the first proposition there was little evidence that the opposite is true, that a bad fit between strategy and climate correlates with innovative work behaviour. However this is due to the extreme scores of one company. This company was strongly focused on low costs, but not with a climate that fits to a low cost strategy. Thus the score for fit became low, but IWB was very high. My conclusion is that future research has to reconsider the role of cost saving strategies in the innovative sector. Probably cost consciousness plays a special role and needs to be seen as an additional element besides the strategic orientation of employees. The low reliability of the scale to measure the cost leadership strategy supports this thought.

The other results were not significant and because of this no conclusions can be drawn. This is due to the low number of companies that participated in the study. The fit is a concept that was measured on organizational level. I suggest scholars that are interested in this concept to use much bigger samples for future research.

Besides this, it is very important to control for a couple of variables that could distort the results. I considered controlling for several factors. However the sample includes too much diversity and is already very small. Thus it was not clear where to start. If the sample size is bigger than the influence of distorting variables will probably be less than in this study or it will be easier to control for them. The employees between the five companies in this research had large differences in their education, age profiles and time in service of their companies. The age of employees is likely to interfere with some research variables, probably with knowledge sharing and innovative work behaviour.

Furthermore the size of the companies was too different, ranging from 35 employees to 600. Altogether, the companies had so many differences and the sample size was so small, that the results have no high scientific value.

Another issue is that companies that participated were mostly in the same sector, but engaged in completely different types of products. I suggest for future research to pick out one specific product section and to look for all companies within a country that are engaged. Companies might be more interested in participating if they get benchmarked with their direct competitors. The relevance for participation must be more straightforward, a lot of invited companies in this study did not see the benefits in relation to the costs. I think the questionnaires were too long and it took too much time to complete them. Employees are not lucky to complete the questionnaires at home so it has to occur in the workplace. This is just expensive. Thus another big limitation of this study is the low response of companies; it was less than 10%.

After all many unanswered questions remain. Although the propositions of this paper were not confirmed, it is not proven that they were wrong. I hope that other researchers find ways to conduct similar studies with better sample sizes, so that results are more meaningful. There is still a lack of theories within organizational psychology, which describe satisfying how superior firm performance shapes up exactly. Of course strategic employee behaviours are crucial, but what does employees encourage to act strategic is the point to start from.

For the time being I advise practitioners to be sensitive for the feelings and needs of employees. It is important to have a consistent set of elements within a firm. Employees should have the feeling that the strategic focus, the organizational climate and the expectations concerning their behaviour are in line with each other.

Appendix

Figure 1

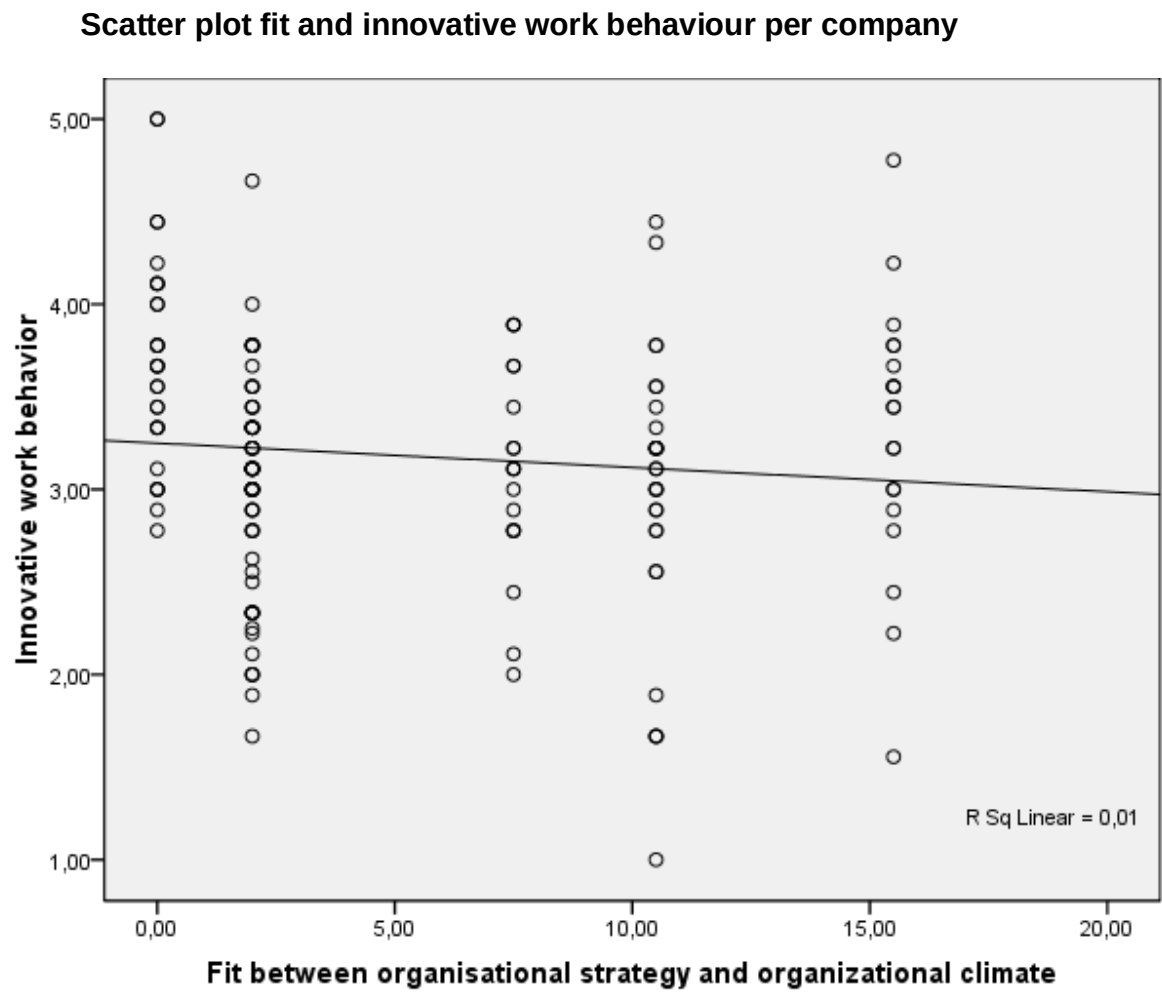


Figure 2

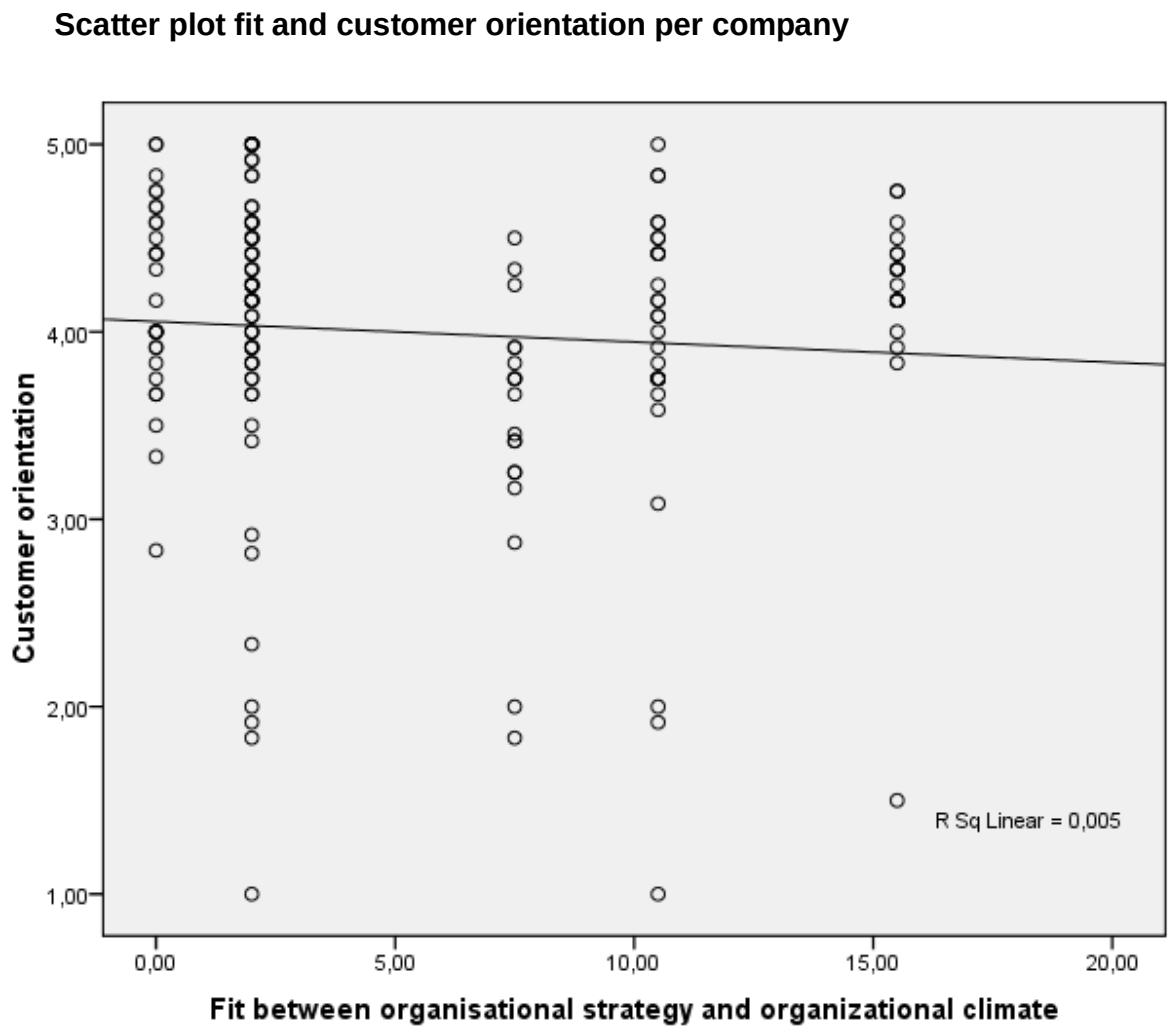


Figure 3a

Scatter plot fit and affective commitment to the organization per company

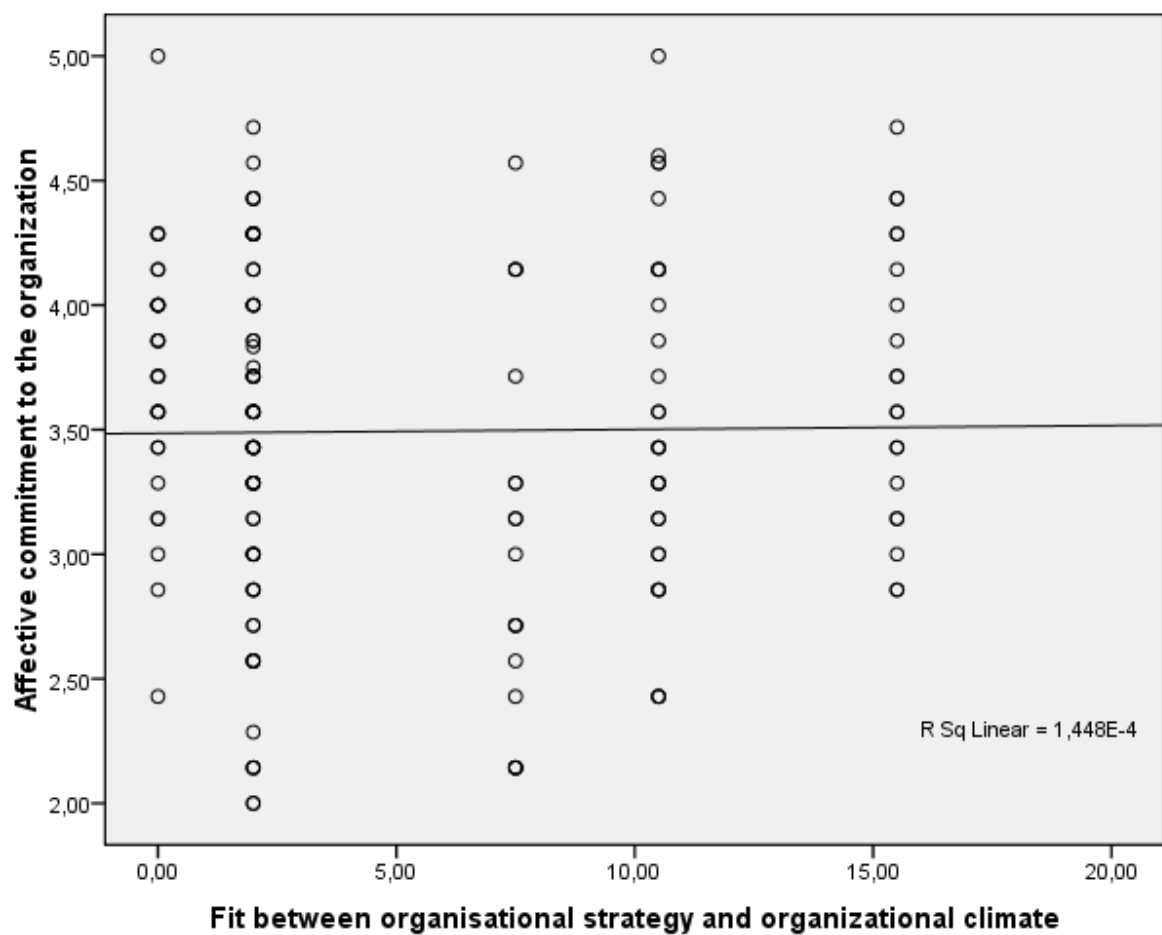


Figure 3b

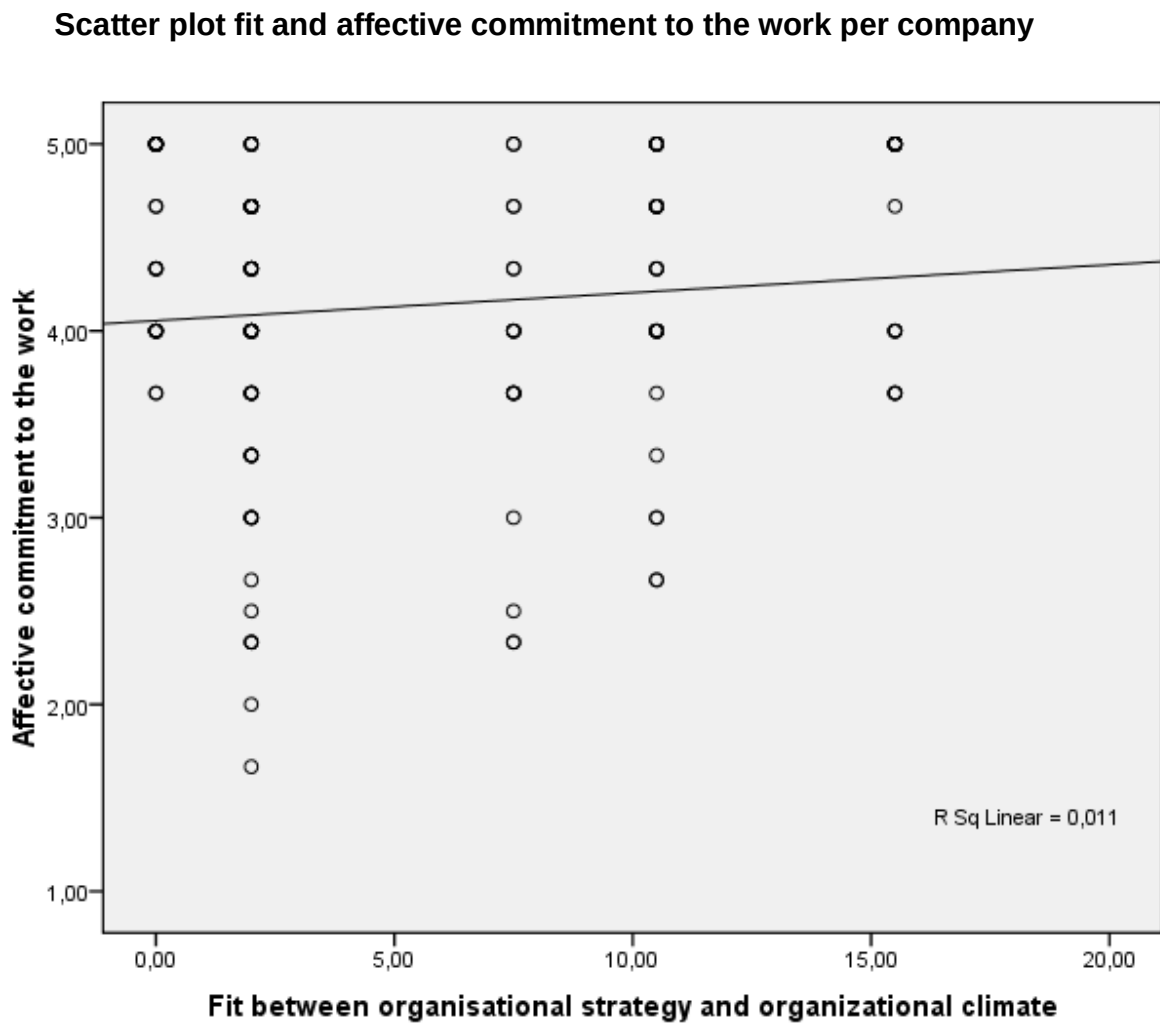


Figure 3c

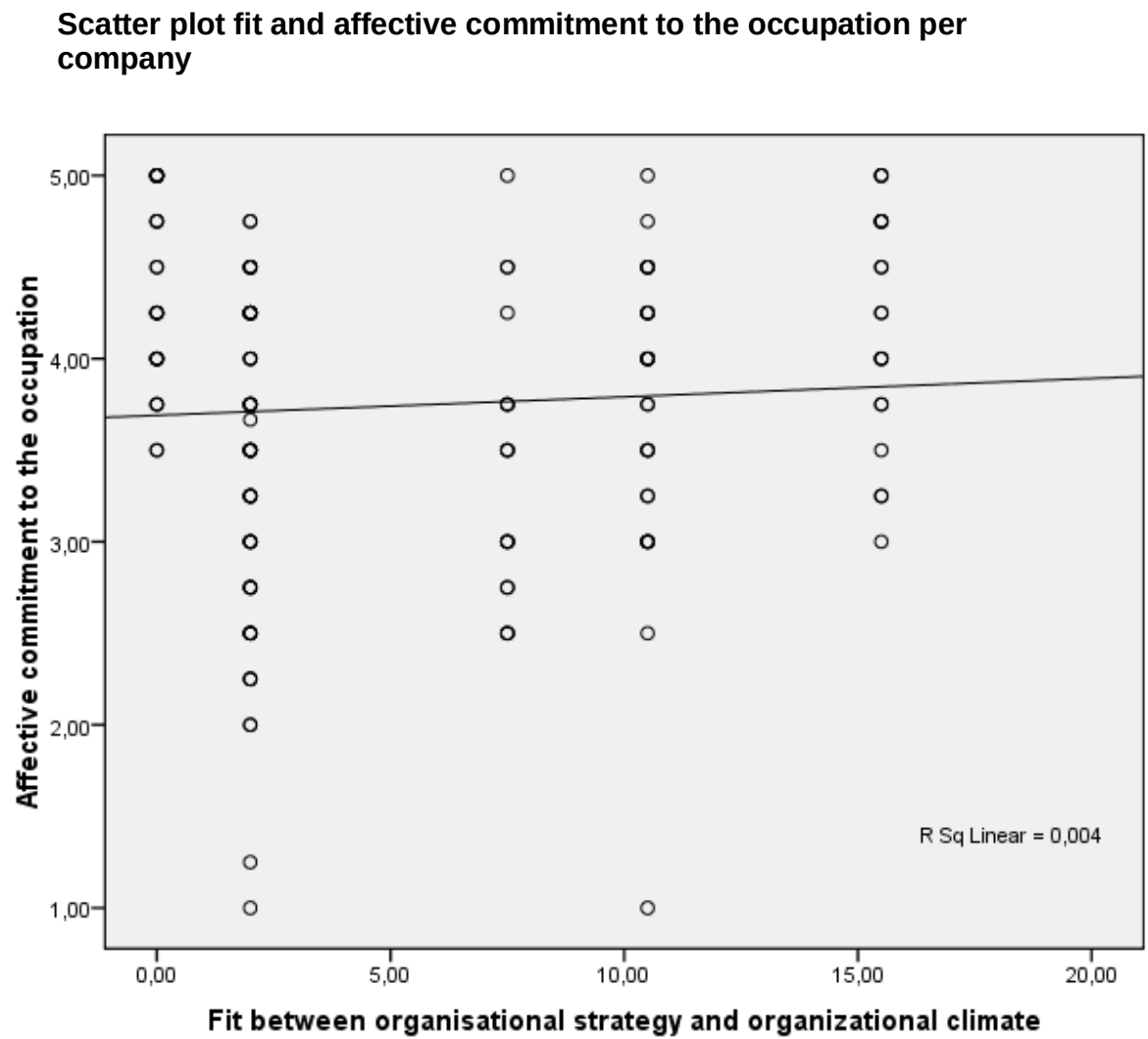


Figure 3d

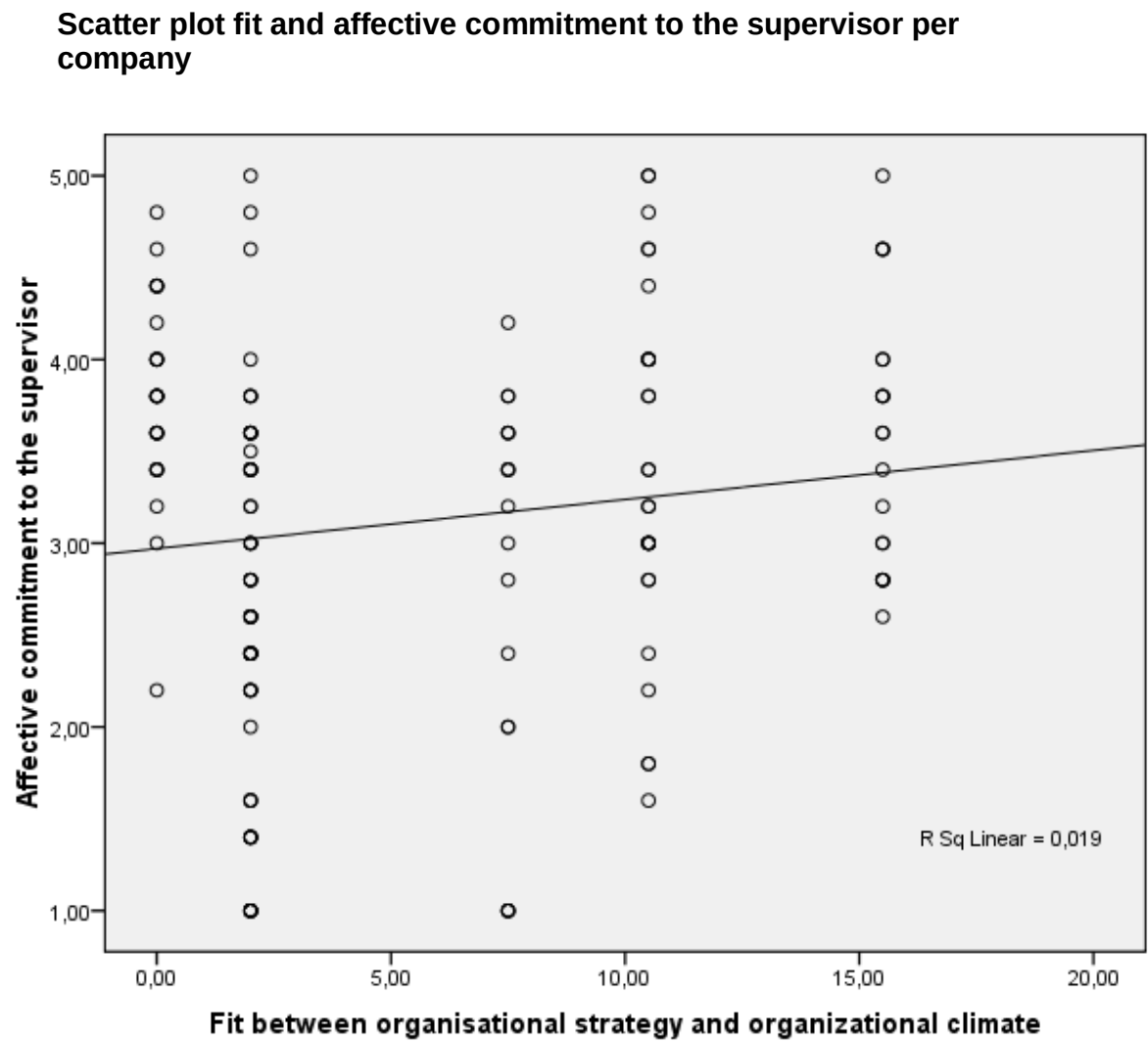


Figure 3e

Scatter plot fit and affective commitment to the team per company

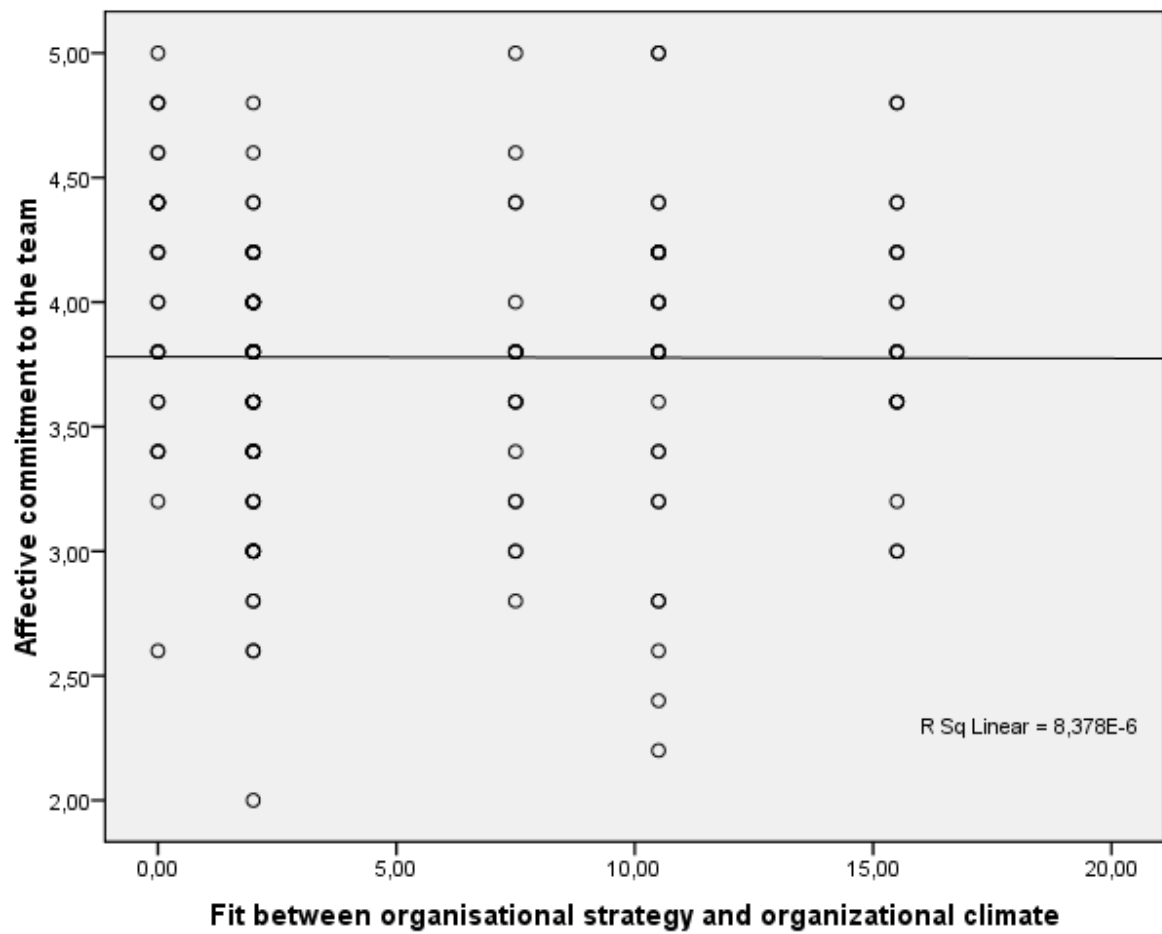
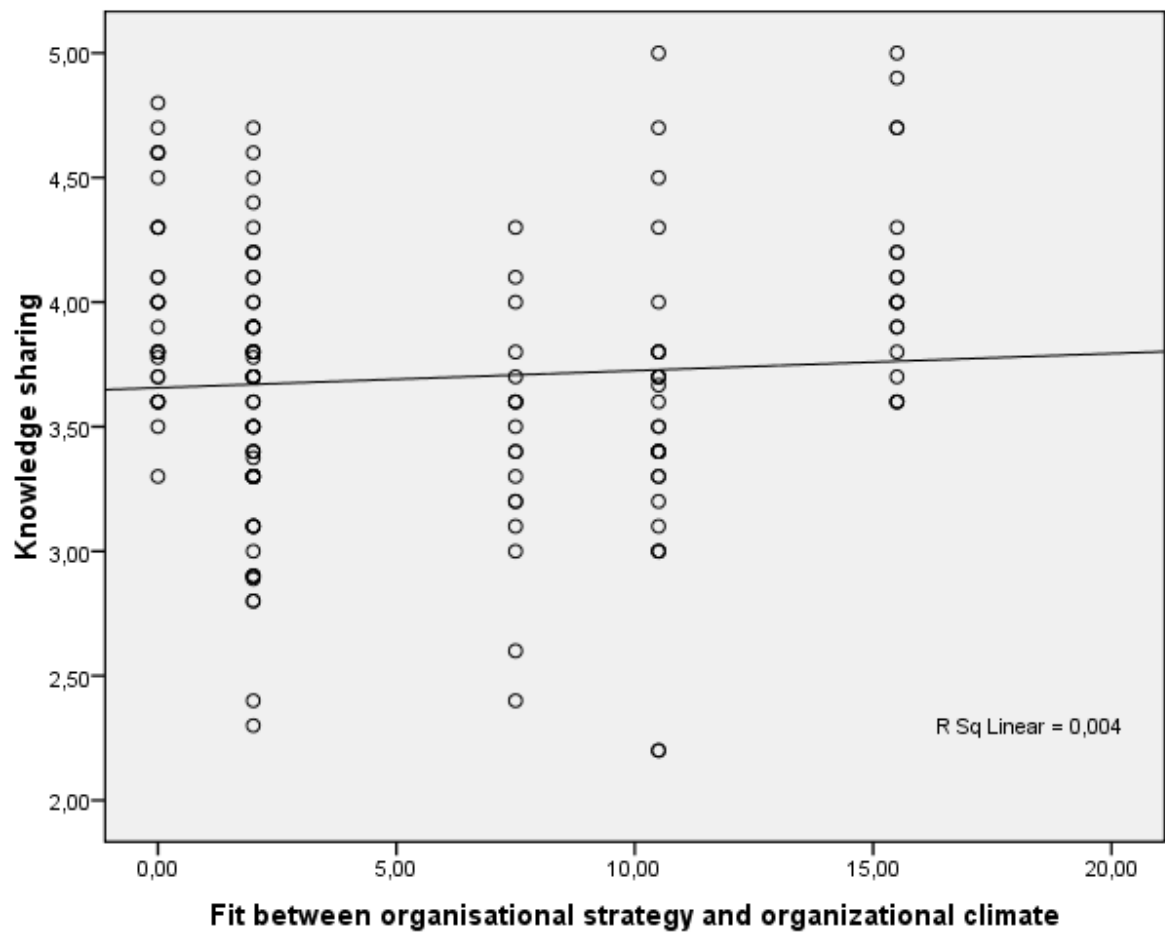


Figure 4

Scatter plot fit and knowledge sharing per company



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