



# Corporate Wisdom System Development and the Influencing Role of Organisational Context: A Case Study of MTN Eswatini

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**Abstract:** *In today's highly competitive and dynamic business environment, organisations that aim to excel rely on organisational knowledge, intelligence and experience to drive their strategic planning, decision making and implementation processes. To transform organisational wisdom into value creating activities, understanding and aligning key aspects of organisational context in the direction of corporate objectives and strategies becomes management's ultimate goal. Knowledge transfer, innovation and creativity, and learning and adaptability are realised if an organisation's purpose, culture and structure are configured to drive competitiveness. The study examined the influence of organisational context on corporate wisdom system development in Mobile Telecommunications Network (MTN)'s Eswatini division, which was presumed to have adopted the corporate wisdom concept. The study focused on how organisation purpose, culture and structure influence wisdom system development at MTN Eswatini. An objective questionnaire circulated to managerial staff using Google forms attracted 50 valid responses which were analysed to reflect the influence of purpose, culture and structure on the organisation's wisdom system development. Since the study was conducted during the height of Covid-19 that forced many managerial staff to work from home, 50 respondents were conveniently selected to participate in the study. Results of the study show that MTN's purpose clearly specifies value proposition to its customers ( $SD=.544$ ), management and subordinates agree on goals to be pursued ( $SD=.756$ ) and MTN's purpose specifies areas of focus to achieve company goals ( $SD=.550$ ). All the six elements of culture that were examined have mean scores of between 4 and 5, indicating MTN culture is configured to drive the organisation's goals. Overall, the study established that purpose, culture and structure of MTN significantly influence MTN's wisdom system development.*

**Keyword:** *Corporate, context, wisdom, system, development, purpose, culture, structure*

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## 1. Introduction

Research in organisational context continues to gain significant importance. Focus has been on how organisational context influences Wisdom System Development. Each specific form of Wisdom System Development (WSD) requires a different form of

organisational context, as well as distinct support systems (Josep et al, 2004). The interdependence between organisational context (purpose, culture and structure) and wisdom system development has been of interest not only among researchers, but also to management and students of management. It has been argued that, innovated organisations invest largely in their people through self-development as a basic requirement (Yang, 2013;

Jitsoonthornchaikul, 2015). Therefore, knowledge gained by managers as individuals through learning and experience becomes organisational repository. Corporates become wise when the knowledge repositories are used in making effective business decisions (wisdom), thus the relationship between individual wisdom and corporate wisdom is a vicious circle. Additionally, researchers concur that while wisdom is a complex concept its implementation in management requires both the individual managers and the corporates to actively interact and transfer knowledge which leads to wisdom to the other Bierly, Kessler & Christensen, 2000; Yang, 2013; Zacher et al. 2014; Jitsoonthornchaikul, 2015).

In order to excel in today's dynamic environment, organisations require practical wisdom. Practical wisdom, also known as phronesis or prudence, is the ability to act critically or practically in a given situation (Jashapara, 2004). Bierly, Kessler and Christensen (2000) contend that practical wisdom is an action oriented strategy which applies organisational knowledge to drive the strategic planning, decision making and implementation processes of the organisation. However, corporate wisdom is greater than the three aspects that comprise it; knowledge, intelligence, and experience.

As part of the entire corporate system, organisational wisdom system development is an organisation-wide process that occurs through a series of well-orchestrated configurations. Managers face uncertainties during their decision making process every day. Internal pressures coupled with external uncertainty complicate the decision making process. Therefore, a certain level of wisdom is required in determining what the organisation strategically needs now and in the future, and identifying opportunities and threats (Whetstone, 2017). Rowley (2000) posits that such judgements require managers who accommodate multiple realities and wider social and ethical considerations. Until recently, managers could not realize their creativity without any philosophical thought and questioning (Moseley, 2010) but this wisdom can be learned and developed (Mick, Batema and Lutz, 2009). The interwoven relationship between wisdom system development and organisational context makes it impossible to have a sound system development in the absence of a strong organisational context. Researchers contend that context determine the managers' conceptualisation of the organisation's wisdom system development (Alammar & Pauleen, 2016). Akmekci, Teraman and Acar (2014) posit that wisdom represents an idea about complicated and uncertain situations such as cognitive functioning and management. In a related development, Loedolf (2016) and Hellriegel et al. (2017) suggests that when managing complicated and uncertain situations it is insufficient for management to possess limited knowledge. Managers must have technical, tactical and conceptual knowledge to be effective at all levels.

In most organisations, wisdom is determined by what individual employees think and what they see as right. In some organisations, instead of evoking the wisdom systems, managers and workers close their minds, emotions and senses, they prefer not to observe, feel and think (McKenna & David, 2005). In addition practical wisdom entails resilience among managers, to always be conscious that they are dealing with complex matters that are influenced by their emotions, empathy, self-reflection and spirituality (Jeste et al., 2019). Intezari and Pauleen (2017) suggest that, to be practically wise a manager must have appropriate knowledge and expertise that allows him to tackle company specific scientific and emotional issues. The bottom line is wisdom must lead to decisions that impact the greater majority of the organisation (Ekmekci, Teraman & Acar, 2014).

The concept of organisational wisdom describes the process of transferring wise knowledge to employees (Tack, 1986). Managers in today's highly competitive and dynamic organisations are faced with tough contexts in which decisions have to be made. Overtly and covertly, consequences of failure are severe. The pressure to do things better often require managers to look at a different mirror in order to develop new perspectives. Generating new perspectives and visualising the organisation requires critical knowledge in a setting that nurtures knowledge development. An understanding of contextual variables to create synergy between and among elements of wisdom system and organisational context variables is an important determinant of how competitive an organisation becomes.

Mobile Telecommunications Network (MTN) Holdings Limited is a South African based multinational mobile telecommunications company established in 1994. At the time when the research was carried out, (November-December 2020), the company had subsidiaries in Africa and the Middle East. MTN's purpose is 'to make customers lives a whole lot BRIGHTER'. In light of its purpose, MTN has continually strengthened and aligned its structures, policies and procedures to support its operating environment and strategy. Consciously or unconsciously MTN has elements of corporate wisdom. These corporate wisdom elements are reflected in some of its decision to support its strategy and the community. MTN was the only African global sponsor of the 2010 FIFA world cup. In April 2020 MTN Group Chairman, Mcebisi Jonas pledged R250 million for a relief package to tackle the Covid-19 pandemic. The MTN Eswatini subsidiary won the 2017 Yellow care corporate social responsibility investment initiative which runs for 21 days annually and it also sponsored soccer, cycling, basketball, music arts and other activities which benefit the communities in which MTN does business. However, the extent to which corporate wisdom systems have been developed in the organisation are yet to be tested.

In most corporate entities, the capacity for exercising vision and prudence in passing judgment has deserted

many top managers, and this lack appears to have spilled over into decisions, processes and final products and services. The maximization of profits and shareholder value predominate over all other concerns relating to the need to develop the organisation's wisdom system. Despite the fact that MTN has been posting better performance for some time, it is not clear whether, such performance results its internal context

Results of the study by Kaygısız & Cagliyan (2014) revealed that Corporate Wisdom (CW) is created by the formation of the knowledge at the institutional level and placing it on top of the knowledge pyramid. To understand CW, enterprises handle individual wisdom on an institutional basis and integrate with corporate purpose, culture and structure to target optimum benefits which are extended to society.

From the above, three hypotheses were formulated which are;

- a) Ho<sub>1</sub>: Organisational purpose does not significantly influence wisdom system development
- b) Ho<sub>2</sub>: Organisational culture has no significant influence on wisdom system development
- c) Ho<sub>3</sub>: There is no significant influence of organisational structure on wisdom system development

## 2. Literature Review

### 2.1 Corporate Wisdom (CW)

Bierly et al. (2002) examined the impact of three fundamental concepts; transformation leadership, knowledge transfer, and corporate culture and structure on Corporate Wisdom. For Spiller (2011), Corporate Wisdom might be developed by the nature of social and environmental interactions in the institution. In some studies, the understanding of CW was conceptualised as democratisation, social responsibility corporate ethics, transformation leadership and sustainability (Popadiuk & Choo, 2006; Hay, 2007).

Although many researches in this field are interested in developing a working relationship between wisdom system development and organisational context, researchers and practitioners are yet to agree on the precise definition of wisdom (Schmit, Muldoon and Pounders, 2012). However, definition efforts made for some time now could be considered constructive in clarifying old but newly emerged concept. Besides, the point of multidimensional construct of wisdom is supported by many researchers (Webster, 2003). Wisdom is referred to as the top of an inner voice about human nature and the tools leading to the attainment of life objectives (Baltes and Staudinger, 2000).

In other words, wisdom represents an idea about complicated and uncertain situations such as cognitive

functioning, intellectual development, planning, learning knowledge and management. It denotes a process rather than a specific situation (Ardelt, 2003). Conscious being and doing are the essence of wisdom. As earlier mentioned, wisdom flourishes if synergy is established and harnessed between the mind and a person's character (manager). Mindfulness, a concept borrowed from Buddhism, is a state of acute awareness, attentiveness, and perceptiveness in everything going on around people in and around the organisation, while minimizing the effects of self. Achieving corporate mindfulness involves using a different mirror and removing barriers to perception, partly achieved by increasing recognition of interpretive filters and biases and other corporate internal processes, such as wants, needs, and defensive tendencies (Argyris and Schön, 1978; Argyris, 1982; 1991).

Despite the explosion of research on organisational learning, and related subjects since the 1990s, there continues to be concern as to how organisational context shapes the organisational wisdom discourse. As numerous researchers have noted, despite continued and intense focus on organisational learning, it has largely remained an ideal, not a practical achievement (Shelton and Darling, 2003; Reynolds and Ablett, 1998; Gorelick, Milton, and April, 2004; Shaw and Perkins, 1992). Turning to organisational learning, executives are attempting to improve organisational context to provide a fertile ground for system development (Baker and Sinkula, 2002), become more adaptive and changeable (Griffey, 1998), learn how they learn and become better at learning (Cavaleri and Fearon, 1996), reap the most out of teams and collaborative work groups (Hut and Molleman, 1998), and exploit the lessons of experience and deploy them across the organisation (Ulrich, von Glinow, and Jick, 1993).

Unfortunately, the capacity for exercising vision and prudence in passing judgment has deserted many top managers, and this lack appears to have spilled over into decisions, processes and final products and services. The maximization of profits and shareholder value predominate over all other concerns relating to the need to develop the organisation. Profit generation should never be the ultimate purpose of an organisation. An organisation that pitches its purpose with its vision is destined for greater results. To some, success is measured solely in terms of economic returns rather than how the organisations are able to create value through knowledge creation and the transfer systems (Nonaka and Takeuchi, 2011: 59).

### 2.2 Organisational context (purpose)

Modern societies tend to demand more from the organisations which they expect to behave as good corporate citizens (Rey, Velasco and Almandoz, 2019). Therefore, solutions to business problems ought to be context specific and cannot be

generalised(Loedolf,2016).Additionally,developing the organisational purpose entails deciding on its reason for being(van Ingen,Peters,De-Ruiter & Robben,2021).The purpose statement must reflect the managers wisdom and it is characterised by multiperspective considerations which take into account the organisations multi-stakeholders and the surrounding environment,logic,emotions and both internal and external reflections(Intezari & Pauleen,2017,Jeste et al.2019). Finally, purpose gives the organisation its significance, aspirations, direction, motivations and shared values (van Ingen,Peters,De-Ruiter & Robben,2021). Internally, the organisations purpose impacts its staff, externally,it impacts people outside the organisation and successful implementation of organisational purpose hinges upon wisdom of management and good leadership (Alammar & Pauleen, 2016).

The impact of purpose on organisations enables organisations to acknowledge the interdependence between business and society as one cannot flourish without the other. In the most basic sense, organisational context may be understood as the “background” or “environment” (not physical, but very real) in which the organisation operates. Organisational context is frequently cited as an important consideration when implementing and evaluating wisdom system development interventions or business improvement initiatives, but limited guidance is available on which aspects of context are most influential in shaping wisdom system development.

The new logic of purpose in organisations is characterised by personal purpose (the individual’s purpose in the organisation), self-management (trusting employees to think and act independently on behalf of the organisation) and unity (a natural connection between people and organisation purpose) (Rey, Velasco and Almandoz, 2019). What is paramount is the acknowledgement of the fact that the individual purpose which people have will at one point be subrogated to organisational purpose when there is unity or common purpose (teamwork, commitment and collaboration) which drives the behaviour of all stakeholders. At the centre of achieving successful common purpose is a management that has wisdom to unite stakeholders. Wise, organisational leadership expected to link the behaviours of its people to the organisation’s goals and strategies (Ketzenback,Oelschlege and Thomas,2016). Nonaka and Take Uchi (2011) observed that, the business world is never independent on context hence management should not seek universal solutions to organisational problems. Different environmental conditions external to the organisation might necessitate different organisational relationships within it. So, the best way to solve the problems is to contextualise the problems and the solutions, having a clearer understanding of the organisation’s purpose and its context (internal and external).

## 2.3 Organisational context (culture)

Since the 1960s, more and more scholars and publications have been using culture as a key variable in explaining the behaviour of the organisation and its management. For example McGoff (2017) advanced an argument that, one of the best ways to solve performance or leadership problems is to first look at your culture. Additionally, an appropriate culture is needed to operationalise the organisation’s intentions as reflected in its purpose and strategies (Whetstone, 2017). The same author advocates `aretaic` purpose (the common good for flourishing). Common good means thinking beyond the organisation, or thinking about society. The culture of common good acknowledges the interdependence of organisation and society (Rey,Velasco and Almandoz,2019). Therefore, the leadership must purposely create a culture that they want, and they must lead by example such as practicing integrity, providing feedback and commitment to customers (Whetstone, 2017).

Despite this emphasis in management research, there is not an agreed upon culture that works best for the organisation (Don, 1974). The term culture and its definition evolve as society evolves. The behaviour of organisations and their members has to be understood within cultural context. The challenge before managers is to cultivate an organisational culture, structure and processes that support wisdom system development (Nakata and Sivakumar, 1996). An organisation’s culture is reflected in the way its people interact and work and it has to evolve through gradual shifts in leadership, strategy and other circumstances (Whelstone, 2017). So, culture is about doing than saying. People want change that is tangible, actionable, repeatable, observable and measurable. Examples of things that drive the culture of the organisation as sighted by Katzenback,Oelschlege and Thomas(2016) include empowerment, collaboration, and interpersonal relations. In that same vein, Martin and Hay (2016) argue that the above works when people let go their beliefs in order to move to new and more effective thoughts and behaviour. Additionally, Tsai (2011) found in her hospital set up studies on nurses that, culture within the organisation plays a large role in determining whether the work place is a happy and healthy environment in which to work. Culture provides the rules of behaviour in the organisation and it guides staff on what to do and what not to do at work.

Managing organisational culture effectively requires clarity in the minds of managers about the type of culture and the specific norms and values that will help the organisation reach its strategic objectives. When discussing the issue of culture, organisations should rethink and promote the norms that are supportive of strategic objectives and limit support for taking risks, change and tolerance for mistakes which do not stimulates creativity. On the other hand, culture should emphasises effective teamwork and group functioning, speed and

urgency of decisions which promote the implementation of the ideas. An environment of expectation that promotes flexibility and adaptability and a sense that encourages personal autonomy should be cultivated. To encourage autonomy and provide for flexibility, many companies have left the job design open so that an individual can take initiative and responsibility and modify the way work gets done in that company (Tushman and O'Reilly, 1997)

## 2.4 Organisational context (structure)

Based on already argued facts that organisations need phronetic (prudent) leaders who can shape and drive correct behaviour among its people the next level is developing a structure that is suitable for driving the organisation's intent. The most populated development in this regard is Alfred Chandler's (1962) maxim that 'Structure follows strategy'. Donaldson(2000); Rhodes(2011) posit that Chandler's maxim means that, all aspects of the organisation structure from the creation of divisions and departments to the designation of reporting relationships should be made while keeping the organisation's strategic intent in mind. This means organisations must select a structure that supports what they intent to do (vision, purpose and objectives of the organisation). By extension, the structure already assumes knowledge of the organisation's context and culture.

During the past several years, new approaches to the design of organisations incorporating many of the open system concepts have been advanced based on the idea that internal functioning of the organisation must be contingent upon the dynamics surrounding operations such as the size of the organisation, technologies employed and whether the environment is supportive or not supportive. This derives from the contingency approach which states that the structure (formalisation, centralisation, divisionalisation) that the leadership will select will all depend on size of the organisation, technologies employed and the environment(Thuive and Struive, 2011). Organisations create the structure to facilitate the coordination of activities and to control the actions of their members (Robbins, 1991). Therefore, the structure of an organisation is made of three components; complexity, formalisation and centralisation. While the organisations are structured differently, focus is paid to determine the effect of structural differences and components on employee's attitudes, and behaviour. The organisations establish structures to increase efficiency, and effectiveness. Consequently, redesigning and restructuring the organisation becomes endemic. This implies that, there is no particular management action or

organisation design that is appropriate for all purposes and situations. With the movement of time, organisations need to review and change their structures in line with changes in their contexts.

Structuring the organisations on the basis of functions requires that all similar work activities be grouped together and identified to some functional classification, such as finance, industrial relations, marketing, and production among others. Customer or market based departmentalisation groups workers who specialise in providing products or services to a particular group of customers or market segment under one department. Product or programme departmentalisation groups employees producing a particular product or service under one department. Finally, matrix based departmentalisation is a hybrid structure that has different combinations of structures.

In view of the different tenets of corporate wisdom that demand wise or prudent leadership(Ekber, Kircovalis and Dergisi,2015), integration of structure, culture and leadership (Rooney and Mckenna,2008),application of appropriate knowledge in planning and decision making(Bierly,Kessler and Christensen,2000), seeing connections between so many things(Mick, Bateman and Lutz,2009) and responding to contentious problems in a far sighted and appropriate manner and caring for the future that matter(Martin and Hays,2016) forces organisational leadership to systematically think about how they can harvest the best out of the complex business environment they superintend and not forgetting the common good. This approach seems to raise several questions: Is the organisational structure necessary to develop successful wisdom systems in today's organisation? What form of configuration between structure and wisdom systems is necessary to provide a fertile ground for wisdom system development?

In most organisations, managers are worried by the external environment and market forces which are changing at unrelenting pace to the extent that if the internal structure components are not re-aligned, such organisations will lose any form of competitive advantage they have (Don, 1974).

Therefore, the researchers conceptualised corporate wisdom system development factors like knowledge transfer, corporate innovation and change and learning and adaptability as the dependent variables which are influenced by the independent variables in the form of organisational context factors such as purpose, culture and structure as shown in Figure 1.

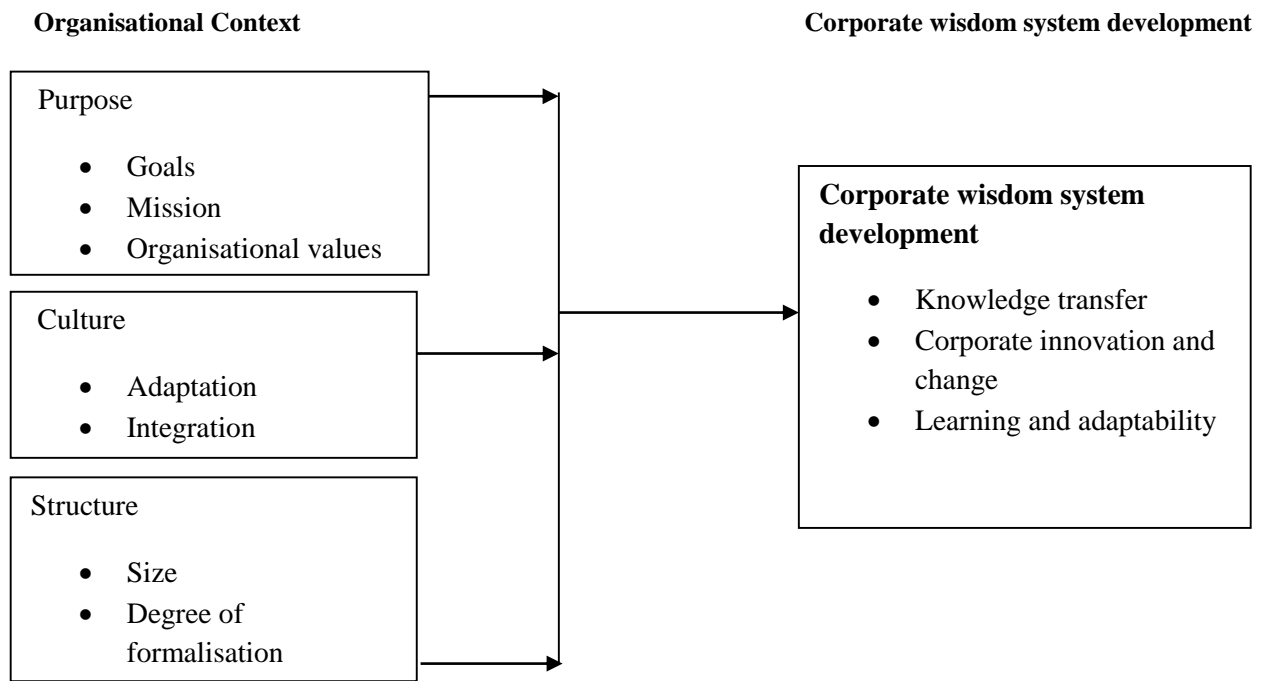


Figure 1: Conceptual framework. Source: Researchers (2020)

### 3. Methodology

An MTN Eswatini case study was used to illustrate the application of the research on the influence of Organisational Context (OC) on Corporate Wisdom System Development (CWD). The study adopted convenience sampling in determining participants. This was due to workplace restrictions at the organisation due to Covid-19, requiring some senior and middle managers to work from home. Three constructs; purpose, culture and structure) were identified under internal organisational context, while; knowledge transfer, corporate innovation, and learning and adaptability were the key constructs of wisdom system development. An online questionnaire was designed using Google forms and administered by sending a Google form link to the Director Cooperate Services, who in turn shared it internally with the concerned senior and middle managers of MTN Eswatini. A five-point Likert scale was used to measure respondents' attitudes and opinions of variables under study.

The study produced both descriptive and inferential statistics. Standard Deviation for each of the indicators of organisational context was generated to determine the nature of the data, while regression analysis was used to

determine the influence of organisational context on corporate wisdom system development.

### 4. Results and Discussion

From Table 1, 50 respondents participated in the online study. Forty six(46%) of the respondents have worked at MTN for less than 5 years, 24% for more than 10 years, while 30% have worked at MTN for between 5, and less than 10 years. From a corporate wisdom system development and organisational context perspectives, it is likely that employees who have worked in MTN for long have the capacity to understand MTN's internal operations. This rationale coincides with Super's (1957) career development theory, which proposes that more knowledgeable and experienced employees will perform better. In general, workers with short organisational tenure, being unfamiliar with the new organisational culture, might perceive the organisational socialization process as challenging, thereby potentially increasing the possibility of negative wisdom system development. By contrast, workers with long tenure have a greater opportunity to develop organisational commitment, organisational loyalty, and consideration for others due to their lengthy learning process.

**Table 1: Respondent's tenure of service at MTN**

<b>For how long have you been working with MTN?</b>			
		<b>Frequency</b>	<b>Percent</b>
Valid	2 years and less than 5 years	23	46.0
	5 and less than 10 years	15	30.0
	10 years and more	12	24.0
	Total	50	100.0

Table 2 (below) presents results on eleven (11) concepts under purpose: value proposition, sense of purpose, goal attainment, decision inputs and processes, focus, objective review of challenges, momentum to realise vision, driving the company's strategic agenda, the reason why the company exists and agreement on what to be achieved. Results of the study revealed that, MTN's purpose clearly specifies value proposition to its customers with a standard deviation of .544. On the other hand, the fact that managers and subordinates agree on objectives to be achieved had a standard deviation of 0.756, while purpose specifies areas of focus to achieve goals had a standard deviation of 0.530. With a standard deviation of .544, it is

opined that, MTN's purpose clearly specifies value proposition to its customers had the least variation among respondents. This implies that, the agreement among respondents shows that common purpose among employees is key in driving MTN's wisdom system development. The existence of cooperation between management, subordinates and customers confirms the findings by Rey et al., (2019) whose research findings confirmed that, there must be a natural connection between people and organisational purpose and Ketzenback et al. (2016) whose finding emphasised the need for teamwork and cooperation between management and subordinates in order to achieve corporate objectives.

**Table 2: Respondents' perception of MTN's purpose**

<b>Statement</b>	<b>N</b>	<b>Mean</b>	<b>Std</b>
The purpose clearly specifies value proposition to our customers	50	4.70	.544
At MTN, we have a common sense of purpose	50	4.70	.544
Units/departments are assigned responsibilities leading to goal attainment	50	4.68	.513
Decision inputs and processes are purpose and vision driven	50	4.68	.587
Purpose specifies areas of focus to achieve goals	50	4.62	.530
As a company, organisational challenges are objectively reviewed	50	4.62	.635
All managers ensure that there is sustained momentum to realize the vision	50	4.60	.571
Goals are clearly stated to drive company strategic agenda	50	4.60	.571
Our purpose and vision explicitly state why we exist as a company	50	4.48	.646
Managers and subordinates agree on objectives to be achieved	50	4.40	.756

The above results are further supported by Wang(2011) who argues that, a great deal of studies suggest that, mission statement can promote performance of the organisations. Therefore, purpose as a component of a mission statement is a critical strategic management tool. The purpose provides the much needed rationality of why the organisation exists, the markets it serves and importantly, its value proposition commitment to customers.

As the organisational knowledge structure develops, mission statements will provide meaning about the organisation to both the inside and outside members so that they are able to constantly examine, reflect and consider the organisation's situation and tasks.

Andrew(1989) points out that, the mission is constituted of the purpose, strategy, a set of values, standards and behaviours of the organisation. And he considered that, the

reason for organisation's existence is to meet various interests of stakeholders.

**Table 3: Model summary of purpose and wisdom system development**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.719 <sup>a</sup>	.516	.506	.27559
a. Predictors: (Constant), Purpose influences Wisdom System Development at MTN				

With its mission statement, *to make our customers' lives a whole lot brighter within the area of Health, Education and Economic Empowerment on a sustainable basis. We are committed to going beyond the known business boundaries and reaching out to the needs of the people who form part of the different communities within Eswatini*, from the results, it can be concluded that MTN's purpose (a concept of a mission statement) clearly

specifies value proposition to its customers and influences wisdom system development by 51.6% (see table 3) To determine whether organisational purpose influences wisdom system development, the study hypothesized that; ***H01: Organisational purpose does not significantly influence wisdom system development.*** Table 4 presents the findings.

**Table 4: Relationship between MTN's purpose and Wisdom system development**

ANOVA <sup>b</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	3.891	1	3.891	51.235	.000 <sup>a</sup>
	Residual	3.646	48	.076		
	Total	7.537	49			
a. Predictors: (Constant), Purpose influences Wisdom System Development at MTN						
b. Dependent Variable: MTN's wisdom system development						

Results in table 4 revealed that, there is a significant relationship between purpose and wisdom system development. The hypothesis, *H01: Organisational purpose does not significantly influence wisdom system development* was not confirmed, thus, the alternative hypothesis, *Organisational purpose significantly influence wisdom system development* was accepted. Results in table 4 are inline with Collins and Porras (1991) who in their study, established that organisational purpose is an outgrowth of its core values and beliefs. The purpose of an organisation therefore, communicates and articulates how the organisation fills human needs. This, to a large

extent, impacts how people within and outside the organisation perceive it. The purpose of the organisation brings focus to larger issues that go beyond the narrow, short-term interests of managers. The purpose of the organisation galvanizes efforts and thought process around a common theme. As such, new knowledge is developed and transferred which in the end, fosters corporate innovation and change. To ensure strategic competitiveness, leadership develops with the sole purpose of directing resources and adapting them to emerging internal and external needs.



**Table 5: Respondent’s view on MTN’s Culture**

At MTN, we have;	N	Mean	Std.
Established mechanism to follow through each individual performance	50	4.54	.542
Established identity with tasks and the internal functioning of the organisation	50	4.42	.702
Integrated functions to achieve synergy	50	4.40	.728
Developed positive beliefs that take advantage of emerging opportunities	50	4.36	.631
Been able to adapt to new ways of doing things	50	4.32	.794
Been able to modify systems and processes to fit new trends	50	4.24	.687

Results in Table 5 revealed that at MTN, there are established mechanisms to follow through each individual performance (.542), while MTN has been able to modify systems and processes to fit new trends had a standard deviation of 0.687. On the other hand, the existence of an integrated function to achieve synergy had a standard deviation of 0.728, with a mean score of 4.40. Taking note of Likert scores, the mean for the 6 items under MTN culture were scored at more than 4 (agree), tending towards 5 (strongly agree). The results reveal one subtle conclusion; MTN’s culture is well configured to drive its strategic agenda. The adoption of mechanisms to follow through each individual performance, development of positive beliefs that take advantage of emerging opportunities and the adaptation of new ways of doing things is a recipe for wisdom system development. The

notion of synergy, with a mean of 4.40, tends to support the findings by Martin and Hey (2016) who encouraged empowerment, collaboration and interpersonal relations to achieve synergy. Developing positive beliefs, which has a mean of 4.36 tends to support the finding that, organisation culture is reflected in the way its people interact and work (Whelstone, 2017).

To determine the significant influence of culture on Wisdom System development, the hypothesis: ***H<sub>02</sub>: Organisational culture has no significant influence on wisdom system development was stated.***

Results in table 6 present an estimate of the strength of the relationship of the model and the response variable while table 6 presents the relationship between the predictor and the predicted variables

**Table 6: Model summary of culture and wisdom system development**

<b>Model Summary</b>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.756 <sup>a</sup>	.571	.562	.31602
a. Predictors: (Constant), MTN’s culture influences Wisdom System Development				

Results in Table 6 revealed that culture influences wisdom system development in MTN by 57.1% with a significant relationship of .000 (see table 7). The hypothesis, ***H<sub>02</sub>: Organisational culture has no significant influence on wisdom system development*** was not confirmed. Results in table 6 and 7 are in agreement with Parker & Bradley, (2000) and Henri (2006) who argue that performance management triggers the emergence of unique cultures in public sector organisations. Culture also serves as a major determinant of the performance of public sector organisations. On the other hand, Ramachandran, Chong,

& Ismail, (2011) posit that, an effective organisational culture is a well-known and familiar construction. It plays an important role to promote good institutional practices and achieve efficient results.

The above arguments are advanced by Bolboli and Reiche (2014) who argue that, lack of effective organisational culture and poor cultural integration in the corporate group affect organisational performance and decrease shareholders return. Bolboli and Reiche (2014) further argue that more than 90% of business excellence initiatives fail to succeed because of poor cultural

integration among company managers in the corporate group.

**Table 7: Relationship between MTN’s culture and wisdom system development**

ANOVA <sup>b</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	6.375	1	6.375	63.839	.000 <sup>a</sup>
	Residual	4.794	48	.100		
	Total	11.169	49			

a. Predictors: (Constant), MTN’s culture influences Wisdom System Development  
b. Dependent Variable: MTN’s culture

Results in Table 8 below show that, roles and functions are clearly stated with a standard deviation of 0.575 and a mean score of 4.42, while the departmental size is determined by power relations and activities to be performed with a standard deviation of 1, and a mean score of 4.02. on the other hand, teams and groups are formed to benefit from group interaction to encourage learning (spatial distance) had a standard deviation of 0.784, with a mean score of 4.28. The implications of this

finding are shown in Tables 8 and 9. These results are supported by Donaldson(2000) and Rhodes(2011)’s argument that structure supports the organisation’s purpose and follows its strategy. At the same time, altering objectives based on market conditions is in line with Thuive and Stuiwe,(2011)’s call for the adoption of new technologies which can change the way people do business in a changed environment.

**Table 8: Respondent’s perception of MTN’s organisational structure**

At MTN;	N	Mean	Std.
Roles and functionality are clearly stated	50	4.42	.575
Organisational structure is configured around tasks and responsibilities (formalisation)	50	4.36	.693
Teams and groups are formed to benefit from group interaction to encourage learning (spatial distance)	50	4.28	.784
Responsibility centres have some leverage to alter objectives as per market conditions	50	4.10	.974
The size of department is largely determined by power relations and activities to be performed	50	4.02	1.000

To determine the influence of organisational culture on Wisdom system development, the study hypothesised that:  
***Ho3: There is no significant influence of organisational structure on wisdom system development.*** Results in table

9 present an estimate of the strength of the relationship of the model and the response variable while table 10 presents the relationship between the predictor and the predicted variables.

**Table 9: Model Summary for MTN’s Structure and wisdom system development**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.629 <sup>a</sup>	.396	.383	.44836
a. Predictors: (Constant), MTN’s organisational structure influences Wisdom System Development				

Results in Table 9 show that MTN’s structure influences wisdom system development by 39.6%. This is below 50%. Although results in Table 10 show a significant relationship between organisational structure and wisdom system development, it is should not be surprising that the size of department is largely determined by power relations and activities to be performed. Whereas structure

is an important element of an organisation, structure alone does not drive innovation. Thus, in understanding the influence of structure on knowledge transfer, innovation and, learning and adaptability, one needs to develop clear understanding of other important variables that drive effective decision making, strategic focus and purpose.

**Table 10: Relationship between MTN’s structure and wisdom system development**

ANOVA <sup>b</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	6.326	1	6.326	31.468	.000 <sup>a</sup>
1	Residual	9.649	48	.201		
	Total	15.975	49			
a. Predictors: (Constant), MTN’s organisational structure influences Wisdom System Development						
b. Dependent Variable: MTN’s wisdom system development						

With a significant level of 0.000, the hypothesis, ***There is no significant influence of organisational structure on wisdom system development was not confirmed***, hence accepting the hypothesis that, *there is significant influence of organisational structure on wisdom system development*. From tables 9 and 10, it is important to note that, organisation structure may be considered the anatomy of the organisation, providing a foundation within which the organisation functions. Organisation structure is believed to affect the behaviour of organisation members. As Hall (1977) in Dalton et. All (1980) noted, this belief is based on a simple observation. Buildings have halls, stairways, entries, exits, walls, and roofs. The specific structure of a building is a major determinant of

the activities of the people within it. Similarly, behaviour in organisations is influenced by the organisation structure. The influence of this structure, while not as apparent as that of a building, is assumed to be pervasive.

Dalton et. Al(1980) further argues that early investigations concentrated on the relationship between subunit size and performance. Several studies (Indik & Seashore, 1961; Katzell, Barrett, & Parker, 1961; Marriott, 1949; Thomas, 1959) reported an inverse relationship between subunit size and performance. Argyle, Gardner, and Cioffi (1958) found otherwise: they reported a slight tendency for larger work groups to outperform smaller group.

**Table 11: Item statistics for concepts of organisational context**

Item Statistics			
	Mean	Std. Deviation	N
MTN's purpose	4.6080	.39219	50
MTN's culture	4.3800	.47743	50
MTN's organisational structure	4.2360	.57099	50

From table 11, the main purpose of item analysis is to improve internal consistency or internal structure validity, focusing on confirming a single-factor or one-trait test. In Table 11, it is evident that, MTN's purpose had the highest mean score (4.6080) and the lowest Standard Deviation (0.39219), implying the highest centrality of data with dispersion of .47743. On the other hand, MTN's organisational structure had the least mean (4.2360) and the highest Std Deviation of 0.57099. These results are clearly reflected in table 11. In Table 8 for example, the size of department is largely determined by power relations and activities to be performed had the highest standard deviation of 1, with a mean score of 4.02 (the highest and lowest in the category). The above results are consistent with the assumption that, item statistics are used to assess the performance of individual test items on the assumption that the overall quality of a test derives from the quality of its items. It is therefore not surprising that, since MTN's structure explains 39.6% influence on wisdom system development (Table 9), ranks least in item analysis (Table 11).

Important to note is the fact that, the organisational structure determines the manner and extent to which roles, power, and responsibilities are delegated, controlled, and coordinated, and how information flows between levels of management. The organisational structure therefore

plays a crucial role in determining learning processes (Fiol and Lyles, 1985). In a dynamic environment, the nature and basic functions of the organisational structure have changed for decades. The traditional structure is close in its nature to Weber's ideal bureaucracy and Burns and Stalker's mechanistic model. The major characteristics of this form are: strict and rigid definition of tasks, a high number of organisational levels, vertical communication, centralized authority, formal influence, standardized activities, and a high level of formalization. Numerous findings prove that this model is effective in simple and stable conditions. It is therefore not surprising that the size of department is largely determined by power relations and activities to be performed had the lowest mean score (4.02), yet with the highest standard deviation (1). In a nutshell, there was high spread of data (disagreement) on the notion that power relations explain how wisdom develops. In contemporary organisations, the levers of power have shifted from position power to technical competence, innovation and knowledge transfer. This seems to be what respondents were suggesting at MTN. As suggested by Germain (1996), the characteristics of organisational structure were also recognised as critical elements influencing company productivity and innovation, which are key indicators of wisdom system development.

**Table 12: Organisational context inter-item correlation matrix**

Inter-Item Correlation Matrix			
	MTN's purpose	MTN's culture	MTN's organisational structure
MTN's purpose	1.000	.439	.597
MTN's culture	.439	1.000	.677
MTN's organisational structure	.597	.677	1.000

Cohen & Swerdlik (2005) posit that inter-item correlations examine the extent to which scores on one item are related to scores on all other items in a scale.

It provides an assessment of item redundancy: the extent to which items on a scale are assessing the same content.

Results in Table 12 show that all the three variables of the organisational context are positively correlated. MTN's purpose and culture are positively correlated (0.439). This implies that, as MTN focuses on its purpose culture moderately improves in the same direction to support the company's existence. On the other hand, there is strong positive relationship between MTN's structure and culture, represented by a score of .677. This should not be surprising. An organisational culture denotes the collection of values, expectations and practices that guide and inform actions of all team members, while organisational structure is a system of how activities are directed in order to achieve goals of the organisation. This definition bears important commonalities between culture

and structure: values and expectations provide motivation to the direction of activities to be performed. Secondly, culture provides guidelines to members within the organisation in performing their tasks to achieve organisational goals. The study of the different design variables (specialization, formalization, autonomy, centralization and indoctrination) allows us to deepen our understanding of different cultures, structures and their implication on organisational learning. Since the study did not set out to unpack the various types of organisational structure or culture, the results in table 11 are not surprising, although this brings to the fore an area of study.

**Table 13: Relationship analysis of independent and predicted variables**

	DF	SS	MS	F	Sign
Regression	3	6.833476	2.277825	23.74523	.000 <sup>a</sup>
Residual	46	4.412675	0.095928		
Total	49	11.24615			
a. Predictors: (Constant), MTN's purpose, culture and structure influences Wisdom System Development					
b. Dependent Variable: MTN' wisdom system development					

Since our F-statistics, 23.74523 is greater than the F-Critical value (5.1895) at 95% confidence level, we conclude that the regression model was statistically significant. The results revealed that organisational purpose, culture and structure with a constant zero, corporate wisdom significantly influence wisdom development. The study also found that p-value was less than 0.05 an indication that all the concepts of organisational context were statistically significant in influencing wisdom system development at MTN.

Thus, if an organisation is to create knowledge and transfer it, innovate and change, as well as learn and adapt, understanding the dynamics of organisational wisdom, its variables (predictor and predicted) and their relationships is key.

## 5. Conclusion and Recommendations

The study devolved into key aspects of organisational context which influence wisdom system development at MTN-Eswatini. The study addressed the nature of integration that organisations should promote to ensure knowledge transfer, innovation and, learning and

development. These constructs of organisational wisdom give an organisation life and the realities of organisational work. Organisational wisdom touches interests of management and stakeholders, going far beyond the narrow interests of people working in an organisation. Wisdom in an organisation is driven by the desire to flourish (aretaic), and at the same time, ensure the sustainability of organisational functions (prudence). Although innovation and creativity are key drivers of an organisation's competitiveness, wisdom systems ensure a sustainable business outlook. As such, clear purposes, culture and structure of the organisation are cornerstones for a sustained performance, a by-product of organisational wisdom systems.

The study revealed a positive significant relationship between organisational context measured by three constructs; organisational purpose, culture and structure. The study recommends that, to maintain its competitive outlook, MTN should link learning with strategic organisational initiatives and operations. Doing this will help to create a coalition of learning advocates as well ensuring that internal organisational processes are inter-linked to create and transfer knowledge, innovate and, learn and adapt.

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