International Academy Journal of Administration, Education and Society
Volume 9, Issue 6, PP 1-14, ISSN: 2382-9035, December, 2023
DOI: 2721-42529-47384-961
Double Blind Peer Reviewed International Research Journal
arcnjournals@gmail.com
https://arcnjournals.org

Organizational Virtuousness and Performance of Fast Food Companies in Port Harcourt, Nigeria

Sunday Owhorji (Ph.D)
Department of Management, Rivers State University, Port Harcourt
Jaja Inye Sunday C. (Ph.D)
Department of Management, Rivers State University, Port Harcourt

***Abstract**: The importance of virtuousness in organizations has recently been acknowledged in the social sciences, but research remains scarce. This study defines virtuousness and its relationship with employee performance. It ushers the mini review of literature through an indebt background of the study. Virtuousness refers to those qualities that are cherished that speak of an organization's quality revealed through empathy. The paper contains an indebt expository review of existing literature on the two variables of study (organizational virtuousness and performance) under the Stakeholder Theory (Cornell and Shapiro 1987). Chapter four covers data analyses. Hypotheses were tested at 95% degree of confidence. An ernpirica. study is described in which the re.ationship between wnuousne! >and performance in the 11 fast food companies were tested against a P value of .000. All analyses were done ™th the aid of Statistical Package for Social Science (SPSS). The relationship between organization Qirtuousness and performance in 11 fast food companies were empirically tested at 95% degree of confidence. The Results revealed a high degree of correlation between the dimensions of the Criterion variable (empathy) and the Predictor variable measured in terms of productivity and increase in market share. Significant relationship between virtuousness and organizational performance with coefficient of determination value R~ =.927 represent 92.7% concordance between the various predictor and criterion variables. The study concluded that virtuousness is positively related to organizational performance. Therefore to ensure increase in productivity and market share of fast food companies they must exhibit empathy. These are good virtues that ensure improved performance. The findings are explained in terms of the two major functions played by virtuousness in organizations: an amplifying function that creates self-reinforcing positive spirals and a buffering function that strengthens and protects organizations from traumas such as occur during downsizing.*

***Keywords:** Brand identity, brand image, brand trust, marketing strategy implementation, political branding.*

INTRODUCTION

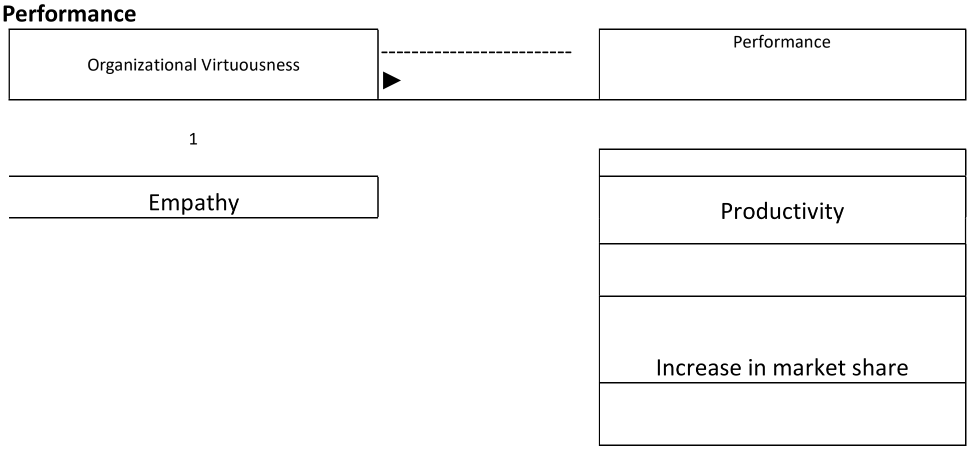
Virtuousness signifies the embodiment of pure moral conduct and the commitment to doing what is morally right. It has been described as the pinnacle of the human condition, representing the most uplifting behaviors, the essence of humanity's excellence, and the loftiest aspirations of individuals (Comte-Sponville, 2001; Weiner, 1993; Chapman & Galston, 1992; Dent, 1984; MacIntyre, 1984). Virtuous individuals are universally admired, respected, and sometimes even revered. In the context of organizations, virtuousness pertains to the conduct of individuals within the organizational setting, and this subject has garnered increasing attention within the realm of positive psychology (Seligman & Csikszentmihalyi, 2000; Snyder & Lopez, 2002). The study of virtues such as hope, gratitude, wisdom, forgiveness, compassion, resilience, and others has gained substantial traction in scientific literature (Snyder, 1994; Sternberg, 1998; Seligman, 2002; Peterson & Bossio, 1991; Harker & Keltner, 2001; McCullough, Pargament, & Thoreson, 2000; Emmons, 1999). Nevertheless, the examination of how organizations enable and perpetuate virtuousness remains a relatively unexplored area. Schwartz (2002) has argued that for virtuousness to be taken seriously, companies must also demonstrate bottom-line performance, suggesting that financial considerations often overshadow moral obligations in the realm of business organizations.

Virtuousness is closely associated with human flourishing and moral character (Ryff & Singer, 1998; Doherty, 1995; Cameron, Dutton, and Quinn, 2003), as well as with qualities like human strength, self-control, and resilience (Baumeister & Exline, 1998; 2000) and the pursuit of meaningful human purpose and transcendent principles (Emmons, 1999; Dent, 1998; Robert, 1998) as cited in Cameron (2003). Actions or desires that lack meaningful human impact cannot be considered virtuous. For example, the organizational structure itself is neither inherently virtuous nor non-virtuous, as its impact on individuals can vary.

In recent years, the fast food industry has witnessed significant fluctuations, with notable examples like the decline of Mr. Biggs. According to Ogunlade (2008), the term food encompasses not only the basic nutritional elements but also various consumer-centric attributes such as taste, appearance, safety, and convenience. Fast food, as defined by Ariyor (2005) and Raimi and Towobola (2011), refers to food that can be quickly prepared and served to consumers, either for immediate consumption or as take-away.

Typical fast food menus around the world include items like pies, fries, sandwiches, pizzas, noodles, salads, and various protein options like beef, chicken, turkey, and hot dogs, in addition to beverages. Modern-day fast-food outlets, known as Quick Service Restaurants (QSRs), are ubiquitous, offering round-the-clock services in various locations, including convenience stores, train stations, gas stations, schools, and ATMs. The fast-food industry faces a range of challenges, from concerns about excessive calorie consumption to legal actions and health-related claims against operators. Consequently, industry stakeholders are increasingly called upon to reassess their operations, adopting healthier practices and guidelines aimed at enhancing life expectancy (Ariyo, 2005). In this context, the concept of organizational virtuousness becomes relevant. To remain relevant and responsive, fast food operators need to embrace virtues such as integrity, compassion, zeal, warmth, empathy, and inspiration, aligning with the contemporary focus on organizational virtuousness.

Conceptual Framework showing the Relationship between Organizational Virtuousness and Performance



LITERATURE REVIEW

Theoretical Review

Within the framework of the Strategic School of Thought , there exists a close connection between organizational virtue and Stakeholder Theory, as both revolve around the perceptions and sentiments that stakeholders hold toward the organization. Conversely, this linkage is not apparent when viewed from the Aristotelian school's perspective, which primarily concerns itself with individual virtues. Those who follow MacIntyre's philosophy generally do not consider strategic outcomes in terms of external goods as an inherent part of virtue.

According to the renowned political philosopher David Hume, a virtue is a distinctive character trait that is not only pleasing to us but also to others. When applied to organizations, virtue becomes a characteristic of the organization that brings satisfaction to both its employees (internal stakeholders) and customers (external stakeholders). The premise of satisfying both internal (self) and external stakeholders (others) is of paramount importance. This aspect of organizational virtue sets it apart from other ethics systems that are rooted in duty-based principles focused on selfsacrifice or selflessness. In fact, Hartman (1998) describes individuals working within a rationalist business ethics-driven organizational culture as happy robots, whose own satisfaction is often sacrificed, a situation that is not considered virtuous.

This perspective aligns with the central tenets of Stakeholder Theory, which emphasize that a corporation's survival and sustained success hinge on its ability to meet the needs of its primary stakeholder groups: customers, employees, suppliers, shareholders, and the broader public stakeholders (Clarkson 1995). Stakeholder theory posits that a company's positive reputation and the perception it has cultivated among various stakeholders regarding its virtuous attributes, such as competence, honesty, loyalty, and hard work, play a pivotal role in the firm's overall performance (Cornell and Shapiro 1987).

Concept of Organizational Virtuousness

Empathy

Emotional empathy, also known as affective empathy or primitive empathy, refers to the subjective state that arises from emotional contagion. It represents our innate inclination to instinctively respond to the emotions of others (Chris Allen, 2013). Empathy encompasses a spectrum of abilities, allowing individuals, including leaders, to perceive a wide range of emotional cues, enabling them to sense the unspoken emotions of both individuals and groups. This capacity empowers leaders to effectively collaborate with people from various personal and cultural backgrounds. Empathy serves as a foundational element that guides our interactions with others. In the realm of human experience, there are two distinct forms of empathy: emotional empathy and cognitive empathy. Emotional empathy, often referred to as affective or primitive empathy, involves the subjective state that arises through emotional transmission. It is our automatic instinct to respond appropriately to the emotions exhibited by others. On the other hand, cognitive empathy primarily revolves around the ability to accurately comprehend another person's emotional state, a skill often referred to as perspective-taking.

Concept of Organizational Performance Productivity

Productivity is a concept rooted in scientific principles, making it susceptible to logical definition and empirical observation. Furthermore, it lends itself to quantitative measurement, making it a variable that can be assessed. Consequently, it can be defined and quantified in both absolute and relative terms. However, an absolute definition of productivity lacks practical utility; its true value lies in its application as a concept focused on relative productivity or as a productivity factor, as noted by Vora in 2002.

Productivity proves valuable as a relative gauge of the actual output achieved in production in relation to the resources employed, measured over time or in comparison to standard benchmarks. As output increases while maintaining a consistent input level, or as input diminishes while sustaining constant output, an increase in productivity becomes evident. In essence, a productivity measure provides insight into how effectively an organization’s resources are utilized to generate output, as highlighted by Tangen in 2002.

Market Share

Monitoring market share is a crucial practice for assessing changes in the competitive landscape and often serves as a driver for strategic and tactical decisions. Market share refers to the percentage of product or service sales within a specific region that a company controls. Businesses use market share to gauge their position s strength within an industry relative to other companies in the same sector. It also provides a reliable means of evaluating a business’s performance year over year. Thus, effective management of market share is a critical aspect of business management. Market share is defined as the percentage of a market, measured in terms of either units sold or revenue generated, that belongs to a particular entity. In a survey involving nearly 200 senior marketing managers, 67% expressed a high level of usefulness for the dollar market share metric, while 61% found the unit market share metric to be very valuable. For marketers, the ability to align sales targets with market share is essential because it helps determine whether forecasts can be achieved by growing in tandem with the market or by capturing market share from competitors. The latter option is typically more challenging to accomplish

Empirical Review

An apparent irony associated with the concept of organizational virtuousness and its impact on performance is that, in the absence of tangible benefits, it may struggle to garner significant attention in the realm of organizational research. When clear advantages or positive outcomes are not readily apparent, research tends to focus on instrumental results and the consequences of negative occurrences. This viewpoint was exemplified by Timberland's CEO, Jeffrey Schwartz, who stated:

If we fail to generate profits, no amount of virtue will benefit our company. Wall Street will disregard us, and our business will quickly falter. For our commitment to virtuousness within our organization to be taken seriously, we must deliver bottom-line performance (Schwartz, 2(X) 2. In essence, virtuousness within organizations is less likely to draw attention unless it is associated with practical and tangible outcomes. Fortunately, there is a valid basis to believe that virtuousness and organizational performance are positively correlated and mutually reinforcing.

METHODOLOGY

The choice of an explanatory research design was made because it allows for the examination of population characteristics, current practices, conditions, or needs while also providing valuable insights for formulating research questions. According to Mugenda and Mugenda (2013), the explanatory research design is particularly valuable for exploring the current status of two or more variables. In the realm of social science research, a significant proportion of studies utilize the explanatory research design due to its ability to facilitate a comprehensive understanding of a specific situation, investigate cause-and-effect relationships, and explore the connections between different variables, as noted by Asawo (2018). Therefore, this study employed the explanatory research design.

Data analyses

Distribution for Dimensions of organizational virtuousness

	N	Minimum	Maximum	Mean	Std. Deviation
Empathy	172	1.00	5.00	3.8820	.282405
Valid N (list wise)	172				

Source: Survey data, 2023

The table above illustrates the summary of the descriptive statistics on the measures of the predictor variable: organizational virtuousness. From the three measures of the variable (Empathy), the dimension are revealed to have higher mean scores which indicate agreement and affirmation by the respondents to the presence and significance of the two dimensions within their respective organizations. The third dimension has a low mean scale value indicating that integrity, though a measure of virtuousness is relatively weaker than the other two dimensions.

Distribution for Dimensions of organizational performance

	N	Minimum	Maximum	Mean	Std. Deviation
Productivity	172	1.00	5.00	4.15232	.31128
Increase in market share	172	1.00	5.00	3.8343	.28934
Valid N (list wise)	172				

Source: Survey data, 2023

The table above illustrates the summary of the descriptive statistics on the measures of the criterion variable, organizational performance. The two measures of the variable (productivity and increase in market share) the two measures are revealed to have higher mean scores which indicate agreement and affirmation by the respondents to the presence and significance of the two dimensions within their respective organizations.

Organizational virtuousness and the Measures of performance

			empathy	**Productivity**
Empathy	Correlation	.772*	1	.927*
	Sig. (2-tailed)	.000		.000
	N	172	172	172
Productivity	Correlation	.640*	.927*	0.84
	Sig. (2-tailed)	.000	.000	
		172	172	172

*. Correlation is significant at the 0.05 level (2-tailed).
Source: Field survey, 2023 R^2=.786

There is no significant relationship between empathy and productivity of fast food companies.

The relationship between organizational empathy and productivity is revealed to be significant given the observed correlation: .772 and a p-value of .000 which is less than 0.05. The correlation value shows a strong and significant relationship between both variables at a 95% confidence interval. The positive sign value of .772 and R^2 value of 0.60 reveals a direct relationship between empathy and productivity, which indicates that the more a fast food company exhibits better understanding of customers, the higher its productivity. Based on the above analysis, the hypothesis of no significant relationship between empathy and productivity of fast food companies in Port Harcourt (Null) hypothesis is rejected based on the decision rule of $P < 0.05$. We therefore accept the alternative hypothesis and restate the hypothesis that empathy is significantly associated with productivity.

Testing of Hypotheses

Organizational virtuousness and the Measures of performance

			Empathy	Increase in market share.
Empathy	Correlation	.772"	1	.927"
	Sig. (2-tailed)	.000		.000
	N	172	172	172
Market share.	Correlation	.756"	.927"	0.938
	Sig. (2-tailed)	.000	.000	
	N	172	172	172

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

Source: Field survey 2023 Correlation 0.938
R^2= 0.880

Organizational virtuousness and the Measures of performance

			Empathy		Productivity
Empathy	Correlation	.772"	1		.927*
	Sig. (2-tailed)	.000		.000	
	N	172	172		172
Productivity	Correlation	.640"	.927*		**1**
	Sig. (2-tailed)	.000	.000		
	N	172	172		172

*. Correlation is significant at the 0.05 level (2-tailed). Source: Field survey, 2023 R^2=.786

Summary

The results of this study provide strong support for the hypothesis that organizational virtuousness is significantly and positively linked to organizational performance. When employees harbor negative perceptions of their organizations, it often leads to reactions such as resentment, hostility, self-centeredness, blame-shifting, and a desire for retribution. These findings align with previous research by Brockner (1988) and Kozlowski, Chao, Smith, and Hedlund (1993). These negative attributions, in turn, result in a decline in performance over time, as demonstrated by Cole (1993) and Cameron, Freeman, and Mishra (1993). An organization's failure to demonstrate virtuousness can have serious consequences, including a decline in customer service quality and delivery (Baker, 2000; Putnam, 2000), an increase in voluntary turnover, and a decrease in innovation. Additionally, commitment, loyalty, and trust are severely eroded, and employees develop a negative, non-virtuous perception of the organization.

Conversely, these findings suggest that in organizations where virtuousness prevails, performance remains stable or improves. Virtuousness exhibits positive correlations with innovation, customer retention, low employee turnover, service quality, and profitability. These results can be explained by the amplifying and buffering functions of organizational virtuousness. Exposure to virtuous behavior evokes feelings of inspiration, awe, gratitude, and other positive emotions. This, in turn, broadens individuals' interests and accessibility to new ideas and information."

Conclusion

This study aimed to analyze the concept of organizational virtuousness in relation to performance, particularly within fast food companies, which have received limited empirical research attention in this context. The findings underscore the existence of a positive relationship between virtuousness and organizational performance, even in organizations that may be susceptible to the negative effects of downsizing. When organizations exhibit virtuous behavior among their members and foster it through their systems and processes, they tend to achieve superior outcomes. These relationships are explained by the amplifying and buffering functions of organizational virtuousness.

Recommendations

1. Foster positive attitudes toward work and the challenging work environment, and dispel any preconceived notions or stereotypes that employees may bring from other organizations. Fast food companies should strive to create a warm and welcoming atmosphere in their overall business environment. It would be beneficial to organize regular interactive sessions to address employees' attitudes toward work. This proactive approach can help cultivate a positive outlook and consequently enhance employee performance.

2. To enhance the service provided by employees, fast food companies should establish a sense of empathy with the staff who interact with customers. This can be achieved through ongoing assessments of employees' needs. One of the key objectives in these interaction sessions should be the development of critical areas, including customer care, leadership skills, time management, service quality, consistency, and problem-solving abilities. Focusing on these areas can significantly impact employee performance.

3. For fast food operators and their activities to remain relevant, it is imperative for them to embrace values such as unwavering integrity, compassionate support, enthusiasm, warmth, empathy, and inspiration. This alignment with contemporary emphasis on organizational virtuousness is crucial for their continued success.

REFERENCES

Ang. S.H, & Low S.Y.M (2000). In search or Marketing Imagination factors affecting the creativity of Marketing Programs for Mature Products Psychology and Markets 17 (10). 835-854.

Aristotle, Metaphysics XII, 7, 3-4.

Asawo, S. P. (2018) “Lecture notes on Research Methodology”, Department of Management, Rivers State University, Port Harcourt

Asche, S.E. (1952) *Social Psychology.*Englewood Cliffs, NJ: Prentice Hall.

Baker, Wayne (2000): *Achieving Success Through Social Capital.*San Francisco: Jossey-Bass.

Bateman, T.S., and Organ, D.W. (1983): "Job satisfaction and the good soldier: The relationship between affect and employee ‘citizenship’.” *Academy of Management Journal,*26: 587- 595.

Batson, C.D., Klein, T.R., Highberger, L., and Shaw, L.L. (1995). “Immorality from empathy- induced altruism: When compassion and justice conflict.” *Journal of Personality*and *Social Psychology,*68: 1042-1054.

Baumeister, R.F. and Exline, J. J. (1999). "Virtue, personality, and social relations: Self-control as the moral muscle.” *Journal of Personality,*67: 1165-J194.

Bennett, A. (1991) “Downsizing doesn’t necessarily bring an upswing in corporate profitability.” *Wall Street Journal,*June 6: B1, B4.

Berkowitz, L. (1972) “Social norms, feelings, and other factors affecting helping and altruism.” In Berkowitz, L. (Ed.) Advances in Experimental Social Psychology, 6: 63-108. New York: Academic Press.

Cameron, Kim S., Kim, Myung U., and Whetten, David A. (1987) "*Organizational Effects of Decline and Turbulence*Administrative Science Quarterly, 32: 222-240.

Cascio, Wayne F., Young, Clifford E., and Morris, James R. (1997) “Financial consequences of employment change decisions in major U.S. corporations.” *Academy of Management Journal,*40: 1175-1189.

Cassell, Eric J. (2002) “*Compassion*.” In Snyder, C.R. and Lopez, Shane J. (2002) *Handbook of Positive Psychology*, (pages 434-445) New York: Oxford University Press.

Enoma, A. and Isedu, M. (2011). The Impact of Financial Sector Reforms on Non-Oil Export in Nigeria, *Journal of Economics,*2(2): 115-120.

Ettah, B.E., Akpan, O.D. and Etim, R.S. (2011): Effects of Price and Exchange Rate Fluctuations on Agricultural Exports in Nigeria, *International Journal of Economic Development Research and Investment,*2(1).

Nnabuife, K. E. (2005). Industrial Democracy in Nigeria Organizations: A Comparative Analysis of selected Banks and Oil Companies. *An Unpublished Ph.d Dissertation,*Faculty of Management Sciences, University of Port Harcourt.

Nwielaghi, B. M. (2003). Trade sales promotion strategies and marketing performance in the soft drink industries in Nigeria. *A PhD thesis*yet defended, University of Port-Harcourt.

Ogon, B. Y. (2007). *Strategic Information Systems Planning in the Nigeria Banking Sector.*A Ph.D Dissertation, Rivers State University of Science and Technology, Port Harcourt.

Ogun, O (2006). Real Exchange Rate Behaviour and Non-oil export Growth in Nigeria. *African Journal of Economic Policy*, 11(1).

Uzor, B. (2011): Poor Internet service persists, telecoms reluctant to share fibre infrastructure. *Business Day, 9,*12-14.

Walz, S.M. and Niehoff, B.P. (2000) "Organizational citizenship behaviors: Their relationship to organizational effectiveness." *Journal of Hospitality and Tourism Research,*24: 301-319.

Weick, K.E., Sutcliffe, K.M., and Obstfeld, D. (1999) Organizing for high reliability: Processes of collective mindfulness" *Research in Organizational Behavior,*21:81- 123.

Weiner, N.O. (1993). *The Harmony of the Soul: Mental Health and Moral Virtue Reconsidered.*Albany, NY: State University of New York Press.

Weiser, John & Zadek, Simon. (2000) Conversations with believers: Persuading Companies to Address Social Challenges. The Ford Foundation.

Worline, M.C. Dutton, J.E., Frost, P.J., Kanov, J., and Maitlis, S. (2002) "Creating fertile soil: The organizing dynamics of resilience." *Working paper*, University of Michigan Business School.

Worthington, E.L. (1998) *Dimensions of Forgiveness: Psychological Research and Theoretical Perspectives.*Philadelphia: Templeton Foundation Press.

Yaqub, J.O. (2010). Exchange Rate Changes and Output Performance in Nigeria: A Sectorial Analysis. *Pakistian Journal of Social Sciences*, 7 (5): 12-19.

Zeb-Obipi, I. (2007). *Worker competence Management and corporate productivity performance.*A Ph.D Dissertation, Rivers state University of Science and Technology, Port-Harcourt.