

Organizational Resilience and the Attention-based View of the Firm



TH Aschaffenburg
university of applied sciences

Empirical Evidence from German SMEs

Motivation

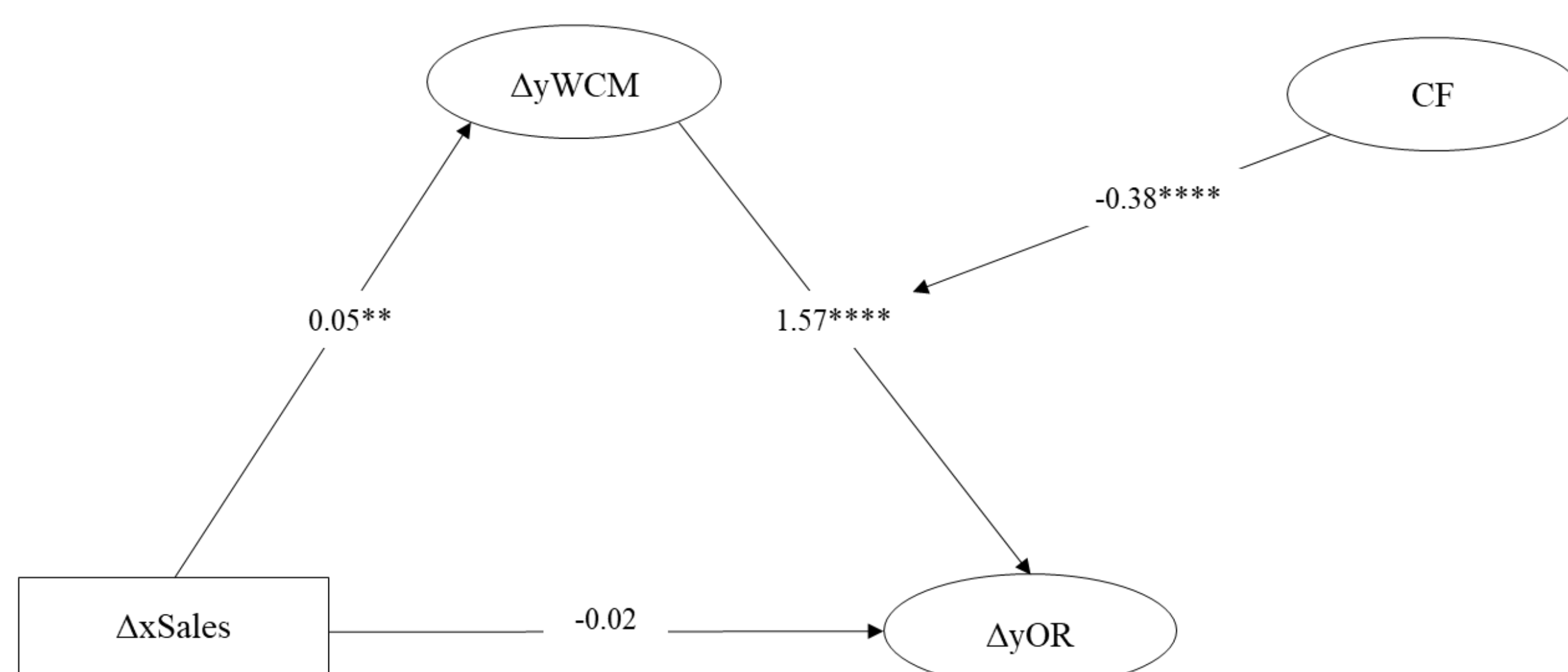
- In the relevant literature on organizational resilience (OR) and the attention-based view of the firm, it is an open question of how managerial attention responds and how the focus of managerial attention shifts to OR and working capital management (WCM) when a crisis occurs, how to measure this attentional shift and which role cognitive flexibility (CF) plays in this process.

Methodology

- We employed a survey design and collected data through email survey to 349 top- and middle-management employees in German SMEs in November 2021 (the response rate is 307 (87.98 %)).
- We used a corresponding seven-point Likert scale for each of the three measurement constructs (OR, WCM, CF), ranging from (1) to (7).

Results

- We found an indirect-only effect of the change in 2020 to 2019 sales (Δx_{Sales}) on the shift of top-management's attention on organizational resilience (Δy_{OR}) mediated by the shift of top-management's attention on working capital management (Δy_{WCM}). Furthermore, we found a moderating effect of cognitive flexibility (CF) on the effect between Δy_{WCM} and Δy_{OR} .



Levels of Significance: *: $p < 0.10$; **: $p < 0.05$; ***: $p < 0.01$; ****: $p < 0.001$

Discussion

- Managerial focus-adaptation to WCM is an important mediator to enforce focus-shifts to OR. The positive correlation between crisis-driven managerial focus-shifts to WCM and focus-shifts to organizational resilience describes reactive action of managers.
- The higher the grade of cognitive flexibility the lower the impact of focus adjustment to OR. Managers with a higher cognitive flexibility achieve a sustainable organizational resilience without extensive focus adjustments.



Literature (Selection)

- Ocasio, W. 1997. Towards an Attention-based View of the Firm.
- Hillmann J. & Guenther E. 2021. Organizational Resilience: A Valuable Construct for Management Research?

Contact

M.Sc. (TUM) Max M. Weber
Dipl.-Kfm. Peter Kokott, LL.M. (Com.)
Prof. Dr. Peter G. Rötzel, LL.M.
Behavioral Accounting and Finance Lab
Maximilian.Weber@th-ab.de
Peter.Kokott@th-ab.de