

## Organizational culture and managerial decision making quality in the maquiladora industry in Ciudad Juárez, Chihuahua

### La cultura organizacional y la calidad de las decisiones gerenciales en la industria maquiladora de exportación en Ciudad Juárez, Chihuahua

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#### Abstract

The objective of this research was to identify the relationship between the organizational culture and the quality of managerial decisions in the companies of the export maquiladora industry sector in Ciudad Juárez, Chihuahua, Mexico. For this, a quantitative methodology was used, of non-experimental design, descriptive and correlational transactional. It was considered as a unit of analysis to companies of the maquiladora export industry of the automotive, electrical and electronic sectors, established in Ciudad Juárez, Chihuahua. 105 companies with these characteristics were identified. The field work was carried out with 50 companies, a questionnaire was used, which was applied to a manager and a subordinate in each participating company, a total of 94 questionnaires were collected. The results obtained show that the organizational culture has a positive relationship with the quality of managerial decisions in the export maquiladora industry. Therefore, to improve the quality of managerial decision-making, companies should promote a culture with a focus on participatory leadership, promote an environment of openness to new ideas and define the values that guide the performance of its members.

**Organizational culture, decision making quality, maquiladora industry**

#### Resumen

El objetivo de esta investigación fue identificar la relación entre la cultura organizacional y la calidad de las decisiones gerenciales en las empresas del sector de la industria maquiladora de exportación en Ciudad Juárez, Chihuahua, México. Para ello, se utilizó una metodología cuantitativa, de diseño no experimental, transeccional descriptivo y correlacional. Se consideró como unidad de análisis a empresas de la industria maquiladora de exportación de los sectores automotriz, eléctrico y electrónico, establecidas en Ciudad Juárez, Chihuahua. Se identificaron 105 empresas con estas características. El trabajo de campo se realizó con 50 empresas, se utilizó un cuestionario, el cual fue aplicado a un gerente y a un subalterno en cada empresa participante, se recolectó un total de 94 cuestionarios. Los resultados obtenidos muestran que la cultura organizacional tiene una relación positiva con la calidad de las decisiones gerenciales en la industria maquiladora de exportación. Por lo tanto, para mejorar la calidad de la toma de decisiones gerenciales, las empresas deben fomentar una cultura con enfoque en un liderazgo participativo, promover un ambiente de apertura a nuevas ideas y definir los valores que guíen la actuación de sus integrantes.

**Cultura organizacional, calidad de las decisiones, industria maquiladora**

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## Introduction

Managers act and make decisions to ensure compliance with the objectives of the company (Olivares, 2015). In this regard, management decisions are a key factor impacting organizational performance, because through them the resources are optimized and remain in the market is ensured.

There are several elements of the organizational environment involved in making management decisions, including organizational culture.

Culture is the set of values, norms, beliefs and learning experiences that lead to basic assumptions shared by members of an organization and which are transmitted to the new members (Daft, 2007; Schein, 2010).

Tura (2012), suggests that organizational culture is not only focused on the beliefs, values and behavior of individuals, but also in management decisions because it is a variable that determines the performance of managers. Members of an organization are carriers of culture, which is manifested through their behavior.

Likewise, organizational values as part of culture, have a great influence on the decisions and guide individuals towards ethical decision-making (Ferrell, Fraederich and Ferrell, 2015).

According to Kotter (2012), the organizational culture of the century, should be geared towards the empowerment of the workforce, rapid decision-making, openness, non-bureaucratic structure with few rules and less hierarchical levels.

In this regard, identify the factors of organizational culture that impact the quality of management decisions, will provide best practices that will help improve organizational performance. In this regard, several authors mention that the quality of decisions is a determinant of organizational effectiveness (Rodriguez Pedraja and Araneda, 2013; Negulescu and Doval, 2014)

Therefore, it was established objective of this research to identify the relationship between organizational culture and quality of managerial decisions in companies belonging to the sector of the maquiladora industry in Ciudad Juarez, Chihuahua, Mexico.

## Methodology

The nature of this research was quantitative, non-experimental, descriptive and correlational transeccional. The variables and indicators that were considered in this study are shown in Table 1.

Variables	Indicators
Dependent variable: Quality of decisions	Achievement of goals. successful and timely solution. Creating value for the company.
independent variable: Organizational Culture	participative leadership. Flexibility. Organizational values.

**Table 1** Variables and indicators

Source: Own Source

Data collection was conducted through survey method, questionnaire managerial decision making and organizational performance home-made, which was previously validated by an expert group was administered. To determine the reliability of the instrument Alpha Cronbach was used. Items presented an excellent level of reliability with values above 0.9. For the preparation of the section of the questionnaire relating to the quality of decisions taken as reference measuring instrument designed by Rodriguez Pedraja and Araneda (2013).

It was considered as the unit of analysis to companies in the maquiladora export industry in the automotive, electrical and electronics sectors, established in Ciudad Juarez, Chihuahua. 105 companies with these characteristics were identified. To do this, sampling frame was taken as the Board of the Association of Maquiladoras - Index Juarez (2016). Considering the number of companies raised a census intended to include all of them in the studio.

Based on the above, the fieldwork was conducted with 50 companies that met the required characteristics for this research distributed in the branches: automotive, electricity sector and the electronics sector.

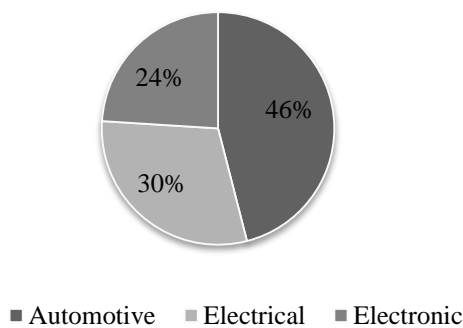
In each participating company, the questionnaire was administered to a manager and a subordinate (employee who reports directly). Of the 50 participating companies, 44 collaborated with the double application of the questionnaire and 6 with a questionnaire, whereby a total of 94 questionnaires were collected. The information collected was processed and analyzed using SPSS statistical software.

**Results**

3.1 Partner labor indicators participants in the sample, 3.2 Descriptive analysis of the variables studied, 3.3 Results of the study variables and 3.4 Relationship between indicators of organizational culture variable and indicators: This section contains four sections are presented variable quality of decisions.

**Labor indicators partner 3.1**

Graphic 1 shows the distribution by industry sector of the companies participating in the study.



**Graphic 1** industry  
Source: Own Source.

This research involved 50 companies export assembly plants, of which 46% belongs to the automotive sector, 30% to the electricity sector and 24% electronic. The three sectors are those that bring together the largest number of maquiladoras export companies in Ciudad Juarez, Chihuahua. Table 2 shows the distribution by gender and place of study participants shown.

Job		
Gender	Manager	Junior
Male	80%	73%
Female	twenty%	27%
Total	100%	100%

**Table 2** Gender and place  
Source: Own Source

And junior management positions are occupied mostly by men, with 80% and 73% respectively. Below in Table 3 the age distribution and position of the participants in the study is shown.

Job		
Age (years)	Manager %	Junior %
20 to 30	4	30
31 to 40	36	39
41 to 50	38	twenty
51 and more	14	two
ND	8	9
<b>Total</b>	<b>100%</b>	<b>100%</b>

**Table 3** Age and position  
Source: Own Source

The above results show that 74% of managers have an age range between 31 to 50 years, averaging 41.8 years of. While 69% of subordinates have an age range from 20 to 40 years and an average of 35.4 years. Table 4 shows the educational background of the participants in this research is shown.

Job		
Academic training	Manager %	Junior %
High school preparatory	0	5
Bachelor's degree	72	81
master's degree	16	5
Doctorate	4	0
ND	4	two
<b>Total</b>	<b>100%</b>	<b>100%</b>

**Table 4** Educational background  
Source: Own Source

72% managers have undergraduate level and 16% master. While 81% of participants with subordinate positions have degree and 5% have the degree of mastery.

**Descriptive analysis**

Table 5 shows the results of descriptive analysis of the variables studied. It can be appreciated that scores tend to be at the maximum value of the scale, with low variability in responses.

Variable	Indicator	Half	Standard deviation
Quality of decisions	Achievement of goals.	2.87	.415
	successful and timely solution.	2.85	.354
	Value creation.	2.91	.331
Culture organizational	Leadership: empowerment (empowerment).	2.81	.491
	Leadership: participatory decision-making.	2.80	.498
	Flexibility.	2.90	.298
	Values.	2.70	.528

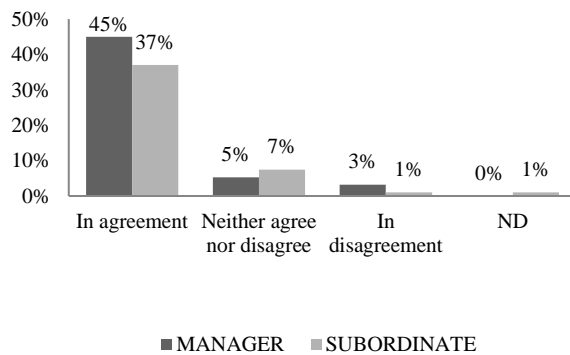
Table 5 Descriptive analysis

Source: Own Source

Results of the study variables

Participative leadership (Figures 2 and 3), flexibility (Graphic 4) and organizational values (Graphic 5), then the results are presented: for the study of organizational culture Variable 3 indicators were considered.

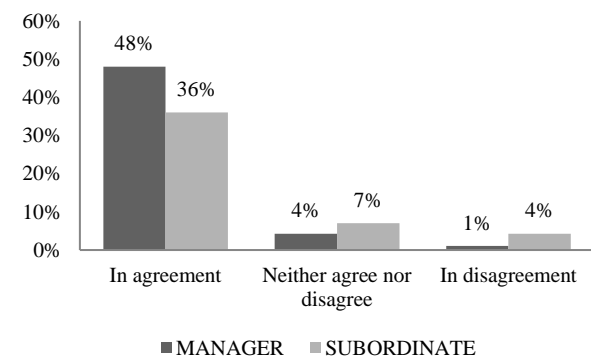
Organizational culture:



Graphic 2 Empowerment (Empowerment) employees

Source: Own Source

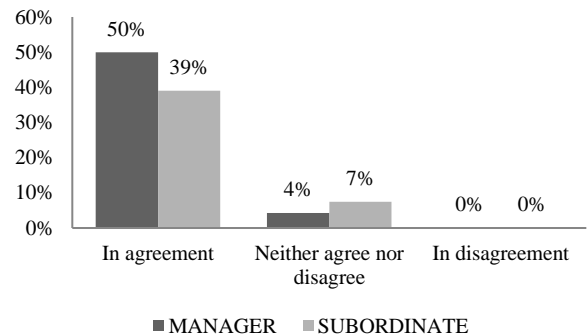
82% of respondents agree that the company encourages employee empowerment; however, 12% is neutral about this statement and the remaining 4% disagree.



Graphic 3 Participatory decision-making

Source: Own Source

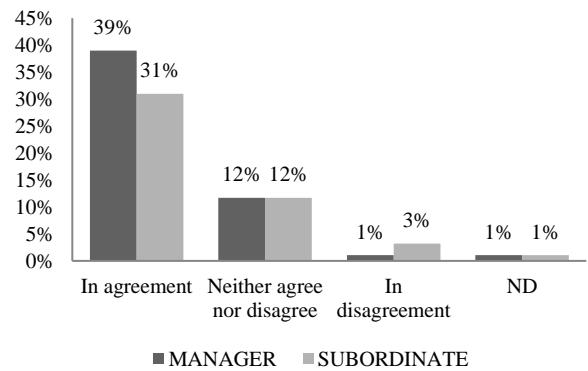
In Graphic 3 we can see that 84% of workers said that the company where they work the participatory decision-making is encouraged, while 11% had a neutral stance and 5% disagree with this statement.



Graphic 4 Openness to new ideas

Source: Own Source

Graphic 4 shows that 89% of respondents agree that there is an atmosphere of openness to new ideas in the company where they work, while 11% remain neutral.



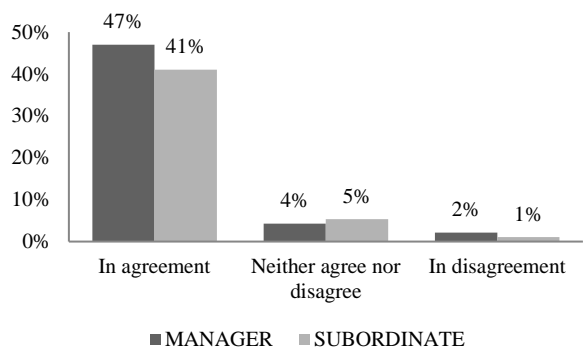
Graphic 5 Organizational values

Source: Own Source

Chart 5 shows that 70% of employees are agreeing that organizational values guide decision-making, however 24% maintained a neutral stance and 4% disagree with this premise.

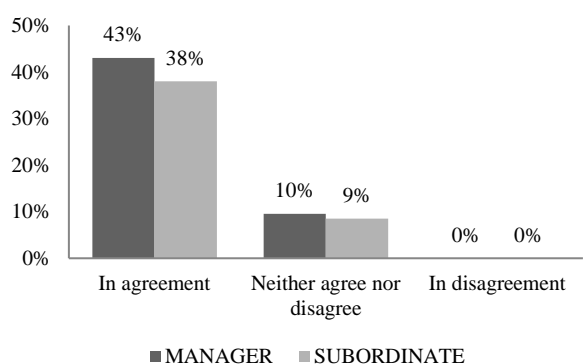
Quality of decisions:

The variable quality of decisions was assessed through indicators: achievement of objectives (Graphic 6), successful and timely (Graphic 7) solution and value creation for the company (Graphic 8).



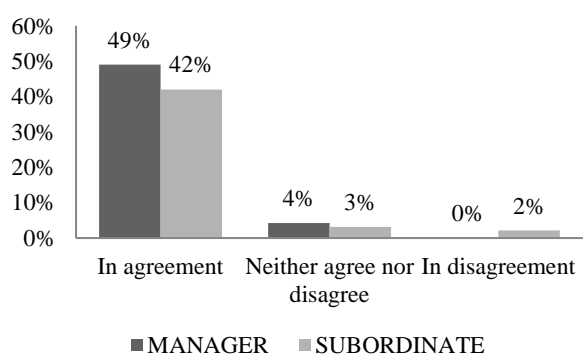
Graphic 6 Compliance objectives  
Source: Own Source

According to the results shown in Graphic 6, 88% of respondents believe that decisions taken by management allow compliance with company goals, 9% maintains a neutral stance and only 3% say being in disagreement.



Graphic 7 Successful and timely solution  
Source: Own Source

In the graphic7 it observed that 81% of respondents said that decisions taken by management generate accurate and timely, while 19% remain neutral.



Graphic 8 Creating value for the company  
Source: Own Source

With regard to the indicator value creation for the company, Chart 8 shows that 91% of respondents believe that management decisions create value for the company, while 7% have a neutral stance and 2% you disagree with this statement.

Relationship between indicators of organizational culture variable and variable indicators of quality of decisions

To find out if the independent variable organizational culture and the dependent variable quality of decisions, are related statistical chi square test was used.

The hypothesis for the chi square test was defined as follows:

H0: There is no relationship between the organizational culture and quality of decisions.

H1: There is a relationship between the organizational culture and quality of decisions.

The decision rule is: it rejects the H0: if  $X^2 > X^2_u$

Table 6 shows the results of the chi-square test between organizational culture variable and the variable quality of decisions.

One can see that there is a positive relationship between organizational culture and quality of decisions, which the null hypothesis is rejected.

This confirms that a participatory leadership that encourages employee empowerment and foster decision-making, is a determinant of the quality of decisions.

Chi square			
Independent Variable:	Dependent variable:	X <sup>2</sup> value	X <sup>2</sup> U value
Organizational Culture	Quality of decisions		
participatory leadership:	Achievement of goals.	50921	9,488
empowerment (Empowerment) is encouraged.	successful and timely solution.	31.104	5,991
participatory leadership:	Achievement of goals.	95238	9,488
participatory decision-making is encouraged.	successful and timely solution.	73482	5,991
	Creating value for the company.	94837	9,488
Flexibility: There is openness to new ideas.	Achievement of goals.	38509	5,991
	successful and timely solution.	17,603	3,841

	Creating value for the company.	25,933	5,991
organizational values: guide decision-making.	Achievement of goals.	95833	9,488
	successful and timely solution.	31,327	5,991
	Creating value for the company.	169070	9,488

**Table 6** Chi Square test of organizational culture variables and quality of decisions

Source: Own Source

The results show that a flexible work environment with openness to new ideas, positive impact on the quality of decisions. Which is consistent with research by Rodriguez, et al (2013), who mentioned that to achieve higher levels of success in making strategic decisions, it is recommended to promote cognitive flexibility through discussion of different ideas, and the analysis of different perspectives and opinions.

This is consistent with the literature (Parnell, Bresnick, Tani and Johnson, 2013) where it is mentioned that the decision cannot be done in a way isolated in the organization, you should consider the problem context, culture and the environment organizational. One of the main factors of culture is the style of leadership, which includes the degree of authority, delegation, commitment, participants in decision-making and openness to new ideas and innovation.

Another important finding is observed in the results is the role of organizational values to guide decision-making and positively impact the quality of them.

## Conclusions

The results obtained in this research can be concluded that in the maquiladora industry in Ciudad Juarez, Chihuahua, organizational culture has a positive relationship with the quality of management decisions. Therefore, to improve organizational performance through management quality decisions, companies must foster an organizational culture focused on participatory leadership that promotes empowerment (empowerment) of employees, decentralization of decisions and geared towards participatory decision-taking.

Likewise, organizations must be an environment of openness to new ideas, contribute to enhancing managerial decision making through diversity of thought of individuals.

Organizational values represent an important ethical aspect to provide quality paper management decisions. Therefore, it is recommended that companies define and promote the values that will guide the actions of its members.

Finally, the results of this research are consistent with the approach of Blanchard (2010), who holds that in high performing organizations, leadership practices promote collaboration and involvement; It is assumed leadership at every level of the organization; leaders apply the values of the organization; and power and decision-making are shared throughout the organization.

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