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Perceptions of middle-top management on organizational performance in agriculture manufacturers in Yangon, Myanmar

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Abstract

Purpose: This research aims to investigate middle-top management on the factors impacting organizational performance which are novelty-center business model innovation, continuous improvement, transformational leadership, competitive advantages, and employee performance. **Research design, data and methodology:** The researcher employed quantitative method through online questionnaire distribution to 450 participants who are middle-top management and have been working at least one year in five agriculture manufacturers in Yangon, Myanmar. Sampling techniques used were purposive sampling, stratified random sampling and convenience sampling. Before the data collection, Item Objective Congruence (IOC) was conducted for content validity test and Cronbach's Alpha (CA) was employed for pilot testing of the items' reliability. Afterwards, Confirmatory Factor Analysis (CFA) and Structural Equation Model (SEM), including model fit, reliability, and validity were applied. **Results:** Continuous improvement had a significant impact on competitive advantage as well as the relationship between transformational leadership and employee performance. Furthermore, competitive advantage and employee performance significantly impacted organizational performance. In contrary, novelty-center business model innovation had no significant impact on competitive advantage. **Conclusions:** Academic researchers are recommended to further investigate factors influencing organizational performance and business executors should promote leadership to enhance employee performance and build business model innovation to gain competitive advantage.

Keywords: Novelty-Center Business Model Innovation, Continuous Improvement, Transformational Leadership, Competitive Advantages, Organizational Performance.

JEL Classification Code E44, F31, F37, G15

1. Introduction[1][2]

Most organizations have been seeking to increase and sustain their organizational performance through business model innovation, strategic management and people development. There are abundant of business practices to strategize for organizational development (Halecker et al., 2014). In research context, agricultural sector in Asia has been the top world export countries. Myanmar have been one of the countries in Southeast Asia where the country has abundant of natural resources and has widely supplied the agricultural products to the world. Yangon is the largest city in Myanmar where it has numerous manufacturers that are major contributors of country's GDP (HKTDC Research, 2021). Consequently, this study provides the background of Myanmar and its agriculture sectors as well as what are determinants impacting organizational performance of the particular industry.

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Myanmar has a population around 54 million people and generally has GDP around USD 81.3 billion, ranked 66 out of 194 countries in the world as of year 2020-2021. The GDP per capita showed around USD 1,527 and ranked 155 out of 194 countries in the world. For external trade, there was around 60.7% as of 2018. Ease of doing business presented that Myanmar is 165 out of 190 in world ranking. In comparison with other ASEAN countries, Myanmar is a smallest GDP per capita. In the past years, the country has been in the reformation of politics and economics. Nevertheless, the ongoing social and political issues have been devastated Myanmar's economy since the taken over by the military in February 2021. The issues have impacted the restriction of mobility, insufficient labors, investment drop and nationwide protest. The political challenges in Myanmar have hindered the consumption and economic growth the past few years (HKTDC Research, 2021).

Agriculture is an economic backbone of Myanmar which accounts 21% of the country's exports, subjects 56% of Myanmar's workforce, and contributes 32% of GDP. The growth of economic and social welfare has faced the difficulties since the advance tools have not been encouraged and invested by the government. The key success factor of Myanmar relies on agriculture development which requires a large support from the government. The agriculture sector in Myanmar has not yet been sufficient for domestic consumption and has been far behind regional or global competitors such as Thailand, Loas, Vietnam, etc. (Statista Research Department, 2022)

Agriculture sector in Myanmar have been facing the remarkably downturn in the history as the GDP since 2010 of almost 8% dropped to 1.78% in 2021. It leads to the domino effect to the manufacturers of agricultural products and its ecosystem. As manufacturers of agricultural product have been contributed the large GDP and have been the major source of export income, and determine the healthy domestic consumption (World Bank Development Indicators, 2020). To remain competitive in the international market, Myanmar businesses have to push 10X to survive from uncertain political situation and Covid-19 pandemic (Saleh et al., 2018). Particularly, production firms have been encountered with intense competitive and challenging climate. Consequently, they should build the accelerated factors that drive organizational performance to win domestic and international markets (Nguyen & Chau, 2017). Nonetheless, the impact of organizational performance has been argued on what factors could be greatly predicted (Chege & Bett, 2019).

Organizational performance is a vital aspect to study of both academic and business practitioners. This research could be a significant contribution for the business, society and economic aspects. For academic scholars, there is still a research gap on what factors could contribute to organizational performance. After the review of literatures, the defined influencers of organizational performance have not been adequately theorized and the findings are fragmented. Furthermore, agricultural manufacturing as a target sample is still limited. As well as, the perception of middle-top management is a specialized group that is not sufficient in most studies.

2. Literature Review

2.1 Novelty-center Business Model Innovation

The concept of business model has been initiated in the literatures of innovation management and entrepreneurship. Amit and Zott (2001) provide the definition of business model innovation as "The content, structure and governance of transactions designed to create value through the exploitation of business opportunities." The primary feature is to understand the concept of business which involves business transactions with external parties, marking to business opportunities' exploitation and value proposition. Zott et al. (2011) denoted that business model has gained widely attention from many scholars and academic practitioners to predict competitive advantage and improvement of organizational performance (Foss & Saebi, 2017; Heikkila et al., 2018; Zott & Amit, 2008). Under this context, agriculture manufacturers desire to gain a market position in the domestic and international markets to create competition advantage and organizational performance by business model innovation (Xu et al., 2020). Consequently, the significant impact of novelty-centered business model and competitive advantages is confirmed per a proposed hypothesis:

H1: Novelty-center business model innovation has a significant impact on competitive advantage of agriculture manufacturers in Yangon, Myanmar.

2.2 Continuous Improvement

Continuous improvement is described as "a production and delivery of products/ services to customers with less defects, less human effort, less space, less equipment, less materials and less time required". Hence, non-value-adding practices and discrepancy are removed from business procedure. Continuous improvement is also known as "Kaizen" which is defined as "the improvement of structures, using methods like DMAIC, which is short for Define, Measure, Analyze, Improve and Control". Kaizen refers to a cycle of improvement that solve problems in operation, assessment and standardization (van Kollenburg & Wouters, 2019). Continuous improvement is assured to be a ladder for accomplishing operational excellence to improve the total quality and competitive advantages of a firm (Singh & Singh, 2015). In the industrial world,

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successful continuous improvement has been witnessed by the quality managers in the manufacturing activities. The application of continuous improvement is the attempt to reduce time and expenses of the business which in turns to enhance competitiveness (Dhillon, 1988). Thus, a following research hypothesis is put forward:

H2: Continuous improvement has a significant impact on competitive advantage of agriculture manufacturers in Yangon, Myanmar.

2.3 Transformational Leadership

Transformational leadership is a characteristic of leadership that facilitate creativity, persistence, motivation, awareness, and inspiration of employees in order to understand company's objectives or desires (Prabowo & Irawanto, 2018). Boehnke et al. (2003) urged that transformational leadership has an ability to cascade a realistic vision for the future of the firm which attract awareness and enhance the intelligence and diversity of followers. The transformational leaders can produce a great impact for both individual and organizational levels (Prabowo & Irawanto, 2018). Leadership plays a key role to maximize employee performance (Jaruwanakul, 2021). The relationship explains the collaboration between leaders and employees to solve the existing problem in an organization (Ekowati et al., 2013). Transformational leadership has a significant impact on employee performance because the style of transformational leaders in manufacturing is expected to offer dynamic culture and climate to improve employee performance (Noermijati, 2015). Buble et al. (2014) stated that the ability of transformational leadership is to motivate the efficiency of employee and serve organizational performance. Based on the above discussion, a hypothesis is proposed:

H3: Transformational leadership has a significant impact on employee performance of agriculture manufacturers in Yangon, Myanmar.

2.4 Competitive Advantages

Competitive advantage is defined as "the ability of a company to gain market dominance over its competitors". A competitive advantage provides above average effectiveness or organizational performance in long-term (Kaleka & Morgan, 2017). The strong competitive advantages involve customer demands, business performance, resources allocation and market opportunities (Falih et al., 2020). The competitive advantage has remarkably received awareness due to it significantly facilitate organizational performance (Davcik & Sharma, 2016). An organization aims to response their customers' needs better by adjusting their value creation, differentiation an innovation to overcome its competitors (Kamukama et al., 2011). Most businesses focus on higher profitability and sustainability. Production and sales techniques with the cost control can minimize the costs of tools, operations and resources etc. (Kang & Na, 2020). The report of Morgan (2012) affirmed that the internal and external resources built to organizational performance are derived from competitive advantages. Rose et al. (2010) established that the competitive advantage is a main influencer of strategic management which determine organizational success. Consequently, H4 is set:

H4: Competitive advantage has a significant impact on organizational performance of agriculture manufacturers in Yangon, Myanmar.

2.5 Employee Performance

The organizational success can be built up from the human capitalization and people development. Brown and Arendt (2010) defined employee performance as what is done or not done by employees who are the valuable asset and engine that drive an organization. Employee performance can be measured by the level of their performance, leading to organization's achievement. Many organizational development and behavioral studies have investigated an association between employee and organizational performance (Almatrooshi et al., 2006). The concept of employee performance can produce of employee satisfaction, which captures the favorable feeling of employee in the work environment. Various studies have addressed the positive performance of employee can greatly contribute to organizational performance (Ganguly, 2010). Some studies attained the performance depends on various factors such as good relationship, recognition, communication, co-workers, incentives, personal development and job security (Irving & Montes, 2009). Additionally, Chandrasekar (2011) stated that employee performance incurs the cost reduction, shorten process, and effectiveness which contribute to organizational performance. From the assumption, a proposed hypothesis is obtained:

H5: Employee performance has a significant impact on organizational performance of agriculture manufacturers in Yangon, Myanmar.

2.6 Organizational Performance

Organizational performance is defined as "the performance of a company as compared to its goals and objectives" (Cho & Dansereau, 2010). According to Tomal and Jones (2015) refers an organizational performance as "the actual results or output of an organization as measured against that organization's intended outputs". Organizational performance is viewed as the ultimate construct for many empirical studies and has been

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commonly used to nurture productivity of companies (Richard et al., 2009). The organizational performance has been measured in various ways and different among studies (Kirby, 2005). Organizational performance and effectiveness are different. Organizational performance incorporates three key aspects of firm results including financial performance, product market performance and shareholder return. Organizational effectiveness captures broader aspect of organizational performance including internal operations and external indicators which associated with economy, society and stakeholders. (Richard et al., 2009). According to Purnama (2013) performance is not only a productivity but the concern of appropriate freedom to perform in the role in an organization.

3. Research Methods and Materials

This study employed quantitative approach for the data collection and analysis, developed from the relevant factors affecting organizational performance in the perception of middle-top management in agriculture manufacturing in Yangon, Myanmar.

3.1 Research Framework

The previous theoretical models were investigated to construct the conceptual framework of this study. Four research frameworks were adopted and each determined the significant relationships used in the conceptual model including novelty-centered business model innovation and competitive advantages (Xu et al., 2020), continuous improvement, competitive advantages and organizational performance (Ukab, 2021), employee performance and organizational performance (Almatrooshi et al., 2016), and transformational leadership and employee performance (Prabowo & Irawanto, 2018). In this study, it composed with six latent variables and 42 observed variables.

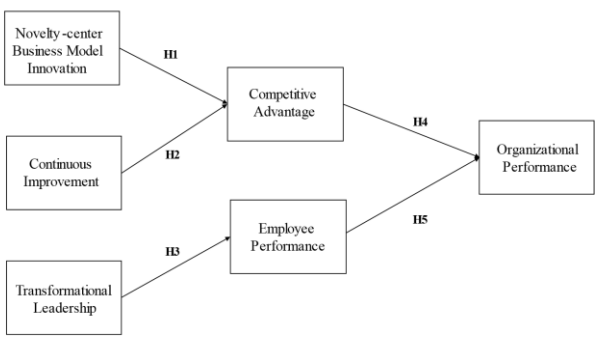

Figure 1: Conceptual Framework

Five hypotheses are proposed per followings:
H1: Novelty-center business model innovation has a significant impact on competitive advantage of agriculture manufacturers in Yangon, Myanmar.
H2: Continuous improvement has a significant impact on competitive advantage of agriculture manufacturers in Yangon, Myanmar.
H3: Transformational leadership has a significant impact on employee performance of agriculture manufacturers in Yangon, Myanmar.
H4: Competitive advantage has a significant impact on organizational performance of agriculture manufacturers in Yangon, Myanmar.
H5: Employee performance has a significant impact on organizational performance of agriculture manufacturers in Yangon, Myanmar.

3.2 Methodology

This study employed quantitative approach, distributing questionnaire to 450 middle-top managers and have been working at least one year in top five agriculture manufacturers in Yangon, Myanmar. The questionnaire was designed into three parts which are screening questions, five-point Likert scale of measuring items, and demographic questions. Prior to the data collection, Item Objective Congruence (IOC) was conducted for content validity test and Cronbach's Alpha (CA) was employed to test the items' reliability of 50 employees as a pilot test. Afterwards, the data were analyzed with descriptive analysis, normality test, Confirmatory Factor Analysis (CFA), construct validity, convergent and discriminant validities, goodness of fit indices and Structural Equation Model (SEM).

3.3 Population and Sample Size

In this study, the population is based on middle to top management who have been working in the top five agriculture manufactures in Yangon, Myanmar at least one year. The recommended sample size by Soper (2022) is 423 participants. However, 450 samples are considered to be collected to ensure adequate data size for further handling mission values and employing statistical analysis.

3.4 Sampling Technique

The sampling techniques were applied for the data collection process. Firstly, purposive sampling is to select middle-top managers who have been working at least one year in five agriculture manufacturers in Yangon, Myanmar. Secondly, stratified random sampling is to calculate the ratio from total employees of each organization as shown in Table 1. Lastly, convenience sampling is to distribute the questionnaire via online through CEOs, human resource department or given directly to employees.

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Table 1: Number of target population

Company	Approximate Population Size (Total Employee)	Sample Size	% Of total Sample Size
Company A	1072	148	32.8%
Company B	700	97	21.4%
Company C	505	69	15.4%
Company D	500	68	15.2%
Company E	500	68	15.2%
Total	**3277**	**450**	**100%**

Source: Created by the author.

3.5 Item Objective Congruence (IOC) index and Results

According to Hambleton (2005), the evaluation of content validation is necessary to be ensure before the pilot test and the full data collection to preserve or remove any ambiguity of items. The IOC rating has three different scores including; +1 (clearly measuring), 0 (degree of measures that is unclear), and -1 (clearly not measuring). Turner and Carlson (2003) provided the criteria that the accepted scale item is keen to pass at the value of half or the score of 0.5 and above.

After the IOC validation, twelve items were suggested to be removed are the evaluating score from three experts is less than 0.5. Therefore, the original number is cut off from 42 items to 30 items. In the Table 2, it shows the results before and after IOC with the remove items number of each construct. 12 removed items were NBM3, NBM6, CI2, CI4, CI5, CI7, CI10, TL1, TL7, CA6, EP7 and OP2.

Table 2: Measuring Variables (Before and After IOC)

Items	Number of Measurement		Remove Items
	Before IOC	After IOC	
Novelty-Center Business Model Innovation (NBM)	6	4	NBM3, NBM6
Continuous Improvement (CI)	10	5	CI2, CI4, CI5, CI7, CI10
Transformational Leadership (TL)	7	5	TL1, TL7
Competitive Advantages (CA)	6	5	CA6
Employee Performance (EP)	7	6	EP7
Organizational Performance (OP)	6	5	OP2
Total	***42***	***30***	***-12***

Source: Created by the author.

3.5 Reliability Test (Pilot Test)

According to Table 3, Cronbach's Alpha (CA) Reliability Coefficient was used to employ for both pilot group and in the full data collection process. Five-point Likert scale is embodied, ranging from Strongly disagree (1) to Strongly Agree (5), which properly represents the measurement scale. CA has been generally scored between 0 and 1. The acceptable value of internal consistency coefficient has been mostly agreed at the value of 0.60 and above (Cronbach, 1951). The CA coefficient value of each construct from the pilot sample of 50 participants, including novelty-center business model innovation (0.717), continuous improvement (0.805), transformational leadership (0.896), competitive advantages (0.927), employee performance (0.766) and organizational performance (0.938).

Table 3: Consistency of the Scale Test (n=50)

Variable	Number of Measurement Items		Cronbach's Alpha	Strength of Association
	Before Pilot Test	After Pilot Test		
Novelty-Center Business Model Innovation (NBM)	4	4	0.717	Acceptable
Continuous Improvement (CI)	5	5	0.805	Good
Transformational Leadership (TL)	5	5	0.896	Good
Competitive Advantages (CA)	5	5	0.927	Excellent
Employee Performance (EP)	6	6	0.766	Acceptable
Organizational Performance (OP)	5	5	0.938	Excellent
Total	***30***	***30***		

Source: Constructed by author.

3.6 Data Analysis

The data collection was derived from 450 respondents, who are middle-top managers who have been working at least one year in five agriculture manufacturers in Yangon, Myanmar. The data were analyzed through SPSS AMOS statistical software, using Confirmatory Factor Analysis (CFA) and Structural Equation Model (SEM).

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4. Result and Discussion

4.1 Demographic Profile Summary

The demographic profiles of respondents (n=450) are exhibited in Table 4. Most respondents were male (72.9%), whereas females were 27.1%. For age group, respondents were majorly between 41-50 years old and the least group was 20-30 years old of 11.3%. Bachelors' degree was the large group, acquiring 79.8%. Most respondents were junior manager of 78.0%. The majority of respondents have been working in a company between 5-10 years of 36.8%.

Table 4: Demographic Profile of Respondents

N=450	Demographic Profile	Percentage
Gender	Male	72.9%
	Female	27.1%
Age	20-30	11.3%
	31-40	21.3%
	41-50	36.0%
	50 and over	31.4%
Education	Below Bachelors' Degree	6.4%
	Bachelors' Degree	79.8%
	Masters' degree	11.1%
	Doctorate Degree	2.7%
Position	General manager	9.4%
	Junior manager	78.0%
	Managing Director	6.2%
	Chairman/President/CEO	1.1%
	Others	5.3%
Years of Service	1 – 5 years	17.3%
	5-10 years	36.2%
	10-15 years	33.8%
	More Than 15 years	12.7%

Source: Constructed by author.

4.2 Confirmatory Factor Analysis (CFA)

The goodness of fit for measurement model as of Table 5 shows the model fit in this study, including CMIN/df = 1.367, GFI = 0.928, AGFI = 0.914, NFI = 0.913, CFI = 0.975, TLI = 0.972, IFI = 0.975 and RMSEA = 0.029. Accordingly, the convergent validity and discriminant validity were proven by the fit model.

Table 5: Goodness of Fit for Measurement Model

Index	Acceptable Values	Statistical Values
CMIN/DF	< 3.00 (Hair et al., 2006)	533.055/390 = 1.367
GFI	≥ 0.85 (Kline, 2011)	0.928
AGFI	≥ 0.85 (Kline, 2011)	0.914
NFI	≥ 0.85 (Kline, 2011)	0.913
CFI	≥ 0.85 (Kline, 2011)	0.975
TLI	≥ 0.85 (Kline, 2011)	0.972
IFI	≥ 0.85 (Kline, 2011)	0.975
RMSEA	≤ 0.05 (Pedroso et al., 2016)	0.029
Model summary		**In harmony with empirical data**

Remark: CMIN/DF = The ratio of the chi-square value to degree of freedom, GFI = goodness-of-fit index, AGFI = adjusted goodness-of-fit index, NFI = normalized fit index, CFI = comparative fit index, TLI = Tucker-Lewis index, IFI = Incremental Fit Index, and RMSEA = root mean square error of approximation.
Source: Constructed by author.

4.3 Convergent validity

According to Table 6, the results of CFA indicated that all items in each variable are significant and have factor loading to prove discriminant validity. Hair et al. (2006) guided that the significance of factor loading of each item and acceptable values in defining the goodness of fit. Factor loadings should be above 0.50 and p-value of less than 0.05. Additionally, if Average Variance Extracted (AVE) is less than 0.5, but Composite Reliability (CR) is higher than 0.6, the convergent validity of the construct is still adequate (Fornell & Larcker, 1981).

Table 6: Confirmatory Factor Analysis Result, Composite Reliability (CR) and Average Variance Extracted (AVE)

Variable	Factor Loading >0.5	t-value>1.98 & p-value<0.5	CA >0.7	CR (pc) >0.6	AVE (pv)
NBM	0.684-0.821	13.935-16.400	0.832	0.832	0.555
CI	0.641-0.721	11.555-12.717	0.805	0.805	0.453
TL	0.637-0.704	11.547-12.539	0.805	0.806	0.454
CA	0.675-0.711	12.686-13.209	0.827	0.828	0.490
EP	0.669-0.818	14.885-19.157	0.899	0.900	0.600
OP	0.674-0.807	13.085-14.634	0.861	0.862	0.557

Source: Constructed by author

4.4 Discriminant Validity

According to Fornell and Larcker (1981), testing for discriminant validity was evaluated by computing the square root of each AVE. Based on this study, the value of discriminant validity is larger than all inter-construct/factor correlations, therefore, the discriminant validity is supportive. In addition, Multicollinearity's problem can be examined through correlation coefficient. the factor correlations in Table 7 did not surpass 0.80. As a result, the problem of multicollinearity is not issued (Studenmund, 1992).

Table 7: Discriminant Validity

	TL	NBM	CI	CA	OP	EP
TL	**0.674**					
NBM	**0.422**	**0.745**				
CI	**0.593**	**0.297**	**0.673**			
CA	**0.525**	**0.154**	**0.518**	**0.700**		
OP	**0.515**	**0.369**	**0.592**	**0.494**	**0.746**	
EP	**0.225**	**0.153**	**0.162**	**0.230**	**0.198**	**0.775**

Source: Constructed by author

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4.5 Structural Equation Model (SEM)

The goodness of fit for structural model as of Table 8 shows the model fit in this study, including CMIN/df = 2.114, GFI = 0.889, AGFI = 0.871, NFI = 0.861, CFI = 0.921, TLI = 0.914, IFI = 0.922 and RMSEA = 0.050. Accordingly, the convergent validity and discriminant validity were proven by the fit model.

Table 8: Goodness of Fit for Structural Model

Index	Acceptable Values	Statistical Values
CMIN/DF	< 3.00 (Hair et al., 2006)	845.592/400 = 2.114
GFI	≥ 0.85 (Kline, 2011)	0.889
AGFI	≥ 0.85 (Kline, 2011)	0.871
NFI	≥ 0.85 (Kline, 2011)	0.861
CFI	≥ 0.85 (Kline, 2011)	0.921
TLI	≥ 0.85 (Kline, 2011)	0.914
IFI	≥ 0.85 (Kline, 2011)	0.922
RMSEA	≤ 0.05 (Pedroso et al., 2016)	0.050
Model summary		**In harmony with empirical data**

Remark: CMIN/DF = The ratio of the chi-square value to degree of freedom, GFI = goodness-of-fit index, AGFI = adjusted goodness-of-fit index, NFI = normalized fit index, CFI = comparative fit index, TLI = Tucker-Lewis index, IFI = Incremental Fit Index, and RMSEA = root mean square error of approximation.
Source: Constructed by author.

4.6 Research Hypothesis Testing Result

According to Table 9, the results of hypotheses testing were explicated by SEM, using standardized path coefficient (β) and t-value. H2, H3, H4 and H5 were significant at p-value lower than 0.5, whereas H1 was not supported.

Table 9: Hypotheses Testing Result of the Structural Model

Hypothesis	standardized path coefficient (β)	t-value	Testing result
H1: NBM → CA	0.058	1.157	Not Supported
H2: CI → CA	0.547	8.346*	Supported
H3: TL → EP	0.227	4.037*	Supported
H4: CA→ OP	0.517	8.584*	Supported
H5: EP → OP	0.104	2.166*	Supported

Note: *=p-value<0.5
Source: Constructed by author.

The hypothesis testing results are explained per followings.

The result of **H1** was found no support in the relationship between novelty-center business model innovation and competitive advantage at the value of standard coefficient = 0.058 (t-value = 1.157).

H2 showed the significant relationship between continuous improvement and competitive advantage with the standard coefficient value = 0.547 (t-value = 8.346).

H3 presented that transformational leadership had a significant impact on employee performance with standard coefficient value = 0.227 (t-value = 4.037).

For **H4**, competitive advantage had a significant impact on organizational performance, representing the standard coefficient value = 0.517 (t-value = 8.584).

H5 supported the significant relationship between employee performance and organizational performance with the standard coefficient value = 0.104 (t-value = 2.166).

5. Conclusion, Recommendations and Limitations

5.1 Conclusion

Organizational performance has been widely studied in the various organizational development context. Not many scholars have conducted the field of organizational performance. Furthermore, the significant of organizational performance is still vague and fragmented. Especially, agricultural manufacturing sector have been examined mostly on the productivity and process efficiency. Therefore, Myanmar agricultural manufactures and its organizational performance are raised to be investigated with the aim that the findings of this study would contribute to agricultural manufacture businesses or others as well as the future study can extend the research model.

The research found that continuous improvement had a significant impact on competitive advantage. The relationship between transformational leadership and employee performance was also supported. Furthermore, competitive advantage and employee performance significantly impacted organizational performance. In contrary, novelty-center business model innovation had no significant impact on competitive advantage.

The findings were implied to be both aligned and contradicted with previous studies. Firstly, the relationship between novelty-center business model innovation and competitive advantage was found no supported. Based on previous studies, the relationship between these two constructed haven't been much investigated. Several scholars denoted that business model can predict competitive advantage and improvement of organizational performance (Foss & Saebi, 2017; Heikkila et al., 2018; Zott & Amit, 2008). However, this research assumed that the novelty-center business model innovation hasn't been perceived and evidenced by employees because agricultural manufactures in Myanmar have majorly operated in traditional way of production and process.

Secondly, continuous improvement significant impacted competitive advantage in this study. Continuous improvement is viewed to be a ladder for operational excellence to improve the overall quality and competitive

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advantages (Singh & Singh, 2015). As confirmed by Dhillon (1988), successful continuous improvement has been witnessed by managers in the manufacturing activities in the industrial world. The perceptions of employees agreed on the application of continuous improvement is the attempt to reduce time and expenses of the business which in turn to enhance competitiveness.

Thirdly, leadership plays a key role to maximize employee performance, explained by collaboration between leaders and employees to solve the existing problem in an organization (Ekowati et al., 2013). Noermijati (2015) stressed that transformational leader's style in manufacturing is expected to offer dynamic culture and climate to improve employee performance. Buble et al. (2014) added that transformational leadership can facilitate the effectiveness of employee and serve organizational performance. Thus, the finding of this research pointed to the same direction that transformational leadership had a significant impact on employee performance.

Next, competitive advantage had a significant impact on organizational performance which is consensus with many researchers (Davcik & Sharma, 2016; Kamukama et al., 2011; Kang & Na, 2020; Morgan, 2012). Most organizations aim to response their customers' needs better by adjusting their value creation, differentiation an innovation to gain its competitiveness over their rivals. Rose et al. (2010) also confirmed that the competitive advantage is a key determinant of organizational success. In Myanmar, the perception of employees has been evidenced that the competitive advantage can greatly contribute to enhance organizational performance in agricultural manufacturing industry.

Lastly, employee performance significantly impacted organizational performance as evidenced by this study and previous literatures. Employee performance can reflect their satisfaction and favorable feeling with the work environment (Chandrasekar, 2011; Ganguly, 2010; Irving & Montes, 2009). This study confirmed that employee performance incurs the cost reduction, shorten process, and effectiveness which contribute to organizational performance.

5.2 Recommendations

In relevant to the findings, the recommendations were made to both academic and business practitioners in the different aspects. Due to the organizational performance has been not much investigated, the future researchers can consider to look into the three key aspects including financial performance, product market performance and shareholder return. The internal operations and external indicators which associated with economy, society and stakeholders has not been detailed in this study. This research provides gap to be filled and extended. In addition, the business executors could improve the strategic plan in order to develop sustainable performance in their organizations.

Most organizations are reluctant to transform from traditional way of doing businesses to build or diverse to business model innovation. Although this study found no support in the relationship between novelty-center business model innovation and competitive advantage, it is suggested to not disregard these two factors to endeavor organizational performance. When looking to the world's leading tech companies such as Facebook, Google, Amazon etc., business model innovation alters their businesses to stay competitive across the industry. Scholars could further investigate this relationship as a contribution to the next era of business transformation and how it will greatly impact businesses worldwide.

Continuous improvement is one the great influencer to competitive advantage. It determines what works then cannot guaranteed that it works now or will work further. The business practitioners could consider to improve their product, service and process by adopting innovative technology to enhance organizational performance. Researchers can put forward the continuous improvement to the theory of total quality management which also have leadership, empowerment and process management to be further explored how it can significantly impact organizational performance.

Transformational leadership has been evidenced to endorse employee performance in many business studies. Transformational leaders' characteristics were mentioned but not investigated yet in this study. The future research could bring up this topic to provide more elements on how it would drive employee performance. So as business executors, leadership is a big topic in order to gear up the organizations to accomplish its goals and sustainability. The company could ensure to provide leadership training for its workforce in order to elevate employee and organizational performance.

Competitive advantage is a mission which should not only contain in sales and marketing practices. The organizational performance is impacted by how competitors play or respond to their customers and market demand. To stay competitive, the overall organizational structure has to be keen on product, service, process and people development. For researchers, competitive advantage is not novel but still significant to be studied on how would it can accelerate the firm performance. Most famous theory that was not stated in this study such as Porter's five forces.

People is the valuable asset and engine to move the big ship through good and bad weather. Employee performance has to be well emphasized and grown. Most companies highlighted the training and incentivized scheme to develop their workforce as they believe it returns in terms of the overall performance of the firm. In recent decades, HR

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practices have evolved to talent acquisition, HR business partners and learning and development units more than just the traditional recruitment and payroll. Researchers can also further examine the qualitative approach for better implication in which aspects of employee performance that significantly impacted organizational performance.

In conclusion, academic researchers are recommended to further investigate factors influencing organizational performance and business executors should promote leadership to enhance employee performance and build business model innovation to gain competitive advantage Five key considerations are novelty-center business model innovation for future organization, bridging technology for continuous improvement, transformational leadership to enhance employee performance, competitiveness advantage focus and talent development for organizational performance

5.3 Limitations and Future Research

This study has some limitations which can greatly benefit to the future research for the further examination. Initially, some variable was obtained from the theory of total quality management (TQM) which was continuous improvement. The main theory could be extended in order to examine how the manufacturing sector can enhance their organizational performance. Next, qualitative approach could greatly produce better analysis, results and recommendations which has not been employed in this study. Lastly, the research scope was made to study agricultural manufacturers in Yangon, Myanmar. Therefore, how other business sectors would provide the similar or different results is unanswered.

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