

Examining the Influence of Organizational Learning on Employee Dynamic Capability and Employee Performance within NGOs and Private Enterprises in South Sudan

Dr. Aham Edward Kanuto

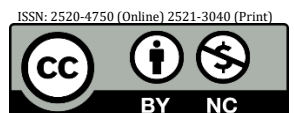
Abstract

In the dynamic landscape of South Sudan's NGOs and private enterprises, the interplay between organizational learning, employee dynamic capability, and employee performance is of paramount importance for fostering resilience and sustainability. This study investigates these relationships through a comprehensive analysis of 360 respondents, utilizing structured questionnaires and covariance-based Structural Equation Modeling (SEM). The findings reveal robust positive associations between organizational learning and both employee dynamic capability and performance, affirming the critical role of learning initiatives in enhancing employees' adaptability and response to changing environments. Moreover, employee dynamic capability emerges as a significant predictor of performance, underscoring its pivotal role in organizational effectiveness. The study not only advances theoretical understanding but also offers practical implications for organizational leaders and policymakers seeking to optimize performance outcomes amidst socio-political instability and economic challenges. By illuminating the mechanisms driving organizational effectiveness in challenging contexts, this research contributes to the scholarly discourse and provides actionable strategies for fostering resilience and sustainability in NGOs and private enterprises operating in South Sudan and similar environments.



IJSB

Accepted 14 May 2024
Published 20 May 2024
DOI: 10.58970/IJSB.2381



ISSN: 2520-4750 (Online) 2521-3040 (Print)
Papers published by IJSAB International are licensed under a Creative Commons Attribution-NonCommercial 4.0 International License.

Keywords: *Organizational learning, Employee dynamic capability, Employee performance, NGOs, Private enterprises.*

About Author (s)

Dr. Aham Edward Kanuto, School of Business & Management, University of Juba, Republic of South Sudan.

Introduction

The burgeoning interest in the dynamics of organizational learning, capability development, and performance improvement has sparked considerable scholarly inquiry across various contexts. In the context of South Sudan, characterized by socio-political instability and economic challenges, understanding the intricacies of organizational learning processes within non-governmental organizations (NGOs) and private enterprises is crucial for fostering resilience and sustainability. This study seeks to explore the influence of organizational learning on employee dynamic capability and performance within South Sudanese NGOs and private enterprises. Drawing on a diverse body of literature, including studies such as Twijnstra and Hilhorst (2017) and Muras et al. (2021) that examine domestic entrepreneurship and NGO effectiveness in South Sudan, this research aims to shed light on the mechanisms driving organizational effectiveness in challenging environments. Additionally, insights from studies like Hung et al. (2010) and Camps et al. (2016) provide a theoretical framework for understanding the role of dynamic capabilities and organizational learning capability in shaping employee performance and organizational outcomes. By synthesizing and building upon prior research, this study aims to contribute to the scholarly discourse on organizational effectiveness and offer practical implications for enhancing the resilience and sustainability of NGOs and private enterprises in South Sudan.

This study extends the existing literature by focusing on the interplay between organizational learning, employee dynamic capability, and performance within the unique context of South Sudan. While prior research has explored these constructs individually, there remains a gap in understanding how they interact within the specific socio-economic and political landscape of South Sudan. Delving into this dynamic relationship offers nuanced insights that can inform organizational strategies and interventions aimed at improving effectiveness and resilience. Moreover, the study contributes to bridging the gap between theory and practice by offering practical recommendations for NGOs and private enterprises operating in challenging environments. Through empirical investigation and rigorous analysis, this research endeavors to provide actionable insights that enable organizations to navigate uncertainty, leverage their learning capabilities, and enhance overall performance in South Sudan.

In the dynamic landscape of contemporary organizations, the pursuit of sustainable competitive advantage and organizational effectiveness necessitates a deep understanding of the mechanisms driving learning, capability development, and performance improvement. This imperative is particularly pronounced in non-governmental organizations (NGOs) and private enterprises operating in South Sudan, where challenges such as political instability, economic uncertainty, and resource constraints underscore the importance of organizational learning processes in fostering resilience and adaptability. Building on prior research, this study aims to examine the influence of organizational learning on employee dynamic capability and performance within NGOs and private enterprises in South Sudan. By investigating these interrelationships, this research seeks to contribute to the burgeoning literature on organizational effectiveness in challenging contexts characterized by institutional complexities and resource constraints.

The literature on organizational learning, employee dynamic capability, and performance offers valuable insights into the mechanisms driving organizational effectiveness in diverse contexts. Previous studies have underscored the importance of organizational learning processes in fostering employee capability development and performance improvement (Wang et al., 2024; Bieńkowska & Tworek, 2020). Moreover, research has highlighted the role of dynamic capabilities in driving innovation and enhancing organizational performance,

particularly in challenging environments (Al Wali et al., 2023; Li et al., 2023). In addition, studies have emphasized the mediating role of factors such as trust and organizational citizenship behavior in shaping the relationship between organizational learning, dynamic capability, and performance outcomes (Tworek et al., 2023; Patwary et al., 2023). Furthermore, research has explored the influence of external shocks and disruptions, such as the COVID-19 pandemic, on organizational learning processes and performance outcomes (Chatterjee et al., 2022; Bieńkowska et al., 2021).

Despite these valuable insights, there remains a gap in the literature regarding the influence of organizational learning on employee dynamic capability and performance within NGOs and private enterprises in South Sudan. Given the unique socio-political and economic context of South Sudan, characterized by institutional fragility and resource scarcity, understanding the dynamics of organizational learning and capability development is essential for fostering organizational resilience and effectiveness in this context. Therefore, this study seeks to address this gap by examining the following research questions: (i) How does organizational learning influence employee dynamic capability within NGOs and private enterprises in South Sudan? (ii) What is the impact of employee dynamic capability on organizational performance in the context of South Sudanese organizations? and (iii) What are the mediating mechanisms through which organizational learning influences performance outcomes in South Sudanese organizations?

By addressing these research questions, this study aims to advance theoretical knowledge and offer practical implications for organizational leaders, policymakers, and development practitioners operating in South Sudan and similar contexts. Furthermore, the findings of this study may inform strategies for fostering organizational resilience, capability development, and performance improvement in challenging environments characterized by institutional complexities and resource constraints.

Literature Review

The literature on organizational learning, employee dynamic capability, and performance in diverse organizational settings provides valuable insights into the mechanisms driving organizational effectiveness and resilience. Several studies have examined these constructs within various contexts, shedding light on their interrelationships and implications for practice. Drawing on prior research, this literature review synthesizes key findings and theoretical perspectives to inform the investigation of these phenomena within NGOs and private enterprises in South Sudan. Wang et al. (2024) emphasized the importance of technological adaptability, employee competitive attitudes and behaviors, and employee dynamic capabilities in shaping employee digital performance. Their study, conducted in Chinese SMEs, highlighted the positive influence of technological adaptability on employee competitive attitudes and behaviors, subsequently enhancing employee dynamic capabilities and digital performance. This underscores the significance of organizational learning processes, particularly in leveraging technology to foster employee capability development and performance improvement. Similarly, Bieńkowska and Tworek (2020) focused on employees' dynamic capabilities (EDC) and their impact on job performance, emphasizing the mediating role of factors such as person-job fit, work motivation, job satisfaction, and work engagement. Their research, conducted in Poland and the USA, underscored the importance of EDC in achieving sustainable development outcomes. This highlights the relevance of individual-level capabilities in driving organizational performance, particularly in dynamically changing environments. Al Wali et al. (2023) investigated the relationship between employees' dynamic capabilities, innovative work behavior, and job performance in public hospitals in

Iraq. Their findings indicated a positive association between innovative work behavior and job performance, mediated by employees' dynamic capabilities. This study elucidated the role of dynamic capabilities in fostering innovation and enhancing organizational performance, particularly in challenging contexts characterized by resource constraints and institutional complexities. Tworek et al. (2023) examined the influence of e-trust on employees' dynamic capabilities and job performance during the COVID-19 pandemic, highlighting the moderating role of trust in shaping the relationship between dynamic capabilities and performance outcomes. Their research, conducted in organizations across Poland, Italy, and the USA, underscored the importance of trust-based relationships in facilitating organizational learning processes and enhancing employee capability development in crisis situations. Furthermore, Li et al. (2023) explored the linkage between frontline employee self-efficacy, dynamic capabilities, and service performance in the healthcare industry. Their study revealed the mediating role of dynamic capabilities in the relationship between self-efficacy and service performance, emphasizing the importance of individual-level capabilities in driving organizational outcomes. This highlights the relevance of employee capability development in enhancing service quality and organizational performance in service-oriented sectors. Patwary et al. (2023) examined the role of organizational citizenship behavior (OCB) in reducing environmental pollution in the hospitality industry, emphasizing the mediating role of green employee involvement, performance management, and dynamic capability. Their study underscored the importance of proactive employee behaviors in driving organizational sustainability outcomes, particularly through the development of dynamic capabilities aligned with environmental objectives. Bieńkowska et al. (2021) verified a job performance model based on employees' dynamic capabilities in organizations during the COVID-19 pandemic crisis. Their research, conducted in Italian organizations affected by the crisis, highlighted the significance of organizational learning processes in shaping job performance outcomes in challenging contexts. This emphasizes the adaptive nature of organizational learning and its implications for performance management during crisis situations. Chatterjee et al. (2022) investigated the resource integration and dynamic capability of frontline employees during the COVID-19 pandemic, emphasizing the role of dynamic capabilities in fostering employee adaptability and organizational performance. Their study highlighted the importance of employee-level capabilities in driving organizational resilience and effectiveness, particularly in response to external shocks and disruptions. Finally, Chatterjee et al. (2023) examined the influence of the digital workplace on organizational performance, highlighting the moderating role of digital leadership capability. Their research underscored the importance of organizational learning processes in facilitating digital transformation initiatives and enhancing employee performance outcomes. This emphasizes the role of leadership in fostering a culture of innovation, collaboration, and knowledge sharing to drive organizational effectiveness in the digital era. Moreover, the literature reviewed provides a comprehensive understanding of the interrelationships between organizational learning, employee dynamic capability, and performance outcomes in diverse organizational contexts. Building on prior research, this study seeks to extend our understanding of these phenomena within NGOs and private enterprises in South Sudan, thereby contributing to theoretical knowledge and offering practical implications for organizational leaders, policymakers, and development practitioners operating in similar contexts.

Study's theoretical framework

The theoretical framework for this study draws upon the concepts of Organizational Learning (OL), Employee Dynamic Capability (EDC), and Employee Performance (EP) within the specific context of NGOs and private enterprises in South Sudan. Organizational Learning encompasses the processes through which organizations acquire, interpret, and apply knowledge to improve

performance, as evidenced in prior studies (Twijnstra & Hilhorst, 2017; Storeng et al., 2019). Employee Dynamic Capability refers to individuals' ability to adapt, innovate, and respond effectively to dynamic environments, a construct supported by literature emphasizing the importance of employee skills and behaviors in organizational success (Ferreira et al., 2021; Camps et al., 2016). Employee Performance, on the other hand, reflects the extent to which employees achieve objectives and contribute to organizational goals, a concept well-established in research examining organizational effectiveness (Muras et al., 2021; Hung et al., 2010). Building on these concepts, the theoretical framework proposes three hypotheses. First, it suggests a positive relationship between Organizational Learning and Employee Dynamic Capability, positing that organizations fostering learning cultures facilitate the development of dynamic capabilities among employees (Altinay et al., 2016; Peris-Ortiz et al., 2018; Bhatnagar, 2006). Second, it hypothesizes that Organizational Learning positively influences Employee Performance, drawing on the idea that learning organizations are better equipped to adapt and innovate, thus enhancing overall performance (El-Gack, 2016; Dijkzeul, 2021). Lastly, the framework proposes that Employee Dynamic Capability positively affects Employee Performance, reflecting the notion that adaptable and skilled employees contribute to organizational success through their performance (Chaubey & Sahoo, 2022; Zhou et al., 2019; Li et al., 2023). Together, these hypotheses provide a structured framework for examining the relationships between Organizational Learning, Employee Dynamic Capability, and Employee Performance in the context of NGOs and private enterprises in South Sudan.

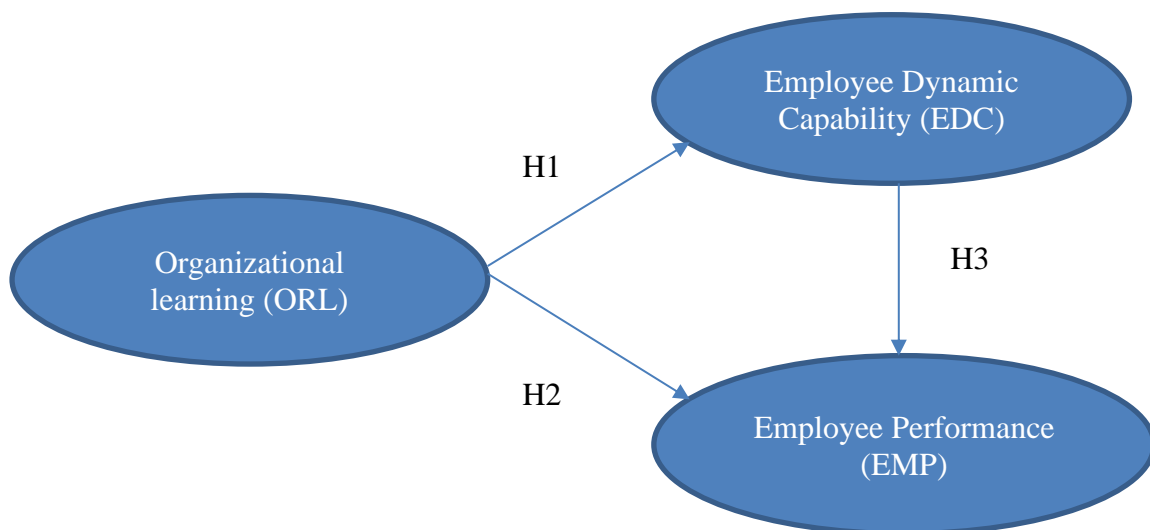


Figure 1: Theoretical Framework

Hypotheses development

Organizational learning (ORL) and Employee Dynamic Capability (EDC)

Previous research has extensively explored the relationships among organizational learning (ORL), dynamic capabilities (DC), and performance in various organizational contexts. Li and Wang (2022) conducted a study focusing on innovative firms and found significant positive effects of organizational learning on dynamic capabilities, particularly in terms of resource integration and organizational flexibility. Chen and Zheng (2022) investigated human resource service enterprises and demonstrated that organizational learning positively influences dynamic capabilities, such as resource integration and reconfiguration capabilities, which subsequently contribute to organizational performance. Moreover, Park et al. (2022) emphasized the crucial role of organizational learning mechanisms and leadership styles in

fostering the development of dynamic capabilities. They highlighted that transformational visionary leadership stimulates organizations to systematically address learning mechanisms, resulting in the construction of an organizational learning environment. Additionally, Hung et al. (2010) provided evidence that organizational learning culture significantly impacts dynamic capabilities, influencing organizational performance through these capabilities. Furthermore, Farzaneh et al. (2020) and Ferreira et al. (2021) both highlighted that organizational learning enhances firm performance through the development of dynamic capabilities. These prior studies collectively support the notion that organizational learning initiatives positively impact employees' adaptive abilities and capacity to respond to dynamic environments, thereby enhancing their dynamic capabilities. Building upon the insights from these prior studies, the following hypothesis is developed:

H1: *There is a positive relationship between organizational learning and employee dynamic capability in NGOs and private enterprises in South Sudan.*

Organizational learning (ORL) and Employee Performance (EMP)

Udin et al. (2023) examines the connection between transformational leadership, intrinsic motivation at work, organizational learning culture, and performance. Research in this study used PLS-SEM to examine data obtained from a community health center on the Indonesian island of Riau. The results show that transformational leadership has a major impact on the learning culture, intrinsic motivation, and performance of an organization. It was discovered that intrinsic work motivation has a direct and substantial influence on employee performance, in contrast to the non-significant effect of organizational learning culture. Through the medium of organizational commitment, Wiyana and Sriathi (2021) investigated how organizational learning impacts employee performance. Research at PT Agung Jaya International shown a strong correlation between OL and productivity on the job. Better employee performance was a direct result of the virtuous cycle that began with organizational learning and continued with organizational commitment. In his study on the link between organizational learning and employee performance, Hendri (2019) looked at how work satisfaction and organizational commitment mediated this connection. Organizational learning significantly and positively affects work satisfaction and organizational commitment, according to a study done at West Kalimantan's PTPN XIII (Limited Liability Company). Having said that, there was no discernible correlation between organizational learning and worker productivity. In reality, research shows that organizational learning and employee performance are mediated by job satisfaction and organizational commitment. The impact of organizational learning on employee performance, as influenced by motivation and organizational commitment, was studied by Fajri and Suhana (2022). Organizational learning improved workers' motivation, dedication, and output at PT Astra International Tbk Yogyakarta Branch, according to their research. The results of these investigations allow us to formulate Hypothesis H2 in the following way:

H2: *Organizational learning positively influences employee performance in NGOs and private enterprises in South Sudan.*

Employee Dynamic Capability (EDC) and Employee Performance (EMP)

Employee dynamic capacities (EDC), innovative work behavior, and the impact of technology adaptability are only a few of the aspects of organizational performance that have been explored in depth in previous research. The importance of EDC in impacting job performance, especially within the framework of sustainable development, is highlighted by Bieńkowska and Tworek (2020). Investigating the connection between creative work behavior, dynamic capacities, and job performance in public hospitals, Al Wali et al. (2023) emphasize the

significance of encouraging innovative behavior to improve performance. In their study, Tworek et al. (2023) investigate how e-trust affects EDC and work performance in times of crisis, highlighting how trust may amplify the effect of dynamic capacities. Frontline healthcare workers' self-efficacy and dynamic capacities are the subject of Li et al. (2023), who show how these aspects affect service quality. In their study, Patwary et al. (2023) look at how green employee involvement and organizational capacity play a part in lowering environmental pollution in the hotel sector. During the COVID-19 pandemic, Bieńkowska et al. (2021) validated an EDC-based work performance model, drawing attention to structural changes within the model in response to such harsh conditions. The impact of engineering management skills and dynamic capabilities on organizational performance during the pandemic is highlighted by Chatterjee et al. (2022), who investigate the connection between the adaptability of frontline employees and that performance. Last but not least, Chatterjee et al. (2023) look at how digital workplaces affect company performance, with a focus on how digital leadership skills may help with digital transformation. This study builds on previous research by Wang, Mansor, and Leong (2024) to investigate how technological flexibility, staff competitiveness, and dynamic capacities all influence digital performance in small and medium-sized enterprises (SMEs) in China.

H3: *Employee dynamic capability positively affects employee performance in NGOs and private enterprises in South Sudan.*

Method

Participants: Data for this study were collected from a total of 360 respondents after cleaning for missing values. These participants were drawn from both Non-Governmental Organizations (NGOs) and Private Enterprises operating in South Sudan. Among the respondents, 55% identified as male, while 45% identified as female. In terms of age, 34% were between 31-40 years old, 36% were between 41-50 years old, and 25% were 51 years old or above. Regarding education level, 35% held a Master's degree, followed by 28% with an education level classified as "Other." In terms of professional experience, 38% reported having 0-2 years of experience, while 26% had 3-5 years of experience. Furthermore, 37% of the respondents were affiliated with NGOs, whereas 63% were associated with private enterprises (presented in table 1).

Measures: The study utilized a structured questionnaire comprising items adapted from previous literature to measure the study variables: Organizational Learning (ORL), Employee Dynamic Capability (EDC), and Employee Performance (EMP). The ORL scale consisted of five items, adapted from Kordab et al. (2020) and Mollah et al. (2023). The EDC scale comprised six items, adapted from Wang et al. (2024). The EMP scale included four items, adapted from Liaquat et al. (2024) (presented in table 2).

Procedure: Data were collected through a survey conducted between February 13 and March 26. The survey instrument was administered electronically to participants affiliated with NGOs and private enterprises in South Sudan. Respondents were assured of the confidentiality and anonymity of their responses. After data collection, missing values were addressed through cleaning procedures to ensure data accuracy and reliability.

Data Analysis: The collected data were analyzed using AMOS 24 software, employing a covariance-based Structural Equation Modeling (SEM) approach. This analytical method allowed for the examination of complex relationships between the study variables. The model was constructed based on the hypothesized relationships between Organizational Learning, Employee Dynamic Capability, and Employee Performance.

Table 1: Respondent Profile Characteristics

Variable	Number	Percentage (%)
Gender		
Male	197	55
Female	163	45
Age		
18-30	18	5
31-40	122	34
41-50	131	36
51 or above	89	25
Education Level		
High School	75	21
Bachelor's Degree	55	15
Master's Degree	125	35
PhD	3	1
Other	102	28
Years of Experience		
0-2 years	138	38
3-5 years	95	26
6-10 years	102	28
10+ years	25	7
Type of Organization		
NGO	132	37
Private Enterprises	228	63

Table 2: Study Variables and Items with Source

Variables	Items	Source
Organizational learning (ORL)	ORL 1: Our organization actively promotes the attendance of training sessions to help employees acquire new knowledge.	Kordab et al., 2020; Mollah et al., 2023
	ORL 2: Our organization regards the learning of employees as a crucial investment in the creation of knowledge.	
	ORL 3: Our organization supports the documentation and retention of the knowledge employees acquire.	
	ORL 4: Our organization has comprehensive training programs that facilitate knowledge sharing among employees.	
	ORL 5: Our organization encourages ongoing education for employees, recognizing the benefits it brings to the organization.	
Employee Dynamic Capability (EDC)	EDC 1: I am quick to notice and recognize opportunities and threats in the environment, both within and outside the organization, that can impact my work, including early warning signals.	Wang et al., 2024
	EDC 2: I effectively adapt to emerging opportunities and threats in the environment, both inside and outside the organization, and take preventive actions to ensure I can complete my tasks despite these changes.	
	EDC 3: I quickly identify and recognize problems that arise in the workplace.	
	EDC 4: I swiftly address problems as they appear, either by solving them myself or by seeking the necessary support and information to complete my assigned tasks.	
	EDC 5: I come up with innovative ideas and original solutions to problems.	
	EDC 6: I continuously enhance my competencies and qualifications, and I engage in personal development through my work.	
Employee Performance (EMP)	EMP 1: My overall productivity within the organization is consistently high.	Liaquat et al. (2024)
	EMP 2: The internal work processes and my performance within the organization are efficient and effective.	
	EMP 3: Financial incentives motivate me to work more efficiently.	
	EMP 4: Moral motivations inspire me to achieve more in my work.	

Result and Discussion

The table 3 presents the results of the measurement items for each construct, including factor loadings, composite reliability (CR), and average variance extracted (AVE). These indicators are crucial for assessing the reliability and validity of the measurement model. The factor loadings for the five items of organizational learning range from 0.77 to 0.87, indicating strong relationships between the items and the latent construct. The high composite reliability (0.87)

and average variance extracted (0.77) suggest excellent internal consistency and convergent validity of the ORL scale.

Table 3: Measurement items

Variables	Factor loadings	Composite reliability (CR)	Average variance extracted (AVE)
Organizational learning (ORL)		0.87	0.77
ORL 1: Our organization actively promotes the attendance of training sessions to help employees acquire new knowledge.	0.85		
ORL 2: Our organization regards the learning of employees as a crucial investment in the creation of knowledge.	0.83		
ORL 3: Our organization supports the documentation and retention of the knowledge employees acquire.	0.87		
ORL 4: Our organization has comprehensive training programs that facilitate knowledge sharing among employees.	0.82		
ORL 5: Our organization encourages ongoing education for employees, recognizing the benefits it brings to the organization.	0.77		
Employee Dynamic Capability (EDC)		0.85	0.79
EDC 1: I am quick to notice and recognize opportunities and threats in the environment, both within and outside the organization, that can impact my work, including early warning signals.	0.79		
EDC 2: I effectively adapt to emerging opportunities and threats in the environment, both inside and outside the organization, and take preventive actions to ensure I can complete my tasks despite these changes.	0.82		
EDC 3: I quickly identify and recognize problems that arise in the workplace.	0.85		
EDC 4: I swiftly address problems as they appear, either by solving them myself or by seeking the necessary support and information to complete my assigned tasks.	0.87		
EDC 5: I come up with innovative ideas and original solutions to problems.	0.85		
EDC 6: I continuously enhance my competencies and qualifications, and I engage in personal development through my work.	0.88		
Employee Performance (EMP)		0.82	0.78
EMP 1: My overall productivity within the organization is consistently high.	0.82		
EMP 2: The internal work processes and my performance within the organization are efficient and effective.	0.87		
EMP 3: Financial incentives motivate me to work more efficiently.	0.89		
EMP 4: Moral motivations inspire me to achieve more in my work.	0.88		

Table 3 demonstrates that the items effectively capture different aspects of organizational learning, such as training promotion, knowledge documentation, and ongoing education support. Similarly, the factor loadings for the six items of employee dynamic capability range from 0.79 to 0.88, indicating robust relationships with the latent construct. The composite reliability (0.85) and average variance extracted (0.79) surpass the recommended thresholds, indicating high internal consistency and convergent validity of the EDC scale. These findings suggest that the items adequately measure various dimensions of employee dynamic capability, including adaptability, problem-solving, innovation, and continuous development. For employee performance, the factor loadings for the four items range from 0.82 to 0.89, indicating strong associations with the latent construct. The composite reliability (0.82) and average variance extracted (0.78) meet the acceptable criteria, indicating satisfactory internal consistency and convergent validity of the EMP scale. This suggests that the items effectively capture different facets of employee performance, such as productivity, efficiency, and motivation. The robust factor loadings, high composite reliability, and adequate average

variance extracted for all constructs validate the measurement instruments used in the study. These findings indicate that the scales are reliable and valid for assessing organizational learning, employee dynamic capability, and employee performance within the context of NGOs and private enterprises in South Sudan. Researchers and practitioners can rely on these scales to accurately measure and evaluate these critical constructs, thereby enhancing the rigor and credibility of future research endeavors and organizational interventions.

Table 4 presents the squared intercorrelation matrix among the study's key constructs: Organizational Learning (ORL), Employee Dynamic Capability (EDC), and Employee Performance (EMP). Each diagonal entry represents the squared correlation coefficient within a specific construct, indicating the proportion of variance shared within that construct. For instance, the squared correlation coefficient for ORL is 0.77, reflecting the strength of the relationship within organizational learning. Similarly, the squared correlation coefficient for EDC is 0.87, suggesting a robust internal consistency within employee dynamic capability. The off-diagonal entries demonstrate the squared correlation coefficients between pairs of constructs, providing insights into their interrelationships. For example, the coefficient of 0.35 between ORL and EDC indicates a moderate relationship, implying that organizational learning explains a notable proportion of variance in employee dynamic capability. Likewise, the coefficients between EDC and EMP (0.78) and between ORL and EMP (0.42) signify significant associations, underscoring the interplay between these constructs in influencing employee performance. Overall, the significant correlations at the 0.01 level underscore the importance of organizational learning and employee dynamic capability in enhancing employee performance within NGOs and private enterprises in South Sudan.

Table: 4 Squared intercorrelation among the constructs

		1	2	3
1	Organizational learning (ORL)	0.77		
2	Employee Dynamic Capability (EDC)	0.35	0.87	
3	Employee Performance (EMP)	0.42	0.78	0.88

All correlations are significant at the 0.01 level

Table 5 provides a comprehensive overview of the direct, indirect, and total effects estimates derived from the study's structural equation modeling analysis. The direct effects of the variables are indicative of their immediate impact on one another. In this context, the direct effect of Organizational Learning (ORL) on Employee Dynamic Capability (EDC) is calculated to be 0.524, supporting the accepted hypothesis (H1) that there is a positive relationship between organizational learning and employee dynamic capability in NGOs and private enterprises in South Sudan. Additionally, the direct effect of Organizational Learning (ORL) on Employee Performance (EMP) is estimated at 1.632, confirming the acceptance of hypothesis H2, which posits that organizational learning positively influences employee performance in the specified context. Moreover, the direct effect of Employee Dynamic Capability (EDC) on Employee Performance (EMP) is computed as 2.921, thereby supporting hypothesis H3, which asserts that employee dynamic capability positively affects employee performance in NGOs and private enterprises in South Sudan. Furthermore, the table also presents the indirect effect of Organizational Learning (ORL) on Employee Performance (EMP), which is calculated to be 0.352. This indicates that a portion of the effect of Organizational Learning (ORL) on Employee Performance (EMP) is mediated through Employee Dynamic Capability (EDC). Additionally, the total effects of Organizational Learning (ORL) on Employee Dynamic Capability (EDC) and Employee Performance (EMP) are reported as 0.524 and 1.984, respectively. Similarly, the total effect of Employee Dynamic Capability (EDC) on Employee Performance (EMP) is shown to be 2.921. These total effect estimates encompass both the direct and indirect effects, providing a

comprehensive understanding of the overall impact of each variable on the others within the studied context. Overall, these findings offer valuable insights into the interrelationships between organizational learning, employee dynamic capability, and employee performance in NGOs and private enterprises in South Sudan.

Table: 5 Direct, indirect and total effects—estimates

	Organizational learning (ORL)	Employee Dynamic Capability (EDC)
Direct effects		
Employee Dynamic Capability (EDC)	0.524	
Employee Performance (EMP)	1.632	2.921
Indirect effects		
Employee Dynamic Capability (EDC)		
Employee Performance (EMP)	0.352	
Total effect		
Employee Dynamic Capability (EDC)	0.524	
Employee Performance (EMP)	1.984	2.921

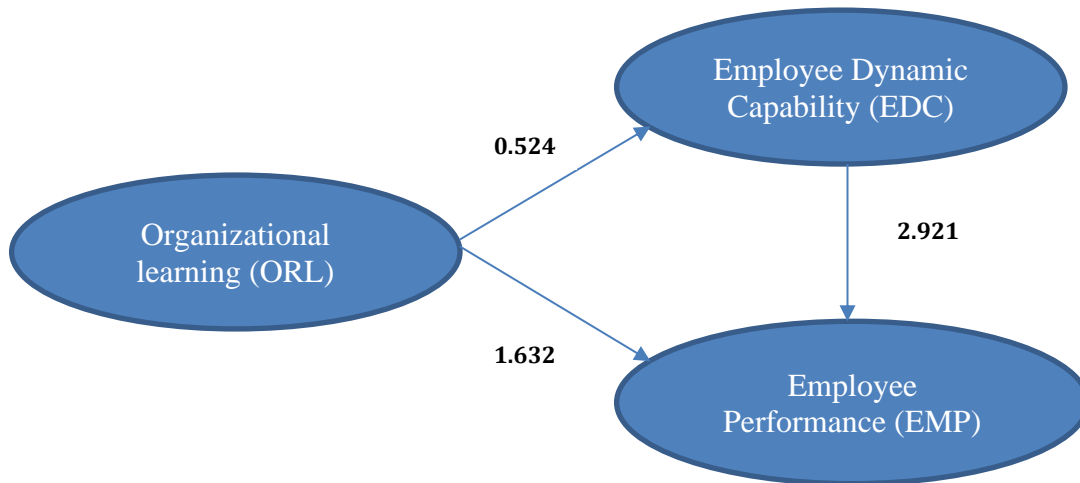


Figure 2: Direct, indirect and total effects

Note: X^2 (chi square): 955; df (degrees of freedom): 423; AGFI (adjusted goodness of fit index): 0.98; RMSEA (root mean square error of approximation): 0.042; NNFI (non-normed fit index): 0.97; GFI (goodness of fit index): 0.92; CFI (confirmatory fit index): 0.91; NFI (normed fit index): 0.95; IFI (incremental fit index): 0.97.

Conclusion

In the dynamic and challenging context of South Sudan, this study delved into the intricate relationships between organizational learning, employee dynamic capability, and performance within NGOs and private enterprises. Through meticulous empirical analysis, the study provided valuable insights into how these constructs interact to shape organizational effectiveness and resilience. The findings underscored the importance of fostering a conducive learning environment, nurturing employee capabilities, and aligning organizational strategies with performance objectives. Overall, this study contributes to the scholarly discourse on organizational effectiveness and offers practical implications for enhancing the sustainability of organizations operating in challenging environments.

Theoretical Applications

The theoretical implications of this study are profound, as they enrich our understanding of organizational effectiveness within specific socio-economic contexts. By synthesizing and building upon prior research, this study extends existing theoretical frameworks, shedding light on the mechanisms driving organizational learning, employee capability development, and performance improvement. Moreover, the study bridges the gap between theory and practice by offering nuanced insights into the dynamics of organizational learning processes within South Sudanese NGOs and private enterprises. Researchers can leverage these insights to further refine theoretical models and advance our understanding of organizational effectiveness in diverse contexts.

Managerial Implications

For organizational leaders and managers, the findings of this study offer actionable insights for enhancing organizational performance and sustainability. By prioritizing investments in training, knowledge sharing, and continuous education initiatives, organizations can cultivate dynamic capabilities among employees, thereby increasing their adaptability and responsiveness to change. Furthermore, the study highlights the pivotal role of leadership in fostering a conducive learning environment and driving organizational effectiveness. By aligning organizational learning strategies with performance objectives, leaders can enhance organizational resilience and competitiveness in challenging environments.

Limitations and Future Research Directions

This research does have several limitations that should be taken into account, but it does make some contributions. To begin, it is difficult to draw conclusions about cause and effect from the data since it is cross-sectional. Longitudinal designs might be used in future studies to better capture causation and temporal dynamics. Also, the results may not apply to other situations since the research is limited to NGOs and commercial companies in South Sudan. To improve the study's external validity, future research might look at similar links in other sectors and regions. In addition, self-reported data is the main source of information in the research, which might lead to common method bias. To overcome this constraint and provide stronger empirical data, researchers should use multi-source and multi-method techniques. Lastly, whilst this study looks at how organizational learning affects employee performance both directly and indirectly, future studies might dig further into the underlying processes by investigating other mediating and moderating factors. Our knowledge of the complicated processes influencing organizational effectiveness and performance outcomes can benefit from addressing these shortcomings.

References

- Abdelnour, S., Babiker, B., El Jack, A., Wheeler, D., Mcgrath, S., & Branzei, O. (2008). Examining enterprise capacity: A participatory social assessment in Darfur and Southern Sudan.
- Agung Nugroho, E. (2023). The Effect of Organizational Learning on Employee Performance Through Organizational Commitment. *Jurnal Syntax Admiration*, 4(8). <https://doi.org/10.46799/jsa.v4i8.675>
- Al Wali, J., Muthuveloo, R., Teoh, A. P., & Al Wali, W. (2023). Disentangling the relationship between employees' dynamic capabilities, innovative work behavior and job performance in public hospitals. *International Journal of Innovation Science*, 15(2), 368–384. <https://doi.org/10.1108/IJIS-01-2022-0012>

- Al-Husseini, S. (2023). Intellectual capital dimensions and employee performance: The mediating role of organizational learning. *Cogent Business and Management*, 10(3). <https://doi.org/10.1080/23311975.2023.2284437>
- Altinay, L., Madanoglu, M., De Vita, G., Arasli, H., & Ekinci, Y. (2016). The interface between organizational learning capability, entrepreneurial orientation, and SME growth. *Journal of Small Business Management*, 54(3), 871-891.
- Bhatnagar, J. (2006). Measuring organizational learning capability in Indian managers and establishing firm performance linkage: An empirical analysis. *The Learning Organization*, 13(5), 416-433.
- Bieńkowska, A., & Tworek, K. (2020). Job performance model based on Employees' Dynamic Capabilities (EDC). *Sustainability (Switzerland)*, 12(6). <https://doi.org/10.3390/su12062250>
- Bieńkowska, A., Koszela, A., & Tworek, K. (2021). Verification of the Job Performance Model based on Employees' Dynamic Capabilities in organisations under the COVID-19 pandemic crisis. *Engineering Management in Production and Services*, 13(3), 66-85. <https://doi.org/10.2478/emj-2021-0022>
- Camps, J., Oltra, V., Aldás-Manzano, J., Buenaventura-Vera, G., & Torres-Carballo, F. (2016). Individual performance in turbulent environments: The role of organizational learning capability and employee flexibility. *Human resource management*, 55(3), 363-383.
- Chatterjee, S., Chaudhuri, R., González, V. I., Kumar, A., & Singh, S. K. (2022). Resource integration and dynamic capability of frontline employee during COVID-19 pandemic: From value creation and engineering management perspectives. *Technological Forecasting and Social Change*, 176. <https://doi.org/10.1016/j.techfore.2021.121446>
- Chatterjee, S., Chaudhuri, R., Vrontis, D., & Giovando, G. (2023). Digital workplace and organization performance: Moderating role of digital leadership capability. *Journal of Innovation & Knowledge*, 8(1), 100334. <https://doi.org/10.1016/j.jik.2023.100334>
- Chaubey, A., & Sahoo, C. K. (2022). The drivers of employee creativity and organizational innovation: a dynamic capability view. *Benchmarking: An International Journal*, 29(8), 2417-2449.
- Chen, S., & Zheng, J. (2022). Influence of Organizational Learning and Dynamic Capability on Organizational Performance of Human Resource Service Enterprises: Moderation Effect of Technology Environment and Market Environment. *Frontiers in Psychology*, 13. <https://doi.org/10.3389/fpsyg.2022.889327>
- Dijkzeul, D. (2021). Making localization work: the everyday practice of three NGOs in South Sudan and Northern Uganda. *Frontiers in Political Science*, 3, 716287.
- El-Gack, N. (2016). The power of non-governmental organisations in Sudan: Do structural changes matter?. *Australasian Review of African Studies*, 37(1), 52-72.
- Fajri, F. F. N., & Suhana, S. (2022). The Role of Organizational Learning on Employee Performance through Motivation and Organizational Commitment as Mediation Variables. *JENIUS (Jurnal Ilmiah Manajemen Sumber Daya Manusia)*, 6(1), 29. <https://doi.org/10.32493/jjsdm.v6i1.23847>
- Farzaneh, M., Ghasemzadeh, P., Nazari, J. A., & Mehralian, G. (2020). Contributory role of dynamic capabilities in the relationship between organizational learning and innovation performance. *European Journal of Innovation Management*, 24(3), 655-676. <https://doi.org/10.1108/EJIM-12-2019-0355>
- Ferreira, J., Cardim, S., & Coelho, A. (2021). Dynamic capabilities and mediating effects of innovation on the competitive advantage and firm's performance: The moderating role of organizational learning capability. *Journal of the Knowledge Economy*, 12, 620-644.
- Ferreira, J., Cardim, S., & Coelho, A. (2021). Dynamic Capabilities and Mediating Effects of Innovation on the Competitive Advantage and Firm's Performance: the Moderating Role

- of Organizational Learning Capability. *Journal of the Knowledge Economy*, 12(2), 620–644. <https://doi.org/10.1007/s13132-020-00655-z>
- Giniuniene, J., & Jurksiene, L. (2015). Dynamic Capabilities, Innovation and Organizational Learning: Interrelations and Impact on Firm Performance. *Procedia - Social and Behavioral Sciences*, 213, 985–991. <https://doi.org/10.1016/j.sbspro.2015.11.515>
- Hendri, M. I. (2019). The mediation effect of job satisfaction and organizational commitment on the organizational learning effect of the employee performance. *International Journal of Productivity and Performance Management*, 68(7), 1208–1234. <https://doi.org/10.1108/IJPPM-05-2018-0174>
- Hung, R. Y. Y., Yang, B., Lien, B. Y. H., McLean, G. N., & Kuo, Y. M. (2010). Dynamic capability: Impact of process alignment and organizational learning culture on performance. *Journal of world business*, 45(3), 285-294.
- Hung, R. Y. Y., Yang, B., Lien, B. Y. H., McLean, G. N., & Kuo, Y. M. (2010). Dynamic capability: Impact of process alignment and organizational learning culture on performance. *Journal of World Business*, 45(3), 285–294. <https://doi.org/10.1016/j.jwb.2009.09.003>
- Isa, E. S. A. I., & Muafi, M. (2022). Human Capital, Organizational Learning and Their Effects on Innovation Behavior and Performance of Banking Employees. *International Journal of Finance & Banking Studies (2147-4486)*, 11(1), 01–18. <https://doi.org/10.20525/ijfbs.v11i1.1533>
- Jia, S., Khassawneh, O., Mohammad, T., & Cao, Y. (2024). Knowledge-oriented leadership and project employee performance: the roles of organisational learning capabilities and absorptive capacity. *Current Psychology*, 43(10), 8825–8838. <https://doi.org/10.1007/s12144-023-05024-y>
- Kordab, M., Raudeliūnienė, J., & Meidutė-Kavaliauskienė, I. (2020). Mediating role of knowledge management in the relationship between organizational learning and sustainable organizational performance. *Sustainability*, 12(23), 10061. <https://doi.org/10.3390/su122310061>
- Li, R., Liu, J., Xia, W., & Ma, J. (2023). Linking Frontline Employee Self-Efficacy to Customers Service Performance in Healthcare Industry: A Dynamic Capability Perspective. *Risk Management and Healthcare Policy*, 16, 2727–2739. <https://doi.org/10.2147/RMHP.S440120>
- Li, Y., & Wang, X. (2022). A Study on the Correlations among Organizational Learning, Dynamic Capabilities, and Innovation Performance of Innovative Firms. *Discrete Dynamics in Nature and Society*, 2022. <https://doi.org/10.1155/2022/5082178>
- Liaquat, M., Ahmed, G., Ismail, H., Ain, Q. U., Irshad, S., Izhar, S. S., & Mughal, M. T. (2024). Impact of motivational factors and green behaviors on employee environmental performance. *Research in Globalization*, 8, 100180.
- Meira Oliveira, G., & Barbosa da Silva, A. (2020). How Can Inter-Organizational Learning and Dynamic Managerial Capability Improve Cluster Performance? *¿Cómo Puede El Aprendizaje Interorganizativo Y La Capacidad De Gestión Dinámica Mejorar El Rendimiento De Clústers?*, 13(1), 145–168.
- Mennens, K., Van Gils, A., Odekerken-Schröder, G., & Letterie, W. (2018). Exploring antecedents of service innovation performance in manufacturing SMEs. *International Small Business Journal: Researching Entrepreneurship*, 36(5), 500–520. <https://doi.org/10.1177/0266242617749687>
- Mohammad, H. I. (2019). Mediating effect of organizational learning and moderating role of environmental dynamism on the relationship between strategic change and firm performance. *Journal of strategy and management*, 12(2), 275-297.
- Mollah, M. A., Choi, J. H., Hwang, S. J., & Shin, J. K. (2023). Exploring a pathway to sustainable organizational performance of South Korea in the digital age: The effect of digital

- leadership on IT capabilities and organizational learning. *Sustainability*, 15(10), 7875. <https://doi.org/10.3390/su15107875>.
- Muras, S. A. L., Dzinekou, D. B. J. Y., & Kimani, D. E. G. (2021). The Effectiveness of Non-Governmental Organizations in Economic Empowerment of Vulnerable Groups in Juba, South Sudan: A Case of World Vision.
- Park, J. Y., Muaid, R., Lew, Y. K., & Oh, C. H. (2022). Exploring the role of organisational learning and leadership in developing dynamic capabilities. *European Journal of International Management*, 19(1), 27–57. <https://doi.org/10.1504/ejim.2023.127231>
- Patwary, A. K., Sharif, A., Aziz, R. C., Hassan, M. G. B., Najmi, A., & Rahman, M. K. (2023). Reducing environmental pollution by organisational citizenship behaviour in hospitality industry: the role of green employee involvement, performance management and dynamic capability. *Environmental Science and Pollution Research*, 30(13), 37105–37117. <https://doi.org/10.1007/s11356-022-24710-1>
- Peris-Ortiz, M., Devece-Carañana, C. A., & Navarro-Garcia, A. (2018). Organizational learning capability and open innovation. *Management Decision*, 56(6), 1217-1231.
- Pulsiri, N., & Vatananan-Thesenvitz, R. (2021). Triangle Relationship: A Review of Dynamic Capabilities, Strategic Foresight and Organizational Learning. *The International Journal of Business Management and Technology*, 5(3), 125–134. Retrieved from www.theijbmt.com
- Purwati, A. A., William, W., Hamzah, M. L., & Hamzah, R. (2023). Employee Performance Distributions: Analysis of Motivation, Organizational Learning, Compensation and Organizational Commitment. *Journal of Distribution Science*, 21(4), 57–67. <https://doi.org/10.15722/jds.21.04.202304.57>
- Souza, C. P. da S., & Takahashi, A. R. W. (2019). Dynamic capabilities, organizational learning and ambidexterity in a higher education institution. *Learning Organization*, 26(4), 397–411. <https://doi.org/10.1108/TLO-03-2018-0047>
- Storeng, K. T., Palmer, J., Daire, J., & Kloster, M. O. (2019). Behind the scenes: International NGOs' influence on reproductive health policy in Malawi and South Sudan. *Global public health*, 14(4), 555-569.
- Tan, F. Z., & Olaore, G. O. (2022). Effect of organizational learning and effectiveness on the operations, employees productivity and management performance. *Vilakshan - XIMB Journal of Management*, 19(2), 110–127. <https://doi.org/10.1108/xjm-09-2020-0122>
- Twijnstra, R., & Hilhorst, D. (2017). Blind spots: Domestic entrepreneurship and private-sector development in South Sudan. In *People, Aid and Institutions in Socio-economic Recovery* (pp. 119-137). Routledge.
- Tworek, K., Bienkowska, A., Hawrysz, L., & Maj, J. (2023). The Model of Organizational Performance Based on Employees' Dynamic Capabilities-Verification During Crisis Caused by Black Swan Event. *IEEE Access*, 11, 45039–45055. <https://doi.org/10.1109/ACCESS.2023.3273608>
- Tworek, K., Luo, G., Paska, M., & Sałamacha, A. (2023). The influence of e-trust on a job performance model based on employees' dynamic capabilities during a crisis caused by a Black Swan event. *Journal of Entrepreneurship, Management and Innovation*, 19(2), 159–187. <https://doi.org/10.7341/20231925>
- Udin, U., Dharma, R. D., Dananjoyo, R., & Shaikh, M. (2023). The Role of Transformational Leadership on Employee Performance Through Organizational Learning Culture and Intrinsic Work Motivation. *International Journal of Sustainable Development and Planning*, 18(1), 237–246. <https://doi.org/10.18280/ijstdp.180125>
- Wang, G., Mansor, Z. D., & Leong, Y. C. (2024). Fostering Digital Excellence: A Multidimensional Exploration of the Collective Effects of Technological Adaptability, Employee Competitiveness, and Employee Dynamic Capabilities on Employee Digital Performance

- in Chinese SMEs. *International Journal of Social Science Research*, 12(1), 116. <https://doi.org/10.5296/ijssr.v12i1.21774>
- Wang, G., Niu, Y., Mansor, Z. D., Leong, Y. C., & Yan, Z. (2024). Unlocking digital potential: Exploring the drivers of employee dynamic capability on employee digital performance in Chinese SMEs-moderation effect of competitive climate. *Heliyon*.
- Wang, G., Niu, Y., Mansor, Z. D., Leong, Y. C., & Yan, Z. (2024). Unlocking digital potential: Exploring the drivers of employee dynamic capability on employee digital performance in Chinese SMEs-moderation effect of competitive climate. *Heliyon*.
- Wiyana, I., & Sriathi, A. (2021). The Effect of Organizational Learning on Employee Performance Mediated by Organizational Commitment (Study at PT. Agung Jaya Internasional). *American Journal of Humanities and Social Sciences Research*, (5), 631–636. Retrieved from www.ajhssr.com
- Zhou, S. S., Zhou, A. J., Feng, J., & Jiang, S. (2019). Dynamic capabilities and organizational performance: The mediating role of innovation. *Journal of management & organization*, 25(5), 731-747.

Cite this article:

Aham Edward Kanuto (2024). Examining the Influence of Organizational Learning on Employee Dynamic Capability and Employee Performance within NGOs and Private Enterprises in South Sudan. *International Journal of Science and Business*, 37(1), 1-16. DOI: <https://doi.org/10.58970/IJSB.2381>

Retrieved from <http://ijsab.com/wp-content/uploads/2381.pdf>

Published by

