

Theoretical Analysis Of The Impact Of Slacks On Organisational Resilience And Profitability In Ghana

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ABSTRACT

Purpose—The study aims to investigate the effects of organisational slacks on the financial performance or profitability of state and privately owned enterprises in Ghana during crises.

Design/Methodology/ Approach—Drawing from behavioural and resource-based theories in crisis management, three hypotheses focused on the correlation and impact of organisational slacks on financial performance.

Findings—The results show that deploying organisational slacks in state-owned enterprises is more efficient and leads to higher profit margins than those in the private sector. The result also affirms that organisational slacks in state and privately owned enterprises have a strong positive correlation and a significant impact on financial performance, thereby making enterprises more profitable when slacks are strategically deployed.

Research Limitations/Implications- The study has limitations that may affect its generalisability. First, the sample size of 100 Enterprises is just a fraction of enterprises in Ghana. This implies that the generalisation of the results beyond this context may be scientifically flawed. Second, using only a quantitative approach may also limit the in-depth insight into the subject.

Practical implications- Based on cost and benefit analyses, enterprises should strategically deploy internal and external slacks to increase financial performance during crises and ensure value for money. Enterprises must collaborate and learn from best practices that promote mutual financial benefit.

Originality/value—This study could contribute to the literature on organisational slacks and performance by reinforcing the relevance of organisational slacks during crises to propel organisational resilience in the Ghanaian context.

Keywords: organisational slacks, privately owned enterprises, state owned enterprises, financial performance

Introduction

Organisational slacks provide the needed support to organisations in times of crisis, and the success of crisis resolution largely depends on the efficiency of the various types of organisational slacks deployed at any given time. According to Stock et al.(2018), organisational slacks are cushions for actual or potential resources that support an organisation to successfully adapt when internal uncertainties arise due to external pressures. Organisational slacks are strategically made available to an organisation to be deployed when challenges arise to inject efficiency, resilience and profitability (Luu et al., 2022). The deployment of slacks could provide the opportunity for enterprises to experiment and explore new areas based on market research to discover new opportunities by speaking with customers to identify areas that can be improved and capitalise on identified opportunities for expansion (Lin et al., 2020). It also provides the opportunity to become more efficient and flexible in responding to emergencies such as chain disruption and sudden increases in demand.

Contrary to the efforts of scholars in other jurisdictions, the relevance of organisational slacks and their benefits to state and privately owned enterprises in Ghana is not fully established (Adda, 2019; Quartey & Quartey, 2019). Most often, the relevance of organisational slacks is overshadowed by allegations of corruption and unethical considerations (Adomako et al., 2021; Jávora & Jancsics, 2016). While many

industry players argue that state institutions are less efficient in managing slacks, others also argue that privately owned enterprises deliberately hold back slacks to reduce misappropriation risks (Abu Salim et al., 2019; Stock et al., 2018). These assertions leave doubts in the minds of managers and decision-makers, which must be settled, and to the best of the author's knowledge, there is no literature in the Ghanaian setting that compares the contributions and the impact of organisational slacks to financial performance in state and privately owned enterprises in Ghana.

To help fill this gap, the study explores the degree of impact of organisational slacks on the financial performance of 100 state and privately owned enterprises listed in the state ownership report of Ghana. One of the novelties of this study is its inclusion of 1000 observations of how slacks are deployed over a 10-year period in drawing its conclusions. The study also identifies the contributions of organisational slacks in managing crises that confronted state and privately owned enterprises in Ghana. Theoretically, the paper contributes to resource-based theory (RBT), which suggests that organisations must have the internal resource capacity to enable them to have a competitive advantage. The rest of the sections of the paper are arranged as follows: The second section entails a literature review based on the theoretical framework and the development of hypotheses. The third section covers the methodology. The fourth section displays the results and discussion. Finally, the fifth section involves the conclusions, limitations, and suggestions for future research.

Literature Review

The study is aligned with the resource-based theory (RBT) as a management framework that relies on organisations' internal resources that contribute to their competitive advantage. Some of the organisational slacks include personnel, time, money, and other resources that are beyond what an organisation requires (Lu & Huang, 2019). In order to effectively deploy organisational slacks, there is a need to identify resources and determine how these excess resources can be utilised to creatively add value and promote competitive advantage. These excess resources could support organisational performance by developing new capabilities and investing in staff development, technology enhancement, and process improvements (Leuridan & Demil, 2022).

The deployment of slacks must be done with utmost discretion since too few slacks could impede innovation and discourage experimentation where success is uncertain (Bao et al., 2020). However, the deployment of excess slacks could lead to complacency and a lack of discipline that endangers good projects (Lin et al., 2020). Slack resources must be sought internally and externally to support organisational systems to promote efficiency (Kim et al., 2021; Lin & Liu, 2012). Firms generally depend on slack resources to improve and augment their capacity (Huang & Chen, 2010). This implies that a certain level of slacks is optimal for innovation in any situation. For this reason, Wasiuzzaman et al. (2022) recommended a moderate level of slacks as optimal for innovation performance in situations where waste and corruption outweigh the consequential benefits of the invention.

According to Godoy-Bejarano et al. (2020), the level of slacks deployment to attain the maximum results depends on whether slacks are absorbed across selected product-innovation mechanisms. In view of Conz et al. (2023), managers become overly optimistic and overly ambitious when they perceive that their slacks far exceed those of their competitors. As such, this requires regulated discretion and exceptional managerial characteristics that must reflect the firm's strategy. Scholars such as Celli (2015) argue that firms with fewer resources (slacks) could leverage more efficiently. This implies that resource constraints could control and guide managerial optimism. In that regard, poor discretion and improper executive characteristics could render organisational slacks less effective. Some of the elements that determine managerial discretion include environmental conditions, organisational factors, and leadership (Khalid et al., 2012). Behavioural theorists see organisational slacks as a critical source of managerial discretion (Pitelis, 2007; Wang et al., 2023). Based on that, actual or potential resources influence how managers apply their discretionary privileges to adapt successfully to internal pressures for policy reviews, which will, in turn, initiate strategic change.

Many scholars have demonstrated in their findings that organisational slacks have mixed impacts on financial performance (Leyva-de la Hiz et al., 2019). On the one hand, slacks could provide organisations with the needed resources and support to avert economic downturns, take risks, and innovate to guarantee continuous operations. On the contrary, slacks could also result in inefficiencies and waste that could significantly negatively impact financial performance, leading to losses. It is also observed that the impact of organisational slacks on financial performance may generate varied results depending on the organisation's ownership structure. State-owned enterprises usually could access more slacks than privately owned enterprises due to the government's support and subsidies. Slacks strategically position state owned enterprises to high levels of innovation and risk-taking even though they are also more likely to be inefficient and wasteful due to their weak mechanisms of accountability. Studies conducted to establish the relationship between organisational slacks and financial performance in state and privately owned enterprises generated varied conclusions and divergent views based on mixed findings. First, Bao et al. (2020) discovered that the injection of high-discretion slacks positively and significantly impacts the performance of privately owned

enterprises which is also in tandem with Stan et al.(2014). Further studies by Jiao et al. (2022) affirmed the same position that there is a significant positive relationship between organisational slacks and financial performance and concluded that moderate levels of slacks are positively associated with organisational performance in state owned enterprises.

Based on the literature, the following hypotheses were formulated.

1: *There is a positive correlation between organisational slacks and financial performance in state and privately owned enterprises in Ghana.*

2: *During crisis, organisational slacks promote higher profitability in state-owned enterprises than privately owned enterprises.*

3: *During crisis, organisational slacks promote profitability in state and privately owned enterprises in Ghana*

Methodology

Research Design

The author adopted a quantitative (survey) research approach by adopting a five-point Likert Scale (5= Strongly Agree, 4= Agree, 3=Neutral, 2=Disagree, 1= Strongly Disagree) for the study, after which regression stability, validity, and reliability tests were conducted on measures adapted from literature. The study adopted a random-effects regression model in view of Williams (2018), which indicates that the model is most appropriate when there are no missing variables in panel data for the analysis. The study involves 100 private and state companies in Ghana from the energy, transport, services, manufacturing and financial sectors. The study covers ten years (2011-2020) based on the availability of secondary data and the willingness of the organisations to participate in the survey. This study period (2011-2020) was characterised by erratic power supply, banking crisis, and labour unrest in Ghana (Affum, 2020; Danso-Wiredu et al., 2016).

Sources of Data

Data was sourced from Obis, Annual Financial Reports from the Ministry of Finance on state and privately owned enterprises, and surveys from respondents from state and privately owned enterprises. The author used return on assets as the standard of measurement for financial performance (dependent variable).

$Y_{it} = \alpha + \beta_1 X_{it} + \epsilon_{it}$ where Y_{it} represents financial performance of companies in industry 'i' at time 't', X_1 is the independent variable, the organisational slacks 'i' at time 't' and ϵ_{it} is the error term. The dependent variable, Return on Assets, is (Net Income divided by total assets), was adapted to measure the firm financial performance (Serwadda, 2018).

Sample and Procedure

First, the author conducted a stratified sampling procedure due to the heterogeneity of the institutions to select enterprises based on their type of ownership (either state-owned or privately owned), taking into account their respective sectors (energy, manufacturing, service, transport, and financial). The author continued by conducting a web-based survey by sending emails to individuals to participate in the study. In line with web-based data collection, Cunningham et al.(2015) affirm that web based surveys are better than email surveys; the addition of emails provides a suitable means for inviting individuals to participate in web-based surveys. Microsoft forms software was used to collect the data from respondents. Initially, one hundred and thirty-two (132) enterprises, made up of 63 state owned enterprises and 69 privately owned enterprises from five sectors, as already stated above, were based on secondary data and the organisations' willingness to participate in the study.

During the data cleaning, 32 enterprises without adequate data for the ten-year period were eliminated. In all, data from 48 state-owned enterprises and 52 privately owned enterprises were analysed for the study. The 100 selected enterprises represent 75.8 percent of the institution's population, with 300 respondents.

Data Analyses

The study used descriptive and inferential statistics for its analyses after initial errors in data entry and cleaning were performed. The findings were presented in tables as recommended by (Mondal et al., 2022). Additionally, univariate regression and Pearson correlation analyses were performed by using financial performance as a dependent variable during hypothesis testing in order to establish how the independent variable is capable of adequately predicting the outcomes. During the regression analysis, beta (β), which is equivalent to the Karl Pearson correlation coefficient (r), was used as a determinant in assessing the effect of the organisational slacks on the financial performance at the 5% significance level while using the Statistical Package for Social Sciences for the data analysis (Cheung et al., 2021). As a means of establishing the impact of organisational slacks on financial performance, Return on Assets was used as the dependent variable. The dependent variable, Return on Assets, was adapted to calculate the firms' financial performance as Net Income divided by total assets (Serwadda, 2018).

Univariate regressions and correlation analysis were performed to determine its impact and significance as proposed in the hypothesis. The same equation for calculating return on assets was used to measure the first

and second objectives, which looked at the impact of crisis management teams on the financial performance of state and privately owned enterprises for aggregated and disaggregated data.

Results

The summary of the model, as indicated in Table 1, shows that 13.1 percent of variances are explained ($R^2=.13$, $p=.000$). Table 2 displays a strong positive correlation between organisational slacks and financial performance ($r=.361^{**}$, $p=.000<0.001$), and to confirm the absence of multicollinearity, the study regressed the model to estimate the Variance Inflation Factor (VIF). The value of the Variance inflation factor, as shown in Table 3, is 1, and the result being less than 10 indicates the absence of multicollinearity (Gokmen et al., 2022).

Table 1: Model Summary

Model	R	R-square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					
					R Square Change	F Change	df1	df2	Sig. Change	F
1	.361 ^a	.131	.130	33.825987	.131	149.860	1	998	.000	1.875

Source: Field Data, 2022

a. Predictors: (Constant), Organisational Slacks

b. Dependent variable: ROA

Table 2: Bivariate Correlation for State and Privately Owned Enterprises in Ghana

	Y	X2
Performance (Y)	Pearson's correlation Sig. (2-tailed) N	1 1000
Organisational Slacks (X1)	Pearson's correlation Sig. (2-tailed) N	.361 ^{**} .000 1000

^{**}. The correlation is significant at the 0.01 level (2-tailed).

Source: Field Data, 2022

Table 3: Multicollinearity Statistics

Model	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
			Lower Bound	Upper Bound	Tolerance	VIF
1 (Constant)	-9.166	.000	-40.837	-26.435		
Organisational Slacks	12.242	.000	9.355	12.926	1.000	1.000

Source: Field Data, 2022

Descriptive Statistics of State and Privately Owned Enterprises on Organisational Slacks

The result, as indicated in Appendix 1, shows that the respondents of State-Owned Enterprises agree that: 'During the crisis, their respective organisations had enough resources (slacks) to deal with emergencies with a mean score of (4.66), 'Management deployed adequate material resources to respond to the crisis' (4.04), 'The organisation called back competent staff who were on leave to help deal with the crisis at hand' (4.80). However, the respondents disagreed with the following statements: 'The organisation had access to a pool of expatriate human resources who helped in resolving the challenges' with a mean score of (2.00) Regarding private companies, respondents agree by stating that 'During the crisis, our organisation had enough financial resources to deal with emergencies' with a mean score of (4.00), ' Management deployed adequate material resources to respond to the crisis (3.78), The organisation called back competent staff who were on leave to help deal with the crisis at hand (4.11), The organisation had access to a pool of expatriate human resources who helped in resolving the challenges (3.56). Comparatively, the data suggests that privately owned enterprises have a higher means score on all the items, with mean scores higher than 3.50 to imply their approval of all the items as compared to State-Owned Enterprises, with some scores less than 3.50

Relationship Between Organisational Slacks and Financial Performance of State and Privately-Owned Enterprises in Ghana (Aggregated Data)

To determine the impact of organisational slacks on financial performance, the univariate linear regression model $Y_{it} = \beta_0 + \beta_1 X_{it} + \varepsilon_{it}$ was applied to evaluate the impact of organisational slacks on financial performance. The results in Table 4 show that the model is statistically valid ($F_{(1, 998)} = 149.860$, $P = 0.000 < 0.05$), thus relying on organisational slacks as the explanatory variable (X_{it}) for the ten-year period is good for explaining total variations in the financial performance of state and privately owned enterprises in Ghana. In that regard, a relatively low r-squared value with a significant p-value is good for analyses. The coefficients

in the regression model, as shown in Table 5, imply that the organisational gap for state and privately owned enterprises exists at a certain minimum ($\beta_0 = -33.636$, $P = 0.000 < 0.001$). Adopting organisational slacks in State and privately owned enterprises positively and significantly impacts their financial performance ($\beta_1 = 11.140$, $P = 0.000 < 0.001$).

Table 4: Validity of the Organisational Slacks Model for State and Privately Owned Companies in Ghana (Aggregated Data)

Regression	171469.514	1	171469.514	149.860	.000a
Residual	1141908.986	998	1144.197		
Total	1313378.500	999			

Predictors: (constant), Organisational Slacks

Dependent Variable: ROA

Source: Field Data, 2022

Table 5: Organisational Slacks and Financial Performance Coefficients(Aggregated Data)

Model	Unstandardised Coefficients		Standardised Coefficients		R ²	t	Sig.
	B	Std. Error	Beta				
(Constant)	-33.636	3.670				-9.166	.000
Organisational Slacks	11.140	.910	.361		0.131	12.242	.000

a. Dependent variable: ROA

Source: Field Data, 2022

The Relationship Between Organisational Slacks and Financial Performance State Owned Enterprises (Disaggregated Data)

To test the hypothesis, the study sought to establish the relationship between organisational slacks and the financial performance of state owned enterprises by subjecting the result to further analysis in which a univariate linear regression model $S(Y) = \beta_0 + \beta_1 X_{it} + \varepsilon_{it}$ was applied to assess the impact of organisational slacks on financial performance. The results in Table 6 show that the model is statistically valid ($F_{(1, 478)} = 60.206$, $P = 0.000 < 0.05$); thus, relying on organisational slacks and the explanatory (X_{it}) is good in explaining total variations in the financial performance of State and privately owned enterprises in Ghana.

Table 6: Organisational Slacks Model validity for State Owned Enterprises in Ghana (Disaggregated Data)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	128087.849	1	128087.849	60.206	.000a
Residual	1016941.127	478	2127.492		
Total	1145028.976	479			

a. Predictors: (Constant), Organisational Slacks SOEs

b. Dependent variable: ROA

Source: Field Data, 2022

Furthermore, the study indicates that organisational slacks for the ten-year study period (X_{it}) in the aggregated data of state and privately owned enterprises in Table 1 explain (13.1 %) of the total variations ($R^2 = 0.131$). The coefficients in the regression model, as shown in Table 7, imply that organisational slacks for state owned enterprises exist at a certain minimum ($\beta_0 = -36.438$, $P = 0.000 < 0.001$). The adoption of organisational slacks in state owned enterprises positively and significantly impacts their financial performance ($\beta_1 = 12.558$, $P = 0.000 < 0.001$). This result agrees with the findings of the bivariate correlations in Table 2 (Aggregated data), which showed that the adoption of organisational slacks and financial performance have a positive correlation. Thus, an increase in the deployment of organisational slacks will increase the financial performance of state and privately-owned enterprises and vice versa.

Table 7: Organisational Slacks and Financial Performance Coefficients for State-Owned Enterprises (Disaggregated Data)

Model	Unstandardised Coefficients		Standardised Coefficients		R ²	t	Sig.
	B	Std. Error	Beta				
(Continuous)	-36.438	6.488				-5.617	.000
Organisational Slacks SOEs	12.588	1.622	.334		.112	7.759	.000

Dependent Variable: ROA

Source: Field Data, 2022

The Relationship Between Organisational Slacks and Financial Performance Privately Owned Enterprises (Disaggregated Data)

For the purposes of testing the hypothesis, the study sought to establish the relationship between organisational slacks and the financial performance of privately owned enterprises. The univariate linear regression model $P(Y) = \beta_0 + \beta_1 X_{it} + \varepsilon_{it}$ was applied to assess the impact of organisational failure on financial performance. The result in Table 8 shows that the model is statistically valid ($F_{(1, 518)} = 226.423$, $P = 0.000 < 0.05$); thus, relying on organisational slacks as an explanatory variable (X_{it}) is good in explaining total variations in financial performance of State and privately owned enterprises in Ghana even with disaggregated data.

Table 8: Validity of the Organisational Slacks Model for Privately Owned Enterprises in Ghana

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	50253.739	1	50253.739	226.423	.000a
Residual	114968.228	518	221.946		
Total	165221.967	519			

Predictors: (Constant), Organisational Slacks (POE)

Dependent Variable: ROA

Source: Field Data, 2022

Again, the study indicated that organisational slacks for the ten-year study period (X_{2it}) in the disaggregated data for privately owned enterprises explains (30.4 %) of the total variations ($R^2 = 0.304$), as shown in Table 9. The coefficients in the regression model in Table 9 imply that organisational slacks for privately owned enterprises exist at a certain minimum ($\beta_0 = -29.290$, $P = 0.000 < 0.001$). The adoption of organisational slacks in privately owned positively and significantly impacts their financial performance ($\beta_1 = 9.405$, $P = 0.000 < 0.001$).

Table 9: Organisational Slacks and Financial Performance Coefficients for Privately Owned Enterprises (POEs)

Model	Unstandardised Coefficients		Standardised Coefficients			
	B	Std. Error	Beta	R ²	t	Sig.
1 (Continuous)	-29.290	2.539			-11.534	.000
Organisational Slacks (POE)	9.405	.625	.552	.304	15.047	.000

a. Dependent variable: ROA

Predictors: (Constant), Organisational Slacks (POE)

Dependent Variable: ROA

Source: Field Data, 2022

Comparative Analyses of the Impact of Organisational Slacks on the Financial Performance of State and Privately Owned Enterprises in Ghana

Comparatively, organisational slacks have a positive and significant impact on state and privately owned enterprises. The result, as shown in Table 2 above, affirms a positive correlation between the two variables. Even though the results of state and privately owned enterprises have some similarities, there are some differences as well. For example, the unstandardised coefficient ($\beta_1 = 12.558$) of state owned enterprises, as shown in Table 7 above, implies that the deployment of organisational slacks increases financial returns as compared to those of privately owned enterprises with a less unstandardised coefficient ($\beta_1 = 9.405$). In terms of the level of variance explained, the result suggests that (organisational slacks) are able to explain less (11.2 percent) of the variables in state owned enterprises as compared to privately owned enterprises (30.4 percent), which implies that there are much more variables that can contribute to the financial performance of state owned enterprises when compared to the Privately-Owned Enterprises.

Table 10: Hypothesis Testing

Hypotheses	B	t/r	p-value	Remarks
1: There is a positive correlation between Organisational Slacks and financial performance in State and Privately Owned Enterprises in Ghana.		.361**	0.000	Supported
2: During crisis, Organisational Slacks promote higher profitability in State Owned Enterprises than Privately Owned Enterprises.	Result for Privately Owned Enterprises	9.405	15.047	0.000
	Result of State Owned Enterprises	12.588	7.759	0.000
3: During crisis, Organisational Slacks promote profitability in State and Privately Owned Enterprises in Ghana	11.140	12.242	0.000	Supported

Source: Field Data, 2022

Discussion

The bivariate correlation result in Table 2 proves a strong and significant positive relationship between organisational slacks and financial performance ($r = 361^{**}$, $P = 0.000 < 0.01$). Again, the univariate regression results in Table 5 (Aggregated data) reveal that organisational slacks positively and significantly impacted the financial performance of state and privately owned enterprises in Ghana ($\beta_1 = 11.140$, $P = 0.000 < 0.001$). This result, therefore, means that an increase in organisational slacks leads to an increase in the financial performance of state and privately owned enterprises and vice versa. The possible cause of this result is the strategic deployment of relevant resources at critical moments, resulting in efficiency.

This finding contradicts the positions espoused by Oyewobi et al. (2013), who posit a negative correlation between organisational slacks and financial performance because deploying organisational slacks leads to complacency and abuse of resources. The study also disagrees with the positions of Cheung et al. (2021) and Yang et al. (2009), who posited that much deployment of organisational slacks could equally have high-cost implications, which will eventually affect the financial gains of the organisations and thereby advocated for limited or controlled organisational slacks since it will lead to efficiency and judicious use of resources.

Second, the result also shows that the deployment of organisational slacks in state owned enterprises has a more significant impact ($\beta_1 = 12.588$, $P = 0.000 < 0.001$) on financial performance compared to that of privately owned enterprises ($\beta_1 = 9.405$, $P = 0.000 < 0.001$). This result also contradicts the perception that state-owned enterprises are wasteful, corrupt, and less efficient in utilising organisational resources. One of the reasons for the outstanding performance of state-owned enterprises is the government's support and the ability to mobilise resources across the globe through trade and bilateral collaborations. This gives a lot more leverage and advantage to state owned enterprises that privately-owned enterprises may not be able to access.

The result affirms the theoretical perspectives, which suggest that the availability of internal and external resources increases profitability and resilience during the crisis, as espoused by resource-based theory. In addition, the result provides the basis for the need to promote ethical behaviour and professionalism to reduce high levels of mismanagement and corruption in view of behavioural theory.

Contributions to theory

The study contributes to theory and practice. The study results suggest that the deployment of organisational slacks and adherence to internal controls can benefit the financial performance of state and privately owned enterprises in Ghana. The results of this study contribute to the existing literature by providing additional guidance on the dynamics of the deployment of organisational slacks in Ghana compared to other settings.

Many studies glossed over the contributions of organisational slacks. Therefore, the findings from this study could significantly contribute to filling this long-standing knowledge gap. In the literature, scholars have focused on the types of slacks, slacks management, and prevention of slack leakage in state and privately owned-enterprises in Ghana. From the perspectives of resource-based theory and agency theory, the study advances the existing discourse by adding organisational slacks as an important factor for financial performance, most especially during organisational crises.

Conclusion and study limitations

According to the data gathered and analysed, the independent variable, organisational slacks, is critical to organisational financial performance. In that regard, organisations perform better when the needed slacks are deployed.

The study recommends that state and privately owned enterprises must be strategic in deploying organisational slacks. This is based on the fact that over-deploying slacks could lead to complacency and waste of resources, which could eventually negatively impact financial performance. However, strategic deployment of organisational slacks, both internal and external, such as human resources and capital injection, has the potential to increase the financial performance of these enterprises. In cases of this nature, it is very important to perform cost and benefit analyses to ensure value for money before resources are deployed to avoid waste.

The use of organisational slacks in managing crises in state and privately-owned enterprises in Ghana is a complex issue that requires careful consideration. Even though state owned enterprises could easily access organisational slacks, the study recommends that privately owned enterprises collaborate with state owned enterprises to exchange ideas and human resources to ensure mutual benefits for both entities. Although cross-sectoral collaboration has some challenges, it is ultimately important for public and private sectors to work together towards creating a more stable economic environment where all stakeholders can benefit from sustainable growth.

Despite the significant contributions to literature, the study has some limitations. First, the sample size of 100 State and privately owned enterprises in Ghana is not representative enough for generalisation. Secondly, the use of a quantitative study approach limits the study from providing details that underpin the results. In spite of this, the study contributes to the literature that is related to organisational slacks and

financial performance based on theoretical and practical perspectives. From the author's point of view, the findings form the basis for further studies to broaden the perspectives in handling organisational slacks. This research could be expanded by exploring more dimensions of the "moderating effects of slacks and financial performance" among others.

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APPENDIX 1:

Descriptive Statistics of State and Privately Owned Enterprises (Disaggregated Data)						
	PRIVATELY-OWNED ENTERPRISES			STATE-OWNED ENTERPRISES		
	N	Mean	Std. Deviation	N	Mean	Std. Deviation
During the crisis, our organisation had enough Financial Resources to deal with emergencies	520	4.00	1.146	480	4.66	.475
Management had the authority to act with discretion without always seeking board approval	520	4.18	1.211	480	4.95	.218
Management created well-organised units to respond to the crisis	520	3.78	1.023	480	4.04	.896
The organisation had competent staff who were able to deal with the crisis at hand	520	4.11	1.191	480	4.80	.513
The organisation had access to a pool of external human resource who helped in resolving the challenges	520	3.56	.828	480	2.00	.000

Source: Field Data, 2022