

## Knowledge Management, Organizational Innovativeness, and Adversity Quotient on Institutional Performance of Local Economic Enterprises

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### ABSTRACT

This study attempted to assess the influence of knowledge management, organizational innovativeness, and adversity quotients manifested through the institutional performance. There are 221 local economic enterprise employees of the local government units in Bukidnon participated in the study, which employed a quantitative descriptive design, to evaluate the relationship between two or more variables as well as the multiple regression analysis in determining variables that predict institutional performance. Findings revealed that knowledge management, organizational innovativeness, and adversity quotient are predictors, positively correlated and have a statistically significant relationship to institutional performance. The overall predictive model is presented as follows; Institutional performance = 1.123 + 0.189\*Ownership. The overall model tested was highly significant with  $F = 3.654$ ,  $p = .000$ . The regression model further discloses that for every unit change in ownership, there is a corresponding increase by .189 of the institutional performance. Based on this result, the null hypothesis is rejected. The independent variable, taken as a whole, can predict the institutional performance of the local economic enterprise employees. The data implies that the higher level of ownership in adverse situations of the local economic enterprise employees, the more they have performed well in their institutional performance. Therefore, one of the practical implications of this result in the management of organizational innovation processes is that to manage the innovation process effectively, owners and, or managers need to understand knowledge management and innovativeness factors that affect different innovation types in their institutional performance.

## INTRODUCTION

Republic Act 7160, or LOCAL GOVERNMENT CODE OF 1991 under section 17 paragraph (ix), states that public markets, slaughterhouses, and other municipal enterprises, and paragraph (x) public cemetery are under economic enterprise. Under section 17, the phrase and others connote that they generate income or revenues for the city or locality. Common public economic enterprises in the Philippines are public markets, slaughterhouses, bus terminals, cemeteries, and some cities and municipalities also operate waterworks. These are business-like entities, wholly or partially owned by the local government unit, that sells products or services to meet public demand. Earlier studies (Manasan and Castel 2017, Pardo and Zipagan 2008, Sequus. 2003) have pointed out that although Local Economic Enterprise should be self-sustaining, and revenue-generating units of the locality, however many of them incurred losses continuously. Most of the Local Government Units (LGUs) do not have a clear appreciation of the purpose of the local economic enterprise. Commission on Audit reports states that the operation of LGU was not treated as special accounts in the General Fund against the provisions of the Local Government Code (LGC) of 1991. The reports on the particular status of the enterprise could have some adverse situations as to the choices taken by the LGU Officials. Some negative results on the option taken by LGU officers. On the one hand, economic enterprises are often used as the vehicle for charging casual employees who are utilized elsewhere in the LGU system to circumvent the 45%-55% limitations on personal services (PS) expenditures of LGUs. On the other hand, a part of the cost of LEE operation and management is usually charged in the different offices within the LGU. Overall, the business-like approach to local enterprise management has resulted in massive arrearages and low collection efficiency. Lack of knowledge management and innovativeness among employees without considering adversity is always the cause of economic failures. These are the main reasons why the researcher wants to find the significant effect of knowledge management on the Organizational Innovativeness of the local Economic Enterprises of Bukidnon.

### *Statement of the Problem*

This study aimed to assess the relationship between knowledge management, organizational innovativeness, and adversity quotient on the Institutional performance of the local Economic Enterprises in Bukidnon. Thus, the following questions were addressed. What is the level of Knowledge Management of Local Economic Enterprises in terms of: Knowledge acquisition; Knowledge sharing; Knowledge Application? What is the level of organizational Innovativeness of Local Economic Enterprises in terms of Creativity; Risk-Taking; Pro Activeness? What is the level of adversity quotient of the Local economic enterprise's employees in terms of : control; ownership; Reach; Endurance? What is the level of institutional performance in terms of leadership and governance; accountability and continuous improvement; and management of resources? What is the relationship between knowledge management, organizational innovativeness, adversity quotient,

and institutional performance? Which independent variables significantly predict institutional performance?

### *Hypothesis*

H01: There is no significant relationship between Institutional performance and the independent variables of knowledge management, organizational innovativeness, and adversity quotient.

H02: None of the independent variables predict the institutional performance of the respondents.

### *Significance of the Study*

The information acquired from this study could benefit local government units, local economic enterprises, economic enterprises board, human resources, stakeholders, entrepreneurs, local business partners, financial institutions, local legislative bodies, consumers, and other researchers.

*Local government unit.* An administrative and political government unit subsidiary to the national government, which could itself consist of sub-units, as in the case of a province or a municipality. The local government units are the main point of contact for delivering services and national programs to the citizens. They can be of benefit to the study by providing them with scientific information, especially in management innovations and the adversity quotients of the local economic enterprise employees.

*Local economic enterprises.* are public markets, slaughterhouses, bus terminals, cemeteries, and some cities and municipalities also operate waterworks. These are business-like entities, wholly or partially owned by the local government unit, that sells products or services to meet public demand. The result of the study will be of great help to upgrading the system of the enterprise.

*Economic enterprise board.* A set of officers headed by the local chief executive with members from various sectors in the locality will take charge of the policy formulations, which is subject to the approval of the city or municipal council. This study will be their guide to formulate the policy.

*Human resource department.* Human resource departments find usefulness in the study by understanding the needed human resources in the enterprises.

*Stakeholders.* The stakeholders are mainly those who are engaged in doing business in an economic enterprise. This study will help them when the LEE has effective management and innovativeness.

*Financial institutions.* This study will be the guiding document for the financial institution in approving assistance or loans to the LEE and the stakeholders.

*Future Researchers* This will be the secondary data for the next researchers willing to conduct studies in local economic enterprises.

## THEORETICAL REVIEW

The Philippines has the constitutional mandate to serve and protect, which means that the government's priority is to give service to the people and to safeguard the individual rights of Filipinos. The Philippine government is not just run by the president, senators, members of congress, governors, mayors, and the like; it is also composed of employees – the men and women who work behind the limelight, ensuring the government is operational. Governing any kind of office, especially public office, is a very serious and monumental task to shoulder. The all-out effort, time, efficiency, and effective services are always expected. As taxpayers, the Filipino people anticipate receiving the best services they deserve. Ablaña, M. V., Isidro, D. J., and Cabrera, G. A. (2016).

### *Knowledge Management*

The business world has been changing from the era of natural resources to knowledge generation. The world is moving away from natural resources to a generation of knowledge based on research and development, skills, and education (Friedman, 2005; Gulbranson & Audretsch, 2008), as cited by Xue, 2017. The basic economic resource is no longer capital, natural resources, and labor but knowledge (Khan, 2014). Knowledge has been considered one of the most important and highly valued assets and commodities (Bhojaraju, 2005; Hegazy & Ghorab, 2014). Schultze and Leidner (2002), as cited by Xue, 2017, also stated that knowledge had become the primary source in organizations. Besides, knowledge and the capability to create and utilize knowledge are seen as a center to transform the global economy. Knowledge has emerged as the primary key source of economic growth for organizations in the global economy as it is the basis of innovation. Knowledge can be referred to as information in people's minds or experiences and understanding. It contains ready information and can be used in making decisions and actions (Chang & Lin, 2015). Anand and Walsh (Anand & Walsh, 2016) claimed that knowledge contains information, skills, and expertise.

*Knowledge Acquisition.* This process involves implementing knowledge or replacing the current content within the organization's explicit and tacit knowledge. It requires organizations to search for new knowledge and information, both inside and outside of the organizations (Carrion et al., 2012). Organizations can acquire new knowledge through imitation, benchmarking, replication, or outsourcing. This process has been considered an important role as it generates new knowledge within the organization, and this can be switched to crucial success factors and continuous innovation. Knowledge can be created, shared, and enlarge through collaborative processes within the organizations (Norman, 2004; Ajmal & Koskinen, 2008) as cited by Xue, 2017.

*Knowledge sharing.* This process involves sharing and exchanging knowledge among individuals or networks of individuals, a group of people to organizations, and individuals to explicit sources. During the process, the organizations must ensure that knowledge is transformed from tacit knowledge to explicit knowledge to prevent the loss of tacit knowledge. (Alavi et al., 2005; Carrion et al., 2016).

*Knowledge Application.* This process involves using knowledge to adjust the strategic direction, solve problems, make a decision, improve efficiency, and reduce costs. The individual can make use of the knowledge possessed by other individuals without actually learning that knowledge (Hegazy & Ghorab, 2014). However, according to Landroquez (Landroquez et al., 2011), as cited by Xue, 2017, if organizations want to capitalize on the knowledge, they should know how it is created, disseminated, and used as these processes are the basis for effective organizational knowledge management.

### ***Organizational Innovativeness***

*Innovativeness.* Innovativeness reflects the firm's tendency to embrace new technologies or practices and go beyond the current state of the art. This may include fresh and creative ideas, novelty, and experimentation that might bring new opportunities, novel solutions, or rise to new technology, products, or services. In the entrepreneurial Orientation literature, services or products encompass many of the innovation aspects in the field of innovation. However, the innovativeness dimension does not detail the different kinds of innovation, such as incremental or radical innovation, or if it is an adoption or generation of innovation (e.g., Perez-Luño et al. 2011). Nonetheless, the broadness of the EO dimension of innovativeness enables many different areas of innovativeness, such as product, service, and process innovation, to fit into the conceptualization. (Baker and Sinkula 2009) as cited by Linton (2019).

*Risk-taking.* Different types of risk exist, for example, venturing into the unknown (personal, social, and psychological), committing a relatively large portion of assets, and borrowing heavily. Risk can also be related to risk-return and trade-off, the probability of a loss of tolerance of uncertainty Miller and Friesen embrace the probability of loss with their definition of risk-taking as the degree to which managers are willing to make significant and risky resource commitments, those which have a reasonable chance of costly failures. All firms deal with risk at some level; however, the range can be from safe risk, which entails low uncertainty and small resource commitments, to risk, which involves high uncertainty and significant resource commitments (Lumpkin & Dess, 1996) as cited by Linton, (2019).

*Pro Activeness.* The first-mover advantage was put forward as an advantageous strategy to suggest that initiative by anticipating and pursuing new opportunities and by participating in emerging markets also become associated with entrepreneurship (Lumpkin & Dess, 1996) as cited by Linton (2019) argue that proactiveness shapes the environment through, for example, new products, technology, and administrative processes in contrast to reacting to the environment.

*Organizational Demand for Innovation.* Levie (2008), as cited by Politis (2015), defined organizational demand for innovation as the degree to which organizations are willing to engage with and perceive benefit from new products or services or products or services that embody new technology.

Organizational demand for innovation is about receptivity toward innovation in organizations. According to Bhide (2009), while many supply-side innovation indicators exist, global demand-side indicators are markedly absent from the literature. It also emphasized that there are many measures of the supply side of innovation but no international measures of demand for innovation.

*Innovative Self-Efficacy.* Previous studies crucially indicated that besides the direct relationship between leadership and innovation, several factors might influence this relationship. Leadership behaviors occur in the organizations' context, and analyzing a bivariate relationship would be incomplete without considering the context in which organizational innovation occurs (Jung et al., 2008; Oke et al., 2009) as cited by Politis (2015). Therefore it is necessary to identify and examine factors that may interact with leadership behaviors in affecting organizational innovation. This research attempts to explore further the impact of entrepreneurial leadership on organizational demand for innovation and, likewise, the interaction of entrepreneurial leadership and employees' self-efficacy on organization demand for innovation.

According to Bandura (1977), as cited by Politis (2015), self-efficacy is based on the principal assumption of psychological procedures, the social cognitive theory, in which perceived self-efficacy influences the choice of activities and behavioral settings. The concept of self-efficacy comes into sight in management and organization; it stimulates motivation and cognitive resources for better individual achievement in every single aspect of life (Momeni et al., 2014).

*Self-leadership Behavioral Focused Strategies.* According to the literature, the sub-strategies of self-observation, cueing strategies, self-goal setting, self-reward, self-punishment, and practice compose overall self-leadership behavioral focus strategies Manz (1992) as cited by Politis, (2015). The definition of these strategies was adopted from Manz (1992): Self-observation describes the extent to which employees can (or try to) keep track of the progress of their work or are aware of their work performance

### ***Adversity Quotient***

Adversity quotient, designed by Stoltz (2000) as cited by Calles (2015), measures how an individual responds to adversity. The study is drawn from the AQ framework of Stoltz (1997), as cited by Calles, (2015) which is based on several theories of psychological resiliency and vulnerability, including learned helplessness, hardiness, locus of control and cognitive models of depression by Abramson et al, ( 2002) as cited by Ablaña (2016). The AQ is mainly composed of the CORE model, which represents the four major facets involved, which include control, ownership, reach, and endurance (CORE). Control measures the degree of control a person perceives over adverse events. It is a gauge of resilience, health, and the ability to turn adversity into opportunity. Ownership measures the extent to which a person holds themselves accountable for improving a situation. It is a measure of accountability and responsibility to take action and learn from the event's outcome. Reach refers to the extent that one perceives good/bad events influencing other areas of life. It is a strong

gauge of how likely the individual feels empowered and prepared to deal with adversity. Endurance is the perception of time over which good or bad events and their consequences will last or endure and a strong gauge of hope and optimism (Stoltz, 2000) as cited by Calles, (2015)

### ***Organizational Performance***

Organizational Performance According to Chen et al. (2006), as cited by Ousman (2017), organizational performance means the “transformation of inputs into outputs for achieving certain outcomes. About its content, performance informed about the relation between minimal and effective cost (economy), between effective cost and realized output (efficiency) and between output and achieved the outcome (effectiveness)”.

According to Scott & Davis (2015), there is no general agreement in the literature on the standards for measuring organizational performance. However, there are four main dominant approaches: Goal Approach. People create organizations for a specific purpose, which the stakeholders determine.

*Leadership role on institution performance.* Van and field (1990), as cited by Ousman (2017), point out and argue that leadership requires attention to individuals and organizations. Essentially, we see him (the leader) filling the gap between subordinate desires and abilities on one hand and organizational goals and requirements on the other. In essence, when the gap is filled, there should be satisfied subordinates in a high-performance organization, further goes into depth and states that Leaders are individuals who establish direction for a working group of individuals who gain commitment from this group of members to this direction and who then motivate these members to achieve the direction's outcomes

### ***Theoretical Framework***

Studies on the relationship between Knowledge Management, Organizational Innovativeness, and Adversity Quotient in the Institutional Performance of local Economic Enterprises are substantial. In particular, some studies have shown that local economic enterprises were not giving importance to these variables because of government intervention ( Manasan & Castel, 2017; Kay, 2014; Pardo Zipagan 2008, Sequus. 2003). The assumption of the study supported by the knowledge management and organizational innovativeness model by Agwamba, Onwudiwe, Ugwuegbu, Wiig, 2019 and Adversity Quotient and Institutional performance by Napire 2019 and Tagaygay, 2015, which was developed from the model of Stoltz 2000, the knowledge management theory by Kay (2014), Roger's innovation theories (1995).

*Knowledge Management Theory*(Kay, 2014) states that a knowledge-based economy emerges from the knowledge-based view of the firm and is triggered by development, knowledge management has provided an umbrella for a range of management activities, all linked together by their central focus on knowledge within the organization.

*Rogers' Innovations Theory* (1995) Focuses on the situation where innovators will always be willing to take risks, have the highest social status,

have financial liquidity, are social, and have the closest contact to scientific sources and interaction with other innovators. Their risk tolerance allows them to adopt technologies that may ultimately fail. Financial resources help absorb these failures. Innovations are often adopted by organizations through two types of innovation decisions: collective innovation decisions and authority innovation decisions. The collective decision occurs when adoption is by consensus. The authority decision occurs by adoption among very few individuals with high positions of power within an organization. Unlike the optional innovation-decision process, these processes only occur within an organization or hierarchical group.

*Adversity Quotient (AQ)* pertains to the total score obtained on the Adversity Quotient® Profile (AQ®P) version 10.0 developed by Dr. Paul G. Stoltz (2010), used to measure the resiliency of the respondents. Adversity Quotient® comprises four CORE dimensions which Dr. Paul G. Stoltz scientifically formulates. This dimension measures the capacity of the person to face adverse situations (Stoltz, 2010). In this study, Adversity Quotient® refers to the mean score of the employees of local economic enterprises on the Adversity Quotient® Profile (AQ®P) that would determine how they respond to adverse situations in the local economic enterprises. It is also a measure of how you respond to adversity, that is, change and challenge. It provides the tool for improving how you respond and thus achieving overall professional effectiveness (Napire JN, 2019 Tagaygay M. 2015).

*Institutional Performance-* The socially constructed conceptions of organizational performance become firmly institutionalized as legitimate aspects of achievement in the institutional field. (Modell S. 2018). This refers to the quality of public service provision. It focuses on the performance of various types of formal organizations that formulate, implement or regulate public sector activities and private provision of goods for the public.

### *Conceptual Framework*

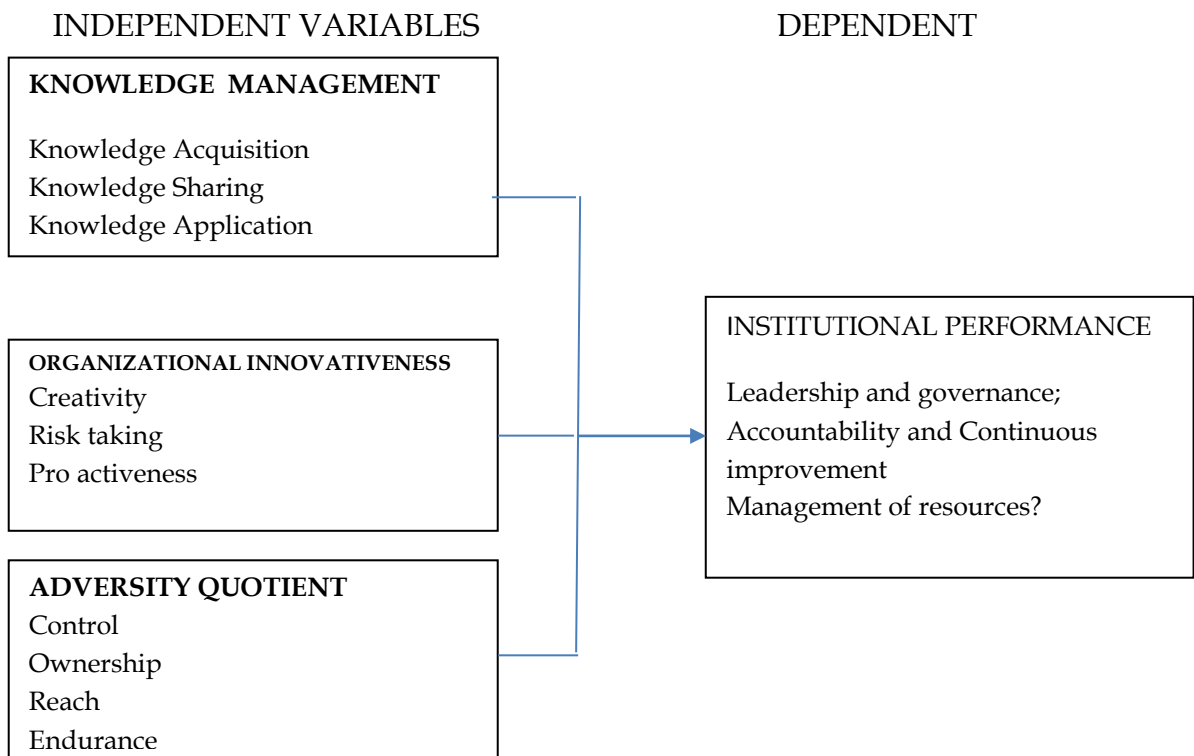


Figure 1. Schematic presentation showing the interplay of the dependent and independent variables of the study

## **METHODOLOGY**

### *Research Setting*

The study centered on the two cities and ten municipalities of the Province of Bukidnon, Mindanao, Philippines. The two cities are Malaybalay City and Valencia City, and the ten municipalities are Manolo Fortich, Sumilao, Impasugong, Lantapan, Cabanglasan, Maramag, Don Carlos, Danggagan, Kibawe, and Damulog.

### *Research Design*

This study used a descriptive-correlational design. The data were gathered and analyzed quantitatively. The descriptive method was used for the study, which is designed to describe the level of knowledge management, organizational innovativeness, and adversity quotient on the institutional performance, Pearson's Product Moment Correlation was used to evaluate the relationship between two or more variables as well as the multiple regression analysis in determining variables that predict institutional performance.

### *Participants and Sampling Procedure*

The participants of the study were all employees from the local economic enterprises of the two cities and ten municipalities of the province of Bukidnon. Respondents include those employees who held regular, casual, temporary, co-terminus, or contractual positions. Purposive sampling is used in this study.

Table 1 Population and Sample Distribution

Local Economic Enterprise	Populations	Samples	%
Cabanglasan	7	7	3.167
Damulog	3	3	1.357
Dancagan	16	14	6.334
Don Carlos	5	5	2.262
Impasug-ong	11	11	4.977
Kibawe	5	5	2.334
Lantapan	15	14	6.334
Malaybalay City	35	32	14.480
Manolo Fortich	26	24	10.860
Maramag	36	33	14.932
Sumilao	16	15	6.787
Valencia City	62	58	26.244
Total	237	221	100.0%

### ***Research Instruments***

The researcher used survey instruments, which consisted of five parts. The first part presents the research objectives, risks, benefits, confidentiality, participation, and the researcher's contact details. The second part of the questionnaire contained 16 indicators of knowledge management. The third part is organizational innovativeness, with 17 indicators; the fourth part is the adversity quotient, with 22 indicators; and the fifth is institutional performance, with 16 indicators.

The knowledge Management and Organizational Innovativeness questionnaire was collected and developed by the researcher and was used in the study.

The adversity Quotients and institutional performance survey questionnaire were revised from the study of Napier 2019 and Tagayday 2015, which was also adopted from Stoltz (2000), and this questionnaire was developed, tested, and validated by peak learning with over 7,500 participants from divers organizations.

### ***Data Gathering Procedure***

The gathering of data was mainly through the use of survey instruments and was distributed personally by the researcher with the help of contact persons from the local economic enterprises. The researcher administered the instruments directly to the respondents. Qualitative data from interviews may also be used to supplement some quantitative findings. The researcher ensures that both the data gathering procedures are compliant with research protocols, especially with research ethics.

### ***Statistical Techniques***

The study used descriptive statistics such as mean and standard deviation to describe the variables of the study. Pearson's r product-moment correlation was employed to measure and identify the relationship between knowledge management, organizational innovativeness, adversity quotient,

and institutional performance. The predictive analysis of multiple regression was applied to examine the relationship and to determine the degree of influence between the independent variables and the dependent variable.

## RESULTS AND DISCUSSION

This study examined whether knowledge management, organizational innovativeness, and adversity quotients predict the institutional performance of the local economic enterprise employees. Table 2 presents a multiple linear regression analysis between the independent variable and the dependent variable of Institutional performance. Linear regression was used in this study to help the local chief executive to make a decision based on the result of this study, particularly on the relationship between independent and dependent variables.

Table 2 Linear Regression Between the Independent Variables and Institutional Performance

Predictor Variables	Unstandardized		Standardized	T	p.
	Coefficients B	Std. Error	Coefficients Beta		
(Constant)	1.123	.232		4.841	.000
Knowledge acquisition	.040	.059	.063	.672	.500
Knowledge sharing	.094	.069	.125	1.358	.176
Knowledge application	.132	.076	.188	1.730	.085
Creativity	.063	.076	.092	.832	.406
Risk taking	.007	.091	.011	.079	.937
Pro activeness	.024	.076	.042	.318	.751
Control	.087	.066	.155	1.313	.180
Ownership	.189	.061	.342	3.098	.002
Reach	.007	.048	.015	.150	.881
Endurance	.053	.047	.088	1.130	.560

Notes R-.287 R2 =.082 (p<.05) f-value 6.503  
 P-value= .000

The table suggests that knowledge acquisition, knowledge sharing, knowledge application, creativity, risk-taking, pro-activeness, control ownership, reach, and endurance were predictors of institutional performance. The adjusted R2 value of .108 or 10.8 % of the variation of the local economic enterprise employees' institutional performance is explained by the whole set of a variable taken as one. The overall model tested was highly significant with F = 3.654, p=.000, Based on this result, the null hypothesis is rejected. The independent variable, taken as a whole, can predict the institutional performance of the local economic enterprise employees.

**The final predictive model is presented as follows: Institutional performance = 1.123 + 0.189\*Ownership**

Looking at the individual variables and how each predicts the variation of the dependent variable, it can be seen that the independent variable ownership ( $\beta$  .342), p= .002, is the strongest predictor of institutional

performance. Other predictor variables do not contribute significantly to the institutional performance of the economic enterprise employee.

The regression model further discloses that for every unit change in ownership there is a corresponding increase by 0.189 of the institutional performance. The data implies that the higher level of ownership in adverse situations of the local economic enterprise employees, the more they have performed well in their institutional performance.

My findings are validated by the empirical studies of Yaghoubi et al (2015) who studied the relationship between the components of organizational learning and knowledge management among the personnel of selected hospitals in Isfahan, Saedi and yazdani (2015) who provided a process model for the implementation of knowledge management based on organizational learning in Iran Khodro, and Hassanbeigi (2014) who provided a model of key success factors of knowledge management to increase organizational learning and capacity in Iran Airports Company. The results of all these studies provided a positive and significant relationship between knowledge management and organizational innovation and Institutional performance.

## **CONCLUSIONS**

Looking at the dynamism of today's business environment, especially in the local government owned and control enterprises, which is characterized by rapid and continuous changes, investment in knowledge management, and innovation by an organization is critical in creating sustained competitive advantage. Hence, in this study, the knowledge management and organizational innovativeness of the local economic enterprises employees are moderately high.

Therefore, one of the practical implications of this result in the management of organizational innovation processes. In order to manage innovation processes effectively, owners and managers need to understand knowledge management and innovativeness factors that affect different innovation types in their Institutional performance.

The moderate Adversity Quotient® score along the dimension of control, ownership, reach, and endurance of the local economic enterprise employees sometimes pushes them to take negative actions over challenges and difficulties faced in the workplace. This also concluded that local economic enterprise employees would most likely to blame others and composite a negative action when dealing with adversities, sometimes it affected other aspects of their lives leading to a bit of frustration, bitterness, failure, misfortune, and led to sometimes weak decision making.

The Local Economic enterprise employees level of performance in leadership and governance, accountability and continuous improvements and management of resources are all maturing.

## **RECOMMENDATIONS**

Based on the strategic role knowledge management plays in this era: the study recommends the following for local economic enterprises.

To sustain and preserved its acquired knowledge, there is a need for LEE to have knowledge storage policies and procedures. This will entail having a database for knowledge registration and documentation of successful and unsuccessful experiences. LEE should have a culture of disseminating new knowledge as they come from various sources. This will enable them to stay ahead of the competition and to respond to any environmental forces quickly.

The local economic enterprises should be creative, risk-taker, and proactive in all their undertakings to attained maximum institutional performance.

LEE may revitalize their ability to face diverse people with a different perspective to positively respond to adversities. Employees may revisit and reflect on their major roles in management to further improve their responsibility and accountability system. Widen perspective on reaching out of the extent of adversities in the workplace to engage them in a more productive approach in overcoming adversities in life.

Lastly the Chief executive has the sole authority to appoint people for the economic enterprise. He or she has to appoint personnel who are knowledgeable, innovative, and strong enough to respond to adverse situation for better LEE performance.

#### **FURTHER STUDY**

This study can be interpreted as a guide for the market administrator in all local economic enterprises. However, the results of this study should be treated with caution due to many of the respondents are politically accommodated that may not give exact details of their functions in the Economic Enterprises.

Future research could further examine the style of management of the local chief executive who normally have control over all employees of the Local economic enterprises. It could also contribute to a deeper understanding of the performance of the employees

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