

# **EXPLORATORY AND EXPLOITATIVE LEARNING IN NEW PRODUCT DEVELOPMENT SPEED IN SAVING AND LOANS COMPANIES: THE MODERATING ROLE OF ORGANIZATIONAL CULTURE.**

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## **Abstract**

This study sought to investigate how exploratory and exploitative learning influence new product development speed (NPDS). Aside from the direct relationships investigated, this study also examined the moderating role of organizational culture on the direct relationships. The study aimed at addressing the paucity of research that examines the impact of exploratory and exploitative learning on NPDS. The dynamic capability theory and the competing values framework of organizational culture were employed to investigate the phenomenon. The sequential explanatory mixed methods research design, involving both quantitative and qualitative methods, was used in the conduct of the study. Random sampling was used to select 400 respondents from all 37 Savings and Loans Companies in Ghana as at 31<sup>st</sup> August 2018. Questionnaires were administered to individual respondents using convenience sampling. A qualitative case study was conducted on five senior industry practitioners to obtain in-depth explanations to quantitative findings of the study. The results of the study showed that exploitative learning has a significant effect on NPDS. However, exploratory learning was found not to have any significant effect on NPDS. Furthermore, the study found that the positive relationship between exploitative learning and NPDS was stronger when moderated by clan culture but weaker with market culture and hierarchy culture. Clan culture and hierarchy culture promoted a significant positive relationship between exploratory learning and NPDS. The implication of the findings for managers of organizations is that to be able to develop new products with speed through exploitative and exploratory learning, it will be worthwhile to enhance clan culture values among employees. Another implication of the study findings is that market culture within organizations does not positively promote speedy development of new products through either exploratory or exploitative learning.

**Key words:** exploratory learning; exploitative learning; new product development speed, competing values framework clan culture, market culture, hierarchy culture.