

## CHAPTER V

### CLOSING

This chapter provides conclusion from finding and discussion presented in the previous chapter, followed by an assessment of the potential limitation is study, implication and possible future directions for the research.

#### 5.1 Conclusion of the Research

The purpose of this research is to find out the impact of learning orientation, transformational leadership and organizational innovation toward organizational performance in embroidery and needlework SMEs in West Sumatra. This research also finds out whether the variable has the significant relationship and positive effect or not. This research is using primary data collected by spreading 170 questionnaires to embroidery and needlework SMEs in West Sumatra. There were five hypotheses developed in this research to test whether each variable will affect the organizations. Therefore, the result of the analyses are:

1. Learning orientation has a significant positive impact on organizational innovation. the higher level of learning orientation indicates the higher level of organizational innovation in embroidery and needlework industries.
2. Transformational leadership positively affects and have no significant impact on organizational innovation.

3. Organizational innovation positively affects and have no significant impact organizational performance.
4. Learning orientation has a significant positive impact on organizational performance. the higher level of learning orientation indicates the higher level of organizational performance in embroidery and needlework industries.
5. Transformational leadership positively affects and have no significant impact organizational performance.

## 5.2 Implication of the Research

This research creates several implications for researcher and practitioners. for the researcher, this research is for improving the understanding of learning orientation, transformational leadership, organizational innovation and organizational performance. based on this research, researcher more understand the relation between learning orientation, transformational leadership, organizational innovation and organizational performance.

For practitioners, this research could be used as a source of information in order to understand the relationship between learning orientation, transformational leadership, organizational innovation and organizational performance in embroidery and needlework SMEs in West Sumatera

Owners of embroidery and needlework SMEs in West Sumatera could use it as basic information in order to enhance the organization competitiveness and performance to compete with other competitors. Embroidery and needlework

SMEs in West Sumatera should have a strong learning orientation because based on this research, learning orientation has a significant positive impact to organizational innovation and organizational performance in embroidery and needlework SMEs in West Sumatera.

### **5.3 Limitations of the Research**

The researcher found some limitations when conducting this research.

Some of the limitations are as follows:

- 1 This research has a limitation of bias responses given by the respondents. Some of the respondents did not want to share their real thought of how the organizations are running. And they might give answers to the questionnaire that is not representing the current situations.
- 2 This research only uses embroidery and needlework SMEs in West Sumatra as the object of the research. It doesn't represent the whole nation of Indonesia. Other sectors could be used in the other research.
- 3 This research only used four variables to conduct the research. Which are Learning Orientation, Transformational Leadership, Organizational Innovation and Organizational Performance.

### **5.4 Recommendation of the Research**

The result of this research is expected to improve and become references to conduct further research in the future, some suggested topics to be developed in further research:

- 1 For next researcher who wants to conduct similar research, the number of samples could be propagated.
- 2 For next research, the researcher could use other parts of Sumatra and other sectors other than embroidery and needlework. Sumatra island as the object of the research. So, it able to represent the whole Sumatra island.
- 3 For next research, the researcher could use other variables or augmenting other variables with the current variable.

