

Employee Commitment Enhances Team Efficacy: Empirical Evidence on Telecom Sector of Pakistan (Lahore)

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Abstract: The current study envisioned to examine the relationship between employee commitment and team efficacy in the Telecom Sector of Pakistan which is not discovered yet. Data was gathered from 65 sales teams from five telecom operators. Based on results of statistical analysis by using Spearman correlation and Regression, the study was confident and substantiated its hypotheses that employee commitment is an important predictor of team efficacy. Results portrayed that employee commitment and team efficacy were positively and significantly correlated. The current study contributes to theory and practice with an improved understanding on significance of transformational leadership in keeping teams effective and committed with organization.

Key words: Employee Commitment • Team Efficacy

INTRODUCTION

The labor force of the business organizations is cognizant, well-informed and educated alternatively organizations also want to properly utilize them with the purpose of acquiring maximum benefits [1]. Telecommunication sector of Pakistan is a matured industry by now and a lot of psychological and physiological dimensions have been playing vital role in this industry as well like in any matured industry. One of the major challenges the Telecom Sector of Pakistan have been fronting over a couple of years is the aptitude to retain, appeal and attain talented personnel. Employees working in telecom sector are considered more tech-savvy than people working in other fields and that is what makes them more up-to-date with what going on than others. So, retaining employee commitment and grooming team efficacy in employees is one of the core tasks of an organization along with their business. More than a few researchers have found higher turnover intention among employees working in this sector. Employee's commitment with job and organization enhances their loyalty and reduces turnover intention and job burnout [2, 3]. If employees are less committed with organization then job burnout, timidity and stress will increase, that have eventually affected the organizational performance [4, 5].

Employee commitment is the important asset of the organization that is in the learning process as well as in development stage [6]. Employee commitment has the ability to enhance creativity within organization [7]. Further it has been provided that rationally committed employees couldn't produce lucrative progresses to their organizations as comparison to emotionally committed employees within organizations. In this competitive epoch, only those organizations flourished that employees bring creative and pioneering thoughts and for the application of such thoughts, these employees take any risk and go beyond their efforts to attain the aims [8, 9].

In this thought-provoking era where organizations demanded creative and innovative ideas, it is the need of an hour to build effective teams. For enhancing team effectiveness, organizational as well as individual factors are mainly significant. Factors that influence team effectiveness at organizational level includes organizational culture, elements that boost up morale of employees, training and autonomy while at personal level age, job tenure and experience regarding job mainly influence effectiveness. When employees work in groups, they have high level of trust, mutual understanding, respect and integrity to work effectively and produce best results [10]. For enhancing team effectiveness,

organizational as well as individual factors are mainly significant. Factors that influence team effectiveness at organizational level includes organizational culture, elements that boost up morale of employees, training and autonomy while at personal level age, job tenure and experience regarding job mainly influence effectiveness. Organizational and teams goals should be aligned to enhance team effectiveness [11]. Self-managed teams have the ability to tackle complex situations, take risky decisions and implement innovative and creative ideas to compete the target market [12]. There are certain predictors of team efficacy which can be said as influential on team efficacy. However, it's difficult to discuss them all in a single study therefore as per the scope of this study employee commitment has chosen and discussed as one of the many predictors of team efficacy. Employees' committed with organizations enhances team efficacy and organizational performance as well. Team efficacy has not only dependent on the best outcomes delivered by the team members but also employee's commitment is an important component for effectiveness. Team efficacy enhances productivity and has a negative impact on turnover intention [13-15].

The main concern of this study is to figure out whether theory of employee commitment and team efficacy are applicable in Telecom Sector of Pakistan. The mentioned empirical findings addressed certain questions in respect to this study. Does employee commitment adopted in Telecom Sector of Pakistan enhance team efficacy? What is the actual weightage of employee commitment in enhancing team efficacy?

Problem Statement: Through preliminary research, the study reported that poor employee commitment and team efficacy are the foremost challenges for Telecom Sector of Pakistan fronting over few couple of years. Employee commitment is considered a strong predictor of team efficacy but its influence on team efficacy has not yet been studied in perspective of a telecom sector until this study. Nonetheless, literature ensures significant correlation between these constructs, their known reciprocated or frail correlation in this sector have need of re-exploring the correlation through empirical techniques.

Literature Review and Model Development

Employee Commitment: Employee commitment is one of the important assert of business organizations that can enhance organizational performance and reduces job burnout, turnover intention and workload [16-17]. Highly committed employees diminish the probability of

turnover intention and work harder to attain expected results. Further in this scientific epoch, these employees work for the organizational efficiency and development [18]. Profitability and efficiency of business organization is highly reliant on employee commitment and employee participation [19, 20]. Employees emotionally attached with their organizations work hard to produce more revenue and make their organization more prolific. [21, 22]. Multinational organizations demanded highly commitment employees and considered them an important talent for the organization. Organizations used to spend excessive money on the training of these employees for the intention of organizational profitability. Further it has been articulated that age factor has a strong influence on commitment [23]. Allen and Meyer [24] recounted three facets of commitment i.e. affective, normative and continuance. Affective Commitment designates emotional attachment of employees; normative commitment designates the moral obligation while continuance commitment designates the perceived cost an employee ought to endure in case of leaving the job.

Team Efficacy: Effectiveness of teams is extremely reliant on effective leadership, employees' commitment with organization, mutual understanding, trust and trustworthiness among employees [25, 26]. Employees practiced team autonomy has the capability to easily sort out problems comparison to those who practiced individual independence [27, 28]. For enhancing team effectiveness, organizational as well as individual factors are mainly significant. Factors that influence team effectiveness at organizational level includes organizational culture, elements that boost up morale of employees, training and autonomy while at personal level age, job tenure and experience regarding job mainly influence effectiveness. Further it has been given that organizations have to build a flexible environment where team members achieve organizational performance while enhancing their own skills [29]. Richter *et al.* [30] and Stadelmann [31] reported that effective teams work under flexible culture to enhance organizational productivity and avoid conflicts that causes hindrance. Affective commitment has a strong relationship with team efficacy among all three types of employee commitment [32].

Through Aforementioned discussion, the current study has drawn a bit understanding that employees' committed with organizations enhances organizational productivity, job satisfaction and team efficacy. Based on the literature, the study hypothesized that:

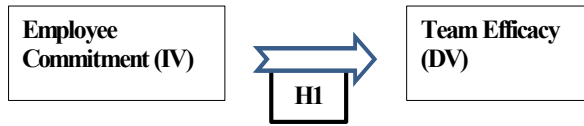


Fig. 1:

H1: Employee commitment has a positive and significant impact on team efficacy.

Research Model: The aim of this current study is to determine the association between employee commitment and team efficacy as discussed in literature. Fig1 shows the relationship between these constructs. Employee commitment is the foremost predictor of team efficacy [33]. Besides, Steyrer *et al.*, [34] and Kotlyar [35] reported that employee commitment enhances team efficacy.

Research Methodology: The current study was co-relational conducted in cross-sectional manner in the Telecom Sector of Pakistan from Sept 2011 to Dec 2012. The respondents chosen for this study were sales team working in this sector and the top management including Regional Sales Manager (RSM) and Area Sales Manager (ASM). Structured questionnaires were circulated to collect data from all the franchises, customer care centers and regional offices. Population was 148 salesteam (1008 respondents) out of which sample size of 65 teams (325) was selected.

Valid and reliable instruments of previous researchers were used to conduct data. Allen and Meyer [24] scale was to measure employee commitment and Arnold, Barling and Kelloway [36] scale was used to measure team efficacy (TE). 5-point Likert Scale was used ranging from strongly agrees to strongly disagree to figure out rejoinders. Reliability of instrument was tested before groping the data. The value of Cronbach’s alpha was 0.892. For data analysis, frequency distribution was adopted. Correlation between the variables was confirmed by using Spearman’s test. Hierarchical regression was utilized to authenticate the regression effect between employee commitment and team efficacy keeping certain demographic variables as moderators.

RESULTS

Descriptive Statistics: Table 1.1 shows the mean values of transformational leadership, employee commitment and team efficacy. Aggregate mean value of 3.81 for employee commitment indicates employee’s loyalty and devotion towards organization. The 3.77 mean value of team

Table 1.1: Mean and Standard Deviations

	Mean	Std. Deviation
EC	3.81	0.325
TE	3.77	0.323

Table 1.2:

		Frequency	Percentage
Gender	Male	216	72%
	Female	84	28%
Age	21-30	156	52%
	31-40	119	40%
	41-50	25	8%
Qualification	Bachelor	107	36%
	Masters	113	64%
Experience	Below 1	36	12%
	1-5	121	40%
	6-10	77	26%
	Above 10	66	22%
Sector	Public	97	32%
	Private	203	68%
Employees status	Permanent	168	56%
	Contract	132	44%

Table 1.3:

Variables	Employee Commitment	Team Efficacy
Employee Commitment	1	
Team Efficacy	0.567***	1

efficacy signposts that members working in teams were effective and efficient in order to enhance team efficacy and performance while reducing communication gaps and conflicts for the purpose of achieving organizational goals.

Frequency Distribution: Table 1.2 divulges the demographic figures of respondents. Survey shown that majority were male (72%), belonged to the age group of 21-30 (52%), had master’s degree (64%) with the experience of 1-5 years (40%), having permanent job (56%) and worked under private sector (68%).

Spearman’s Correlation: Table 1.3 illustrations that statistically team efficacy is 57% significantly associated with employee commitment, which ensures that employee commitment plays major role in enhancing team efficacy and organizational performance. Analysis reported a strong link between the constructs.

Regression Analysis: Tables 1.4, 1.5 and 1.6 confirm that relationship between employee commitment and team efficacy revealed in Figure 1 can be substantiated ($P < 0.05$, $F\text{-value} > 1$). The study had kept the demographical variable experience as moderator for

Table 1.4:

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.625 ^a	.400	.390	.255

a. Predictors: (Constant), EC

b. Dependent variable: TE

c. Moderator: Experience (among Demographics)

Table 1.5:

ANOVA ^b						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2.573	1	2.573	39.694	.000 ^a
	Residual	4.019	62	.065		
	Total	6.592	63			

a. Predictors: (Constant), EC

b. Dependent Variable: TE

Table 1.6:

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	1.402	.378		3.713	.000
	EC	.622	.099	.625	6.300	.000

a. Dependent Variable: TE

running the hierarchical regression as it was considering most relevant among all demographics for verifying the model. Greater F-value (39.694) indicates model fit between employee commitment and team efficacy. In addition, employee commitment shown significant role in determining TE (t-value > 1). R² value indicates that 40% variance in team efficacy is being explained by employee commitment (R Square = 0.40 and Standard Error < 1.0). According to the research results obtained mean error is much less than 1 due to which the standard error of estimate is quite favorable to substantiate research hypothesis. In this connection, though the result of R² is as low as 40% it has no such impact on the substantiation of research hypothesis due to the above fact. Based on above-mentioned findings the current study considered the employee commitment best predictor of team efficacy and substantiates its hypothesis 1.

DISCUSSION

Teams functioning in telecom sector of Pakistan exposed above response on employee commitment and team efficacy. Moreover, Spearman correlation and regression revealed positively significant relationship

between these constructs. Researchers conducted by Daniel [8], Jonsson and Jeppesen [12], Yang and Choi [13], Ozaralli [21] reported that more than 50% change in team efficacy could be the result of employee commitment while current research depicted that employee commitment caused 39% variation in valuation of team efficacy in Telecom sector of Pakistan. In Telecom Sector of Pakistan, where number of mobile users are increasing with rapid pace; responsibilities of telecom operators are increasing with the same speed and competition is rising in parallel. This study shows that in such market scenario, achieving employee commitment and team efficacy some of the most important tools to win. This study also explains that by boosting up employee commitment through different social activities and appreciation techniques, company can actually develop employees who can produce extra-ordinary results for the organization. Committed employees are more devoted and efficient so when these employees have to achieve a goal they work more effectively to enhance organizational productivity and development. Similarly, organizations grow collectively not individually and especially when there is intense competition.

This study delivers that team efficacy is one of the most effective tools an organization has to develop and execute innovative and creative ideas into the market and produce favorable results. These ideas are being developed by group of people working together on a single or few goals along with personal interest of their own development with the development of the organization. This study signifies that by combining right people together who are committed, an organization can achieve its goals more efficiently which is the core concept of team efficacy that by developing an effective team of committed and talented people an organization can achieve its goals. Study has, in the end; concluded that by having committed employees in organization and effective teams, an organization can achieve loyalty, less turnover, positive word of mouth and high productivity which ultimately enhances the overall organizational performance.

CONCLUSION

Based on the findings, the study inferred that employee commitment plays significant role in the performance of a team and subsequently in that of the organization. It is an important contribution of this study as it has calculated the exact influence of employee commitment on team efficacy which is 40% as per the selected sample. In the telecommunication sector of Pakistan, employee commitment is required to be addressed effectively as the competition is high and turnover is rapid. Telecom organizations in Pakistan are working really hard and doing whatever they can to get one step ahead which includes draining talent from other organizations. In such circumstances, achieving maximum employee commitment in organization is very crucial which will then leads to a strong and competitive team who can bring the overall performance of an organization to top by collective efforts. However the scope of this study is yet limited to Telecom sector which is corporate in nature. To generalize the findings of this study in other sectors, further research should be triggered by future researchers.

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