

IMPLICATIONS OF MANAGERIAL PERCEPTION, EMPLOYEE VOICE AND ORGANIZATIONAL COMMITMENT IN TELECOM SECTOR OF PAKISTAN

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ABSTRACT: *This study aims to investigate the relationship between managerial perception and organizational commitment of the employees of telecom sector of Pakistan. When an employee raises a voice it will be either challenging to the status quo or supportive for the organizational context. Likewise, manager will perceive the employee as a threat or being loyal to the organization based on the raised voice. It was hypothesized that employees will be more committed towards their organizations if they are perceived as loyal by their supervisors/team leads/managers as compared to those who were perceived as a threat based on their voice behavior. A sample of 300 employees from telecom sector was being studied to gauge their commitment towards their organizations in both cases i.e. when perceived as loyal and when perceived as threat. The reliability of the scale was measured through Cronbach alpha test in SPSS 19 and validity of the scale was measured by Confirmatory Factor Analysis (CFA) in AMOS 19. The regression analysis was conducted in SPSS 19 to see the relationship between managerial perception and organizational commitment of employees. The results show that employees are more attached to their organizations because they are perceived as loyal by their managers and on the other hand employees are less committed with their organizations when their managers think that they are threat to the organization.*

Key words: Managerial Perception of Threat, Managerial Perception of Loyalty, Organizational Commitment

INTRODUCTION

Managerial Perception of Threat or Loyalty based on employee's frequently depicted voice behavior

Employees if speak for the betterment of their organization can really add value [1]. Voice is defined as "the opportunity to express one's opinions with regard to the decision that needs to be made." [2]. Therefore, it can be postulated that voice behavior of employees may carry a positive weight for the organization.

There are several reasons for employees speak up and one of them is job dissatisfaction [3]. Therefore, if employees are heard and endorsed, it can help the employee as well as the workplace [4]. Hence, listening carefully to the employees not only help them but can generate many new ideas for the company as employees are the only source who are actually engaged with the core processes of the organization [3].

This voice can (or cannot) be for the betterment of the decision depending upon the person who raises the voice [5]. It is not necessary that every idea gets endorsed by the manager as manager can reject the idea if doesn't appear to add anything better to the organization.[1] So it is equally important that what type of idea has been generated or what kind of voice has been raised by the employee in order to get endorsed.

Voice can be categorized within work as challenging or performance-oriented [6]. There are two types of voice that are usually raised by employees, i.e. supportive voice and challengeable voice [1]. Supportive or performance oriented voice is the one which is good for the organization and apparently doesn't carry any negative emotions towards the organization [7].

Employee loyalty is a more realistic concept because it deals with the behavior of the employees [8]. Therefore, managers can have the exact idea about loyalty of employees.

The contractual relations between employer and employee can become a reason of employee disloyalty [9]. So it can be

concluded that, if manager perceives that employee is loyal to the organization, he/she is more likely to be heard and endorsed [1]. The company will be loyal to the person who is loyal to the company [10].

If managers see employees to be loyal, it will enhance the positivity of employee towards the organization and eventually employee will be more attached towards the organization [11].

Acknowledgement of the idea enhances by depicting a good amount of loyalty to the organization. Anyhow, the way idea is being treated by the manager also depends on the personality traits of the manager [12].

Meanwhile, managers may also assume employees to be less loyal or a threat on the basis of frequently raised voice [1]. This leads to an understanding that if employee is proved to be a threat in the eyes of manager, he/she will not receive any encouragement on their generated idea.

It is a very frequent phenomenon that people show discomfort while speaking up [13]. It is perhaps because they assess the weight given to their opinion prior to convey, whereas it can or cannot be a true assessment [14]. Therefore, employees are concerned about the consequences of their speaking up which can be in the form of reward or punishment. It is well proved that employee speaking up creates a certain image of employee in the mind of his/her manager [1].

Present study has built its assumption reside on the concept presented in elaboration likelihood model of social persuasion [15], which says that the traits of the source (employee) and the recipient will definitely influence the outcome of voice behavior, as the way it has been generated and the way it has been perceived.

Employee loyalty depends on the psychological contract between employer and the employee.

Basically the managers administer a major role in the voice progression because they are supposed to have the authority

to attend the communicated issue [13]. Therefore, it is really important that how the voice has been treated.

Managers tend to mute the voice which appears to be challenging to the pre-set practices thus depicting their perception of threat towards challenging voice [16].

Thus, whenever a voice is raised, it is being perceived positively (as being loyal) or negatively (as a threat) by the manager in organizational context. Present study considers managerial perception of threat and loyalty backed by voice behavior [1].

Organizational Commitment

Employee's commitment can be based upon many factors, like leader, environment of the workplace, coworkers or nature of the employee but the most observed factor is commitment with the organization [17]. Organizational commitment is a three dimensional approach namely, affective, normative and continuance commitment. Affective commitment has been considered for the present study [17].

Employees can be fully attached with their organization if they feel themselves to be sensitively concerned with it depict affective commitment because they 'want to' stay in the organization and work for it. When employees' performances are evaluated against their commitment levels, affective commitment is found to be the most influential and performance oriented among the three types of commitment [17]. Brief description of the three types of organizational commitment is given below:

2.3.1-Affective Commitment

Employees who feel emotionally attached with their organizations are said to show affective commitment. They always 'want to' work for the same organization no matter what. Affective commitment is found to be the most powerful and performance oriented approach among the three types of commitment [17]. Hence, affective commitment has been taken into account for the present study.

2.3.2- Normative Commitment

This is that approach towards organizational commitment which shows that employees are committed towards their organization because of their attentiveness towards roles and responsibilities they perform. It deals with the fact that employee perceive that 'they have' to work for this organization based on job nature. Normative commitment has been found to be related to improve performance of the employees and decreasing their intentions to leave [18].

2.3.3- Continuance Commitment

Continuance commitment is a practical approach where employees make a rational decision about the cost of leaving the organization. So they make decision that they 'need to' stay. In most of the studies, continuance commitment has been found to be negatively related to positive organizational outcomes like adding Value to the organization [19], job satisfaction [18] and job performance [20].

Three theories explain the concept of organizational commitment as a holistic approach to the organizational phenomenon. It is accounted that commitment as a psychological association a person feels towards the organization by the extent to which he/she is ready to accept

the attributes of the organization as they are [21]. When a person feels pleased to a part of an organization, he/she is committed with that organization [17].

Hence, this phenomenon of organizational commitment can lead the employees towards a greater sense of belonging which ultimately adds value to the organization.

Organizational commitment has been defined as a "psychological contract of an individual with his/her organization which leads him/her to depict a behavior which is perfectly according the requirement of an organization in order to achieve the organizational goals effectively and efficiently" [22].

Organizational commitment has been proved as a drive to increase job and career commitment among the 141 employees comprising of insurance agents and staff professionals [23]. Therefore, organizational commitment is associated with employee success, hence a positive phenomenon. It has also been proved that the way employees are treated through the condition of chances for voice has a stronger relationship with the commitment as compared to the monetary benefit [24].

Organizational commitment is complicated construct that impacts multiple organizational outcomes like performance, absenteeism, employee turnover, job association and job satisfaction [17]. Organizational commitment has been proven to have effect on job and career commitment of the employees also.

Organizational commitment and job involvement in 192 bus drivers. Organizational commitment was found to significantly affect job involvement among the bus drivers [25]. In context of present study, it has been proposed that the organizational commitment can be positively influenced by managerial perception of loyalty.

The psychological contract among the call centre personnel in Pakistan found organizational commitment to be a stronger interpreter of loyalty than organizational citizenship behavior [26]. Employees who are perceived as loyal by their organization actually become committed with the organization.

Hypothesis 1: Employees will be more committed towards their organizations if they are perceived as loyal by their managers because of their supportive voice.

Hypothesis 2: Employees will show a less commitment towards their organizations if they are perceived as threat by their managers due to their challengeable voice.

METHODS AND MATERIALS

Research Setting, Participants, and Procedures

A collective sample of 300 employees from telecom sector of Pakistan was taken for this study. A total of 239 complete and accurate questionnaires were received back making the response rate of 79.4 %. Self-administered questionnaires were used for the present study.

Managerial Perception of threat and loyalty based on employee voice behavior was gauged by the respective

Table-1: Sampling Frame

| Name of the Company | Regional Offices | Questionnaire Administered | Responses |
|---------------------|------------------|----------------------------|-----------|
| Warid | 2 | 50 | 41 |
| Ufone | 2 | 50 | 32 |
| Telenor | 2 | 50 | 45 |
| Mobilink | 3 | 50 | 40 |
| Zong | 1 | 50 | 33 |
| PTCL | 1 | 50 | 48 |
| Total | 11 | 300 | 239 |

Table-2: Reliability Test

| Variables | Cronbach's Alpha | No. of items |
|----------------------------------|------------------|--------------|
| Managerial Perception of Threat | 0.82 | 6 |
| Managerial Perception of Loyalty | 0.96 | 6 |
| Organizational Commitment | 0.93 | 8 |

Table-3: Confirmatory Factor Analysis (CFA) indexes

| Indexes | Value |
|--|-------|
| CMIN/DF | 4.033 |
| GFI (Goodness of Fit Index) | 0.91 |
| NFI (Normal Fit Indexed) | 0.928 |
| CFI (Comparative Fit Index) | 0.911 |
| RMSEA (Root Mean Square Error of Approximation). | 0.080 |

Table-4: Correlation Analysis

| | | Perception of Threat | commitment | Perception of Loyalty |
|----------------------|---------------------|----------------------|------------|-----------------------|
| Perception of Threat | Pearson Correlation | 1 | | |
| | Sig. (2-tailed) | | | |
| | N | 239 | | |
| Commitment | Pearson Correlation | -.713** | 1 | |
| | Sig. (2-tailed) | .000 | | |
| | N | 239 | 239 | |
| Loyalty | Pearson Correlation | -.730** | .820** | 1 |
| | Sig. (2-tailed) | .000 | .000 | |
| | N | 239 | 239 | 239 |

Table-5: Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .837 ^a | .700 | .698 | 3.43361 |

a. Predictors: (Constant), Loyalty, Threat

Table-6: Coefficients^a

| Model | | Unstandardized Coefficients | | Standardized Coefficients | | t | Sig. |
|-------|------------|-----------------------------|------------|---------------------------|---|--------|------|
| | | B | Std. Error | Beta | t | | |
| 1 | (Constant) | 18.463 | 2.337 | | | 7.899 | .000 |
| | Threat | -.349 | .075 | -.244 | | -4.671 | .000 |
| | Loyalty | .771 | .063 | .642 | | 12.306 | .000 |

a. Dependent Variable: org. commitment

manager of each employee against the responses provided by the employee measuring his/her organizational commitment. Questionnaires were being coded to get the exact response of manager against a particular employee and the information provided by both parties was kept confidential from each other.

Table-1 provides the list of companies along with their regional offices and the responses collected from each company.

Measures

Measuring Instruments used in study were adopted from literature, developed by scholars, after their permission. Given is the detail about the instrument used for the study along with the reliability of each construct:

Managerial Perception of Threat and loyalty

- For managerial perception of loyalty I used 6-item scale of the benevolence dimension of trust to measure loyalty [27].

- Managerial Perception of Threat was measured by the 6-item scale [28]
- In order to measure organizational commitment, 8-items Scale was used. [17]

RESULTS

SPSS 19 and AMOS 19 were being used to conduct the analysis. The reliability of the instrument was being assessed through Cronbach Alpha reliability check. Normally Cronbach's Coefficients value of above 0.70 is considered suitable and scale with this value and greater is considered reliable [29].

All the items are reliable to be used (Table-2). The validity of the questionnaire was being analyzed through Confirmatory Factor Analysis (CFA) in AMOS. The indexes of fitness are shown in Table-3.

Table-3 shows that model fits the data well and the instrument is valid to be used.

After confirming the reliability and validity of the instrument the simple linear regression was performed to see the effect of managerial perception on organizational commitment.

Correlation Analysis:

Pearson Correlation test has been applied using SPSS 19 in order to find the correlation among the variables. Table-4 shows the strength of the relationship between the variables. The significant value for all variables is 0.000 which is less than 0.05. It shows that there exists causal relationship between all variables see table-4.

Regression Analysis:

Table-5 model summary shows 70% variance can be explained in organizational commitment because of managerial perception of threat and loyalty. As per results of table-6 we can infer the following equation:

Organizational commitment = 18.463 – 0.349 (managerial perception of threat) + 0.771(managerial perception of loyalty)

Table-6 shows that for every one percent increase in managerial perception of loyalty there is 77.1% increase in organizational commitment of employees. For every one percent increase in managerial perception of threat, there is 34.9 % decrease in organizational commitment of employees.

DISCUSSION

Regression results of Table-6 show that managerial perception of loyalty can actually raise the organizational commitment of employees at telecom sector of Pakistan. So hypothesis-1 has been accepted. Similarly, if managers perceive employees to be threat it will cause a decrease in organizational commitment of employees, see Table-6. Hence, hypothesis 2 has also been accepted.

This study concludes that based on an employee's frequently shown voice behavior, the perception of the manager causes change in employee's commitment towards their organizations. Therefore, it is really important that what managers perceives about an employee, because he/she will treats that employee exactly according to his/her perception of that employee and let them be more or less committed with the organization. In a nutshell, organizational commitment of an employee depends on managerial perception.

CONCLUSION:

It was intended to see that employees can really be committed towards their organizations if managers consider them to be loyal. Sometimes, employees are not threatening but they are considered as being threat and hence it leads to a less commitment of employees towards their organizations. This is certain that such people become disappointed as nobody likes to be treated like threat even if he/she is actually challenging the status quo. Therefore, the treatment of managers counts a lot in shaping employees' commitment [1]. In the present study, managerial perception of threat and loyalty is assessed based on employee voice because, employees may tend to speak up to change the status quo which can become challenging for the organization. Therefore, this voice behavior is considered as challenging because employees just want to place an objection sometimes, to get escaped from work [30] or some times because of dissatisfaction [3]. On the other hand managerial

perception of loyalty is associated with supportive voice behavior on the part of employees. It could be expected that employees who are perceived as threat by their managers based on their frequently raised voice might perform with commitment. Whereas, the results showed a negative relationship between managerial perception of threat and organizational commitment of employees which depicts that employees who are perceived as threat are always less committed towards their organizations at telecom sector of Pakistan.

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