Effect of Employees Involvement in Decision Making on Organization Performance with the Mediating Role of Organization Culture.

A Post Graduate Thesis submitted to the Department of Business Studies as fulfillment of the requirement for the award of Degree of

Master in Business Administration (2.5 years)

Name	Registration number
Noor Ul Hasan	02/MBA(2.5)/PIDE/2014

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Final Approval:

This Thesis Titled

Effect of Employees Involvement in Decision Making on Organization Performance

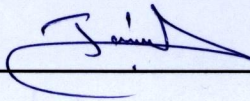with the Mediating Role of Organization Culture

By

Noor Ul Hasan

Has been approved

For the Pakistan Institute of Development Economics, Islamabad

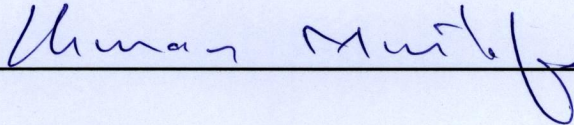**External examiner:** _____

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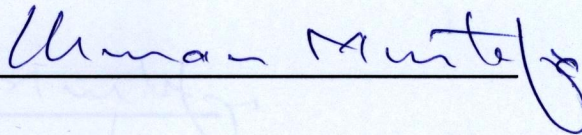
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A Study of 0perational Level Employees of Telecommunication Sector

(PTCL) Operating in Islamabad

Supervised by:

Prof. Dr. Usman Mustafa

Submitted by:

Noor Ul Hasan

Department of Business Studies

Pakistan Institute of Development Economics

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2017

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Dedications

Every challenging work needs self-efforts as well as guidance of elders especially those who are very close to our heart

My humble effort I dedicate to my elder brother Rai Nisaar Ahmad and my Mother;

Whose affection,

Love, encouragement and prays day and night make me able to get such success and honour,

Along with all, hardworking and respected

Teachers,

For advice and guidance which let me to complete this research work.

Last but not the least;

I dedicate this research work to

My some very special Friends and Cousins,

Their company acted like an educational consortium for me.

Abstract

This research study examines the effect of employees' involvement in decision making on organization performance with the mediating role of organization culture. Primary data was collected for evaluating the consequence, sources of data was employees of operational level of telecommunication industry (PTCL) operating in Islamabad, probability random sampling technique was used, sample size was generated by sample size calculator and data was collected from 270 employees working at operational level through close ended questionnaire. Data was statistically analyzed by indicating regression analysis. Statistical analysis showed that there was positive relation between employee involvement in decision making and organization performance, and there is a significant role of organization culture in encouraging and showing the effectiveness of employees' involvement on organization performance. In order to increase organization performance, management has to focus more on employees' involvement concept that will positively affect employees' commitment and satisfaction, and the growth of better organization performance.

Contents

Chapter I

Introduction

Many of the observers had fear about the machines era and they said that day is not so far when machines will lead and perform on the places of employees', but this observation comes wrong because employees' considered more important and valuable part of organization than before. This is only because of that employees' have skills to think and capabilities to perform as per which machines doesn't have by which humans can drive the organization matters to using their resources. The relationship between employees' and management develops attitude and behaviour of employees' toward work and that can be positive and negative it is all depends on the employees' commitment and satisfaction and that can be only brought by the involving employees' in any kind of affairs of organization (Akuoko et. al., 2012).

1.1 Background of the Study:

21st century gives birth to a new idea of employee involvement over the conventional practices in process to increase worker's efficiency. Those conventional practices include the rules lie employees' are liable to follow the orders of their supervisors/upper authority, which is ultimately called as Autocratic Leadership Style. Management by Objectives (MBO's) plays significant role in order to alter the mind set of Top-level and Middle-level managers, in order to set goals and vision of organizations and hen it ultimately affects the nature of contribution of employee's efforts to achieve those determined goals. All of this happens due to adoption of new software's experiments on the basis of which new and modern models came into existence which brings the issue of employee involvement in spotlight and empower them in their domains of specialization and direct them towards creativity (Rashid, 2013).

Employees' involvement in real meaning is that in order to taking decisions of a work or to doing a job with the participation or with the consent of the workers and involving employees' in every kind of decision of organization. When employees' have a right to participate or involvement they will think to bringing up ideas to suggest the mangers and that thing will develop their creativity which effects their performance. When employees' take part in decision making they feel that they are important and valuable for their company and that thing makes them committed to

their work and their organization. To defining employees' involvement one most important aspect is organization culture, if culture of organization will be supportive towards involvement and participation then it can be beneficial for the organization otherwise involvement can create problems for management and employees' too. In Organization culture there must be some reward or appreciation for involvement in any part by employees' for the better performance of them. There must be communication facility between employees' and management in organization so employees' can easily convey their suggestion or view about a decision for the better result by employees'. Employees' involvement in decision making and organization performance have a strong relationship in the form of better performance by the employees'.

1.2 Research Purpose:

In the contemporary business world, both small and large organization focusing on developing initiative with the intention of making employees' committed towards organization in an attempt to nourish loyalty among them towards organization. This research study is about evaluating role of employees' involvement and organizational culture on employees' performance. The overall propose of this study is classified in two categories; the first was to evaluate the role of employees' involvement in determining employees' performance and second is characterized by evaluating the role of employees' involvement on employees' performance with the mediation of organization culture. By keeping the above mentioned research purpose in consideration, following research problem is being selected for this study.

1.3 Research Problem:

"Evaluating the role of employees' involvement in decision making and its impact on employees' performance with and without mediation of organization culture".

1.4 Research Rationale:

The purpose of this research rationale is to justify and describe research purpose. This research topic possess impeding importance because of following two results; first is, the chosen research topic is important for the decision makers in all the business organizations operating in almost every industry across the globe. The research findings will be helpful for the managers to understand how the use of employees' involvement foster employees' performance. In addition to making note of findings

which had described the role of mediating effect of organizational culture, place strengthening the relationship between employees' involvement and employees' performance. The research findings are chiefly beneficial for managers in every organization operating in services industry especially the telecommunication sector (PTCL) in an attempt to help them in making decisions regarding incorporation of employees' involvement practices in their organization with the interaction of increasing employees' performance. Secondly, this research study is beneficial for research point of view as other researcher can use the research findings for examining the literature on employees' involvement, organization culture and employees' performance.

1.5 Operational Definitions:

Employees' involvement is basically a form of representation, where employees' have proper right and freedom of control and speak in order to remove the communication barriers between management and subordinates. Communication is defined as "an effort of employees' to achieve organizational goals and objectives, and employees' commitment carries the aspect of employees' motivation and empowerment". The scope of employees' involvement in this research study is operationalized to the level of two dimensions; creativity and commitment (Kuye et. al., 2011).

organization culture can be referred to a set of shared norms, values and behavioural patterns and overall environment for the organization. Reward is a form of appreciation by the higher authority to the subordinates on doing a well job or activity. Communication can be referred to a flue of information among the organizational hierarchy. The scope of organization culture in this research study is operationalized to the level of two dimensions; reward and communication (Kuye et. al., 2011).

1.6 Theoretical framework:

In this study, the dependent variable is "Organization's Performance" and independent variable is "Employees' Involvement" in decision making they were operationalized to the level of two dimensions creativity and Commitment. The mediating variable in this research study is organization culture and that were operationalized to the level of Reward and Communication (Figure 1).

As this framework (Figure 1) showing there is a relationship between employees' involvement and organization performance and in this study researcher will conclude that how employees' effect on the organization and what is the role of organization culture in this relationship. Researcher have focused on the two sub-variables of employees' involvement which are creativity and commitment, and two dimensions of organization culture which are reward and communication.

Figure 1. Theoretical Framework:
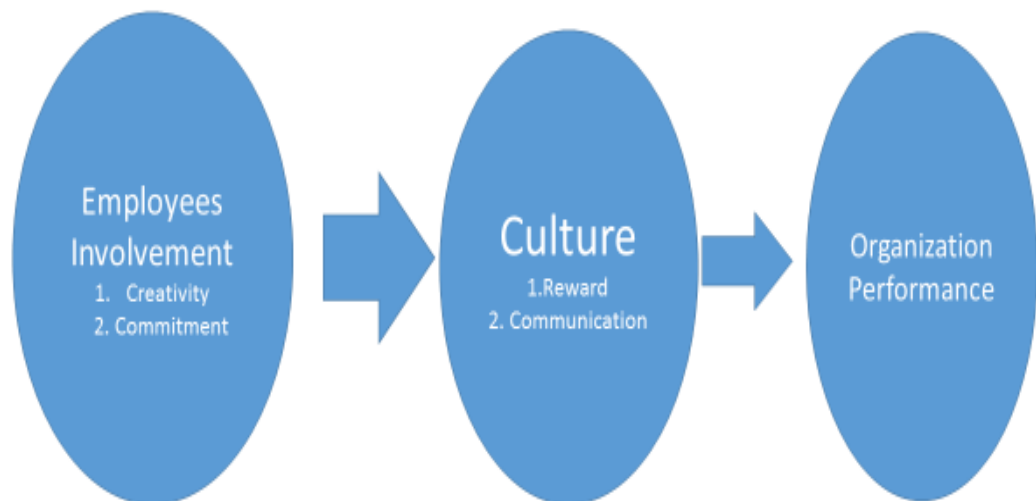
1.7 Research Hypothesis:

Ho: Employee involvement plays a significant role in organizational performance.

H1: Employee involvement does not play a significant role in organizational performance.

Ho: Organization culture plays a significant role in organization performance.

H1: Organization culture does not play a significant role in organizational performance.

1.8 Research Scope and Limitations:

The purpose of writing scope and limitations of this research is to shed light on the focused areas of research study and the limitations associated with the study. The ultimate object of this study is to evaluate the impact of employees' involvement and organizational performance on performance of employees'. The focused areas of this study will include determination of any incremental impact caused by organizational culture on employee performance. However, this research study is only limited to operational employees of the organization who are operating in the Islamabad. Moreover only the organization is included in this study which belongs to services industry (PTCL) in Pakistan and will not include any other organization serving in Pakistan.

1.9 Research Objective:

The ultimate aim of this research study is to evaluate the employees' involvement in decision making and its impact on employees' performance with and without the effect of mediation of organization culture. The research aim will be attained through achieving following research objective

- to review the features and worth of employees' involvement.
- to assess the ingredients and efficacy of organization culture and organization performance.
- to evaluate the impact of employees' involvement on organization performance with the intervention of organizational culture.

1.10 Research Questions:
- What are the ingredients and competence of employees' involvement?
- What are the structures and usefulness of organization culture?
- What are the geographies and effectiveness of organization performance?
- How employees' involvement contributes in organization performance?
- What is the role of organization culture in organization performance?
- What is the influence of employees' involvement on organization performance with the mediation of organizational culture?

Chapter II

Literature Review

Employees' involvement and employees' participation are two different dimensions which become a hot and eye catching issue for scholars in comparison to other approaches. But sometimes employees' involvement and employees' participation are used interchangeably (Bhuiyan, 2010).

2.1 Employees' Involvement:

The concept of Employees' involvement in decision making came into existence in the Hawthorne studies which is done by Mayo in 1920. Employees' involvement programs by organization results as a positive change in employees' behaviour and attitude, that effects performance of employee and organization too (Leana et. al.,1992).

The concept of employees' involvement replaces old style of management style; i.e. old concept had authoritative and non-participative style of management, it was based on increasing the efficiency and reducing the cost of labours, but employees' involvement creates loyalty toward job that increase efficiency and performance aspects of organization (Guerrem et. al., 2014).

Kuye et. al., (2011) defined employees' involvement as a special form of representation where subordinates are having the proper right and freedom of controlling and speaking in order to overcome communication gaps between both the management and the subordinates.

Participatory management is different; it develops and sustains equality between managers and the subordinates in issues like data collection, information gathering, and problem solving activities of organizations as well (Muindi, 2011).

Muindi (2011) was in opinion that organizations are formed because of cultural differences and organizational rearrangements, and now a days concept shift from authoritative style of management to the participatory one, which is ultimately known as Employees' Involvement in decision making. Almost every organization encourages, supports and follows this concept in decision making activities.

Employees' involvement in decision making play a vital role in operations of a business. Involvement of employees' helps the management to decide the course of action in organization (Bhuiyan, 2010).

Some researcher says that the involvement in decision making is a time consuming and inefficient process but it is proved that when employees' are take part in decision making, absenteeism is reduced, commitment is increased, improved employee performance, reduced turnover ratio and increased job satisfaction. Due to this kind of participation employees' feel more worthy and more important to the organization (Luthans, 2005).

Decisions that are not programmed are not properly structured because the information is unclear and vague and there is no proper procedure for decision making. That's why in order to solving these kinds of problems we have to develop the concept of employees' involvement and access to alternatives without the aid of decision rules (Muindi, 2011)

Employee involvement in decision making give the opportunity to minorities in the progressively diverse workforce. It supports and encourages those employees' to get involved who are not motivated (Bhuiyan, 2010).

By taking responses from employees' by using attitude survey method it is confirmed in decision making activities, employees' involvement has positive impact on worker's performance (Akuoko et. al., 2012).

An employee's involvement in job decisions enhances performance of employees', which plays a very significant role in productivity of organizations (Ekmekci, 2011).

Either in personal or organizational perspective, employees' involvement is defined as a positive subject who has impact over personal and organizational performance (Kanungo, 1982).

Many of researchers describes that understanding of the concept of employee involvement is compulsory and necessary element for employers because it is the indicator of employees' performance along with productivity of organization (Judeh, 2011).

Involvement creates the meanings of ownership within the employees' of organization who are involved in the decision making activities of organization which are concerned with their job and task nature. Organizations that contains and sustains the involvement culture, have more committed employees' than the organizations that do not follows such culture (Khan et. al., 2011).

Employees' participation creates better quality of output. Because of Employees' participation employee feels more accepted and involved in job. and this is also improve job satisfaction, self-esteem and it helps to reduce stress and conflict which effects employees' performance (Bhuiyan, 2010).

The opportunity to employees' to make their job decisions, is a feeling that creates an important contribution to company success (Wickert, 1951).

2.2 Employees' Creativity:

Participative decision making is that strategy that affects the performance, commitment, satisfaction of the employees' and helps in organizations productivity (Muindi, 2011).

Employee's satisfaction, organization commitment and performance have expressive relationship with creativity. Participation of employee's boosted up the performance of organization along with job satisfaction, motivation and low the turnover rate. That's why employee's involvement in decision making is an important aspect in relation to increase employee's creativity (West, 1990).

Organizational commitment has effective impact on employee's creativity (Cekmecelioglu, 2006).

Employee's involvement in decision making process contains progressive attitude of employee's towards the organization and they become more committed with their jobs and organization (Alutto et. al., 1972).

There is a major link among employee's involvement in decision making, employee's creativity and organization performance if involvement increases its increase employee's creativity which positively affect organization performance (Bhuiyan, 2010).

Involvement in decision making outcomes in employee's satisfaction and enhancement in organization productivity and profit (Bhuiyan, 2010).

When employees' gets involved in the decision making activities, in turn changes along with creativity effectively applied, which is the most important merit of participative decision making (Muindi, 2011)

Employees' play vital role in idea generation; without them there will be no idea no innovation so employee involvement in decision making should be encouraged. Participation increases social interaction, commitment, discussions and support innovation. Therefore, it is stated that Employee's participation in decision making have effectively strong positive relationship with employees' creativity (Woodman et. al., 1993).

Employees' are fruitful for unique and innovative idea generation, but it doesn't mean that other factors that affect the creativity should not be taken into consideration. Such factors (e.g. freedom, rewards, leadership, resources, performance evaluation and time availability) exist in social or work environment, both componential theory of creativity and integrationist theory including social environment as a factor effecting creativity (Amabile, 1983).

Communication and involvement was found most important factor in creating a climate of creativity (Mostafa, 2005).

Participative decision making can be an employee's freedom or team's freedom to decide how to perform its tasks. Idea flow, participative decision making and management are necessary and integral part of organization encouragement of creativity (Amabile et. al., 1996).

Availability of resources also have significant and important effect on creativity (Mostafa, 2005).

Employee's involvement in decision making can have stronger, powerful impact over the allocation and consumption of resources. Mangers, who are interested toward change, create a climate that is favourable of continuous implementation of new and innovative ideas by involving employees' in to the decision making activities. And mangers can promote such climate by involving employees' in many activities i.e. decision, resource allocation, freedom, reward system, supervisor subordinate

communication, goals, group composition (factors of work environment) can be effected. It means employees' involvement in decision making will affect overall work environment (Isaksen et. al., 2001).

2.3 Employees' Commitment:

Employees' commitment is defined as "an effort of employees' to achieve organization goals and objectives, employees' commitment covers the aspect of employees' motivation and employees' empowerment". If an employee will get committed towards work he will have participation and willingness towards organizational goals. There is three kinds of workplace commitment: first is Affective commitment, which is emotional commitment toward organization's work; second type is Continuous commitment, it is the because of financial and non-financial reward and pay packages by organization, and third one is Normative commitment, in this kind employees' commitment is just because of external pressure. In these kinds of commitment, conflict the affective commitment is known as more useful and better than the others, because the employees' of this category of commitment are more contributors towards organization performance and productivity (Mohsan et. al,. 2010).

Williams and Sandler (1995) says that employees' involvement and commitment are sometimes combined or parts of one another. There is diversity in features from which organizational commitment can be analysed however, three aspects are widely identified, researched and implemented.

2.3.1 Normative Commitment:

The commitment that is generated due to the fact that an employee feels psychologically about his/her responsibility to continue his/her job (Singh et. al., 2004).

Normative commitment it is basically a feeling of responsibility to continue employment (Bashir & Ramay, 2008).

2.3.2 Affective commitment:

Affective commitment refers to the concept that employee believes in and likes to be recognized with the employer organization (Moynihan et.al., 2007).

Affective commitment is the employee's emotional regard to association with the organization and recognition.

2.3.3 Continuance Commitment:

Singh et. al., (2004) includes that dimension of the organizational commitment in which an employee decides to continue his job because he realises that life is costly and to lead a better life one needs a job that fulfils the needs of life economically.

Continuance commitment is "a state of consciousness of the costs associated with leaving the organization (Bashir & Ramay, 2008).

Employees' commitment is totally based on employees' participation and increase production and effectiveness. It is suggested that if an organization will give opportunity to employee to control and understand their work, it will cause increased employee's involvement (Guerrem et. al., 2004).

The people having high involvement in decision making activities are highly motivated and committed towards their work and this trait effect on their own performance as well as organization's overall performance (Mohsan, et. al., 2010).

Organization commitment is based on the employees' involvement and it is expected from employees' having high involvement level, that he work harder than employees' with low involvement level, they put their complete effort towards the work and in achieving objectives, they are satisfied to their job, committed to organization growth and turnover rate is also low in this case (Judeh, 2011).

Employees' involvement basically increases commitment to their jobs, organization goals and because of this employees' will easily get ready for adoption of new and better chances (Bhuiyan, 2010).

Employees' involvement in decision making not only strengthen the organizational commitment, but job satisfaction as well and ultimately will decrease job stress, turnover and intention of the employees' (Khan et. al., 2011).

Organizational commitment and job involvement are two independent variables which differ from one culture to another one. An individual is positively affected by his job, the willingness to carry that particular job and working will automatically increases (Ekmekci, 2011).

Job involvement along with employee commitment signifies that those organizations that carry employee involvement culture, their employees' are more committed towards their work and organizations than the ones who do not carry the culture of involving employees'. In this case, organizational commitment boosts up by involving and keeping the employee engaged in their tasks and jobs (Khan et. al., 2011).

Those people who are more involved, engaged and committed are presumed to be less stressed and ultimately they are the ones who get long stay with the organization because of their loyalty concerns. Those people who stays in organization through thick and thin, attends their work on regular basis, engaged in full day work's activities, takes care of organizational assets and contribute towards achieving organizational goals, mission and vision effectively and efficiently. There is need for organizations to create psychological link between organization and employees' in form of organizational commitment to increase and sustain devotion of employees' towards their goals and interests (Singh et. al., 2008).

Organizational commitment plays significant and vital role for an individual as well as for organizational performance. The major findings of this study reveal that job involvement is used to improve the productivity of employees' by increasing their participation and commitment (Khan et. al., 2011).

Outcome of employees' involvement in their job's decisions is organizational commitment which boosts up the hope of employees' to stay for a longer period of time in the organization and work harder for organization that will enhance overall productivity (Ekmekci, 2011).

2.4 Relation Among Employees' Involvement and Performance:

Organization can get healthier insight related to the way of functioning through employee involvement. Employee involvement in decision making could also be proved fruitful where perfections are needed on the end of both employer and employee. One of the most important accelerators to organization's productivity is employees' involvement and empowerment. A lot of research has been done to check the relationship between employees' empowerment, employee' performance, job satisfaction and job commitment.

2.5 Employee Participation:

According to Akuoko et. al., (2012) employees' participation gives chance to the employees' and their representatives to participate in those decisions that ultimately affects them in one way or another. It also includes workers exercising a countervailing and upward pressure on management.

Kinds of employees' participation:
There are two major types of employees' participation.

      i. Direct participation

     ii. Indirect participation

2.5.1 Direct participation:

Direct participation involves such kind of participation in which employee gets involved in decision making activities individually. In this type of participation, information flow is from top management to line managers and then ultimately to lower staff on the basis of orders. Task level involvement is linked to the efforts of managers to increase productivity (Bratton et. al., 2003).

2.5.2 Indirect Participation:

In such type of participation, representatives of every department take participation in the decision making activities and then each representative represents his own members and related matters in order to discuss on the behalf of them all with management (Bratton et. al., 2003).

Employee participation has two major divided i.e. formal and in-formal participation. Formal participation contains set of rules, regulations and policies to be followed while any of the employees' can participate in it. On the other hand, in case of in-formal participation, there is no specific rule of participation and mostly it is used with supervisors, subordinates and peers. According to Nigerian research, which was conducted on workers participation in industrial sector, it is concluded from this research that participation of employees' in decision making decreases stress level and other kind of conflicts, increases the performance of organization and motivation level of employees' (Ojukuku et. al., 2014).

2.6 Complications to Employee Involvement:

There are two major hurdles found in employee involvement, first one is "resistance to change" by management. Managers construct organizational norms, traditions, and values that purely reflect their own thoughts, ideas and styles of management and control, than employee involvement in decision making is restricted. In this case managers are resistant to change, and are not ready to accept changes. If managers do not reply to the recommendations of employees', it could be considered that organizations are not interested in the ideas of employees' and lacks empowerment to employees', which ultimately cause less commitment, satisfaction and increased turnover rate. Second one is "Fear" in employees' mind, most of employees' has fear In their mind that if they raise their opinion and if that will not right or suitable for the condition it reflects my bad image to management and as a result of this fear they do not raise their voice and that causes of lower specialization among managers and employees' (Akuoko et. al., 2012).

2.7 Organization Culture and Rewards:

Being rewarded is an urge and desire which must be fulfilled by the ones who got this authority. Is an employee gets reward for what he/she do, it shows and encourage them for the behaviour they do and they come to know that such acts should be repeated in future to get award again and makes their desires fulfilled and satisfied. (Daft, 2008, p. 506). If employees' do feel that their acts and behaviours are rewarded, they will adopt those encouraging behaviours which are fruitful for their organizational goals and ultimately organizational performance boosts up (Wright et.al., 1992).

Basically there are two major types of rewards: 1- Intrinsic Rewards 2- Extrinsic Rewards defined by Daft (2008, p. 506) he defined Intrinsic Rewards as "the satisfaction received in the process of performing an action." On the other hand Extrinsic rewards are "given by another person, it could be by manager, supervisor, boss or any person having authority and it includes bonuses, promotions, pay increase or any other tangible reward. These rewards prove beneficial in adding to the organizational performance (Daft, 2008).

Now days organizations are facing the challenge to create a valid reward system which must be cost effective on one hand and meaningful on the Organizations should be very sensitive while making rewarding policies and by determining reward system.

As people are different and there are large number of people working in an organization having diverse backgrounds, so mostly individualized approaches to rewards proves fruitful and will provide satisfaction to the employees'. It will motivate employees' more and will have positive effect on the people deserving it and create urge for other people to achieve that level. If reward system is inadequate it will affect the outcomes and ultimately organizational performance disturbs. Unbalanced rewarding policies not only disturb employees' but ultimately to the employer which causes organizational performance depression. Common complaints about rewards are being controlling, unjustified, and undermining of intrinsic motivation of employees' (Rusbult and et, al., 1983).

When it comes to knowledge extensive industries, to attract qualified employees', lessen down turnover ratio, and to motivate employees' towards organizational performance there felt extensive need to develop tools. Many studies documented the merits of well-structured reward system for employees' as well as for organizations, as employee performance ultimately leads to organizational performance (Chen et. al., 1996).

Those rewarding systems or policies that are not well designed may bring dissatisfaction to employees' and organizations. E.g. each and every behaviour a person reflects in his/her actions is not fruitful to the organization, because different types of rewards have different potential to motivate the employees' and to benefit organization Summarized the causes for failure as extra dependence on monetary rewards and lacking recognitions, encouragements, entitlements which could also serve in organizational performance matters (Rusbult and et, al., 1983).

Lawler (1986) discussed that knowledge, power and information without rewards are dangerous, because there is no surety that people are practicing their power in a way which is fruitful for organizational performance or in parallel to the organizational performance. Rewards should have recognition value and must be linked to performance of organization. Organizations must make sure that employees' are rewarded for what is beneficial for organization and is aligned to organizational performance. After getting what organizations wants, rewards must be given to people without any delay which is ultimately a positive indicator of organizational performance. Formal rewards are indicators which are used by organizations to attract, encourage and motivate employees' towards accepting any new strategy or policy for achieving organizational objectives (Bushardt et. al., 2011).

Output rewards are the ones which are used by organizations to check and compensate employees' to achieve the desire performance targets. These types of rewards may include meeting deadlines, targeting market success and working to the budgets and therefore providing incentives and responsibilities for the results until employees' gets reward for what they contributed to the organization. Output rewards, attributed by some objective metric, become formal structures which may have obtained a 'social fact' quality considering the rewarded act as the beneficial act to behave within the organization. Moreover, from the perspective of enactment, there is a time lag between the actual behavioural performance and any formal output reward and furthermore, they are more likely to be gained or achieved by collective rather than individual behaviour (Shnake et. al., 1997).

So, we can say that output rewards may have an overall long lasting impact on organizational performance. For having positive effects of reward on organizational performance, not only the personal characteristics of employees' to be kept in consideration but also nature of organization, environment, and nature of work influencing the employee and organization must also be kept in mind that are associated with rewarding systems and it is suggested that considering both the "nature of rewards" and "context in which the rewards are being offered." In this way rewards given to employees' are considered as justified and will contribute to organizational performance (Rusbult and et, al., 1983).

2.8 Communication and Organizational Performance:

Organizational communication theory and research shows that internal organization communication activities are indicators to tell how effectively and efficiently organizations gorals. It means organizations having culture which is open to communication plays vital role in organizational performa. With passage of time, as technology progresses, organization's communication patterns also changes, but instead there is always a need for sustainable, monotonous, and effective communication at all the levels of organization for better performance outputs (Sengupta, 2011).

When it comes to communication, all the types of communications i.e. upwards, downwards, horizontal, vertical plays very critical role in an organization's culture and setting it in most efficient and effective way. For example, organizations can gain competitive edge over other organizations by using employees' mind through their

ideas for the improvement in different decisions like improvement of process, services, products, structure. It could also be possible during mergers and acquisitions, continuous, ongoing and effective communication may help to overcome the problems and difficulties to be faced. Effective communication also helps in constructing effective teams having a strong bond which ultimately becomes a powerful source of improved organizational performance identified different patterns of communication that could better tell and interpret about team's success. There are many other studies that depicts that positive relationships, cooperative work environment, improved productivity, satisfaction etc. all could be attained in an environment where communication is open and smooth and the flow of communication is not one sided rather it flows in all directions by keeping all the employees' engaged in all activities and decision making processes. It ultimately improves the performance of organization (Botero et. al., 2009).

Evaluate and examine the nature of strategic communication. It is basically defined as the meaningful and fruitful use of communication by organization to fulfil its mission and achieving its vision. There are six disciplines that are relevant for the development, assessment and implementation of communication activities by the organizations. I.e. marketing, management, technical communication, public relations, political communication, and information/social marketing campaigns. It shows the strategic nature of communication fulfilling the demands of organization and contribution in organizational performance (Rusbult and et, al., 1983)

Words play vital role in our lives, so words are so powerful; they allow people to share, communicate and give meaning to their thoughts. Moreover, words are interpreted in some way which causes the parallel results i.e. nature of results depends upon the use of words. This is the reason that in professional life words plays vital role and communication is given a lot of importance. Leaders are asked to communicate in most effective way in order to produce effective results. If communication is strong, ultimately performance also inclined towards strong side (Debra et. al., 2014).

Haimowitz (2015) states that as communication is taken as important indicator of organizational performance so there is need to share all the information with employees' as well to engage them in decision making activities. Without sharing with trust and confidence, such communication is not possible which fulfils

organization's purpose. Sometimes employees' took such sharing and communication as burden but ultimately it proves beneficial for them and for organization and benefit employee individually and collectively. So leaders should be trained to foster two way communications so that employees' know exactly their own level of participation, along with the intention of their leader and nature of tasks to be performed so that they could work accordingly. Ben states that such practices creates a smooth environment of sharing and ultimately benefits the performance matters.

2.9 Organization Performance:

According to Khattak et. al., (2013) every organization aims to improve their performance by giving trainings of learing and development to their workers. It is necessary for better overall performance of organization that all the units of organizations performs in a good manner aligned with organizational goals, all the units all around the world should perform effectively in order to meet goals. For this purpose, organizations have made many different designs and models from functional level to employee level for better organizational performance through building effective frameworks. It is the need of organizations to boost up organizational performance by increasing employee's involvement.

One of the most significant and arguable variable in managing the organizational performance; organizational performance carries numerous meanings, so to define this term in words is quite difficult. Whereas, in academic literature the concept of organizational performance is very common (Gavrea et. al., 2011).

In 1950's, organization was defined as such social entity (system) that is engaged in achieving its objectives, work, and people. Organizational structure was variable focused as organizational performance (Georgopoulos et.al.,1957).

In 1960-1970's organization have started to discover novel meanings to approach their performance and then assess it. Performance was precise as an organization's have less capability to adventure its environment for evaluation and using the scarce resources (Yuchtman et. al.,1967).

In 1980-90's it was concluded that the identification of word "organizational objective" is more complex and difficult than before the time and it has been grasped by managers that organizational success is considered successful measure when organization achieve its goals effectively and efficiently, its profit became important

indicator of performance because it shows employee level of organizational effectiveness (Lusthaus & Adrien, 1998).

Karamat (2013) was in view that organizations having significant human capital reults in high involvement level along with work practices. Such results of human capital could be justified easily when productivity level increases as a result of investment in human capital. Organizations take initiative for such activities when they come to know the importance and role of employees' in organization's success.

According to Delaney & Huselid, (1996), in the process of increasing employees' skills there are many HRM practices which can be adopted to contribute in increasing performance of employees' and overall organization. i.e.

- By increasing the quality of personnel hired.
- By increasing the skills and knowledge of existing employees' by using different training and other methods.
- Selection process must be unbiased and classy for the best potential employees'.

And recent research is also resulted that the selection in recruitment process is directly related to the organization performance.

Workplace structure also effects the performance of organization, as skilled, encouraged and motivated employees' gets interested and involved in determining the task and achieving the goals. In employee participation system, internal labour markets provide the opportunity of development and growth of organization and ultimately show positive relation with organizational performance (Delaney & Huselid, 1996).

Bartel (1994) states that inclusive training and development activities after recruitment practice and investment in training will definitely return back a favourable outcome to organization, which proves beneficial for overall performance of organization.

Organization performance not only means to define the issues but also to solve it in an effective way. Organization performance is the skills of organization to attain its goals more efficiently and effectively (Shahzad et. al., 2012).

2.10 Theories of Organization Performance:

Karamat (2013) gives different theories to adopt for the channel to improve organization performance. Which are;

2.10.1 Definite Structure:

To perform the daily activities, the employees' should have a properly defined procedure, rules and policies to follow up which leads them to their targets/goals perfectly and when they achieved their goals as per defined process and policies their work is encouraged by upper management.

2.10.2 Accurate Answers:

Answers to the questions must be perfect and relevant to the overall situation; answers must be beneficial for long span of time not for short one. And don't worry about the wrong decisions "wrong decisions guide the decision makers to the best solution of problems".

2.11 Learning Leads to Organization Performance:

Learning causes of adoption of new skills which affects the employee's behaviour positively and sometime negatively. It affects employee's behaviour positively when employees' accept the change and apply the new skills which results as a good performance, and negatively when employees' deny adopting the change and that causes change in their behaviour and decreases individual performance and that effects on overall organization performance.

U.S industry used employees' involvement programs as a solution when they face problems. Such programs increases labour productivity, employee's motivation, improved product quality and increase relationship between employer and employees' (Leana et. al., 1992).

Rehman (2011) says that organization's success is a result of human resource practices carried in an organization, i.e. how much employees' are innovative and creative and what are the management programs of the organization. If HRM practices are in proper form and manner, productivity boosts up and turnover decreases.

In order to measure financial and non-financial performance of employees' and for their evaluation, there felt a need of proper performance measurement system, so strategic performance measurement system (SPMS) was introduced to evaluate financial an non-financial performance. This system increases the competitiveness of organization. Researchers suggest that such performance measurement systems if used properly could be proved very fruitful for the organization and management. It will ultimately decrease level of risk of external uncontrollable threats and dangers to the organization (Shahzad et. al., 2012).

High involvement actions, flexibility, and commitment causes behavioural changes in employees' and improves the quality and productivity of the organization and, this all is because of employees' high level of citizenship behaviour, and employee's motivation. Here, researcher is associating the behaviours and social results that if rate of absenteeism and turnover will decrease, productivity level and quality will automatically increase. He quotes "high involvement acts as a synergy and it has a multiplicative effect (Guerrem et. al., 2004).

It is concluded that there is direct relation between company's productivity and employees' involvement. When employees' have got empowerment and involvement to take decisions they own the organization and better participate in identifying the problem and providing better solution of that specified issue and, that ultimately results better performance of every individual and of organization as well.``

Chapter III

Methodology

The basic reason of writing and constructing the research methodology is to determine various methods of carrying this research. In this study, best mix of methods is being chosen in an attempt to addressing research questions and achieving research objectives in productive manner. This chapter contains following methodology mix and consists of multiple methods described as per their use in this research study.

3.1 Research Philosophy:

The research philosophy tackles with the development of research knowledge.

Saunders et. al., (2009) have proposed four options for research philosophy i.e. interpretivist, realism, positivism and pragmatism. This research adopts and interprets its knowledge by using positivist philosophy. Positivism is a theory which says that positive knowledge is depends on natural singularities and their belongings and relationships. And information gathered by sensual practise, taken with the help of reasoning and logics. Positivism in the social science is commonly described by quantitative approach. This result study follows positivist research philosophy in an attempt to develop knowledge during the course of justified study.

3.2 Research Approach:

The research approach adopted in the study is all about putting focus towards using and implementing research in terms of theory.

Saunders et. al., (2009) proposed two options for research approach i.e. inductive research approach and deductive research aproach.. The research approch is the way to conduct a research by using a theory regarding the research. There are two kinds of approches for conducting a effective esearch which are; inductive research approach and deductive research approch. Deductive approach means reasoning from the specifications to the generalizing. In other words deductive approach is related with the deducting conclusions from prepositions.the deductive approach folllow up the way of logics most nearly. The reasoning starts with a theory and then reached to a new hypothesis and then test that hypothesis and then it takes selection or rejection of

that hypothesis. And in this research study used deductive research approach and the following theory will be treated as the generalized theory.

In this research study; Vroom and Jago (1988) contingency model has been used as a theory of deductive reasoning. The aforementioned theory is an application of goal setting theory and is considered as a contingency approach to group decision making that is designed specifically to help leaders select the best approach to making decisions. This research study is investigating the impact of participative decision making opportunities and participation efficacy along with analysing the moderating role of authentic leadership; thus, this theory provided by Vroom and Jago (1988) can be the concrete generalization based on which investigation of our inquiry could be specified. It is because of the fact that this model identifies various alternative ways a decision could be made by keeping in account the degree of follower participation. This theory extends a method for leaders to choose the right approach to making a decision in a given set of circumstances.

The methodological choice refers to section of research choices, among three options i.e. mono-methodology, multiple methodology, multiple methodology and mixed methodology. (Saunders et al., 2009).

 According to the research topic and problem statements, the appropriate approach to be used in this research study is quantitative research approach undertaken with the intention of answering research questions. As this research will be using only quantitative methods, therefore, this research is using the mono methodology.

3.3 Research Strategy:

The research strategy refers to the strategy or plan adopted for data collection. As per onion model of research, there are a lot of options like;

- ➢ Survey research method

- ➢ Case study research

- ➢ Experimental research

The researcher have used the survey method as a strategy of this research study. The survey of employees' of telecommunication industry (PTCL) operating in Islamabad was conducted in an attempt to collect to primary data with the intention of developing knowledge. The survey is the best approach because it has cost effectiveness, time effectiveness and provides desired research data (Saunders et. al., 2009).

3.4 Methodological Choice:

In choosing the methodology for carrying the research, three kinds of research choices are available:

- • Mono Methodology
- • Multiple Methodology
- • Mixed Methodology

As per the topic and problem statement of the research, the quantitative approach has been used for answering research questions. As this research has a single methodology (quantitative research approach) so, in this research the mono-methodology has been used as a methodological choice (Saunders et. al., 2009).

3.5 Time Horizon:

In the form of time horizon there are two options for collecting data, first one is longitudinal data and second one is cross sectional data (Saunders et. al., 2009).

In this research study cross sectional data has been used for taking answers of the research questions as the data analysis was performed on the findings of research study which has been collected by primary research survey of employees' of telecommunication industry (PTCL) operating in Islamabad. As data is collected at a

particular span of time, so this research has followed the adoption of cross sectional data.

3.6 Data Collection:

Any kind research needs to collect the data by answering the questions regarding research so it is considered as the main perspective of the overall process of research.There are two divides of data, one is primary data and second is secondary data. Primary data is all about the raw information which collected by first hand from the respondents through the questionaire, interviews, experiments and the observation of individuals. And the secondary data is the data which is already gathered by the different sources in the form of journals, books, articles, reports, statistical census and websites . (Sekaran and et al.,2010).

In this research , there is need to collect data from employees' of operational level of telecommunication sector (PTCL) working in islamabad in order to taking answers of research questions and obtaining research objectives. As we need raw data directly from targeted employees' so we will collect data by primary sources. In the doamain of primary sources, data will be gathered from employees' of operational level of the telecommunication industry (PTCL) operating in islamabad through the survey questionaire. And to collect relevant data, we will questions to employees' of operational level and their managers about their view of employees' involvement in decision making and their experience about employees' involvemnt through the filling a survey questionaire. In addition the questionaire was semi-structured and designed in a standered way for all respondents (mangers and employees' of operational level). Questionaire method has been choosen just because of face to face interaction. Mainly, the data was collected by the targeted employees' by circulating and filling survey questionaire among them.

3.7 Data Collection Instrument:

The resesarcher have used questionaire in this study in an attempt to collect data with the intention of addressing reseasrch questions and developing body of knowledge. For this purpose, the researcher had developed a questionaire with 35 items consisting of 4 sections (SECTION A, SECTION B, SECTION C and SECTION D). Out of these 35 items, SECTION A has 5 items which were used to collect information on the socio-demographics of the respondents, SECTION B has 10 items for the

gathering responses against the independent variable (employees' involvemnt in decision making) which were adapted from the study of Miller et. al., (1992) as well as from the study of (Mortesen et. al., 1992).

Furthermore, SECTION C were consisting 10 items regarding the accumulating replies against the mediating variable (organization culture) and the questions of this section were taken from the study conducted by Sashkin (2013) and the study of (Muijen, 1999).

Moreover, the 10 questions of SECTION D were involved for the accumulating the comebacks against the dependant variable (organization performance) and these questions were from the study of (Zulkiffli et. al., 2011). Questionnaire is attached at Annex A.

3.8 Data Analysis Technique:

Quantitative data for this is analysed through software named as "SPSS" Statistical Package for the Social Sciences. Data is collected through questionnaire and run on SPSS by performing some steps. Pilot study is conducted before starting the final data collection procedure. Cronbach's Alpha is used for testing reliability of data. To check the association between variables, Pearson coefficient of correlations (r) is calculated. Regression is being run on data to check the significance of data, value of R, and standardized beta values. Mediation is checked through (Baron & Kenny, 1986).

3.9 Sampling:

Before the starting a research and collecting the data for that research there must be a sampling approach or method to sampling so sampling is a important part of research and its methodolgy. In simple words, sampling is the process of choosing a sample for the research (Trochime, 2006).

There are many of sampling approaches to conduct a research and major divides of these samping approaches are divided in to two main categories, one is probability sampling (systematic and, simple random, cluster and stratified sampling) and the other one is non-probability sampling (convineince, quote and snowball). In this research probability simple random sampling approach has been used and only the employees' of opertional level from telecommunication industry (PTCL) operating in islamabd has taken because they are easily approchable and available.

3.10 Case Organization:

Pakistan Telecommunication Ltd. (PTCL) is a largest telecommunication company in Pakistan and holding the status of backbone for country's growth. PTCL has monopoly because it has government support and through which they are collecting large earnings from customer base of over 4 million. Moreover, it has some weak points like there is lack of corporate culture, lack of aggressive marketing, lack of social responsibility and ambiguous management style, In this research study only those employees' were included who were working at the operation level in the PTCL and those were Engineers, Supervisors, Technicians, Lineman, Cashiers.

3.11 Sample Size Determination:

As researcher have selected PTCL from the telecommunication sector operating in Islamabad as a case organization and there were almost 50000 employees' were working in PTCL at operational level. Because the population size was much more and could not be approached and there were need to select the sample which could be easily approached or availed so to choosing sample size researcher have used the sample size calculator by "Raosoft". In the sample size calculator, the population size were filled 50000, confidence level were 90% and margin to accept errors were 5% and to calculating these items sample size calculator by "Raosoft" have developed the sample size 270.

Formula used by software;

$$"x \;=\; Z(^c/_{100})^2 r(100\text{-}r)$$

$$n \;=\; {}^{N\,x}/_{((N\text{-}1)E^2 + x)}$$

$$E \;=\; \text{Sqrt}[^{(N\,\text{-}\,n)x}/_{n(N\text{-}1)}]"$$

N = Population size

r = Fraction of responses

Z (c/100) = Critical value for the confidence level c.

Population size = 50000 employees

Confidence level = 90%

Margin to accept error = 5%

Sample size generated = 270   (http://www.raosoft.com/samplesize.html).

Chapter <u>IV</u>

Statistical Analysis

4.1 Reliability:

It is a degree to which an assessment instrument produces consistent and stable results. Saunders et. al., (2009) describes the internal consistency reliability as per the consistency of the results taken by the test and insuring that the various items measuring the different concept bring consistent score.

Gliem et. al., (2003) stated that the most common test for checking reliability is Cronbach's alpha test to measure internal consistency reliability. Furthermore, the aforementioned researcher wrote that the value of reliability coefficient greater than 0.6 is acceptable. However, 0.8 Cronbach's alpha value should be the smart goal.

George et. al., (2003) shares that the value of Cronbach's alpha in terms of rule of thumb should be resulted as follows; that counted as excellent if > .9, good when > .8, acceptable if > .7, satisfactory when > .6, poor when > .5 and un-acceptable when < .5. Cronbach's alpha interpreted by lee Cronbach in 1951 and it is the way to measure reliability of a psychometric instrument. This test will tell you if the instrument you have designed is accurately measuring the latent (dependant) variable you are interested in.

The information obtained in the Table <u>1</u>, reveals the results of conducting reliability analysis on both instrumental as well as variable level. A total of 30 items were included in the questionnaire and instrumental reliability is ensured by the value of Cronbach's alpha test 0.821. This values indicates that the instrument used in this research study is reliable in terms of reporting results accurately and consistently. Moreover, the reliability analysis was also conducted on the variable level and the scale used for collecting responses on employee involvement included 10 items with the Cronbach alpha value of .633 and the Cronbach alpha value of .624 for organizational performance. All of these values indicate that the alpha value for mediating variable organizational culture was .612 followed by the Cronbach instrument used for their measurement is reliable in term of producing accurate and consistent results.

Table 1. Reliability Analysis of on Both Instrumental as Well as Variable Level:

RELIABILITY ANALYSIS		
Instrumental Level		
	No. of items	Cronbach's Alpha Value
	30	0.821
Variable Level		
Employee Involvement	10	.633
Organizational Culture	10	.612
Organizational Performance	10	.624

4.2 Validity:

Validity of an instrument tells that rather your instrument is measuring data as per your desiring results (Sekeran et. al., 2010).

4.2.1 Construct validity:

Construct validity refers to the degree to which inferences can legitimately be made from the operationalization in your study to the theoretical bases on which operations are based.. (sekaran et al,2010). It can be established through decomposing it into two components; convergent validity and divergent validity.

4.2.2 Convergent validity:

When measure of constructs that theoretically should be related to one another, in fact it tells us either your dependant variable has a relationship with the independent variable and that literature shows and your instrument's result also shows the same thing that is convergent validity (Sekeran et. al., 2010).

4.2.3 Divergent validity:

When measure of constructs should not be related to one another theoretically: in fact it is observed to be not related to one another statistically as well (Sekeran et. al., 2010).

Sekeran et. al., (2010) elaborated that convergent and divergent validity are both considered as sub-categories of construct validity. The important thing to consider is that they work together, if you can demonstrate that you have evidence for both convergent and divergent validity then you have by definition demonstrated that you have evidence for construct validity. But only one of that is not sufficient for establishing construct validity.

In the Table 2, the construct validity for the measuring instrument has been developed by establishing convergent as well as divergent validity. The relationship between gender and employee involvement and the relationship between gender and organizational performance has not reported to be positive in any of the previously conducted study on employee involvement and employee performance. The negative of the correlation coefficients in both the cases demonstrates that divergent validity has been established. As literature reported negative relationship between the two variables and so does our results.

Table <u>2</u>. Construct Validity for the Measuring Instrument:

CONSTRUT VALIDITY			
PEARSON CORRELATION			
	Gender	Employee involvement	Organizational performance
Gender	1		
Employee involvement	-.219	1	
Organizational performance	-.212	.637	1

4.3 Correlation:

The most important method level of using a correlation analysis among the many is bi-variate correlation extended by Galton , Edge and Pearson which examines the relation between two variables. Furthermore, the aforementioned researcher extended

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that bi-variate correlation provides information on the relationship between two variables into two different aspects; magnitude and direction. The magnitude refers to the strength of a relationship between the two variables whereas direction refers to the information that whether this relationship is positive or not.

Lomax (2007) noted that the value of correlation coefficient denoted by" r" lies between -1 and +1. For a Pearson Correlation; an absolute value of 1 indicates a perfect linear relationship. A value of correlation coefficient close to zero indicates no linear relationship between the variables. The evaluate value of correlation coefficient -1 represents a perfectly negative linear relationship. The correlation coefficient ≥ 0.4 shows a moderate association between the two variables. However, correlation coefficient is not greater or equal to 0.5 demonstrate a strong association between the two variables.

Lomax (2007) said that both 0.05 and 0.01 can be used as an effective level for analysing probability values. However, 0.05 P value has used universally although the conservative researchers sometimes use 0.01 P- value. The actual purpose of using P-value in relation to the correlation coefficient " r " is to indicate that the relationship between the two variables is significant or not.

In the Table 3, it is resulted that the relationship between employee involvement and organizational performance is said to be significant, positive and strong based on the value of their correlation coefficients .637. Therefore hypothesis 1 is partially accepted. The relationship between employee involvement and organizational culture is depicted by the value of correlation coefficient .609 which depicts that it is significant, positive and strong. Therefore, hypothesis 2 is accepted. The relationship between organizational performance and organizational culture is depicted by the value of correlation coefficient .584 which indicates significant, strong and positive relationship between the two variables.

Table 3. Correlation Analysis between Employee Involvement and Organizational Performance:

CORRELATION ANALYSIS			
PEARSON CORRELATION			
	Employee involvement	Organizational Culture	Organizational performance
Employee involvement	1		
Organizational Culture	.609	1	
Organizational performance	.637	.584	1

4.4 Regression Analysis:

It is a statistical process for estimating the relation between variables. According to Chatterjee (2006) regression analysis id used to predict the value of a variable based on another variable, in an attempt to determining the strength of a relationship between one dependant variable and a series of other independent variables.

According to Chatterjee (2006) regression is ascertain when a researcher seeks to investigate the causal effect of one variable over another the following output table were considered after conducting regression analysis. in the model summary table the values of R squared and standard errors of estimates were considered . in the Anova tablet he values of F statistic and its corresponding significance value were considered. in the coefficients table we will look for the values of beta and t statistic and its corresponding significance value were considered.

4.4.1 Model summary:

R and R squared; linear regression calculates an equation that minimizes the relation between the fitted line and all of the data points. Generally, it is stated that a model fits the data well if the difference between the deserved variables and the model's predicted values is small and unbiased (Chatterjee, 2006).

R squared is basically a statistical measure of how close the data is to the fitted regression line. It is also known as the coefficient of determination. R squared defined as follows; R squared gives you the percentage of response variable variation that is explained by a linear model (Chatterjee, 2006).

4.4.2 Anova table:

This table indicates that the regression model predicts the dependant variable significantly well and in a better manner. The aforesaid is established through capitalizing on F- statistic and prof (F) which tests the overall significance level of a regression model.

F- test in a regression compares the fits of different linear models. It compares the model with no predictor to the model specified by researcher. A regression model having predictor is called intercept-only model.

4.4.3 Coefficient table:

This table provides necessary information to predict the outcome variable by calculating the values for intercept and slope to use in the estimation equation; as well as determining whether predictor contributes statistically significantly to the model (P- value)

4.4.4 T – Statistic:

T-Statistic is computed by dividing the estimated value of the parameter by its standard error. This statistic is the measurer of the likelihood that the actual value of the parameter is not zero. The larger the absolute value of "t", the less likely that the actual value of the parameter could be zero.

4.4.5 Probability of (t):

It is defined as the probability of obtaining estimated value of the parameter if the actual parameter value is zero. Smaller value of probability of (t) would mean, the parameter is strongly significant, unlikeliness that actual value of parameter is zero.

The information displayed in the Table 4 demonstrates the results obtained by regression analysis conducted for testing the hypothesis 1. The F statistic based on its p-value indicates that predictor employee involvement belongs to this model and there

are zero percent chances out of 100 percent that intercept only model (without predictors) and intercept slope model (including predictors) shows same results. The value of beta, t-statistic and its corresponding p-value clearly indicates that employee involvement is a significant predictor of organizational performance and is likely to significantly influence the organizational performance. The value of adjusted R squared indicates that approximately 40% of the variations caused in the organizational performance were based on the influence of organizational culture which again infers that employee involvement is significantly and positively associated with organizational performance. Therefore, hypothesis 1 is accepted.

Table 4. Regression Analysis for Testing the Hypothesis 1:

Regression Model 1			
Outcome Variable: Organizational Performance			
Predictor / Statistic	β (Std. Coefficients)	Std. Error	p-Value
Employee Involvement	.637		
T-Statistic	13.539		.000
F-Statistic	183.297		.000
Adjusted R²	.404	.24387	

The statistics displayed in the Table 5 demonstrates the results obtained by regression analysis conducted for testing the hypothesis 2. The F statistic based on its p-value indicates that predictor employee involvement belongs to this model and there are zero percent chances out of 100 percent that intercept only model (without predictors) and intercept slope model (including predictors) shows same results. The value of beta, t-statistic and its corresponding p-value clearly indicates that employee involvement is a significant predictor of organizational performance and is likely to significantly influence the organizational performance. The value of adjusted R squared indicates that approximately 37% of the variations caused in the organizational culture were based on the influence of employee involvement which again infers that employee involvement is significantly and positively associated with organizational culture. Therefore, hypothesis 2 is accepted.

Table 5. Regression Analysis for Testing the Hypothesis 2:

Regression Model 2			
Outcome Variable: Organizational Culture			
Predictor / Statistic	**β (Std. Coefficients)**	**Std. Error**	**p-Value**
Employee Involvement	.609		
T-Statistic	12.578		.000
F-Statistic	158.209		.000
Adjusted R²	.369	.25175	

The data displayed in the Table 6 proves the results obtained by regression analysis conducted for testing the hypothesis 3. The F statistic based on its p-value indicates that predictor employee involvement belongs to this model and there is zero percent chances out of 100 percent that intercept only model (without predictors) and intercept slope model (including predictors) shows same results. The value of beta, t-statistic and its corresponding p-value clearly indicates that employee involvement is a significant predictor of organizational performance and is likely to significantly influence the organizational performance. The value of adjusted R squared indicates that approximately 34% of the variations caused in the organizational performance were based on the influence of organizational culture which again infers that organizational culture is significantly and positively associated with organizational performance. Therefore, hypothesis 3 is accepted.

Table 6. Regression Analysis for Testing the Hypothesis 3.

Regression Model 3			
Outcome Variable: Organizational Performance			
Predictor / Statistic	**β (Std. Coefficients)**	**Std. Error**	**p-Value**
Employee Involvement	.584		
T-Statistic	11.777		.000
F-Statistic	138.706		.000
Adjusted R²	.339	.25689	

The material presented in the Table 7 validates the results obtained by regression analysis conducted for testing the hypothesis 4. The F statistic based on its p-value indicates that predictor employee involvement belongs to this model and there are zero percent chances out of 100 percent that intercept only model (without predictors) and intercept slope model (including predictors) shows same results. The value of beta, t-statistic and its corresponding p-value clearly indicates that employee involvement and organizational culture are the significant predictor of organizational performance and are likely to significantly influence the organizational performance. The value of adjusted R squared indicates that approximately 46% of the variations caused in the organizational performance were based on the influence of employee performance which again infers that employee involvement is significantly and positively associated with organizational performance with the mediation of organizational culture. The value of indirect effect based on increased R squared value in comparison to the R squared value of direct effect when can safely infer that mediation of organizational culture is incrementally affecting the organizational performance. Therefore, hypothesis 4 is accepted.

Table 7. Regression Analysis for Testing the Hypothesis 4:

Regression Model 4			
Outcome Variable: Organizational Performance			
Predictor / Statistic	**B (Std. Coefficients)**	**Std. Error**	**p-Value**
Employee Involvement	.311		
T-Statistic	5.524		.000
Organizational Culture	.448		
T-Statistic	7.946		.000
F-Statistic	117.001		.000
Adjusted R²	.469	.25175	

Chapter <u>V</u>
Conclusion

It is concluded by this research study that employees' involvement in decision making has a positive impact on organization performance and it is proved by this research to targeting the employees' of operational level of telecommunication sector (PTCL) operating in Islamabad that there is a positive effect of employees' involvement in decision making on organization but there is also organization culture have considered in the matter.

To compete with the market of this modern era it is necessary to make strategies as per the requirements of surrounding and to achieve the organization goals efficiently there is a need to give right to participate in making strategies and in decision making for the better performance and for the overall growth of the organization. Employees' feels more committed and loyal with the job when they have right to speak or right to give suggestion regarding their job decisions. When Top-management gives right to participate that builds a confidence in employee's minds that we are important for the organization and they work harder than ever.

When management have gave the right to employees' to participate and share their suggestions regarding the decisions, employee thinks about the matter and that thinking develops their creativity which effects their intelligence and then performance. Employees' involvement in decision making develops the employees' commitment and if an employee will be committed with the job he will work harder and his performance will be automatically increased. employees' commitment is totally based on the participation of employees' in matters of organizations and it is suggested by the researchers that if management will give chance the employees' to participate in taking decisions or in making strategies about the different jobs that step will leads to better performance by the employees'. Employees' creativity and commitment is the main aspects of increasing performance of employees' and that employees' increases the overall performance of organization.

To be involved in decision making and the matters of organization is a feeling of ownership towards organization for the employees' and the employees' with the right

to participate are more committed with the organization than the non-participative employees'. Employees' involvement in decision making creates high quality of outputs because employees' feels more involved in their job and this will lead them toward job satisfaction, and when employees' will satisfy with the job it will reduce stress of the job and also reduce the conflicts.

The organizations that have culture of involvement by employees', their employees' are more committed to company's performance. Employees' involvement helps the managers in deciding the course of action in the organization.

Employees' involvement removes the communication gap among the management and subordinates and develops the relationship among them. Employees' involvement develops the equality between the managers and workers in the way to collecting information for solving an issue for organization. Employees' involvement increases the value of employees' and they feel ownership towards organization which effects their performance.

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Annexure A:

Evaluating the Impact of Employee Involvement on Organizational Performance – Analyzing the role of Organization Culture in Telecommunication Organization (PTCL)

Hope that by the grace of Almighty Allah this questionnaire finds you in sound health.

This questionnaire is designed to study the impact of Employee Involvement on Organizational Performance in an attempt to analyze the mediating role of Organizational culture. Your organization has been selected for this study based on a random sample. The study is purely academic and is being carried out in partial fulfillment of the requirement for M.B.A. Degree at Department of Management Sciences, Pakistan Institute of Developmental Economics, Islamabad. Data collected from respondents will be used only for scientific research and will help in gaining a better understanding of the effects of using Organizational Culture in telecommunication organizations. The questionnaire should be filled in by the employees relating with human resource development activities within your organization. There is no right or wrong answer; we are only interested in your views. You are not required to provide your personal information so please be frank and honest. Your kind cooperation in this research is very much appreciated and the researcher sincerely hopes that you will find the study of interest to you and hopefully to your organization. Thank you so very much for time and cooperation.

Noor ul Hassan (M.S. Scholar)

SECTION A:

A: SOCIO-DEMOGRAPHICS						
		1	**2**	**3**	**4**	**5**
1	Gender	Male	Female			
2	Age Category	18 - 25	26-30	31-35	36-40	40 +
3	Education Level	Inter	Bachelor	Masters	M.Phil	PHD
4	Income Level	15-25k	26-50k	51-75k	76-100k	100k +
5	Role in Organization	Operational Level	Middle Level	Top Level		

	QUESTIONNAIRE KEY	
Please review the statements below	**1**	**STRONGLY DISAGREE**
	2	**DISAGREE**
And indicate the level to which you	**3**	**NEUTRAL**
Agree/Disagree with each statement	**4**	**AGREE**
	5	**STRONGLY AGREE**

SECTION B:

B: Employee Involvement						
1	My job requires that I keep learning new things	1	2	3	4	5
2	The work I do on my job is meaningful to me	1	2	3	4	5
3	I feel personally responsible for the work I do on my job	1	2	3	4	5

4	I am generally satisfied with the communication between my workgroup and other workgroups.	1	2	3	4	5
5	My job provides opportunities to further develop my skills and abilities.	1	2	3	4	5
6	My job allows me to make an important contribution to the success of organizational performance	1	2	3	4	5
7	Employees in this organization are frequently sought out for their ideas	1	2	3	4	5
8	I am concerned about the performance of the organization as a whole.	1	2	3	4	5
9	I have the freedom to decide what I do on my job and innovate the process	1	2	3	4	5
10	I determine the speed at which I work and my creativity is appreciated in this regard	1	2	3	4	5

SECTION C:

C: Organizational Culture						
1	In my organization people are flexible and adaptable when changes are necessary	1	2	3	4	5
2	In my organization people believe in teamwork, the "what's in it for us" approach rather than "what's in it for me."	1	2	3	4	5
3	In my organization our policies and procedures help us to provide the service our customers want and need	1	2	3	4	5
4	In my organization everyone knows and understands our business objectives and priorities	1	2	3	4	5
5	In my organization people are always	1	2	3	4	5

	looking for new ways to better serve clients and customers					
6	In my organization managers at all levels work together as a team to achieve results for the organization	1	2	3	4	5
7	In my organization when customers have problems with the products or service they receive, those problems are almost always resolved to their satisfaction	1	2	3	4	5
8	In my organization everyone strongly believes in a set of shared values about how people should work together to solve common problems and reach mutual objectives	1	2	3	4	5
9	In my organization constructive criticism is accepted	1	2	3	4	5
10	In my organization management practices allows freedom in work	1	2	3	4	5

SECTION D:

	D: Organizational Performance					
1	Employee involvement initiatives help my organization increase market share growth	1	2	3	4	5
2	Employee involvement initiatives help my organization increase sales turnover	1	2	3	4	5
3	Employee involvement initiatives results in improving Order-fulfillment lead time	1	2	3	4	5
4	Organization culture supporting employee involvement results in generating incremental increased sales	1	2	3	4	5
5	Organization culture supporting employee	1	2	3	4	5

	involvement results in incrementally improving lead time					
6	We use performance information and findings to verify our assumptions about the business	1	2	3	4	5
7	We verify the impact of employee involvement initiatives on results for key performance measures	1	2	3	4	5
8	We use performance information to support decisions at operational levels	1	2	3	4	5
9	We seek to identify causes to explain current performance levels	1	2	3	4	5
10	Culture of my organization supports employee involvement and it nourish the increase in organizational performance	1	2	3	4	5