Impact of Teamwork on Employees Performance

Dr. Sheeba Khan  
Assistant Professor  
Department of Business & Economics  
Mazoon College  
Muscat, Oman.

Ms. Layal Said Al Mashikhi  
MBA Student  
Department of Business & Economics  
Mazoon College  
Muscat, Oman.

Abstract

The main purpose of this research is to examine the impact of teamwork on the performance of employees working in banking sector. Due to increase in local and international banks in the region, it has become difficult for the banks to attract and retain their customers. So, currently the banking sector is striving to improve its human resources performance all around the globe to achieve the maximum efficiency and attempt to increase the customer retention. This research has found an effective relation between teamwork and employee performance.

In the present study, correlational research design was used to examine the relationship between teamwork and employees’ performance. Data was collected from 120 employees working in a Bank. Different statistical tests were applied which demonstrate that there is a positive and direct relationship of teamwork on employees’ performance. The results obtained from correlation and regression analyses displayed a significant impact of teamwork on employee performance.

Keywords: Teamwork, Team behavior, Team knowledge sharing, Performance

1. Introduction

Performance has been considered as an ultimate outcome of an organization as well as an employee. Thus, the term ‘performance’ has itself been discussed in the literature, as defined by some of the authors, as an outcome generated by the employees in contrast to the roles and expectations which have been attached to them (Colquitt, Scott, & LePine, 2007; Lemieux, MacLeod, & Parent, 2007). At some other instances, literature has considered it as an accomplishment of organizational goals and objectives through the building blocks of the firm (Bommer, Dierdorff, & Rubin, 2007; Thomas & Feldman, 2008). Studies have shown that the performance can be seen on two explicit fronts named as employee performance and organizational performance. In brief, organizational performance refers to the extent to which an organization achieved its goals and objectives (Gilboa, Shirom, Fried, & Cooper, 2008; Kieffer, Schinka, & Curtiss, 2004) while employee performance is a more subjective term which is associated with the physical, behavioral and cultural output of an individual which should be aligned with organizational goals in order to get appraisal and acceptance. Organizational success and glory is dependent upon the employees and their performances, which come from creativity, innovation and higher level of commitment. Literature has also exposed that it is the employee performance, which constructs the marketplace of an organization. Thus, some studies also stressed that there are wide range of individual benefits which result from employee performance (Barrick & Mount, 1991; Cote & Miners, 2006). As many of the life attributes like living standard, purchasing power and social status can be improved by performing well in the individual roles.
The concept of employee production is seemed relevant to that of employee performance as, at many instances, performance has been measured in terms of the physical goods produced by employees (Kieffer et al., 2004) along with quantifying them to know the exact figure. While in broader terms, production is seen from the units manufactured or produced or the customers which have been served in a given time while performance seems more associated with goal or objective achievement in the best possible manner (Bommer et al., 2007; Evans & Davis, 2005).

Employee job performance can only be achieved at its best when all the working elements of the organization perform together. Teamwork has been considered as one of the most desired attribute, which an employer wishes to have in modern day organization (West, 2012). Teamwork is not always about working in large teams but a sense of togetherness that make an environment termed as team (Farh, Seo & Tesluk, 2012). Crawford and Lapine (2013) have argued on teamwork dimensions and concluded that, supervisors and leaders are also part of the teamwork as they are responsible for producing better organizational performance so an integration of employees with supervisors is an important element of teamwork. The opposite argument in this regard comes from the examples of companies like McDonalds and Toyota who are rewarding their employee’s in-group work orientation from years and are market leaders in their respective industries. Teamwork has been utilizing in such sectors as core competency resulting in a sustainable competitive advantage from years (Talib, Rehman & Qureshi, 2013).

Banking sector of Oman is developing with an appreciable pace as the assets of banking sector have increased by 12% between 2010 and 2014. Another evidence of growth can be seen from lending proportion of Oman’s banks which were amounted $46.1bn on June 2015. As far as contribution of banking sector in GDP of Oman is concerned, it has been increased from 47.4% to 57.1% in between 2010 and 2014 respectively.

2. Problem Statement

Banking sector is trying to improve its human resource performance all around the globe to achieve maximum efficiency. Yet, certain distances among banking personnel due to their job nature has limited them just to their individual output resulting in lesser performance than expected (Gallie, Zhou, Felstead & Green, 2012). Decline in such performance is alarming for banking industry especially in Oman where contribution of the respective sector in GDP is more than 50%. Teamwork has been seen as the least observed phenomenon in banking sector, which has somehow, undermined the expected employee performance. So there is a massive need to check the influence of teamwork on employee performance in banking sector.

As far as global context of this particular problem is concerned, Western and European economies are getting competitive advantages through adopting teamwork approaches in almost every sector. Still, the banking sector is not that much experienced in the term “Teamwork.” Coming towards the domestic environment of Oman and Middle East, performance evaluations have not progressed in this geographical zone and still individual performance is considered as the only performance dimension (Stirpe, Bonache & Revilla, 2014). As businesses are growing in respective region rapidly, there is a need to shift the performance measuring standards to team or group performance too to make them more adaptable and state-of-the-art.

Teamwork can improve individual performance by providing a lot of ideas on table to choose the best among them. Decision making of an individual employee gets improved through this. From organizational front, teamwork creates a better workplace environment.

3. Purpose of the study

The purpose of this study is to examine the impact of teamwork on performance of employees’ working in bank.

4. Literature Review

Organization is often defined by the researchers as a place where two or more than two persons work together to accomplish a common goal. This definition of organization leads towards the exact concept of teamwork. Authors have no conflict in explaining the concept of teamwork as they often regarded it as the functioning of employees in a group to achieve a cumulative objective or task (Hanaysya & Tahir, 2016; Outram et al., 2015). Not all tasks can be done in groups so organizations maintain a healthy portfolio of such task, which has to be done in teams. Researchers have adopted the same stance in defining teamwork as they described it as the orientation of employees, which is made to do some group tasks. Yet, researchers have not made it crystal clear that either this group or teamwork is better for performance or not and especially in comparison of individual work.
Teamwork’s concept is not new for the management science literature, as it became the base of organizational behavior concept. As far as its implications in organization are concerned, teamwork is the key to evolve many organizational practices including deviant behaviors, role conflicts, etc. Past literature has acknowledged such importance of teamwork by claiming that teamwork is the axis of an organization around which many organizational and individual components revolve to complete the organizational philosophy (Kassim & Ramayah, 2015; True, Stewart, Lampman, Pelak, & Solimeo, 2014). Yet, the clear reflection of teamwork on individual employee performance has not been properly revealed by the literature.

Literature defines that for proper functioning and works of organization, three types of behavior are expected (1) individual join organization and stay with it, (2) perform work related activities, and (3) might perform innovatively beyond work role. Team behavior depend upon third activity and it can be said that if in team individual’s mood is good due to previous positive experience, he or she will be more prone to show altruistic behavior. Team individuals which experienced negative experiences such as frustration are less motivated to show prosocial behavior like helping others (Kirkman, & Mathieu, 2006). Similarly researchers postulate in their study that Individual personality traits and workplace environmental factors can affect employee satisfaction level and team behavior. Team behavior has two dimensions, altruism and generalized compliance. They tested three model in their study (1) workplace environment and personality traits affect job satisfaction and can result in team behavior, (2) environmental factors directly affect satisfaction and team behavior, (3) personality traits and workplace environment directly affect team behavior and also through Satisfaction. Results indicate that model 1 is significantly proved, and personality traits do not have any relation with satisfaction. Results also proved that job satisfaction has a direct relationship with altruism dimension of team behavior, but not with generalized compliance (Fay, Shipton, West, & Patterson, 2015; Kassim & Ramayah, 2015; Salas, Tannenbaum, Cohen, & Latham, 2013).

Different scholars have found that job satisfaction is related with performance of team members. Literature define that it is just a debate this relationship doesn’t exist but it can be assumed that there is relationship between job satisfaction and performance in terms of team behavior. Team individuals at organization perform two types of role, (1) described by job description, (2) beyond the job description activities. Second type of role is called team behavior, which Organ defined “team behavior is something which team members perform beyond their formal job description activities that cannot be influenced through formal reward systems” (Passauer-Baierl et al., 2014; Söderberg, 2015). This behavior includes activities such as provide assistance to coworkers, protecting organizational sources by going out of the way and having positive attitude at work. Organ suggests that organizational team behavior is important, when it help organization to improve its productivity and effectiveness. Study findings showed that there is no association between job satisfaction and conscientiousness but has minor effect on altruism through a positive effect of prosocial behavior. Although Organ define team behavior with few dimensions, but there is further need to further clean up and predict the team behavior construct through psychological view of research (Nguyen, Mai, & Nguyen, 2014; Ohland et al., 2015).

One scholar has criticized some point of Organ’s study and suggested that team behavior must be termed as prosocial behavior. He said Organ showed a difference between organization team behavior and prosocial behavior but it is not. Organ called team behavior as a good soldier syndrome but it is something for organization effectiveness as grease used to gear a vehicle (Sims, 2005). Sims also highlighted a point that altruism can reduce the productivity of employees. Organ used team behavior as dependent variable but in future it must be utilized as independent variable, because individual active participation in organization can enhance performance. Organ has also not paid much attention to check the cultural influence on team behavior but Sims suggest that team members with high involvement can show higher level of team behavior (Sahebalzamani, Karami, & Sarabi, 2015; Serinkan & Kızıloğlu, 2015).

Researchers have also defined team behavior, from a political viewpoint irrespective of extra role definition of team behavior. Authors wrote that team concept mean a person’s belongingness to a certain place where they have some rights and some responsibilities to fulfill and people are tied with a knot. Political team contains two types of components to define its nature; one is relational ties and other rights and responsibilities. Being a citizen of one country or organization people show their dependence on each other and if one help other he or she will also got it in return. Sometimes people are enforced to make a tie with each other so does in one department of organization, it is called relational ties (Kassim & Ramayah, 2015).
Other component is team rights which people or employees of organization have such as civil, political and social rights that differ in form of substance and place. Team responsibilities guides to identify a person’s obedience, loyalty and participation in decision-making. Graham proved that employees who have higher level of political team behavior which means people with strong relational ties will be more prone to show all forms of higher level of team behavior. He also proved that people with more civil, social and political rights has more chances to show obedience, loyalty and participation towards organization respectively. Advantage of political view of Team Behavior is that it describes all behavior types of team individuals. Although they have discussed political view of team behavior, but psychological view need to be explored (Nguyen et al., 2014).

Knowledge sharing is defined as sharing information among member. Knowledge sharing is a broad term that has been discussed in workplace, communication, and organizational behavior. In modern society, many organizations heavily depend on their abilities to leverage and manage knowledge. Research defined that knowledge sharing is a powerful tool used to collaborate different thoughts and opinions and solve the problem faced by organization or group. The studies also discuss the strategy, goal and mission of the organization. Knowledge sharing is the process used to obtain experience or knowledge from others (Havyer et al., 2014; Salas et al., 2013; Wei & Lau, 2012).

Performance is assumed to be the completion of task, the act of performing or doing something. Performance is the execution of the task. There are five dimension related to team performance. First one is commitment and accountability. Every person considered themselves as a team. They are fully committed to team goal instead their own goal. Second dimension is respect for people and trust. Team members have belief in each other to build a trustable environment, to support their viewpoint and enhance the confidence. Third one is vision and purpose. Members have clearly understood the purpose of team, their role and duties and overall vision of the organization. Forth one is effective communication. Member effectively communicates each other, share knowledge and information. Effective communication in-group leads to high performance. Fifth one is continuous quality improvement. Team members continuously improve the tools, techniques and methods to improve the quality in order to achieve organizational goal (DeAngelis et al., 2014; Johnson et al., 2016; Outram et al., 2015).

Teamwork is an important element for improving the performance of an organization. Innovation and advancement in technology has made most of the organizational activities complex. Therefore it is important to develop teamwork spirit amongst the employees. Literature has revealed an ambiguous connection between teamwork and performance. Most of the researchers have related it with personality factor of individual. Collectivism and individualism are among 5 dimensions of culture and they basically decide that either teamwork is going to improve performance or not (Ceschi et al., 2014; Havyer et al., 2014). If a group is assembled with members who are individualistic from the very core of their personality, they will fire at full cylinders in-group or team. This goes vice versa for the employees who are team oriented and believe on the collective output. From a research centered point of view, most of the management studies have reported positive results about teamwork and related it with positivity with employee performance (Kovács & Talpoș, 2015; Mongcolpitakkul, 2016). The reason that is mainly quoted by the studies is the distribution of power and duties in a group that enables every participant to behave and perform well. This attitude ultimately assists in better employee and organizational performance.

This research study aims to examine the impact of teamwork on the performance of the employees working in banks. Researchers however have a different opinion on this aspect and some of the researchers argued that team work enhances the number of ideas to complete the respective task, whereas some of the researchers are of the view that in a team the dominant people take advantage of the other people as they do leave majority of the part of the task for the ones who do not speak much and focus on completing their work. In this scenario teamwork reduces the morale but majority of the researchers propose that teamwork has a significant impact on the employees performance.

Banking sector is chosen for this research, as it is one of the most important sectors of the Sultanate of Oman and this sector is fully saturated both in the local as well as international banks. Thus, it is important for all the banks to focus on the ways through which they can get a competitive advantage over the other banks and also improve the performance of their own human resource in order to maximize the overall efficiency of their bank.

In the light of literature reviewed and realizing the significance of this study following hypotheses have been formulated and verified to draw meaningful conclusions.
H1: There will be significant relation between teamwork and employees' performance.
H2: Teamwork has significant impact on employees' performance.

5. Research Methodology

5.1. Research design

This study follows correlational research design as it aimed to investigate the relationship between teamwork and employees' performance.

5.2. Population and sample

The population for this study comprises of 500 employees working in one of the main branch of bank located in Muscat, Sultanate of Oman. Sample comprising of 120 employees which includes 24% of the population. Participants were randomly selected from the various departments. Respondents age range from 21 to 47. In all, 102 were male respondents (85%) and 18 female respondents (15%). There were more male than female in the sample.

5.3. Research Instrument

In this research self-administered questionnaire has been used for collecting primary data from respondents, as it is widely used method in social sciences and provides accurate information. Furthermore it is efficient, economical and quick method to collect information within shorter time span from large population and respondents' higher response rate can be dealt immediately. The questionnaire consists of three parts with section A, B and C. Section A comprised of respondents demographic data including their gender, age, work experience and education level while section B & C consists of statements, which were used to collect information about teamwork and employee performance respectively. Each statements to be rated on five point Likert scale ranging from strongly disagree to strongly disagree. Cronbach Alpha for both the variables, i.e., teamwork and employee performance are 0.906 and 0.818 respectively.

5.4. Data Analysis

Data obtained from the respondents has been analyzed by means of IBM SPSS 21. The data analyses involved both descriptive and inferential statistics. The descriptive statistics used in the study to analyze the demographic data included frequencies, percentages, means and standard deviations. In inferential statistics, correlation coefficients and regression analysis were used to test the hypotheses.

6. Results & Discussion

The table 1 shows the age, gender and education wise distribution of the participants.

The findings clearly indicate that male participants comprised of 85% (n=102) compared to 15% (18) female participants. This means that males were more in number than females. As per table-1 39% of the employees were ranging between the age of 21 to 30 years and 24% in between 41 and above. The results revealed that majority of the employees working in the bank were young. Results presented in table-1 clearly revealed that the respondents of this research were highly educated as only a small percentage of respondents have shown education level equivalent to intermediate 3.3% (n=4). Up to 45% (n=55) has education level equivalent to bachelors/ graduate, whereas, 49% (n=59) has completed their post graduate degrees, and only 1.7% (n=2) has completed advanced level courses as well. This clearly indicates that majority of the respondents were educated and completed either their graduate degree or postgraduate degrees.
Table 1: Demographic Information (N = 120)

<table>
<thead>
<tr>
<th>Demographic Characteristics</th>
<th>Frequency</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>102</td>
<td>85.0</td>
</tr>
<tr>
<td>Female</td>
<td>18</td>
<td>15.0</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21 to 30</td>
<td>47</td>
<td>39.2</td>
</tr>
<tr>
<td>31 to 40</td>
<td>44</td>
<td>36.6</td>
</tr>
<tr>
<td>41 &amp; above</td>
<td>29</td>
<td>24.2</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intermediate</td>
<td>4</td>
<td>3.3</td>
</tr>
<tr>
<td>Graduate</td>
<td>55</td>
<td>45.8</td>
</tr>
<tr>
<td>Post Graduate</td>
<td>59</td>
<td>49.2</td>
</tr>
<tr>
<td>Advance level courses</td>
<td>2</td>
<td>1.7</td>
</tr>
</tbody>
</table>

Table-2 shows that the means for the teamwork and employees are 3.7375 and 3.6870 respectively. This indicates that employees working in banks reported high mean values for the teamwork and performance.

Table 2: Descriptive Statistics for the teamwork and employee performance (N=120)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teamwork</td>
<td>3.7375</td>
<td>0.71138</td>
</tr>
<tr>
<td>Employee Performance</td>
<td>3.6870</td>
<td>0.68122</td>
</tr>
</tbody>
</table>

Table-3 indicates the relationship between teamwork and employees performance. Result reported in the tables shows positive significant relation between teamwork and employee performance (r = 0.939, p<0.01). This indicates that there is very high relation between teamwork and performance. As this value is closer to +1 then it can be said that teamwork and employee performance are closely related with each other. With the increase in the teamwork the performance of the employees can also be enhanced. Hence, Alternative hypothesis H1 is accepted.

Table 3: Correlation for the teamwork and employees performance (N=120)

<table>
<thead>
<tr>
<th>Teamwork</th>
<th>Employees Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.939**</td>
</tr>
</tbody>
</table>

**Significant at 0.01 level

The obtained results as highlighted in Table 4 have shown that teamwork accounted for 88.1% of the variance (Adjusted R² = 0.881) in the criterion variable i.e. employees performance. It is observed from the findings that the predictor variable – teamwork significantly influence ‘employees performance’ as obtained value of F = 881.307 p<0.01. Obtained results give a very clear picture that, ‘teamwork’ (t = 2.828; p<0.01), has emerged as the significant predictors contributing to the performance in this group of employees working in bank. As evident from the obtained findings that if ‘teamwork’ is increased by 1 unit it will result to increase employees performance by 0.899 units (β = 0.899). Thus, proposed hypothesis H2 pertaining to the influence of teamwork on employees performance.
Table 4: Regression analysis for the Prediction of ‘employees performance’ (N=120)

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R^2</th>
<th>Adjusted R^2</th>
<th>F</th>
<th>β</th>
<th>t</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teamwork</td>
<td>0.939</td>
<td>0.882</td>
<td>0.881</td>
<td>881.307**</td>
<td>0.899</td>
<td>2.828**</td>
</tr>
</tbody>
</table>

**Significant at 0.01 level

The research indicates that with teamwork, performance of the employees can be improved this is because while working in a team, the individuals obtain a variety of ideas to improve and to complete the task in an effective manner. The level of decision making of the employees is also improved to a great extent. Not only this, teamwork improves the inbuilt skills of communication and coordination which help in developing a better and comfortable workplace.

The value of regression analysis depicts that there is a strong positive impact of teamwork on the performance of the employees, the more the level of teamwork the greater the performance of the employees would be. The employees working in bank were of the view that they were assigned some tasks in teams and some are assigned individually, the tasks which are done in teams are more creative and productive. This may be due to the fact that the employees are mostly motivated to work effectively to accomplish the mutual goal. Even though researchers have a lot of concerns related to mismanagement and wrong allocation of the tasks amongst the team members, but this research found out that team work is very beneficial as it allows them to be more creative as the team members focus on finding out effective ways through which the task can be completed in an effective manner. Thus, it can be said that the performance of the employees working in banks increases if they are assigned to work in teams.

7. Conclusions

Teamwork is an effective measure to increase the performance of the employees mainly in the Banking sector in Oman. The past researchers have mixed reviews on this aspect, as some researchers’ highlights of the benefits of teamwork through increase in creativity and number of ideas, whereas the other researchers pin point the exploitation which the dominant members of a team incur while working in a team. There are many aspects that can affect the performance of the team, however, more number of researchers agreed to the fact that working in a team reduces incivility and bullying as the team members are more focused upon the accomplishment of the tasks, which the team members need to accomplish. The research study found that teamwork has a significant positive influence on employee performance. The main reason behind this was that the increase in collaboration tends to increase the number of ideas and this increases the effectiveness in tasks assigned to them. Thus, it can be said that teamwork is significantly related with the employee’s performance.

8. Scope for Further Research

Present researcher is of the view that much more information can be gathered from the study such as study of various other variables like leadership and group cohesion to see their varied effects on the employee performance.
References


