Organizational Commitment and Ethical Conduct on Team Performance: Evidence from Pakistan

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Abstract
The competitiveness in organizational entails to engender work conditions whereby trust among the employees and at every level of organizations is strong. Employees are committed and adhere to ethical values of the organization. These measures would enhance team performance which serves as a drive for the organization growth. This paper attempts to analyze the relationship of independent variable trust, organizational commitment and organizational ethics with the dependent variable team performance. A sample of 150 respondents was selected from public / private universities of Islamabad, Pakistan and by using AMOS and SPSS results were obtained. Reliability of instrument was ascertained which figure .708. Results reveal that trust in organization is 47% and organizational commitment has 21% impact on team performance. Whereas; relationship of ethics in organizations with the team performance did not demonstrate promising results. The reasons may be due to less effort to the ethical practices in their management system which would entails team performance in the organization. Future research would be conducted on the different areas of developing countries to check the practical implementation of ethical practices.
Keywords: Trust, Organizational Commitment, Ethics And Team Performance, Pakistan.

Introduction
Today's' scenario on unethical practices became the big harm for the organizations. The research is conducted to emphasize on three variables; that are trust, organizational commitment and organizational ethics and their influence on the team performance. The employees working in an organization is more committed towards these variables, and then

it could enhance team performance resulting in subsequent organizational performance. In this research, the researcher focus the aforesaid elements of independent and dependent variables that could lead towards the positivity and negativity about the role of trust, commitment and ethics on the team performance.

The researchers identify the research gap that is "future research should examine outcomes other than simply performance; for example, overall team ethical conduct would be worthy of future consideration. For now, though, the initial support for team transparency, and trust presented here is a promising first step" (Palanski, Kahai, Yammarino 2010). This study gives an idea about the impact of ethical conduct in the organizational life, as if people behave unethical way then what would be the outcome of team performance. Researchers focus the psychological and emotional reactions and its intentions to act unethically (Schweitzer and Gibson, 2007). There is always the cost of unethical behavior that is a feeling of guilt (Lewicki, 1983). Ethical environment and leader behaviors has drawn much attention, thus the main features are the relationship between transformational leadership and ethical environment (Aycan, 2001).

This study aims to provide horizon to the researcher about why the developing countries are less following the ethical practices, what are the reasons and factors that do not allow the individuals to meet the ethical criteria., Too many research is conducted in the west, now what is required in the developing countries. Managers can get their first line managers to entrust to new goals, plans, course of actions, and measures that provides a better chance of having these critical business activities successfully implemented (Kotter, 1996). Trust increases the team performance (Palanski and Yammarino, 2009).

Literature Review and Hypothesis

This study sought to examine the relationship between the levels of trust between team members which enhance the performance (Erdem, 2003). Trust is main element for the formation and maintenance of team. Gouldner (1957) argued that these two value systems tend to be conflicting with each other, resulting in what is referred to as a commitment problem or organizational–professional conflict (Gunz & Gunz, 1994). If team members trust each other then conflict would be reduce which would also increase the performance level. It is therefore not sufficient to focus on organizations' deed based strategies, but also their communication based strategies (Krishna and Kim, 2016).

Trust and individual behavior is most important factor for a constant improvement in decision making process (Hegarty and Sim, 1978). A practical research is required to develop better understanding of current and future ethical issues occurred in organization (in relation to attitudes, behaviors & moral principles). Managers and head of departments deal with present and forth coming behaviors. Management leaders focus on business managers or students behavior in an organization. Prior research helps out the business manager and head of department about upcoming ethical issues that may prevail in organizational environment. This indicates the proper measurement of desired objectives is to cut back the future hurdles regarding to individual or organizational values properly (Reiss, 1998)

Relaxation may also mean that if an employee works after the office hours then ethically he or she need some days off. (Moen 1996). While moral philosophers approach ethical issues with the central assumption that human behavior is guided by intentional acts. Social scientists (and especially behavioral ethicists) focus more on cognitive biases that may operate at a subconscious level (Treviño et al., 2006). Bateman and Strasser (1984) state that the reasons for studying organizational commitment are related to "(a) employees behavior

and performance effectiveness, (b) attitudinal, affective, and cognitive constructs such as job satisfaction, (c) characteristics of the employee's job and role such as responsibility and (d) personal characteristics of the employee such as age, job tenure" (p. 95-96).

Technology has made work more portable and ubiquitous. It is not known about the type of the firms who gives the relax timings for coming in the office and leaving the office. In these circumstances employees focus on the task accomplishment rather than just to finish time duration of job. A Hewitt Associates study of 1,050 major U.S. employers reported that 68% of all US firms offered flextime (1996). When there would be the environment of trust, commitment and ethical conduct then there is more chances of the flexibility in the team which leads to the performance we can say manager behave like more cooperative way with their subordinates. Many employee entails flexibility to visit children's schools, take elders to the doctor, or take time off during a family emergency. Relaxation may also mean that if an employee works after the office hours then he or she need some days off (Moen, 1996).
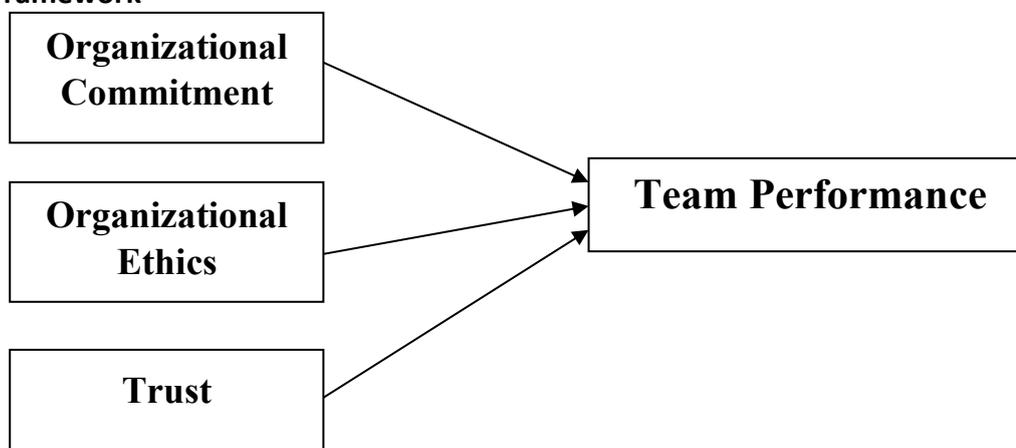
Theoretical Framework

Figure.1 Proposed Theoretical Framework

This theoretical framework is showing the effects of three independent variables i.e. Trust (I.V), Organizational Commitment (I.V) and Organizational Ethics (I.V) on one dependent variable which is Team Performance (D.V). After having these three parameters or if the employees have these three characteristics i.e. the team performance can be achieved or in other words three independent variables can enhance the team performance in an organization.

Hypothesis 1a.   Trust has significant impact on team performance.

Hypothesis 1b.   Organizational Commitment has significant impact on team performance.

Hypothesis 1c.   Organizational ethics / conduct has significant impact on team performance.

Prior studies have measured the corporate values are derived by the values attained by shareholders and higher management (Forte, 2004; Guth and Tagiuri, 1965; Hambrick and Brandon, 1988; Harris and Crane, 2002; Hemingway and Maclagan, 2004; Macalister, 2001; Moore, 1999). Furthermore, it has been recommended that managers perform their duties according to their own willingness and called "Psychological selfishness", with the aim to set a behavior of individual as per organizational norms and values that may be highly accepted

in an organization. Corporate behavior is not opposite to their personal values, both systems like individual values system and corporate values improved the corporate culture in sense of ethical values (Hemingway, 2005; Cambra, 2008). Scholars have provided baseline about collective values that are incorporated in civilized class of norms, principles and its culture also affect company's organizational values (Agle and Cadewell, 1999; Gond and Herrbach, 2006; Hemingway and Maclagan, 2004; Hunt and Vitell, 1993; Posner and Smidt, 1984). They firmly signifying that they showed actual development of relation between character, societal and corporate values therefore many of the research will relies on this text gap by building on the next themes.

The outcome of recent years research explain that the association among those areas that effect the team performance is complicated and that diverse angle become more prominent for scattered persons or individuals, based on their personality characteristics and attributes. Evidently, judgment and the right decision making of employees may be modified after they have meeting with others. On the otherhand meeting with others change your decisions with team performance and some times polarization proceed to change right decision. Which are taken ethically to prevent major loss or some times lead a loss toward consequences of decision? Therefore personality has a role model to other employess during team work and performance (Haines&Mitra,1998). Researchers directed to trust as content of organizational ethics program to reduced the unethical behavior, some programs are launched to be based on personal and personality styles to cope organizational values specially in field of information and education sector.

Research Methodology

We examined the hypotheses using the data from University students. The data collection setting of study from public and private sector Universities.We have selected four Public Sector University and four Private Sector Universities, which are providing education in Business studies. These Universities are very well reputed and programs of these Universities are approved by Higher education Commission. Research was designed to support inferences about generalizability of the findings by examining team Performanceon vaious tasks performed by the team member. We presented the methodology and findings of this research by the integration and the discussion with the research members.

Total students were 150 from above stated Universities in Islamabad, Pakistan. We have selected equal numbers of students from each University. We did not included the missing data. We included only that information which is completely filled by the participants. Participants had an average age of male participant 24 years while female participant had a mean age of 21 years. Participants had 5.2 years work experience as full time and part time experience in business firms. In addition to this information has also taken from faculty members of the Universities. We have given the responsibility to professors, teachers and teacher assistant in personal meetings to assist us for data collection. Data in the form of questionnaires were collected through corporation of professors and teachers who have taken the classes in concerned Universities after half an hour we personally collect the same from Faculty members.

Measures

For organizational commitment (OC) we adopted a five –item scale, developed by Cook and Wall (1980) describes an employee's overall organizational commitment. The measure uses

nine items. The items can be grouped into subscales for organizational identification, organizational involvement and organizational loyalty. Each subscale contains three items. All five items were observed with five-point scale ranging from 1=SD ("strongly disagree") to 5=SA ("strongly agree'').

Measurement of Organizational ethics developed by Froelich and Kottke (1991), uses 6 items to describe the extent to which employees accept and support the organizational activities in the organizational operations. That may conflict with ethical norms, it was provided that the information of any shady working to competition or asking employees to falsify a document. Scale is obtained which depicts five-point, with range of same construct. Trust has a different meaning in various perspectives but here social and formal behavior to others and willingness to share every thing without hesitation with the team members. Most of the time word trust confuse its definition but in this study we examine the coworker relationship at work place (Mayer and Gavin,2005). Mayer et al(2005) stated that the measurement of trust scale   was modified for better use in this study. All five items are calculated on five-point scale ranging from 1=SD ("Strongly disagree") to 5=SA ("Strongly agree") .

Team performance is working as dependent variable, all independent variables influence the team performance effectively. We have been taken the TP (Team performance) as a main interest area of our study. This is to build and examine the quantity, quality and effectiveness of team performance. We arranged a well answered questions for finding the result of team valuation through theses arrangments started from 1=SD (strongly disagree) to 5= SA (strongly agree). There are five items to contain the whole meaning of the team performance in this study.

Result

Correlation and descriptive Analysis

The results of the correlation were obtained by testing hypothesis 1,2 & 3   by using Pearson co relation. Table I contains means, standard deviation correlation and square roots of AVE and Table II are shown the factor loading of the variables.

Table 1

Means, standard deviations, reliabilities, and correlation

Variables	Mean	SD	Alpha	1	2	3	4
Team Performance	3.71	0.77	.682	1			
Trust	3.47	0.72	.681	.507	1		
Organization Ethics	2.67	0.78	.737	-.002	-.035	1	
Organization Commitment	3.42	0.63	.339	.332	.36	.132	1

In this correlation matrix table: 1 perceived Trust is .507 which is significant up to 0.01 levels. This means that trust has a direct, positive and significant relationship with dependent variable i.e. team performance. Similarly, the value of Organization commitment is .332 and significant up to 0.01 level, that shows the strength of the dependent and independent relationship. However in case of Organizational ethics there is negative relationship with Team performance. Organizational ethics is -.002 value with dependent variable.

Descriptive statistics for the scales are presented in Table.1. It shows the means and standard deviation of constructs. The mean of independent variable namely; trust, organizational ethics, organizational commitment and team performance is 3.47, 2.67, 3.42 and 3.71 respectively. The values shows that the respondents replied in correspondence to the

knowledge that they acquire about team performance, the match of their values to that of organizational performance through ethics but in case of commitment the observations are totally negating the relationship with dependent variable.

In this research a pilot study with the sample of 150 team members was conducted. Questionnaires were distributed to MS, MBA and BBA students of different Universities. The items of the instrument were taken from the published research papers. Despite of pilot study, the instrument was checked under management experts for validity. Researchers also calculated reliability of constructs through Cronbach's Alpha. The reliability of constructs displayed in table 1. The value for Team performance, trust, organizational ethics and organizational commitment is .682, .681, .737 and .339 respectively. These values are fulfilling the minimum criteria of 0.7 according to Chiang (2010). This means that the scale and construct used is reliable .

Model Fitness and Hypotheses Testing
In this study we used AMOS 18 to test the model fitness and hypothesis formulated. The result in table 2, prove the model fitness as Chi-square =23.77 ,df =3 and p-value is .120 ≥ 0.05.The values of GFI and CFI are .666, .967 respectively ,meeting the criteria ≥0.9 according to (McAulay et al.,2006;Roh et al .,2005) .
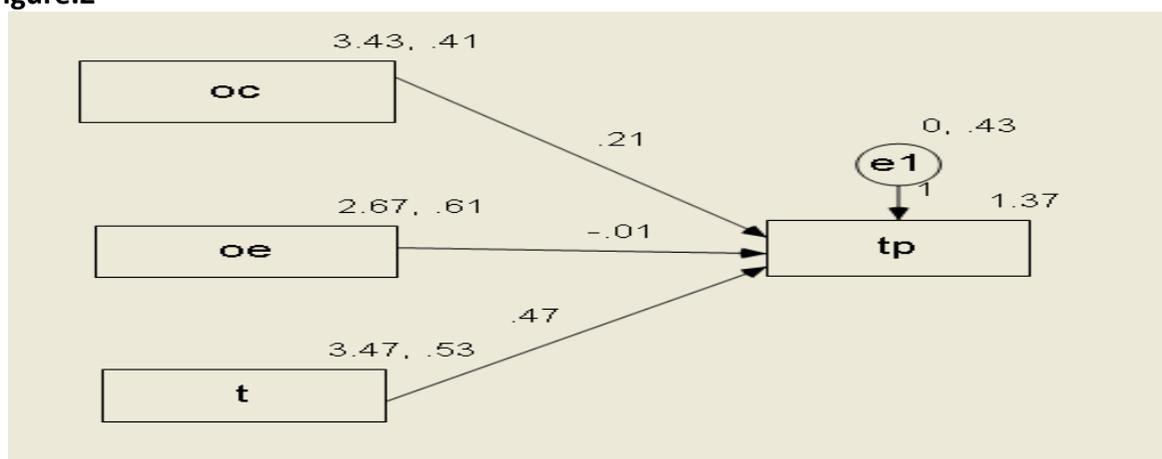**Figure.2**

Table. 2
Index of Model fitness

Fit measures	Values	Minimum criteria values (McAulay et al., 2007; Roh et al., 2005)
Chi Square	23..77	
Df	3	
p-value	.120	≥ 0.05
GFI	.666	≥0.9
CFI	.967	≥0.9
AGFI	.858	≥0.8
RMSEA	.218	
Normed chi-square	1.538	≤2.0

Table 3
Regression Weights

Links			Estimate	S.E.	C.R.	P	Label
Tp	<---	OC	.210	.085	2.468	.014	Accepted
Tp	<---	OE	-.009	.069	-.127	.899	Not Accepted
Tp	<---	T	.472	.075	6.335	***	Accepted

Trust and Team Performance
The values of correlation and beta with respect to its p value that is .507 and .210 which is significant up to .028 respectively, are showing a positive impact of trust on team performance. The correlation values show a strong relation between variables and beta values indicating the variance of 50% on team performance by trust. Thus the significant relationship proves H1(a).

Organization Commitment and Team performance
Researcher have also tested the relationship of organization commitment and team performance. The correlation value for organization commitment is .332 that shows the overall sound relation with team performance. This value is significant up to .001 level, depicting a positive and strong relation between constructs. The value of beta is also supporting the acceptance of Hypothesis. The variance of organizational commitment is 47% on team performance. It means that 1 degree change in organization commitment will give 47% positive change in team performance.

Organization Ethics and Team Performance
The next relation is also tested with the help of correlation and structure equation modeling (SEM). The correlation value is -.002, showing a negative relation with team performance and beta value is also observed -.009 to negate the negative relationship results shows that the organizations are not following the ethical practices to enhance the performance.

Discussion and Conclusion
Ethics is the new entrance to the modern global world. Many years ago it was just the subject of philosophers now a day it becomes the preliminary part for the success and failure of any organization. This study examines the people perception about the practical implementation of organizational ethics, commitment and trust for enhancement of team performance. The question is, are the firms following ethical practices? Because actions relating socially and ethically becomes most of the time burden for the firms (Friedman, 1970). The resources which firms are putting towards improving ethical values that may be used for improving shareholders value (Barnett, 2007). Management of organization usually gives less priority to the ethical and social responsibility as compare to their operational matters. Similarly they are more concern by the maximising of the firms value in the long term and see the benefit of shareholders (Caldwell and Herna´ndez, 2008), therefore that can be the reason which identify this research. . Most of the time organization do not take care of the ethical values their main priority becomes profit maximization, what the conclusion of the study is? Actually

organizations are not very much concern about the following of the ethical practices, there is need to enhance the ethical awareness from top level to first line.

 Another researcher emphasised to facilitate subordinates by developing trust and intrinsic motivation in managers (Herna´ndez, 2008). In the previous study, young generation are more interested in social responsibility arena (Arlow, 1991), because young people are more enthusiastic for bringing the new ideas (Guermat and Mellahi, 2004) and to the comparatively innovative stakeholder approach (Ramasamy, 2007). Some researchers have given the more priority on the own development than profit maximization (Hall, 1976) as they gain more experience that they become more ethical (Terpstra, 1993; Singhapakdi, 1999).

In the ethical theory Gerts describe two aims of morality first is negative which demonstrate about the problem of common morality, and also applies on the professional morality and second is positive which suggest more satisfaction that is the explanation of the professional role morality (Alexandra and Miller,2009. Alexandra and miller describes Gerts theory of common morality in three sections, in the first they describe common morality in the general, secondly they outlines "professional moral rules and it inadequacy" and thirdly collectivist needs-based professional roles of individual and their morality obligation which gives the satisfaction.

When people perceived the positive outcomes to be fair, they experience satisfaction (Ordonez, Hegtvedt and Killian et al, 2000). Whenever team members violate the standard of fairness, they experience anger (Bies, 1987; Allred, 1999). Research conducted on the consequences about the violation of the community ethical standard which effects the decision making (Schweitzer and Gibson, 2007). Judgment of fairness is not always be consistent which keeps on changing with the economic rationality (Kahneman, 1986). The finding are firstly normally firms act according to nature of the situation because individual as well as organizations do not behave all the time idealistic way, individual priorities are different in the different economic conditions and others factors suppose if the quality of life is already maintain in the particular community most probably people would be less concerns about the profit maximization. Where there people basic necessities are not fulfilling and than their main priorities would be the profit or the wealth maximization in that society.

Secondly in every situation the organization needs the commitment and trust to increase the performance whether the organization is following the ethical practices or not. In the study of "Theory: Flexibility, Commitment, and Productivity", Flexibility is an essential factor in understanding 21st century jobs (Armenakis and Harris, 2009).Most of the firms having the relax timings or the working timing are adjusted according to the nature of their task and nature of assignments e.g. hospitals, 24-hour factories, or police departments (Moen, 1996). When organization provides this sort of flexibility than employee automatically treat their workplace as a home where they would be more committed towards fulfilling their duties and responsibilities. The three-component model of commitment describes that if the employees are emotionally attached with the organization they would be more committed because of feeling of obligations (Meyer and Allen's, 1991).

Thirdly most of the research conducted in the team level trust but many of the study do not believe on team level trust as a whole (Palanski and Yammarino, 2009).The research between the team performance and individual difference would be the higher value specially in the critical situation when the conflict arise in setting the team and distribution of task (Prola et al,2004).The team level trust is positively related to the team performance (De Jong and Elfring, 2010), because if there is lack of interest in the team than extra time and cost will be required for the monitoring team members (Serva and Fuller, 2004).

The main limitation of this study is that the target population was limited to the students of only four Universities of Rawalpindi and Islamabad .Thus, generalization not be fulfilled through this study .Secondly, only student approach was taken to investigate .Area of study focus on those respondents have student and as well working in public and private Universities .Data have consists of limited respondent in 150 to check out the AMOS result on this low population due to slow response from the member who fill these questionnaires.

There are few essential points for the future directions. Firstly, ethical values are vary from country to country and even region to region therefore developing countries gives less importance to the ethical practices because their priorities, values, norms are different, further research could be conducted on the ethical practices in developing countries where there people engaged to fulfilling their primary needs.

Secondly, there is need to develop the mechanism in the form of inspiration which can create awareness for following the ethical practices rather than giving priority to the profit maximization.

Thirdly, ethical conduct can be further checked with the conflict management suppose if organization resolve conflict within the boundary of ethics that can be more productive.

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