European Proceedings of Social and Behavioural Sciences EpSBS

www.europeanproceedings.com

e-ISSN: 2357-1330

DOI: 10.15405/epsbs.2020.12.05.82

IEBMC 2019

9th International Economics and Business Management Conference

TEAMWORK, TRAINING AND EMPLOYEE EMPOWERMENT TOWARDS ORGANIZATIONAL COMMITMENT IN MULTINATIONAL COMPANIES

Shahidah Ahmad Suhaimi (a)*, Kamilah Seman (b), Nor Emmy Shuhada (c), Nor Bazlinda Kamarudin (d), Aresha Farhana Ramli (e), Siti Sarah Ramli (f)
*Corresponding author

- (a) Universiti Tenaga Nasional, Muadzam Shah, Pahang, Malaysia, Shahidah@uniten.edu.my
- (b) Universiti Tenaga Nasional, Muadzam Shah, Pahang, Malaysia, Skamilah@uniten.edu.my
 - (c) Universiti Tenaga Nasional, Muadzam Shah, Pahang, Malaysia, Emmy@uniten.edu.my
- (d) Kolej Profesional Mara Seri Iskandar, Seri Iskandar, Perak, Malaysia, bazlinda.kamaruddin@mara.gov.my
 - (e) Universiti Tenaga Nasional, Muadzam Shah, Pahang, Malaysia, aresha727@yahoo.com
 - (f) Universiti Tenaga Nasional, Muadzam Shah, Pahang, Malaysia, sarahramli96@gmail.com

Abstract

This research aims to examine the relationship between teamwork, training and employee empowerment concerning on organizational commitment in multinational companies. Working together in an organization with mutual trust and understanding are called teamwork. Teamwork helps organization to inculcate participative environment and committed in achieving goals. Furthermore, organizations can increase employee's commitment by providing effective training programme. A research shows that employees will stay in an organization where they can develop further to make them relevant in this labour market. Moreover, many big names' leaders are aware that empowerment is vital in retaining employees and in achieving goals. In this modern era, many organizations attempt to break the formality between leader and employees by giving employees empowerment. A questionnaire on teamwork, training, empowerment and organizational commitment has been distributed to 170 multinational companies. The finding shows that teamwork, training and empowerment give a positive effect towards organizational commitment which subsequently improve the performance of the firms.

2357-1330 © 2020 Published by European Publisher.

Keywords: Teamwork, training, empowerment, employee, commitment, multinational.

eISSN: 2357-1330

1. Introduction

Many literatures have reviewed the importance of commitment in order to understand the employee's work behaviour in organizations (Yahaya & Ebrahim, 2016). Many years ago, there are various studies done on human resource management which anticipated in improving employee motivation, competence and to enhance organizational performance (Jiang et al., 2017). However, Puteh (2018) argued that organizational performance was determined by the employees' commitment. Previous studies have shown that employee's intentions to quit are due to lack of commitment (Firth et al., 2004; Perryer et al., 2010). Moreover, Karim and Rehman (2012) agreed that employees with high organizational commitment are motivated to be productive, satisfied with their job, display high job loyalty and enjoy their task.

1.1. Teamwork

In any organization, having a good teamwork is crucial in order to have an efficient operation which also allows their employees to share knowledge, improve their skills and organizational performance (Fröbel & Marchington, 2005). Therefore, organization commitment should be encouraged through boosting teamwork in organizations (Ghorbanhosseini, 2013). Furthermore, according to Middleton (2019), teamwork will encourage employee's growth, desire to be innovative and to reduce employee's burnout.

1.2. Training

Another important element in human resource management that encourages organizational commitment is training and development (Hanaysha, 2016). Based on Truitt (2011), training is essential for employees to gain certain skills in assisting them to achieve organizational goals and objectives. According to Chopra (2018), due to fast pace of technology in corporate world, training has been seen as the biggest element in encountering employee's weaknesses. However, training and development nowadays is entering a new era. Instead of a typical training room, organizations are moving forward to online training, especially in corporate world (O'Neill, 2019).

1.3. Empowerment

In an article written by Tekeli (2018), it was mentioned that when leaders do not empower their employees, it shows that they have limited the employee's ability to achieve organizational goals. Meanwhile, Smith et al. (2018) stated that in order to have a proactive employee, empowerment is vital to encourage their proactive behaviours.

2. Problem Statement

In Malaysia, the biggest challenge for many organizations is to exacerbate the sense of commitment towards employees and organizations find difficulties in encouraging organizational commitment towards the employees (Lo et al., 2009). Furthermore, Meyer and Xin (2018) mentioned that most of multinational corporations are facing challenge in attracting and retain their employees in leading international operations. However, there are very limited studies done in logistics industry on organizational commitment

(Karim & Rehman, 2012). Therefore, this research aims is to examine the relationship between the

teamwork, training, and employee empowerment towards organizational commitment in the multinational

logistics companies in Klang Valley.

2.1. Teamwork

Craig (2018) mentioned that in logistics industry, it is required to have internal and external

stakeholder's teamwork in order to have effectiveness in their operation. Unfortunately, it is not often to

see both internal and external parties work in a team. They are mostly working coherently among

themselves only. It is also found that many have failed to have a good teamwork as employees were

reluctant to share information among team members (Flint, 2016).

2.2. Training

The Malaysia former Human Resource Minister (2018) mentioned that the new era of digitalization

has indicated that major changes will occur in workplace, in which most businesses should actively re-

skilling, upskilling and multi-skilling to face digital revolution. Moreover, this digital transformation has

created gap between employees and today's job demand. It is agreed by Barshikar (2018) who found that

most organizations were being left out by the market due to lack of skilled employees within the IT industry

and its allied sectors. He also mentioned that the multinational corporations have shown their concerns in

employee's training as most employees worried that technology will take their place in logistics firms and

they will be substituted by automation machineries. However, in a positive view, Ismail (2018) stated that

the digital transformation will encourage innovative mind-set among employees which still requires

training to make them still relevant in this competitive market.

2.3. Empowerment

Smith et al. (2018) mentioned that empowerment should be strategically designed, especially to

compensate the bad employees to have empowerment. Moreover, in multinational corporations, the

necessity to have employee empowerment is important as it is highly needed in making quick and

challenging decisions in any prompt situations (Handfield et al., 2013).

3. Research Questions

According to Yousef (2017), organizational commitment is defined as the feeling of employees'

responsibilities to stay loyal in the organization. Moreover, Yahaya and Ebrahim (2016) agreed that

employees reflect commitment as a moral right to stay in the company whether they are satisfied or not

satisfied with the task given. Organizations with high employee's commitment not only will retain the

existing employees, but also might attract potential candidates for any vacant positions (Karim & Noor,

2006). The researchers also added that organizational commitment is divided into three components which

are affective commitment, continuance commitment and normative commitment. Affective commitment is

an emotional feeling and attachment towards involvement in the organization (Dhar, 2015). On the other

757

hand, continuance commitment is defined as cost of employee's leaving and normative commitment refers

to employee's perception on obligation to stay in the organization (Battistelli et al., 2016).

3.1. What is the relationship between teamwork and organizational commitment?

People with diverse skills that work together in targeting to achieve a common purpose by combining both

knowledge and skills is known as teamwork (Dhurup et al., 2016; Zincirkiran et al., 2015). Furthermore,

Neill and Salas (2018) found that teams need to achieve high performance teamwork by serving to achieve

stakeholder objective with high standard and allowing team members to continuously improve their

competencies. Moreover, past studies have shown the positive relationship between teamwork and

organizational commitment (Dhurup et al., 2016; Hanaysha, 2016; Zincirkiran et al., 2015).

3.2. What is the relationship between training and organizational commitment?

Training is important in developing employee's skills and knowledge. According to Bashir and Long

(2015), in any organization, training is defined as a learning process by all employees, whether they are

trained by internal or external trainer in which the vital goal is to develop not only employee's knowledge

and skills but also their attitudes in realizing organization's goals. Even though there were past studies

criticism on training that mentioned training contributes to economic burden, training simultaneously

benefits both employees and organizations (Alamri & Al-duhaim, 2017). Meanwhile, Dhar (2015) found

that employees who are attending any training programmes will demonstrate higher organization

commitment and motivated to participate in more training programmes.

3.3. What is the relationship between empowerment and organizational commitment?

Empowerment is defined as giving the lower levels of organization to make decision related to any

organization's matters and problems and whenever required (Akbar et al., 2011; Dobre, 2013). Meyerson

and Dewettinck (2012) stated that employees with empowerment not only will contribute to the success of

organizations, but also will give impact towards employee performance and organizational commitment.

Moreover, previous studies have supported that empowerment has positive result on job satisfaction

(Azeem, 2010; Raza et al., 2015) and organizational commitment (Gholami et al., 2013).

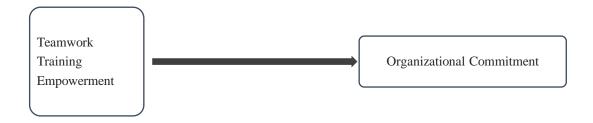
4. Purpose of the Study

The purpose of this study is to examine the effects of teamwork, training and employee

empowerment towards organizational commitment of multinational companies in Klang Valley.

758

5. Research Methods



Source: Hanaysha (2016) **Figure 01.** Theoretical Framework

By referring to Figure 1, the theoretical framework was adopted from Hanaysha (2016). A survey was used to collect data by distributing questionnaires to multinational logistics companies located in Klang Valley, Malaysia. The data were used to examine the relationship between teamwork, training and empowerment towards organizational commitment in multinational logistics companies. In this study, a structured questionnaire was used which divided into 5 sections containing demographic profiles, questions related to empowerment, teamwork, training and last section questions related to organizational commitment. The total respondents who have completed the survey was 170 employees from multinational logistics companies in Klang Valley, Malaysia. After collected then finally, the data has been turned into demographic and correlation analysis.

6. Findings

6.1. Demographic profile analysis

Table 01. Gender

Gender	Total Respondents	Total Percentage	
Male	88	51.8	
Female	82	48.2	
Total	170	100	

Based on Table 1, the returned 170 questionnaires were answered by 88 male respondents which consisted 51.8% of total population and the second highest is female with 82 respondents which made up of 48.2% of total population.

Table 02. Age

Age	Total Respondents	Total Percentage	
Less than 20 years old	35	20.6	
21 to 30 years old	68	40.0	
31 to 40 years old	46	27.1	
41 years old and above	21	12.4	
Total	170	100	

Table 2 is referred for the age group analysis. The findings showed the highest age group are respondents aged between 21 to 30 years old with 40% from total sample. This is followed by respondents with age between 31 to 40 years old with 27.1% and third highest age group consists of respondents that aged less than 20 years old with 12.4%. While there are only 21 respondents with age 41 years old and above which catered of 12.4% from total respondents.

Table 03. Educational Background

Educational Background	Total Respondents	Total Percentage	
SPM	35	20.6	
Diploma	53	31.2	
Bachelor's Degree	75	44.1	
Master's Degree	6	3.5	
PHD	1	0.6	
Total	170	100	

The analysis on education background is presented in Table 3. The majority of respondents working in multinational logistics companies in Klang Valley have Bachelor's Degree educational background which has been counted to 75 respondents, 44.1% from total sample. It is followed by 53 respondents with diploma holder which accommodated 31.2% of total respondents. Furthermore, there are 35 respondents with SPM certificate which is 20.6% of total respondents. Meanwhile, there are 6 respondents that hold Master's Degree (3.5%). However, there is only 1 respondent who has PhD which accommodated 0.6% from total sample.

Table 04. Length of Services

Length of Services	Total Respondents	Total Percentage
Less than 2 years	59	34.7
Between 2 to 5 years	53	31.2
Between 6 to 10 years	30	17.6
More than 10 years	28	16.5
Total	170	100

Table 4 revealed the majority of respondents (59 respondents) with 34.7% are working at their respective companies for less than 2 years. The second highest are 53 respondents with service between 2 to 5 years which catered of 31.2% from total sample. It is followed by 30 respondents (17.6%) with service between 6 to 10 years and there are only 28 respondents who have been working there for more than 10 years which only made up of 16.5% from total respondents.

Table 05. Level of Income

Level of Income	Total Respondents	Total Percentage	
Less than RM2000	59	34.7	
Between RM2001 to RM3000	39	22.9	
Between RM3001 to RM4000	34	20.0	
More than RM4000	38	22.4	
Total	170	100	

Moreover, for the level of income, Table 5 showed that majority of respondents are paid less than RM2000 which is 34.7% from total respondents. It is followed with 39 respondents (22.9%) with income between RM2001 to RM3000. Meanwhile, respondents with income more than RM4000 are reported to be 22.4% of total respondents which equals to 38 respondents. Nevertheless, there are 38 respondents reported with income between RM3001 to RM4000 which is 20.0% from total respondents.

6.1. Correlation analysis

Table 06. Correlation Analysis

	Teamwork	Employee	Employee	Organizational
	(p-value)	Training	Empowerment	Commitment
		(p-value)	(p-value)	(p-value)
Teamwork	-	0.674**	0.782**	0.765**
Employee Training	0.674**	-	0.666**	0.774**
Employee Empowerment	0.782**	0.666**	-	0.735**
Organizational Commitment	0.765**	0.774**	0.735**	-

From Table 6, the result shows that there are positive relationship between teamwork, employee training and employee empowerment towards organizational commitment among employees in multinational companies.

Furthermore, from the Table 6 above, it is reported that there is positive relationship between team work and organizational commitment with correlation coefficient r=0.765. This result is consistent with Ghorbanhosseini (2013) who has supported that teamwork not only has a significance on human capital but also organizational commitment. Khan and Mashikhi (2017) argued that since innovation and technology advancement have made the teamwork less coherent as the organizational activities are becoming more complex. Hence, they suggested it is important for organization not only to have a teamwork but also teamwork spirits.

Moreover, it also shows a significant positive relationship between employee training towards organizational commitment with r=0.774. This result is supported by Bashir and Long (2015) that the existence of training demonstrates positive relationship towards organizational commitment. A study done by Bashir and Long (2015) agreed that cooperation between employees and supervisor to have an effective training programme will enhance the sense of belonging and loyalty among employees.

Based on the research that has been done, it shows the correlation coefficient between employee empowerment and organizational commitment is r=0.735 at 0.01 p-value. This finding indicates that there is positive relationship between employee empowerment and organizational commitment. This positive relationship is aligned with research done by Khan et al. (2014) which found employee empowerment is significantly positive with organizational commitment. The power given to employees to make decision or known as employee empowerment makes employees feel the sense of belonging and concurrently will increase the level of organizational commitment (Ongori & Shunda, 2008). Furthermore, Borghei et al. (2010) found that employee empowerment also will embolden employees to be creative and innovative.

7. Conclusion

The technology-driven economy has strengthened the need of empowering employees in production line and induced employees for workplace changes (Digmayer & Jakobs, 2018). Communication between employees is seen as a crucial element in the success of achieving goals. A good communication between employees can be seen with a success of teamwork in their day-to-day jobs. For multinational companies, they need to have a good teamwork not only within the organization but also towards the stakeholders where employees should equip themselves with flexibility and are well-trained. Hence, the employees in multinational companies should have an adequate skills and knowledge to face this digitalization era. Organizations need to provide continuous training to ensure employees are ready to adapt with changes in workplace especially in multinational manufacturing company. Subsequently, the results show that there are positive relationships between employee empowerment, teamwork and training in manufacturing industry for multinational companies which shows the need of organization to enhance all the practices in making them relevant to recent human capital market.

References

- Akbar, S. W., Yousaf, M., Haq, N. U., & Hunjra, A. I. (2011). Impact of Employee Empowerment on Job Satisfaction: An Empirical Analysis of Pakistani Service Industry. *Interdisciplinary Journal of Contemporary Research in Business*, 2(11), 680-685. https://mpra.ub.uni-muenchen.de/40688/
- Alamri, M. S., & Al-duhaim, T. I. (2017). Employees Perception of Training and Its Relationship with Organizational Commitment among the Employees Working at Saudi Industrial Development Fund. *International Journal of Business Administration*, 8(2), 25-39. https://doi.org/10.5430/ijba.v8n2p25
- Azeem, S. M. (2010). Job Satisfaction and Organizational Commitment among Employees in the Sultanate of Oman, *Psychology*, *1*, 295-299. https://doi.org/10.4236/psych.2010.14038
- Barshikar, N. (2018). How Reskilling and Upskilling Opportunities with Edtech Can Benefit the IT Industry. https://www.entrepreneur.com/article/317809
- Bashir, N., & Long, C. S. (2015). The Relationship between Training and Organizational Commitment among Academicians in Malaysia. *Journal of Management Development*, 35(2), 190–216.
- Battistelli, A., Galletta, M., Vandenberghe, C., & Odoardi, C. (2016). Perceived Organisational Support, Organisational Commitment and Self-Competence among Nurses: A Study in Two Italian Hospitals. *Journal of Nursing Management*, 24. https://doi.org/10.1111/jonm.12287
- Borghei, R., Jandaghi, G., Matin, H. Z., & Dastani, N. (2010). An Examination of the Relationship between Empowerment and Organizational Commitment. International *Journal of Human Sciences*, 7(2), 1155-1172. https://www.j-humansciences.com/ojs/index.php/IJHS/article/view/925
- Chopra, B. (2018). Role of Training and Development in an Organization. *SSRN Electronic Journal*. https://doi.org/10.2139/ssrn.2480345
- Craig, T. (2018). Logistics Effectiveness Requires Teamwork. Logistics & Supply Chain Management Consulting. https://www.ltdmgmt.com/art4.php
- Dhar, R. L. (2015). Service quality and the training of employees: The mediating role of organizational commitment. *Tourism Management*, 46, 419–430. https://doi.org/10.1016/j.tourman.2014.08.001
- Dhurup, M., Surujlal, J., & Kabongo, D. M. (2016). Finding Synergic Relationships in Teamwork, Organizational Commitment and Job Satisfaction: A Case Study of a Construction Organization in a Developing Country. *Procedia Economics and Finance*, *35*, 485–492. https://doi.org/10.1016/S2212-5671(16)00060-5
- Digmayer, C., & Jakobs, E. M. (2018). Employee Empowerment in the Context of. 2018 IEEE *International Professional Communication Conference* (ProComm), 125–133. https://doi.org/10.1109/ProComm.2018.00034

- Dobre, O. (2013). Employee Motivation and Organizational Performance. *Review of Applied Socio- Economic Research*, 5(1), 53–60.
- Firth, L., Mellor, D. J., Moore, K. A., & Loquet, C. (2004). How Can Managers Reduce Employee Intention to Quit? *Journal of Managerial Psychology*, 19(2), 170–187.
- Flint, M. (2016). 10 Common Problems Project Teams Face. https://www.apm.org.uk/blog/10-common-problems-project-teams-face/
- Fröbel, P., & Marchington, M. (2005). Teamworking Structures and Worker Perceptions: A Cross-National Study in Pharmaceuticals. *The International Journal of Human Resource Management*, *16*(2), 256–276. https://doi.org/10.1080/0958519042000311435
- Gholami, Z., Soltanahmadi, J. A., Pashavi, G., & Nekouei, S. (2013). Empowerment as a basic step in upgrading organizational commitment and organizational citizenship behaviors: A case study on public sector in Iran. *World Applied Sciences Journal*, 21(11), 1693–1698. https://doi.org/10.5829/idosi.wasj.2013.21.11.1414
- Ghorbanhosseini, M. (2013). The Effect of Organizational Culture, Teamwork and Organizational Development on Organizational Commitment: The Mediating Role of Human Capital, 1019–1025.
- Hanaysha, J. (2016). Testing the Effects of Employee Empowerment, Teamwork, and Employee Training on *Employee Productivity in Higher Education Sector*, 6(1), 164–178. https://doi.org/10.5296/ijld.v6i1.9200
- Handfield, R., Straube, F., Pfohl, H. C., & Wieland, A. (2013). Embracing Global Logistics Complexity to Drive Market Advantage. https://www.supplychain247.com/paper/embracing_global_logistics_complexity_to_drive_market_advantage
- Ismail, N. (2018). Meeting Enterprise Challenges of Digital Transformation with Low-Code. Retrieved from https://www.information-age.com/digital-transformation-low-code-123473994/
- Jiang, K., Hu, J., Liu, S., & Lepak, D. P. (2017). Understanding Employees' Perceptions of Human Resource Practices: Effects of Demographic Dissimilarity to Managers and Coworkers. *Human Resource Management*, 56(1), 69–91. https://doi.org/10.1002/HRM.21771
- Karim, F., & Rehman, O. (2012). Impact of Job Satisfaction, Perceived Organizational Justice and Employee Empowerment on Organizational Commitment in Semi- Government Organizations of Pakistan, 3(4), 92–104.
- Karim, N. H. A., & Noor, M. N. H. N. (2006). Evaluating the psychometric properties of Allen and Meyer's organizational commitment scale: A cross cultural application among Malaysian academic librarians. *Malaysian Journal of Library and Information Science*, 11(1), 89–101. https://doi.org/10.1002/jclp.20741
- Khan, M. K., Tariq, A., Hamayoun, A. A., & Bhutta, M. H. (2014). Enhancing Organizational Commitment Through Employee Empowerment - Empirical Evidence from Telecom Sector Employees. *Middle-East Journal of Scientific Research*, 21(1), 148–157. https://doi.org/10.5829/idosi.mejsr.2014.21.01.21119
- Khan, S., & Mashikhi, L. S. A. (2017). Impact of Teamwork on Employees Performance. *International Journal of Education and Social Science*, 4(11), 14–22.
- Lo, M., Ramayah, T., & Min, H. W. (2009). Leadership Styles and Organizational Commitment: *A Test On Malaysia Manufacturing Industry*, 1(6), 133–139.
- Meyer, K. E., & Xin, K. R. (2018). Managing Talent in Emerging Economy Multinationals: Integrating Strategic Management and Human Resource Management. *The International Journal of Human Resource Management*, 29(11), 1827–1855. https://doi.org/10.1080/09585192.2017.1336362
- Meyerson, G., & Dewettinck, B. (2012). Effect of Empowerment on Employees Performance Abstract: Advanced Research in Economic and Management Sciences (AREMS), 2, 40–46.
- Middleton, T. (2019). The Importance of Teamwork (As Proven by Science). *WorkLife*. https://www.atlassian.com/blog/teamwork/the-importance-of-teamwork
- Neill, T. A. O., & Salas, E. (2018). Creating high performance teamwork in organizations. *Human Resource Management Review*, 28(4), 325–331. https://doi.org/10.1016/j.hrmr.2017.09.001
- O'Neill, E. (2019). The Importance of Training and Development in The Corporate Environment. ELearning Industry.

- Ongori, H., & Shunda, J. P. (2008). Managing Behind the Scenes: Employee Empowerment. *The International Journal of Applied Economics & Finance*, 84–94.
- Perryer, C., Jordan, C., Firns, I., & Travaglione, A. (2010). Predicting Turnover Intentions: *The Interactive Effects of Organizational Commitment and Perceived Organizational Support*, 33(9). https://doi.org/10.1108/01409171011070323
- Puteh, F. (2018). Determinants of Turnover Intention among Employees (February 2015).
- Raza, H., Mahmood, J., Owais, M., & Raza, A. (2015). Impact of Employee Empowerment on Job Satisfaction of Employees in Corporate Banking Sector Employees of Pakistan. *J. Appl. Environ. Biol. Sci*, 5(2), 1–7.
- Smith, T., Kirkman, B., Chen, G., & Lemoine, G. J. (2018). Research: When Employees Work on Multiple Teams, Good Bosses Can Have Ripple Effects. Harvard Business Review.
- Tekeli, C. (2018). Let's Change Our Perception of Employee Engagement. Forbes.
- Truitt, D. L. (2011). Effect of training and development on employee attitude as it relates to training and work proficiency. *SAGE Open, 1*(3), 1–13. https://doi.org/10.1177/2158244011433338
- Yahaya, R., & Ebrahim, F. (2016). Leadership Styles and Organizational Commitment: Literature Review. *Journal of Management Development*, 35(2), 190–216. https://doi.org/10.1108/JMD-01-2015-0004
- Yousef, D. A. (2017). Organizational Commitment, Job Satisfaction and Attitudes toward Organizational Change: A Study in the Local Government Organizational Commitment, Job Satisfaction and Attitudes toward Organizational Change: A Study in the Local Government. *International Journal of Public Administration*, 40(1), 77–88. https://doi.org/10.1080/01900692.2015.1072217
- Zincirkiran, M., Emhan, A., & Yasar, M. F. (2015). Analysis of Teamwork, Organizational Commitment and Organizational Performance: A Study of Health Sector in Turkey Analysis of Teamwork, Organizational Commitment and Organizational Performance: A Study of Health Sector in. Asian Journal of Business and Management, 3(2), 173–182.\