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**Sukkur IBA Journal of Management and Business** is peer-refereed and multidisciplinary journal. The mission of **SIJMB** is to contribute and promote research in the field of business and management sciences. The journal encourages findings of innovative and solution oriented applied research.

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The research focused on but not limited to following core thematic areas;

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**Prof. Dr. Syed Mir Muhammad Shah**

Vice Chancellor, Sukkur IBA University

## Editorial

*Dear Readers,*

Once again, it's a pleasure to bring you the latest issue of **Sukkur IBA Journal of Management and Business - SIJMB**. Following our editorial policy, this issue contains double blind peer-reviewed articles which address the key business, management and economic issues pertaining to both national and international levels. The continued efforts of our editorial team and reviewers have enabled **SIJMB** to present you the high-quality research work based on the innovation, originality and contemporary issues in the core areas but, not limited to business, management and economics. **SIJMB** follows continuous improvement policy, and I thank all the stakeholders who have been the part of it. Moreover, **SIJMB** has continued its open access policy in order to reach larger audience and wider dissemination of published work.

While not forgetting that the **SIJMB** has an institutional association with **Sukkur IBA University**. In fact, the initiation of **SIJMB** is an outcome of strong research orientation followed by the Sukkur IBA and I am grateful for continuous institutional support in this regard. In addition, the **SIJMB** provides valuable platform for national and international researchers and publishes their research findings and disseminates those to the largest audience. The journal does not charge any fees and provides complimentary copy (in hard form) to each author. In addition, the supplement copies of the journal are also distributed to HEI and R&D institutions of the country. The journal has been archived by world's renowned scientific repositories. Journal has received recognition from several research agencies, universities and renowned professors. With pleasure, it is also to share with you all that the **SIJMB** has recognized by the **Higher Education Commission (HEC)**. In coming years, the journal aims to improve its current state by attracting more national and international researchers in the field of business, management and economics.

On behalf of the **SIJMB**, I welcome submissions for the upcoming issues of the journal and looking forward to receiving your valuable feedback.

**Dr. Khalid Ahmed**

*Editor-in-Chief*

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## Turnover Intention Among Insurance Employees: Examining the Role of HRM Practices and Supervisor Behavior

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Gul Gilal<sup>4</sup>

### Abstract

This study investigated the antecedents of employee turnover intentions among insurance employees of Hyderabad, Sindh, Pakistan. A structured questionnaire was used to collect the data based on a seven-point Likert scale from insurance employees of Hyderabad. A structured questionnaire consisting of 18 question items. Data was collected by convenience sampling. 100 Structured questionnaires were distributed among insurance employees and based on that data analysis and interpretations were done with the help of SPSS version 22.0 and SEM smart PLS3. SPSS was used to determine descriptive statistics and SEM smart PLS was used to test the hypotheses and model verification. HRM practices were found to be the significant predictors of employee turnover intentions among insurance employees. Whereas supervisor behavior was tested negative with employee turnover intentions. Future Researchers were guided by the suggestions and insights revealed by the current study that HRM practices contribute to decreasing employee turnover intentions. This study also explained the inter-relationship of independent factors (HRM practices and supervisor behavior), which were assumed to be the major predictors of employee turnover intentions. This study particularly focused on employee turnover intentions of insurance employees of Hyderabad and generally insurance employees of the whole province. This study also provided recommendations to insurance companies to reduce employee turnover intentions.

**Keywords:** HRM practices, supervisor behavior, employee turnover intentions, and employee turnover.

### 1. Introduction

Employee turnover intentions are growing among insurance employees recently. Many insurance companies are operating in Hyderabad; all are trying to motivate employees to work passionately with them. Certainly, they offer a variety of pay packages and other incentives which are expected by employees from their existing companies. It becomes a challenge for an insurance company to keep insurance employees committed and engaged with their jobs (Bhagwandeem, 2021). Employees bring customers to the companies by which the companies sustain and survive. Insurance companies can extend operations on account of getting frequent policies from customers for the

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medium and long term. Employee turnover intentions are serious issues for any type of organization and especially for insurance types of businesses (Bhagwandeem, 2021). It is perceived that turnover intentions are often lead to actual turnover which badly affects the organization in terms of lower productivity, profitability, and serviceability (Mahesar, 2015). It becomes a challenge for insurance companies to build an organizational image in the society and eventually maintaining a relationship with remaining professionals and attracting future professionals will remain a prime task for insurance companies (Jhatial et al., 2012). Insurance employees often receive moderate salaries along with other incentives based on performance. Bringing customers to companies around the year is a tough and tight job for insurance employees. Employee turnover intentions have negative effects on individual and as well as organizational performance (Griffeth et al., 2000; Gong et al. 2021).

There may be a variety of reasons for employee turnover intentions out of which HRM practices and supervisor behavior are considered major predictors especially in the insurance type of businesses (Bhagwandeem, 2021; Li et al. 2021). Insurance employees can easily move from one job to another because they believe companies earn on account of their efforts. Keeping professionals happy remain the utmost task of management, especially in the insurance sector. Generally, it is observed employee turnover is at a peak in the insurance sector. Thus, this study focuses on employee turnover intentions which may cause due to many factors but particularly employee turnover intentions are tested with HRM practices and supervisor behavior in this study (Gilal et al. 2019b).

### **1.1 Research gap**

There is a lack of empirical study and literature review available on employee turnover intentions especially in the context of the insurance sector and insurance employees of Hyderabad. This study tested the relationship of HRM practices and supervisor behavior with employee turnover intentions in the context of insurance employees of Hyderabad. This study will help to bridge the gap by providing solutions related to employee turnover intentions specifically of insurance employees of Hyderabad and generally of insurance employees of the province as a whole.

### **1.2 Objectives of the study**

To carry out the study following objectives are set to achieve them.

1. Identify the impact of HRM practices on employee turnover intentions.
2. Identify the impact of Supervisor behavior on employee turnover intentions.
3. Identify the impact of HRM practices on Supervisor behavior.
4. Identify the impact of Supervisor behavior on HRM practices.



## 2. Literature review and hypothesis development

### ***HRM Practices***

HRM practices play a vital role in bringing employees into the organization and retaining them for a long period. HRM practices are blended with a variety of activities and responsibilities commencing from recruitment and concluding on maintenance of employees in the organization. It has two other elements selection and training of employees (Sun & Law, 2007). Certainly, without motivation employees do not remain committed and engaged at work, thus, the organization faces problems of turnover or turnover intentions (Wood & Wall, 2002). Compensation is the key element of motivating employees and compelling them to perform the best jobs for the organization which in turn motivates financially and non-financially to its employees. It has been viewed that motivated employees do not make turnover intentions rather they prefer to stay on the jobs continuously to contribute well to the organization (Jhatial et al., 2012). Popularly known HRM practices that are exercised by the insurance sector are, recruitment & selection, training & compensation, and performance appraisal & promotion. All are discussed separately below based on relevant literature review.

***Recruitment and selection*** is the first phase of bringing employees into the organization. Aspirants are often invited through recruitment to apply for jobs, which are vacant at recent in the organization. Recruitment can be an internal invitation or external but both the ways targeted aspirants are searched for the jobs who have relevant qualifications and experience (Donkor & Zhou, 2020). Recruitment begins with an invitation and concludes with preparing a pool of eligible aspirants for the job (Mahesar, 2015). Selection starts with taking a variety of tests that can be personality and preference tests, written subjective or objective tests, and intelligence or numerical ability test followed by an interview and medical examination. The purpose of recruitment is to bring appropriate aspirants for further combat of seeking a job. Whereas the purpose of selection is to select the most appropriate aspirant from the pool (Mangi, Jhatial & Shah, 2012).

***Training & Compensation*** are equally important for both new and existing employees, new employees learn how to do a job and existing employees enhance skills through working on a variety of jobs and assignments (Lemons & Jones, 2001). Training begins with need analysis and concludes on delivering desired results to a specific group of employees that ultimately has an impact on organizational performance (Mahesar, 2015). The purpose of training is to bring improvement in skills and expertise of employees, thus they can perform according to the standards of the organization (Mangi, Jhatial & Shah, 2012). Employees are hired on certain jobs with some

expectations of management, if they do not perform according to it, line managers recommend their names for training so they can improve their skills and meet the standards in the future (Inbal & Bacharach, 2011). The impact of training can be seen on individual performance and as well as on organizational performance (Wood & Wall, 2002). Training makes employees unique in a particular industry and related organizations (Meyer & Herscovitch, 2001). Employees who receive training round the year are more demanded than that those who did not receive training frequently. Trained employees contribute well to their jobs (Mahesar, 2015). Compensation is the reward of employees' services that they contribute to their organization. Compensation is closely linked with employee performance and turnover intentions. Good compensation packages have a positive impact on organizational performance and whereas average or low compensation packages increase the turnover intentions among employees (Luthan & Sommer, 1999). Employees evaluate their inputs with outputs that they receive from their employers and decide good or average according to competing organizations' compensation packages. Employees remain loyal with good compensation packages and make turnover intentions with average or low compensation packages (Jhatial et al., 2012). Turnover intentions often lead to actual turnover when employees leave the organization (Sobia & Aftab, 2014).

***Performance appraisal and promotion*** is an instrument by which the performance of an employee is measured according to the set standard. Employees receive awards and rewards based on performance appraisal (Mangi, Jhatial & Shah, 2012). It helps management to identify good performers and average performers. It is consisting of three sections that pertain to the employee, immediate supervisor, and corporate management of the organization. It is the responsibility of the HR department to supply and receive performance appraisals of employees with the help of concerned heads of sections and departments and communicate with the corporate management of the organization (Dole et al., 2001). Corporate management ranks the performance of employees and distributes rewards according to an obtained standard of performance. Performance appraisal corrects employees to better perform and achieve better rewards based on it. Likewise, it helps management to reach organizational goals as well (Wood & Wall, 2002). Employees are often promoted to the next higher ranks in the organization based on earning good performance evaluation by concerned heads in the performance appraisal. Working on the same rank with the same role and responsibility makes employees unhappy and demotivated consequently organizations experience turnover or turnover intentions of employees (Sobia & Aftab, 2014).

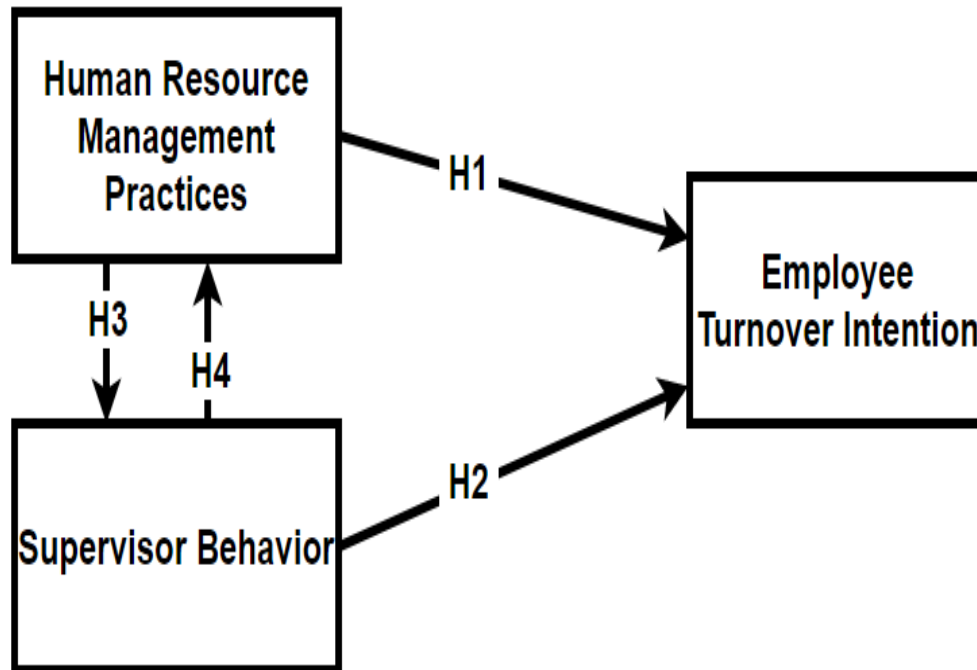
## **2.1 Supervisor behavior**

Supervisor behavior influences employees to achieve organizational goals. Employees feel satisfied to work with supervisors who guide and correct them to enrich performance (Gilbreath, 2005). Supervisors who behave employees bad cannot inspire employees to improve performance and achieve departmental and organizational objectives. Supervisor behavior is positively related to employee performance (Hoobler, 2006). Good behavior of supervisors assists organizations to reduce turnover intentions consequently it increases employees' commitment and employee performance. Numerous studies have focused on supervisor behavior in context to employee performance and in the aftermath, organizations do not encounter problems of turnover intentions and actual turnover (Janson, 2006). Supervisor behavior puts huge importance specially in insurance types of businesses. Meeting targets at specific intervals is not an ordinary job and it is not possible without supervisors' consistent encouragement and motivation to employees (Karimi et al., 2011).

## **2.2 Employee turnover intentions**

Employees bring thoughts of quitting the organization on account of a variety of reasons that can be due to recruitment & selection, training and compensation, promotion, and performance appraisal in any organizational setting (Riley, 2006; Zhang et al. 2019). Turnover of talented employees matters a lot for organizations, whereas turnover of average-performing employees proved to be good for the organizations (Samad, 2006). Employee turnover intention is found high where supervisors do not encourage and motivate employees (Mahesar, 2015; Zhang et al. 2021). Employees with turnover intentions are always in quest of better opportunities in the market. Intentions will be turned into decisions when they find opportunities in related organizations (Rizwan et al., 2013). Turnover intentions puts a negative impact on employee performance which in turn affects organizational performance as well (Mahesar, 2015).

### III. Theoretical framework and Hypotheses



#### 2.3 Hypotheses

H1= HRM practices are positively related to employee turnover intentions.

H2= Supervisor behavior is positively related to employee turnover intentions.

H3= HRM practices are positively related to Supervisor behavior.

H4= Supervisor behavior is positively related to HRM practices.

## **2.4 Research design**

A systematic process with a well-organized and clear way of obtaining data from the target population by primary source through an instrument. That can be analyzed by SPSS to determine descriptive statistics and testing of hypotheses and model verification by using SEM smart PLS. Research design is a systematic and clear plan of carrying out all of the steps of research. Research design assists the researcher to set steps in advance and practically carry out them during the whole process of research till to reveal the findings of the research. Research design assists researchers to achieve the aim of the research effectively (Myers, 2009, Gilal et al., 2020a; Gilal et al., 2020b).

### **2.4.1 Procedure:**

This study is quantitative and explanatory based on a deductive approach and positivist philosophy with a survey-based research design. Data were collected by a structured questionnaire containing a seven-point Likert scale and incorporation of 18 question items related to HRM practices, supervisor behavior, and employee turnover intentions. Data was collected by convenience sampling and analyzed by SPSS version 22.0 and SEM smart PLS3.

### **2.4.2 Population:**

A holistic group of target respondents who are considered to be investigated under the study by supplying the response in the form of filling out the structured questionnaire. Data were analyzed to reveal the findings of the current study that can be generalized (Polit & Hungler, 1999). Insurance employees of Hyderabad were considered the target population for the present study.

### **2.4.3 Sample and sample size:**

Sample is the small number of respondents who have participated by filling out the questionnaire and it represents the whole population (Wood & Haber, 1998; Gilal et al., 2020c; Gilal et al., 2020d; Gilal et al., 2020e). The response of 100 insurance employees of Hyderabad was incorporated in this study which is known as the sample size of the current study.

### **2.4.4 Measurement:**

Structured questionnaire was used for data collection which was based on a seven-point Likert scale. It was consisting of five parts about covering letter showing the intent of the research, demographic details of respondents, items related to HRM practices, items related to supervisor behavior, and items related to employee turnover intentions. HRM practices were measured by 10 question items, supervisor behavior was measured by 04 question items, and employee turnover intentions were measured by 04 question items.

### 3. Results and discussion

Following are the reliability results of HRM practices, supervisor behavior, and employee turnover intentions. All variables are found significant on account of showing the above reliability results than their set threshold values, which was suggested and considered 0.70 by the literature (Gilal et al., 2020f; Gilal et al., 2020g; Gilal et al., 2020h).

**Table 1. Reliability of the instrument**

Variables	No of Items	Cronbach's Alpha Value
HRM practices (HRMP)	10 items	0.955
Supervisor behaviour (SB)	04 items	0.913
Employee turnover intentions (ETI)	04 items	0.937

Table 1. Showed the reliability results of 100 structured questionnaires were distributed among insurance employees of Hyderabad, Sindh, Pakistan. Cronbach's alpha shows the internal consistency of items measuring a given variable used in the instrument. Data analysis and interpretation were done with the help of SPSS version 22.0 and SEM Smart PLS3.

**Table 2. Demographic details of participants**

Demographics	Categories	Frequencies	Percentage
Gender	Male	78	78
	Female	22	22
Marital status	Married	60	60
	Single	40	40
Age	20-29	31	31
	30-39	52	52
	40-49	15	15
	50 or above	02	02
Education	Below Bachelor	01	01
	Bachelor	31	31
	Masters	59	59
	M.Phil/PhD	09	09
Experience	Less than 1 Year	07	07
	2-10 years	69	69
	11-20 years	21	21

	21-30 years	01	01
	31 and above	02	02

Table 2. Showed the demographic details of the participants of the study. It was found that male employees were more than female employees, who had participated in filling out a structured questionnaire survey with a percentage of 78 out of 100. Whereas married employees were more than single employees with a percentage of 60 out of 100, who had participated in the study. However, most of the employees were between the age group of 30-39 years with a percentage of 52 out of 100, who had supplied input in the current study. Whereas the majority of employees were master degree holders with a percentage of 59 out of 100 who had taken part in the current study. However, most of the employees were between the experiences of 2-10 years with a percentage of 69 out of 100 who had taken part in filling out the structured questionnaire which was used to present a complete picture of the study by data analysis and interpretation.

**Table 3. Factors loading**

Variable(s)	Items	Loading
<b>HRM practices</b>	HRMP1	0.898
	HRMP2	0.776
	HRMP3	0.878
	HRMP4	0.872
	HRMP5	0.878
	HRMP6	0.668
	HRMP7	0.857
	HRMP8	0.830
	HRMP9	0.901
	HRMP10	0.875
<b>Supervisor behavior</b>	SB1	0.886
	SB2	0.887
	SB3	0.907
	SB4	0.885
<b>Employee turnover Intentions</b>	ETI1	0.959
	ETI2	0.928
	ETI3	0.929
	ETI4	0.867

Table 3. Showed the factor loading of all items measuring a given construct, where items were loaded in their construct. Literature suggested that the loading value should be greater than 0.7 (Hair et al., 2010; Gilal et al., 2020k; Gilal et al., 2019a). Thus all

items were loaded with more than the significant threshold loading value except HRMP 6, which was loaded a little weaker but was considered because it was very close to the significant threshold loading value. Factor loading is also known as item variable correlation.

**Table 4. Average Variance Extracted, Composite Reliability, R Square and Cronbach's Alpha**

Variable	AVE	Composite Reliability	R Square	Cronbach Alpha
HRM Practices	0.712	0.961	0.000	0.954
Supervioour Behaviour	0.794	0.939	0.510	0.914
Employee Turnover Intention	0.849	0.957	0.374	0.940

Table 4. shows average variance extracted (AVE), R square, Composite reliability, and Cronbach's alpha measured for each variable. Literature suggested that the AVE value should be greater than 0.5 (Fornell & Larcker, 1981; Gilal et al., 2019b; Gilal et al., 2018a; Gilal et al., 2018b). Composite reliability and Cronbach's Alpha values should be greater than 0.7 (Nunally, 1978; Gilal et al., 2018c; Gilal et al., 2018d; Gilal et al., 2021a). R square was used to find out how much variability is described by independent variables (Hair et al., 2006; Gilal et al., 2021b).

**Table 5. Convergent and discriminant validity (Latent variables)**

	Human Resource Management Practices	Employee Turnover Intention	Employee Turnover Intention
HRM Practices	0.844	0.000	-0.578
Employee Turnover Intention	-0.708	0.891	0.550
Employee Turnover Intention	0.000	0.000	0.921

Table 5. Showed that all the variables had higher convergence of measures on their own proposed construct than on the unintended constructs, which showed that the constructs were correctly operationalized and relatively distinct (Chin et al., 2002).

**Table 6. Total Effects Model**

Total Effects	Standardized Beta	Standard Error (SE)	T-Statistics



HRM Practices→Employee Turnover Intention	0.000	0.083	6.941
Supervisor Behaviour→Employee Turnover Intention	0.059	0.149	1.894
HRM Practices → Supervisor Behaviour	0.000	0.068	10.487
Supervisor Behaviour → HRM Practices	0.000	0.068	10.353

Table 6. Showed the structural model and the results of four hypotheses that were mentioned on it. Hypotheses 1, 3, and 4 were tested the relationship of variables significant and positive. Therefore, found acceptable based on t-statistics value inclined from the minimum threshold value which was 1.96 for acceptance and below that was considered for rejection of hypotheses.

Hypothesis 2 tested the negative relationship between supervisor behavior and employee turnover intentions. Therefore, it was rejected based on t-statistics value declined from the minimum threshold value which was 1.96.

#### 4. Conclusion

Employee turnover intentions are generally defined as an employee making an intention to leave their current job and looking around the organizations to find another job in the market. Employees make turnover intentions on account of a variety of issues they encounter in the organizations for a long period. Especially problems about HRM practices which include recruitment & selection, training & compensation, and performance appraisal and promotions. These are the major cause of concern among insurance employees of Hyderabad, Sindh, Pakistan, related to employee turnover intentions. The outcome of employee turnover intention is the actual turnover that badly affects the organization in terms of lowering productivity, profitability, and serviceability. Thus the organization cannot build a good image in society and it cannot retain present employees and attract future employees as well. Employee turnover intentions were observed due to HRM practices, whereas supervisor behavior had no concern with employee turnover intentions among insurance employees of Hyderabad, Sindh, Pakistan. Particularly employee turnover intentions lead to actual turnover which is worst for any kind of organization. Organizations are hiring employees with some expectations, due to that employees are provided different pieces of training to meet the expectations of the organizations. Training makes employees productive, thus they look around organizations and jobs especially for searching better opportunities in consequence insurance companies are experiencing problems of turnover intentions.

#### **4.1 Theoretical implications and recommendations for managers**

This study investigated the impact of HRM practices and supervisor behavior on employee turnover intentions among insurance employees of Hyderabad, Sindh, Pakistan. This study contributed to the extant literature on HRM practices and supervisor behavior on employee turnover intentions in the insurance sector of a province in general and Hyderabad in particular. Further empirical findings of the study may assist in reducing employee turnover intentions among insurance employees of Hyderabad. Policymakers of insurance companies based in Hyderabad may devise policies related to HRM practices and employee turnover intentions.

Moreover, This research has the following recommendations which can help insurance companies to overcome employee turnover intentions.

- It is recommended for insurance companies to exercise HRM practices carefully to bring the right aspirants who wish to materialize their future in the insurance sector.
- It is recommended for insurance companies to provide handsome salaries along with other incentives to employees who contribute to the company by bringing a variety of insurance policies.
- It is recommended for insurance companies to provide pieces of training opportunities to employees which makes them engaged and happy at work.
- It is recommended for insurance companies to evaluate the performance of employees fairly based on work done.
- It is recommended for insurance companies to provide domestic and international trips to employees who perform well at specific intervals.

#### **4.2 Limitations and future research directions**

This study focused on the impact of HRM practices and supervisor behavior on employee turnover intentions among insurance employees of Hyderabad only. Thus the study may help policymakers to further explore and understand the relationship of HRM practices and supervisor behavior on employee turnover intentions in the insurance sector at the province level. A comparative study of two developing countries may also help to further explore the issues related to HRM practices and employee turnover intentions.

**Author Contributions:**

All authors have contributed equally.

**Data Availability Statement:**

The data that support the findings of this study are available on request from the first author.

**Conflict of Interest:**

The authors have declared no conflicts of interest.

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## Emotional Intelligence and Project Success in Construction Projects

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### Abstract

Project complexity either technical or human in any project leads to a substantial increase in the challenges faced by the project managers. Draw upon the affective event theory, the research intentions to explore the nexus between emotional intelligence (EI) and project success (PS) with a mediating role of employee job satisfaction (JS). Data was collected by distributing 500 questionnaires among the construction sector project workers from which 356 employees responded. Results of the study revealed that EI has a significant influence on PS, whereas JS partially mediates the linkage between EI and PS. Hence, from the results, it is enough evidence to state that project managers (PM) should be well-aware of the concepts pertains to EI so that they can initiate more human cum project-oriented programs to make a project successful in multifaceted project conditions.

**Keywords:** Multifaceted project, Project success, Emotional intelligence, Job satisfaction, Construction projects.

### 1 Introduction

The development and fast evolution of industries are increasing the compound projects in different divisions which include information technology, security and social sectors, construction, and many infrastructures (Yatim & Ruiz, 2009; Whitney & Daniels, 2013). The world economic data have recorded a huge increase in project base management systems around the world. Administrations that are using the practice of project management should be more skillful and professional at responding to threats or prospects, various scholars have debated the value and convention of EI in completing the projects with success (Gehring, 2007). An investing budget in projects around the world has increased drastically from millions to billions and these numbers of budget investing in projects are rising every year (Anantatmula, 2008). He also argued that these increasing figures making it difficult to manage the project as they demand high from the project manager, faster and more cost-effective projects (Reich & wee, 2006).

These projects face major challenges and each multifaceted project is truly the first of its type (Sausser, Reilly & Shenhar, 2009) which suggests new capabilities infrastructure. Such projects usually highlight issues related to complicated systems and huge budgets such as uncertainty and irregularities. Further, such a large budget project usually attracts the attention of the public and also the political interest which results in considerable environmental, international, national, and social implications for the

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failure or success of these kinds of organizations (Maylor & Whitty, 2009). Projects are frequently chastised for being late, overbudget, underproductive, and of poor quality. (Sudong et al;2017) found that a failed project can cause disaster for project stakeholders.

Emotionally strong leaders who are express their emotions may practice emotional impurity to express moods of pleasure and happiness to increase team members' constructive conditions and pleasure (Ilies, Cur, seu, Dimotakis, & Spitz- muller, 2013). They also say that project managers' EI is important to avoid the risk of project team members, i.e., team member's selection, job involvement, and JS. An Emotionally strong project leader wants to make a managerial environment that gives importance to EI and attract and keep Emotionally strong team members. Similarly, emotionally strong managers enhance their group member's confidence and group identity which is important to create team EI (Druskat & Wolff, 2001). This research backs up the theory that a project coordinator who uses a transformational leadership style has a favorable influence on project success (Bahaudin, 2018)

To achieve PS the team members, play a significant role so, managers must encourage physical activity and developing prospects that increase the EI and abilities of their team members. Emotionally strong executives are capable to construct team social uniqueness's between their team members and support and move them towards emotional situations that increase their determination and work fulfillment (Ashkanasy & Humphrey, 2011). Literature has presented that EI has a remarkable effect on job efficiency. Goleman (1995) says that EI has a large impact not only on job performance but also on the personal life and says that 80% of human life success depends on EI. If managers possess high EI, ultimately their employee's performance will be good and they will do well (Wong & Law, 2002) because emotionally strong managers will create a positive work environment in which the employees will perform better which will ultimately lead to PS. Emotion regulation and management can help project members of the team regulate and comprehend their own and other teammates' emotions in the face of conflict (Khosravi,2020). To examine the impact of leadership qualities, personal qualities, behaviors, and interpersonal capabilities in enhancing performance of the project in construction organizations, Wu et al. (2017) and Rezvani et al. (2018) used data from Wu et al. (2017) and Rezvani et al. (2018).

### **1.1 Significance of the study**

Many research studies have recognized leadership as an intrinsically emotional process. Connecting with employees on a high level of emotions, it is necessary to build relations on confidence and commitment (Madera & Smith, 2009). Leban and Zulauf (2004) say that EI is significant for project managers to recognize the moods and emotions of employees toward work and to help them to make good choices about how policies should be presented. Leadership practices that raise positive and optimistic affectivity have also been seen to be allied with an improved team and organizational performance (Ozcelik, Lang- ton & Aldrich, 2008). Such types of findings have directed claim that EI shows a unique set of competencies which gives us better leadership outcome (Ashkanasy & Ashton-James, 2005). Most of the earlier research observing EI and

project leadership has focused on how EI contributes to the leadership and team cohesion. But less work has been seen on the part of EI and the connection between emotional leaders and team members (Clarke, 2010).

Literature has presented that to build a positive relationship and to achieve the desired work outcomes i.e., team performance, job commitment, JS, and organizational identity there should be a good positive association which is achieved through EI (Dulebohn, Bommer, Liden, Brouer & Ferris, 2012). We have constructed the idea of our research based on some literature gaps in the relation between EI and PS like Xiang, Yang, and Zhang (2016) say that they have focused only two items (awareness and management of others' emotions) of EI out of four components in their research. The significance of EI associated with individuals in many areas has turned more attentive from the last ten to fifteen years (Adeyemo, 2008).

Research says that personalities who own a high level of EI might have a durable capacity to grip with complexities and struggles amongst them and other team adherents and might be an additional productive idea over distinct and proficient life. Weiss and Cropanzano (1996) say that moods at the workplace are affected by the involvement of emotions and moods like arrogance, keenness, irritation, embarrassment, blame, horror, obstruction, and jealousy. These types of emotions and feelings appear from conditions that produce emotional responses in the job location. Literature has presented those personnel not only team members but also project top management also experience emotions in workplaces (Mignonac & Herrbach, 2004). Ashkanasy and Ashton-James (2005) claimed that there are some relationships among administrative decision-making practices and the emotions that project administrators practice in reaction to job situations.

## **1.2 Problem Statement**

Projects are mostly done to accomplish the anticipated result within inadequate time and budget (Barczak, 2010). Two types of resources are always required for any project to complete successfully i.e., human resource and technical resource. Technical resources always rely on human resources therefore the most important resource for any project to be completed is Human resources. Everyone knows that human beings have emotions that affect teamwork which directly influence PS. As we know CPEC is started in Pakistan, so people from diverse cultures, areas, backgrounds and religions of Pakistan and China are working together to complete the different projects. So, it is very difficult for project managers to manage their feelings and emotions properly. Literature has also ignored the underlying mediating mechanism through which EI affects the PS is largely ignored in construction sites and project-based organizations. Therefore, in light of the previous studies i.e. (Zhang et.al; 2016, Ashkanasy et.al; 2016), this paper intends to study the mediating role of JS among the linkage of EI and PS.

## 2 Literature Review

### 2.1 Emotional Intelligence

EI is well-defined as the ability to observe, recognize and apply the emotions and feelings of one person and others in the conduct of one's thoughts and actions". Salovey and Mayer (1990). Afterward, emotional intelligence is consistently defined by a set of managing skills that have an important impact on how leaders interact with peoples. (Caruso & Salovey, 2004) and also many scholars have concluded that mostly the case in the situation of high complication in projects (Clarke, 2010). On the behalf of entire evidence provided by scientists that EI is correlated to administrative efficiency (Boyle, 2011), now this looks reasonable and we can accomplish that operative strategy in a project are not only resolute by practical implementation nor by difficult skills, but also by emotional skills (Fisher, 2003).

According Project Management Research by (Pisarski, Chang, Ashkanasy, 2014) also (Müller, Turner, 2007) have established a relationship among the EI of the project manager and his expertise in the management of complex projects. In specific, the outcomes of their research (Mazur, 2014, Müller & Turner, 2007) reveals the ability of the project manager to identify and control the feelings of others, as well as the quality and business relationships with stakeholders. Emotional experiences change with time and workplace behavior to varies with the employee's emotional experience (Weiss and Cropanzano, 1996). Workplace employees are prone to positive or negative feelings (Jordan, 2014). Commonly this has a positive effect and employees can do their work better (Caruso et al; 2008, Tram, 2006, Wong & Law, 2002), however undesirable emotions like disappointment and irritation, where anger may decrease interest which may subsidize to reduced activities performances (Fisher, 2003, Anderson et al; 2002, Shapiro & Brett, 2004).

Sometimes managers of projects with more EI must be highly motivated to have some positive influence on the project team members also offer them suitable explanations to problems and challenges which are present in a complex project entail (Mount, 2006). The EI of a team means the capability of a group of workers to develop a set of standards that guide emotional procedures (Druskat & Wolff, 2001). These ethics enable teamwork and consistency, behavior that is important to team efficiency (Druskat & Wolff, 2001). Jordan and Lawrence (2009) explain the EI of a team of four dimensions: awareness of one's feelings, awareness of one's feelings, one's emotions and emotions. It has been shown that the intelligence of the emotional team leads to closer relationships with colleagues (Jordan & Troth, 2004), better knowledge sharing, and verdict creation (Pelled et al; 1999).

Teams with a higher level of EI can give employees more support and confidence. It helps create an atmosphere of collaboration without negative criticism, teasing, and fear and also promotes better communication and conflict (Rego 2007). Teams with higher EI can monitor and adapt their emotions, and their sensitivity to other emotions not only motivates but also helps build relationships with others (Dulewicz & Higgs, 2000). Furthermore, emotion management permits teams to resolve skirmishes without

sacrificing team goals and effort. There seem to be different perspectives that can prevent misunderstandings from moving towards a common goal leading to a more cooperative atmosphere (Suliman and Al-Shaikh, 2007).

## 2.2 Job satisfaction

JS is about approaching someone's work defines by (Brief 1998). JS involves affective and cognitive components. Preceding researchers (Locke, 1969 & Weiss, 2002). It has been revealed that emotional and cognitive components subsidize general attitudes and behaviors. JS can be found as an independent variable with a variation of behaviors in the office, including project manager performances, assignment, and also as PS. (Bowling, 2007, Thoresen & Bono, 2001). This is supported by (Parker & Skitmore, 2005) where he concluded that JS is an important pointer of the intent of the project manager. Furthermore, (Pheng & Chuan, 2006) also distinguished that the manager of project career success also depends on JS, especially in complex projects.

We find that smart project manager who is satisfied with their efforts are likely to promote effective communication, problem-solving, and clarity of the project's mission. EI leaders are likely to know how their employees feel or feel in different situations and use that knowledge to develop trusted content and productive relationships. (Chun, Litzky & Godshalk, 2010, Mayer & Caruso, 2008). It promotes communication, open communication, and creativity during a crisis by maximizing the success rate of the project (Christie & Jordan, 2015). Employees with greater JS are important because they believe that the organization can have a bright future in the field and take care of the quality of their work; therefore, they are more organizational, have a higher retention level, and can be more productive (Fatt, Khin and Heng 2010).

JS has been the subject of intense research over the last 40 years of organizational research. Job performance is defined and measured as a global structure and perception that has multiple dimensions or dimensions (Lund, 2003). JS is often described as "a function of the observed relationship between what a person wants and thinks he should present" (Locke, 1969). A job is crucial to protecting and retaining qualified staff. Jobs are people's attitudes to their work and organizations. For the method, we can define JS as an employee's emotional response to work based on a comparison of actual and desired results (Mosadeghrad, 2003). A job is often accepted as a multifaceted structure that encompasses employees' feelings about internal and external business elements. This includes specific aspects of pay, benefits, promotions, working conditions, training, organizational skills, and peers (Misener et al., 1996).

## 2.3 Project Success

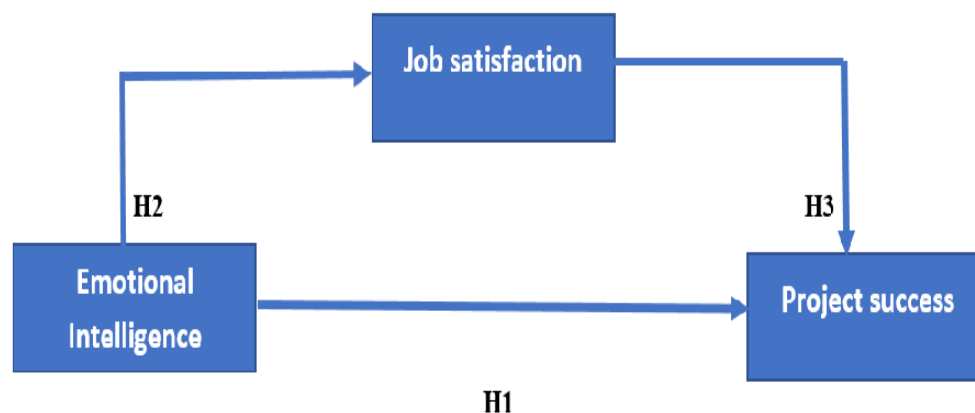
Many kinds of research have confirmed that EI greatly affects PS. The literature proposes that the higher authorities of the project should realize that the project's success cannot be achieved without the significance of the project leaders. Moreover, essential resources of project resources must be allocated to the project leaders where proper documentation is always useful for revising advanced strategies and strategies for achieving PS (Iqbal, Long, Fei, & Bhukari 2015). As the project is defined as an orientation towards high and long-term goals, there will be more important factors in the goals such as investment, profit, and market competition (Munns & Bjeirmi, 1996). Moreover Reich, 2007 also argued that an organization should be capable of practically. Information sharing between different projects holders can help them reduces the costs by not repeating the same mistakes one does (Boh, 2007).

The strong social network and the sharing of information between and within the organization becomes a source of knowledge and trust amongst which leads to better organizational performance means PS (Swift & Hwang 2013). Scholars have always believed that these four components were key to the success of the project. For example, Couillard (1995) Describe communication and problem solving i.e. troubleshooting as indicators for the success of complex and risky projects. Similarly, (Belout & Gauvreau 2004) highlight the problem solving of goals and clear project assignments contributed to the PS during the implementation phase. Moreover, (Davis & Mazur, 2014) precisely recognized these components as important gauges of PS, particularly in the project management context.

Take the lead in (Mazur, Pisarski & Chang, 2014) and (Procaccino & Verner, 2005), we will focus on four main components of PS which are highly related to a human. Firstly “influential communication” can be internal and external stakeholders. The second one is troubleshooting which may be the unexpected complications and challenges that are effectively solved when an emergency occurs. The third one is the most important for any project manager i.e. “clear project mission” means that the task of the project is very clear, and the last one which can be called the backbone of an organization “top administration support” is the will of the higher management authority to offer the resources and power needed to succeed in the project (Pinto, 1990). Communication means to “Provide appropriate networks and data to key designers” (Pinto & Slevin, 1989). Communication is an important leadership ability that affects the success of a project.

Troubleshooting confers to the “Ability to cope with unexpected crises and project-related anomalies” (Pinto & Slevin, 1989). In difficult projects, project managers face unforeseen problems and challenges because of their complexity and complication (Sun & Meng, 2009). These must be addressed before ensuring the success of a project. Mission clarity refers to “First clarification of goals and guidelines” (Pinto & Slevin, 1989). Multifaceted projects are characterized by high difficulty and uncertainty (Dvir, Ben-David, Sadeh & Shenhar, 2006.). Eden and Williams (2013), noted that ambitious goals for large-scale and complex defense projects are often defined as defense capabilities at the start of a long-term project. Additional precise goals lead to the success of the project. Top management support states that “the will of senior management to provide the resources and authority needed to make the project a success” (Pinto & Slevin 1989). Moreover, Mazur (2014), emphasized the need for high-level management support at every stage of project design and implementation.

## Conceptual Framework



## 3 Methodology

The data collection duration was one and half months for this study because of time constrain and our limited selected industries and project-oriented organizations. The nature of the data was cross-sectional and was collected at once. In this research, the unit of analysis was distinct (individual) of different projects either public or private from Peshawar KP. The research populations are the experts at the project i.e. project managers, project coordinators, project consultants, and project team members/workers. The current study seeks to focus on the industries and companies of Peshawar.

## 4 Measures

In this research, all of the 62 measurement items were adopted from existing research. The questionnaire employed a seven-point Likert scale ranging from “1” meaning “strongly agree” to “7” meaning “strongly disagree.” The 16 items scale was recognized by (Jordan & Lawrence, 2009) to measure EI. To measure the PS, we adopted the scale of (Aga, Noorderhaven & Vallejo, 2016). An adopted questionnaire by Warr, Cook, and Wall (1979) uses 15 items to describe overall JS.

### 4.1 Tool for Data Analysis

To evaluated the valuable information in the questionnaire, the researcher used the statistical software Smart Partial Least Square (PLS) and SPSS for the research study.

### 4.2 Data Analysis and Results

After data collection, the data was punched in SPSS with individual codes like EI as IE, JS as JS, and PS as PS. At the first step, data normality was checked using different approaches such as outliers, missing values, kurtosis, and Skewness. The data at this stage showed reasonable consistency and was in the normality range.

## 5 Demographic Profile of Respondents

### 5.1 Respondents Age Percentage

Table 4.1: Age.

	Frequency	Percent	Cumulative Percent
22-30	142	49.0	49.0
31-40	98	33.8	82.8
41-50	28	9.7	92.4
51-59	22	7.6	100.0
Total	290	100.0	

The table 1, shows the age groups where 49% of respondents age were 22-30, 33.8% respondents age were 31-40, 9.7% respondents age were in 41-50 range and 7.6% respondents age were in 51-59 range. In this study, the percentage of 22-30 respondents is high.

### 5.2 Gender

The study comprised of statistical questions related gender orientation of the respondents. Table 4.2 represents the gender composition where 95.2% were males while 4.8% were female.

Table 4.2: Gender

		Freq	Per %
Valid	male	276	95.2
	female	14	4.8
	Total	290	100.0

### 5.3 Tenure

Table 4.3 represents the respondent experience of the work, in which a high percentage of respondent's work experience is 52.1% in range (1-5).

Table 4.3 Tenure

	Frequency	Percent	Cumulative Percent
1-5	151	52.1	52.1
6-10	65	22.4	74.5
11-15	19	6.6	81.0
16-20	11	3.8	84.8
21-25	7	2.4	87.2
26-30	12	4.1	91.4
31-35	20	6.9	98.3
36-44	5	1.7	100.0
Total	290	100.0	

## **6 Descriptive statistics of Constructs**

### **6.1 Emotional Intelligence**

The first factor in this study that was responded was the independent variable i.e., EI. EI measures that how much the organization's employees have managed themselves or aligned themselves with managerial skills (EI). The achieved results clearly show how much the respondents agree to a certain level that their organization employees have the ability of managerial skills and they recognize the need and recommended actions for the good of their organizations. EI measures the ability that links a person's knowledge processes to his or her emotional processes. This construct aims to recognize the level of EI of the higher authority of an organization to make things happen in the right direction. Descriptive statistics for EI is shown in table 4.4 which present that the respondents are showing their keen interest in their job responsibilities and work with their team members for making the PS for their organization. Item EI15 has the highest mean of 5.38 and standard deviation of 1.536 implying that the respondents believe that organizations they are working for are highly emotionally attached with them as they are providing appropriate training programs which are associated with their JS.

### **6.2 Job satisfaction**

The second construct of our study is JS which is playing the role of mediator which is best define by Locke (1976) as “it’s the pleasurable or positive emotional state resulting from the appraisal of one job or job experience”. JS is the mediating variable among EI and PS which regulates the effect of EI on PMS' evaluative judgments concerning their job. The outcomes of this construct demonstrate that the respondents are satisfied with their job with higher posts but the lower post of employees are worried for their future. Descriptive statistics are shown in table 4.4. Descriptive statistics table for JS presents the mediating role that the respondents are showing their interest in their job responsibilities and work with their team members for making the PS for their organization. Item JS13 has the highest mean of 5.29 and standard deviation 1.472 implying that the respondents are of the belief that organizations they are working for are highly sincere with their jobs.

### **6.3 Project Success**

The third variable of our study is the dependent variable PS. The results of these variables show in table 4.4, that the projects have straight led to an improvement in performance for the targeted employers which shows the success of the project participants assessment against four factors which are communication, troubleshooting, mission clarity, and top management support. The PS has 14 items scale in which PS10 has the highest mean of 4.98 and standard deviation of 1.644 which indicates the role of the employees in PS.



Table 4.4: Descriptive statistics

<i>Item</i>	<i>Mean</i>	<i>SD</i>	<i>Item</i>	<i>Mean</i>	<i>SD</i>	<i>Item</i>	<i>Mean</i>	<i>SD</i>
<i>EI1</i>	4.80	1.681	<i>JS1</i>	5.01	1.749	<i>PS1</i>	4.76	1.710
<i>EI2</i>	4.65	1.619	<i>JS2</i>	4.69	1.675	<i>PS2</i>	4.69	1.721
<i>EI3</i>	4.87	1.560	<i>JS3</i>	5.36	1.555	<i>PS3</i>	4.76	1.748
<i>EI4</i>	5.19	1.604	<i>JS4</i>	4.90	1.658	<i>PS4</i>	4.90	1.549
<i>EI5</i>	5.12	1.539	<i>JS5</i>	5.08	1.588	<i>PS5</i>	4.93	1.527
<i>EI6</i>	5.08	1.503	<i>JS6</i>	5.08	1.598	<i>PS6</i>	4.75	1.715
<i>EI7</i>	5.03	1.525	<i>JS7</i>	4.25	1.724	<i>PS7</i>	4.93	1.657
<i>EI8</i>	5.14	1.527	<i>JS8</i>	4.72	1.707	<i>PS8</i>	4.95	1.524
<i>EI9</i>	4.90	1.599	<i>JS9</i>	4.56	1.649	<i>PS9</i>	4.91	1.671
<i>EI10</i>	4.56	1.710	<i>JS10</i>	4.72	1.728	<i>PS10</i>	4.98	1.644
<i>EI11</i>	4.44	1.730	<i>JS11</i>	4.97	1.653	<i>PS11</i>	4.95	1.611
<i>EI12</i>	4.48	1.656	<i>JS12</i>	4.72	1.678	<i>PS12</i>	4.91	1.588
<i>EI13</i>	4.84	1.510	<i>JS13</i>	5.29	1.472	<i>PS13</i>	4.82	1.697
<i>EI14</i>	4.98	1.524	<i>JS14</i>	4.84	1.782	<i>PS14</i>	4.92	1.638
<i>EI15</i>	5.38	1.536	<i>JS15</i>	4.71	1.651			
<i>EI16</i>	5.08	1.705						

#### 6.4 Reliability and Validity

The following Tables 4.5 shows the factors loadings, Cronbach's Alpha, Composite reliability, and Average variance extract AVE. Though few of the elements still have factor loadings < 0.70, however, acceptable reliability and validity are attained.

Table 4.5: Reliability and validity

<b>construct</b>	<b>Cronbach alpha</b>	<b>Composite reliability</b>	<b>AVE</b>
EI	0.928	0.937	0.501
JS	0.926	0.936	0.513
PS	0.935	0.943	0.508

Table 4.6: Cross loading for constructs

<b>Emotional intelligence</b>	<b>Job satisfaction</b>	<b>Project success</b>
0.660	0.754	0.784
0.723	0.680	0.725
0.678	0.656	0.546
0.618	0.700	0.670
0.775	0.636	0.770
0.684	0.643	0.713
0.577	0.631	0.804
0.648	0.739	0.674
0.684	0.752	0.704
0.718	0.769	0.713

0.768	0.769	0.756
0.793	0.732	0.723
0.775	0.756	0.624
0.791	0.725	0.779
0.733	0.650	
0.810		

### 6.5 Convergent Validity

In this research, the AVE value for all the constructs was found to be over .50 as shown in table 4.5, confirming convergent validity (Fornell-Larcker Criterion 1981).

### 6.6 Reliability Analysis of Constructs

Reliability is conducted to discover the internal consistency of the construct. Several means are available to find the reliability of a construct. As the most communal method to measure construct reliability are Cronbach Alpha and Composite Reliability (CR) and their results are shown in Table 4.5. The statistics for CA of the constructs ranged between .926 and .935 while CR values ranged between .936 and .943 which are both over 0.70. The results indicate good reliability.

### 6.7 Discriminant Validity

As shown in Table (4.5), the square root values of AVE for the construct are lower than the inter-construct correlation with other constructs.

Table 4.7: Fornell-Larcker Criterion

	EI	JS	PS
EI	<b>0.708</b>		
JS	0.602	<b>0.716</b>	
PS	0.749	0.610	<b>0.723</b>

### 6.8 Hypothesis Testing

The following Hypotheses were tested during analysis.

**H1:** There is a significant impact of EI on PS.

H1 seeks to measure whether EI carries a significant influence on PS. Our findings reveal in specific that PMs' EI is significantly related to PS. The results of hypothesis tests revealed that EI has a significant influence on PS (B=0.364, t=4.319, p=0.000). This shows that in the context of the present study a higher level of EI would lead to better Organization PS. Hence H1 is supported.

**H2:** There is a significant impact of EI on JS.

H2 seeks to assess whether EI carries a significant influence on JS. The results of hypothesis tests revealed that EI has a significant impact on JS (B=0.749, t=26.556, p=0.000). This shows that in the context of the present study a higher level of EI will give the ability to the organization to make their employees satisfied with their job. Hence H2 is supported.

**H3:** There is a significant impact of JS on PS.

Examining the direct effects of JS on PS which had a positive significant effect on PS ( $B = 0.329$ ,  $p = 0.000$ ), therefore H3 was supported.

Table 4.6: Results of structural model path coefficient (direct relationships)

Path	B	SD	T	P	Decision
EI → JS	0.749	0.028	26.556	0.000	Supported
EI → PS	0.364	0.084	4.319	0.000	Supported
JS → PS	0.329	0.088	3.729	0.000	Supported

**H4:** JS mediates the relationship between EI and PS.

H4 seeks the overall impact of EI over PS with the inclusion of a mediator i.e., JS, the result was found significant ( $b = 0.246$ ,  $p = 0.000$ ). Hence JS mediates the relationship between EI and PS. H2 is supported.

Table 4.7: mediation results in Specific indirect Effect

Hypothesis	Path	B	STDEV	T	P	Decision
H4	EI → JS → PS	0.246	0.066	3.737	0.000	Supported

## 7 Conclusion

The goal of our research was to find the influence of EI on PS, with JS as a mediator. The result shows that EI is significantly related to both PS and JS.

As the findings show, emotionally strong managers significantly predict PS as they are capable to solve new problems, challenges and also motivating team members at work (Pisarski et al; 2014). Similarly, many other studies show the positive relationship between EI and PS such as Muller and Turner (2007) say that while examining the relationship of PMs EI with PS they found that this mechanism shows that positive emotions of PM's result in a positive effect on PS.

Our results show that EI makes a positive work atmosphere which inspires the workers to perform their job more efficiently and professionally. Likewise, EI creates team cohesion among workers which leads to encouraging working environments. There are different types of factors that affect the team members' motivation and trust which creates team cohesion such as, communication process, goal clarity, how to handle complexities, and support from top management.

### 7.1 Discussion

Understanding how EI influences PS, we should look at our recruitment process. While hiring project professionals for projects, we should ensure that they should be highly Emotionally strong so they can recognize the project necessities and perform with an encouraging work attitude. According to Clarke (2010), who emphasized that while employing project specialists, they should be Emotionally strong to handle new difficulties and achieve the project properly and efficiently. Our findings also confirmed the first hypothesis that there is a positive association between EI and PS.

EI is important to overcome the complexities of the project and to complete the PS. Rezvani, Chang, Wiewiora, Ashkanasy, Jordan, and Zolin (2016) suggest in their results that complexities in new projects increasing and emotionally strong PMs can only handle the complexities and make PS. Their results reveal that top management should be alert of the importance of Emotionally strong PMs and their contribution to PS. If top management wants to save his project from complexities and complete the PS, they should hire Emotionally strong PMs.

EI PMs can deal with the negative emotions and stress of team members. Emotionally strong leaders can regulate their emotions due to complexity. Emotionally strong managers should be aware to improve the negative feelings of the group members and the communication amongst the group members so that they can express negative feelings with them. Emotional appearance helps the PMs to communicate with team members easily. Emotional appearance leads the PMs towards creating team cohesion which leads towards PS (Stephens & Carmeli, 2016).

EI is particularly important in large and complex construction projects because an Emotionally strong PM can accomplish the complexities and new problems either they are technical or managerial. An Emotionally strong manager can manage the teams and inspire them towards work. Deficiency of EI leads the team members towards prevention, stiffness, and opposite direction that leads to failure. Examining by (Troth et al; 2015) the impact of EI on employees' work attitude and performance and concluded that EI has a significant impact on employee's performance if either they are satisfied with their job or not and PS. In this way, our second hypothesis which that there is a positive association between EI and JS is also supported.

JS is an important part of our study which shows that without JS PS is very difficult. JS is generally described as positive emotions and feelings toward project team members or using of similar feelings between team members which creates an optimistic work environment between members that leads towards PS. Normally, high JS will assume a major part in PS. JS, which is viewed as a key variable for group participation, its connection with firm performance has been broadly talked about (Salas, 2015).

## **7.2 Theoretical and Practical Implication**

There are many implications of this research to the project management domain of EI and PS. first, we hypothesized, the EI on PS the present conclusion of the research fills the research gap and established the effect of EI on PS. Second, we tested the relationship of EI and JS, this relationship was also missing in the current project management literature and the finding confirmed the relationship. We tested the relationship between team cohesion and PS; this relationship was also missing in the current project management literature and findings confirmed the relationship.

To understand that how EI associates with PS, project organizations have some practical implications. Our research findings suggest that organizations should take care while recruiting PMs who have a high level of EI so that a high level of positive work attitude can be expected. In the hiring process, emphasis should be given to Emotionally strong

personnel (Clarke, 2010). In the construction industry, EI seems the main factor that plays a significant role in making team cohesion and cooperation within teams. Emotionally strong managers are capable to handle conflicting situations among team members and create a positive work attitude towards the job (Mount, 2006).

Finally, our research shows that project management organizations need to understand the importance of EI in PMs to ensure PS in difficult situations, such as increasing team cohesion, increasing self-confidence, increasing JS, and increasing JS. PMs' belief in their observers be part of management agendas. In this context, the provision of suitable training programs is related to higher JS (Harris et al., 2009). Another strategy that builds trust between the two groups in projects that generate income growth is the reward or empowerment of the project (Mohr and Puck, 2007) and cooperation among team members that leads to PS. The results of this study are important for teaching project leadership topics especially EI and it is also important for project literature.

### 7.3 Limitations and Future Directions

In the current study, only one mediator is used in this study due to the lack of time available for this study. In the future, other mechanisms can also be considered, such as work environment and personal situations that can also expand the model and control additional mediators such as team cohesiveness, self-efficacy and also add a moderator to test the individual personality trait. Second, note that the generalizability of the outcomes may be inadequate as the data was only collected in the city of Peshawar. The study could improve the data collection method and collect data in various cities in Pakistan and other countries. Finally, we recognize that we have focused more on governance. Therefore, committed researchers must pay additional attention to the impact on non-managerial staff and their influence on the success of the project.

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## Establishing Functional Organizational Politics: A call for Inquiry

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### Abstract

Organizational politics is omnipresent phenomenon and cannot be ignored. It has the potential to make or break an organization. Literature is filled with the significance of the political strategies, its influence on leadership, power plays and even the management at all the levels. However, the context is partial and many are disdained by the shady behavior it conjures. Current analysis of the literature testifies that most of the researchers corroborate the negative opinions of the people regarding organizational politics and see it as a manipulative and self-serving malevolence. It won't be wrong to emphasize the importance of the capacity building exercise which is required by the researchers to eliminate the sole pejorative view of this construct. The primary goal of this research paper is neither to negate the dysfunctional aspects of organizational politics nor to make a sudden paradigmatic shift in organizational politics' establishment as an absolutely functional but, to provide the readers with a balanced and neutral facet of the phenomenon. In order to accomplish this goal a qualitative mode of inquiry is required based on grounded theory approach as the current quantitative analyses show the dearth of realization and acceptance of functional side of organizational politics and the potential benefits that organizations can milk from deploying functional organizational politics. As the current measurement instruments focus on measuring the destructive organizational politics or the absence of it. Primary data is required with qualitative approach. The qualitative inquiry might offer some pattern and logic on the dynamics and dimensions of functional organizational politics and add to the current literature which appears to be lopsided in its attempts in explaining the phenomenon.

**Keywords:** *LOrganizational politics, functional organizational politics, dysfunctional organizational politics, qualitative, destructive organizational politics, constructive organizational politics, negative organizational politics, positive organizational politics* JEL Code: D23, M19.

### 1 Introduction

It's natural for individuals to pursue their personal or professional interests. Although having a potential of serving personal interests and biases is inherently not an evil or destructive force, it is commonly perceived as dysfunctional (Treadway, Hochwarter, Kacmar & Ferris, 2005; Ahmed, Baloch & Ghani, 2015; Marengo, 2020; Rasyid, & Marta 2020; Bergeron & Thompson 2020). Nevertheless, there is more to organizational politics; politics is art of decision making (Denzin 1994; Charmaz, 2014; Silverman, 2015). Politics is also referred to as governing or looking after the affairs of a state however, the idea of organizational politics is limited to organizational settings (Drory & Meisler, 2016; Guo et al., 2019, Ali and Cantner, 2020). The literature calls

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for qualitative inquiry to explore the phenomenon of functional organizational politics further as the current literature is rich in quantitative inquiries which fail to present a comprehensive neutral view of the phenomenon as indicated by the classical political science scholars (Landells & Albrecht, 2017; Aggarwal, Chand, Jhamb, & Mittal, 2020; Basit, 2020; Moe & Geis, 2020).

### **1.1 Background**

Politics is not a recent phenomenon in literature. However, the term ‘organizational politics’ is more recent, which dates back to 20th century which surely indicates its infancy in comparison to its precedent term (Abbas & Raja, 2014; Mayes & Allen, 1997; Marengo, 2020; Fiaz & Qureshi, 2021). Generally, one can find more literature on the destructive sides of politics, mostly highlighting the evils and vices of politics. Even in the academically renowned journals, the context of organizational politics has been confined to the dysfunctional and destructive aspects (Hochwarter, 2012; Ahmed, 2018, Ferris, Ellen, McAllister & Maher, 2019; Nurdin, & Zulaikha, 2020). It would be naive not to acknowledge it as a potentially destructive construct. Nevertheless, when it is deployed effectively, it can encourage and empower the organization in realizing its strategic goals (Byrne, 2005; Ferris et al., 2019; Basit, 2020).

### **1.2 Rationale**

Organizational politics exists everywhere and plays a very important role in every organization. However, the general perception of employees towards this construct is negative. Exact role of organizational politics needs to be clarified and the kind of impact that it has on organizations and individuals needs to be determined. The misunderstanding about the absolute destructive role of Organizational politics needs to be illuminated and eliminated at the same time. Scholars need to pay attention to this phenomenon in the right direction. The need of the hour is to highlight both, constructive and destructive notions of organizational politics, and delve the reasons supporting and rooting for one sided narrative.

### **1.3 Research Goals**

Primary research goal of this research is to highlight the need of qualitative inquiry to explore this phenomenon. Functional and dysfunctional politics ought to be the two sides of same coin, both are significant as they can have huge impact on the organizations performance and influence the people in it. Further inquiries in this area can provide the scholars and researchers with a vivid conceptual model which is comprehensive and acknowledges both the sides of organizational politics.

### **1.4 Scope of the study**

An in depth inquiry is required for the thorough analysis and exploration of phenomenon under study therefore, requires participants with an expert opinion and understanding of the phenomenon. Experts, would be able to provide knowledgeable insight into the phenomenon. The studies should be conducted all over Pakistan to get insight. Population samples from all over Pakistan are required to gain an insight into

the possibilities of functional organizational politics. As currently, the surveys from Pakistan Bureau of Statistics and Gallop Pakistan show a picture of inclined perceptions regarding the phenomenon of organizational politics. The data set should comprise of service and manufacturing industry of Pakistan especially the experts with higher education degrees.

### **1.5 Significance of the study**

The study will not only bridge the gap between theory and practice but also provide the practitioners with strategies which can be implemented in order to gain benefit from the functional organizational politics. It has theoretical significance, which is adding to the literature a much needed capacity building exercise and a food for thought for the coming scholars. Moreover, the practical implications of the study will be for the employees, managers and overall organizations where they can learn the dimensions of functional organizational politics and the ways in which they can get benefit out of it in terms of productivity, efficiency and employee satisfaction. However, a qualitative inquiry is required to find out the real implications of functional politics for employees and organizations.

## **2 Approach to Systematic Literature Review (SLR)**

The search of articles and papers was carried out on various libraries and web collections which included globally accepted search engines like Google scholar, Wiley digital library, HEC digital library, Springer digital library and Science Direct etc. (Stone, 2012; Tremmel, Gerdtham, Nilsson, & Saha, 2017).

The article is focused on inquiring regarding the organizational politics and its two types or dimensions. Therefore, the key words revolve around these terminologies and include the taxonomies commonly used for referring to these type (Cocchia, 2014; Mesgari et al., 2015) s. For instance, negative organizational politics, destructive organizational politics and dysfunctional organizational politics are most used terms for referring to the harmful political activities in any organization. Similarly, the good or the positive side of it is referred to as functional, positive or constructive. However, during the actual search, apart from these taxonomies, usual good and bad politics and other keywords which extended the research query were also taken into account while searching for the related literature.

### **2.1 Inclusion criterion**

There is plenty of literature on organizational politics; however, the focus of this concept paper is to identify what literature has to say about the functional side of the organizational politics. Therefore, the literature was searched without any time frame limitation or filter but the exact phrases were searched and articles with those exact taxonomies were selected for the review (Stone, 2012; Cocchia, 2014). For the general literature review of the phenomenon, the definitions and perceptions of organizational politics, the negative side of it, its causes and effects were also sought for review.

However, only the selected recognized journals were considered for the review (Okoli & Schabram, 2010).

## **2.2 Exclusion criterion**

After the preliminary review of the literature, the articles which tagged the organizational politics as an evil phenomenon or something which organizations should get rid of were excluded and emphasis was made on the articles recognizing both sides of it and the Meta analyses in particular (Tremmel et al., 2017).

## **2.3 Problem identification**

Ferris et al, (2002) have mentioned in their work that the functional organizational politics is both under-researched and under-developed (Salin, 2003; Drory & Meisler, 2016; Ferris et al., 2019). Most of the articles and researches have missed the constructive nature of organizational politics (Hochwarter, 2012; Walsh, 2015; Landells & Albrecht, 2017; Ferris et al., 2019; Crawford et al., 2019; Guo et al., 2019).

The central idea of this research is that Organizational politics, when deployed effectively, can have colossal impact in its survival as well as its growth because, organizational politics is involved at all micro and macro levels of the organization. Organizational politics is most explicit in decision making which is like a regular transaction for any organization (Kisaack, 2010; Moe & Geis, 2020; Fiaz & Qureshi, 2021). It is the manner in which the decision making is done or executed in any organization, the motives behind it, the key people who are involved in decision making, the employees or stakeholders who are affected by it and the beneficiaries of a particular decision whether it be the whole organization, a department or an individual (Pettigrew, 2014; Basit, 2020). If the decision making or the organizational politics' strategies are in favor of the organizational goals and vision, then it has to be recognized as a functional organizational politics. This particular school of thought in the stream of organizational politics is both rare and underrepresented (Hochwater, 2012). Organizations and its stakeholders generally see organizational politics as an absolute evil or a destructive force which should be avoided at all the costs, because the phenomenon of organizational politics has taken on a totally different meaning altogether than the neutral or unbiased process of decision making and governing (Kisaack, 2010; Pettigrew, 2014). These distorted or partial perceptions of organizational politics need to be changed and corrected by the contemporary scholars.

The managers and practitioners will have to look into the art of drawing constructive political strategies and avoiding and eliminating the negative ones (Drory & Gadot, 2010; Gotsis & Kortezi, 2010, Malik et al., 2019; Basit, 2020). This may sound simple to the reader, but its execution is far more challenging given the current scenario of organizations and their viewpoint on organizational politics. The even bigger challenge is to bifurcate between the two and identify the extent of functional and dysfunctional politics occurring in their respective organizations (Maslyn, Fedor, Farmer & Bettenhausen, 2005; Crawford et al., 2019; Hochwarter et al., 2020).

There is a dearth of literature on the functional and strategic impacts of organizational politics, which is why Ferris and Treadway (2012) in their book have emphasized the underdevelopment of theory on organizational politics. Its perceptions, however, as evident from literature, are negative, and current review of recent literature on the organizational politics also reflects the same negative trend. Hence it implies that there is not any possibility of any change in near future unless the scholars make an effort to do so (Farrell & Peterson, 1982; Gotsis & Kortezi, 2010; Landells & Albrecht, 2017; Fiaz & Qureshi, 2021). One can also not disregard the importance of leadership styles and organizational structure in determining the functional organizational politics at any given point (McDonough & Umbdenstock, 2006; Fedor et al., 2008; Ferris et al., 2019; Mahmoudi & Majd 2021). This study targets at digging out and exploring the positive organizational politics and establishing its functional and constructive aspects. It will focus on the differentiating factors like political skills, intelligence, leadership, influence tactics, outcomes which distinguish the two striking connotations.

Vredenburgh and Maurer, (1984) and Graham, (1986), have emphasized that constructive contributions of organizational politics needs to be researched in different contexts as, it has not yet been defined and understood clearly (Ferris et al., 2019). They also emphasized that there are facets of political sensitivity and individuals respond differently to these facets, and they can assist in understanding the human psyche including political and emotional intelligence (Block, 1988; Khan, Khan & Gul, 2019). In many of the recent studies, being conducted in the context of organizational politics, the neutrality is entirely missing (Maslyn et al., 2005; Fedor et al., 2008; Albrecht, & Landells, 2012, Block, 2016; Crawford et al., 2019; Mahmoudi & Majd 2021)

#### **2.4 Classical studies and origin**

Organizational politics gained attention of academicians and researchers throughout 1950s and onwards, as demonstrated by historical evaluation (Whelan, 2019). Originally, the use of power in management was emphasized by Martin and Sims (1956). In order to inspect the political influence in various institutions and business settings, numerous theoretical and empirical exertions were made later on. To understand the workplace politics and ways to tackle several undesirable outcomes of the political conduct a paradigm shift was observed in late twentieth century (Burns, 1961, March, 1962; Batten and Swab, 1965; Franke & Foerstl, 2020).

In academic literature the phenomenon of organizational politics was primarily presented by Burns in his preliminary work on the diversity and behavior (1967). The same construct has been intellectualized contrarily by various scholars and researchers ever since (Moe & Geis, 2020). Organizational politics has been defined in numerous ways, still the question what is organizational politics? Remains widely unanswered and leaves the readers confused about its inherent nature (Vredenburgh and Maurer, 1984; Moe & Geis, 2020).

Othman (2008), in his paper on the roles of justice, cited two types of organizational politics, negative as well as positive. Negative organizational politics is condemned as

they generate workplace conflicts and they escort to ethical dilemmas. While the incorporation of shared goals and stimulating collaboration results in positive organizational politics (Gadot and Amit, 2006, Drory & Gadot, 2010, Gotsis & Kortezi, 2010; Cho & Yang, 2018; Crawford et al., 2019; Tziner, Drory & Shilan 2021). The definitions studied from articles cited above give the readers a clear idea that the literature is dominated by a particular school of thought rooting for the dysfunctional or destructive role of organizational politics. Few of the observations which were noteworthy during the analysis of the current literature are listed and discussed below:

### **2.5 Lack of literature on constructive organizational politics**

Given the current negative perceptions and limited understanding of organizational politics, its dimensions and other variables and constructs associated with it there is a need to delve the phenomenon deeper and to highlight the constructive contributions of organizational politics (Hochwarter, 2012). It is extremely pertinent at this point to mention that realizing the constructive side of organizational politics does not by any means imply the rejection of the destructive notions of organizational politics (Othman, 2008; Landells & Albrecht, 2017; Ferris et al., 2019; Guo et al., 2019; Hochwarter et al., 2020; Gulzar, 2021). Rather the ultimate goal here is to understand such an inclusive phenomenon in a wholesome way (Ferris et al., 2002; Davis & Gardner, 2004; Khan, Khan & Gul, 2019) For example, scholars have stressed upon the use of influence tactics is essential for constructive leadership is important in challenging times (Kumar & Ghadially, 1989; Kurchner et al., 2006; Hochwarter, 2012 & Walsh, 2015; Malik et al., 2019; Hochwarter et al., 2020). Nevertheless, the political behavior often takes the form of negative influence tactics such as coercion, intimidation, ingratiation and manipulation. The negative implications capture the minds of the people and are more long lasting than their positive counterpart (Hochwarter, 2012). Ferris et al. (2002) have stated that relying on general perceptions of the organizational politics which are inherently negative in nature is primary shortcoming of the current literature and this particular notion takes the readers away from all of potential functional and positive aspects of politics (Kurchner, Hawkins & Miller, 2006).

Although, there is plenty of research done on organizational politics since late 20th century thousands of articles address the issues related to organizational politics (Hochwarter, 2012; Wijewantha, Jusoh, Azam & Sudasinghe, 2020). Surprisingly the advocates of destructive or the negative organizational politics have frequently won the battles academically, presenting it as one of the major reasons one might not usually find abundant literature on its constructive role or the functional organizational strategies used by management or leadership in decision making and governing the organization (Kumar & Ghadially, 1989; Kurchner, Hawkins & Miller, 2006, Crawford et al., 2019; Hochwater et al., 2020). The scholarly research in this area has also missed the positive outcomes of organizational politics received by the people who end up on winning side of the table (Drory & Meisler, 2016; Guo et al., 2019; Hochwarter et al., 2020).

## 2.6 Lack of empirical measurement of organizational politics

Another issue along with the availability of literature is the, nature of the phenomenon studied, in terms of organizational politics. Warren (2003), has highlighted in his study, that the perceptions of organizational politics and actual or real organizational politics should be treated as two different constructs, their intensities can vary drastically and have to be differentiated one another precisely. In 1991, the researchers, Kacmar and Ferris came up with a twelve item scale that assessed the perceptions of organizational politics on three dimensions (Guo et al., 2019; Moe & Geis, 2020). However, many positivists criticize the standpoint by arguing that perceptions are just opinions of people that are highly subjective and vary over time (Aliyu, Bello, Kasim, & Martin, 2014; Hochwater et al., 2020; Franke & Foerl, 2020).

The subjectivity of opinion on organizational politics is evident from not only the literature on the perceptions of organizational politics but also from various measures that have been developed for measuring it (Randall, Cropanzano, Bormann & Birjulin, 1999; Asad & Durrani, 2014; Landells & Albrecht, 2017; Crawford et al., 2019; Hansen and Finke, 2020; Wijewantha, Jusoh, Azam & Sudasinghe, 2020). The popular instrument used to measure organizational politics will be discussed later in the section. The measurement of the perceptions or human behavior regarding any phenomenon is subjective in nature, as perceptions vary from individual to individual, it can be tricky and a very challenging task (Thanh & Thanh, 2015; Landells & Albrecht, 2017; Ferris et al., 2019; Hochwater et al., 2020). The researchers need to focus on the empirical measurement of the phenomenon under study while working together with psychologists, managers and practitioners from various fields. (Fedor, Maslyn, Farmer & Bettenhausen, 2008; Hochwater et al., 2020; Wijewantha, Jusoh, Azam & Sudasinghe, 2020). This just adds up to the dire need to work and research the topic of organizational politics in more detail.

## 2.7 Lack of relevant constructs

Sutton and Staw (1995), have mentioned that list of variables does not contribute as a good theory by introducing the concept of parsimony with respect to use of variables. They emphasize to eliminate the variables which are not quite relevant or almost same as the others used in the study (Yin, 2011, Crawford et al., 2019; Whelan, 2019). This might reduce the overlapping of variables. However, on the same note, they have asked the researchers and scholars to pay special attention to comprehensiveness i-e including all the relevant variables in the study and not eliminating any relevant or significant variable which helps in explaining the phenomenon under study (Andrew, Pedersen & McEvoy 2019; Moe & Geis, 2020). Nonetheless, the literature shows a completely different picture in their research. Even the studies that claim to be meta-analytic, lack the variables which are important enough to explain the phenomenon (Miller et al., 2008; Cooksey & McDonald, 2019, Crawford et al., 2019; Hochwater et al., 2020). Few articles mention perceptions of organizational politics along with the worker's attitude, stress and behavior and does not provide any rationale why the authors have studied said variables and left out the ones they mentioned themselves as the core to the



phenomenon of perceptions of organizational politics e.g. performance, task behavior, outputs, citizenship behavior and deviant workplace behavior (Warren, 2003; Chang, Rosen and Levy, 2009; Landells & Albrecht, 2017; Malik et al., 2019; Ferris et al., 2019; Crawford et al., 2019; Guo et al., 2019). They themselves have suggested using more direct measures of constructs like stress and social exchange (Guo et al., 2019).

Similarly, another article extracted from well-known Journal of Business and Psychology claims to address organizational politics. However, the paper actually talks about the phenomenon of perceptions of organizational politics and fails to address the actual organizational politics (Harris, Andrews & Kacmar, 2007; Hochwater et al., 2020). It does not provide any justification or sound rationale for undertaking the variables such as justice and workplace attitudes, which is not an ideal practice by any researcher (Stewart, 2019). Crawford and his colleagues in their study (2019), have highlighted the significance of all the work place attitudes and outcomes, the article claims to address the work place attitudes. Still, it fails to address all the significant attitudes and addresses turnover intentions and job satisfaction only, leaving out all other workplace attitudes in their three-way interaction study of the said constructs like organizational commitment, loyalty, engagement, citizenship behavior etc. (Bulut et al., 2019; Basit, 2020).

Moreover, about 27 researches have been conducted in Pakistan's context on Organizational politics, which mention the phenomenon explicitly yet, not a single one of them addresses the functional organizational politics and all the scholars have relied on quantitative measures presented by the POPS scale for executing the research which gathers responses on the already established ideology on the phenomenon (Landells & Albrecht, 2017; Khan, Khan & Gul, 2019; Moe & Geis, 2020). A brief account of the Pakistani articles in this regard has been attached as Annexure I. It actually boils down to this conclusion that the literature lacks a wholesome comprehensive unbiased or neutral model that explains organizational politics and its every possible dimension known to the academia (Lieberthal & Lampton, 2018). The quantitative analysis which is dominated by a single research instrument is a driving force in tagging the organizational politics as a destructive force (Silverman, 2016; Silverman, 2019). The instrument recognizes the presence or absence of destructive organizational politics only and the organizations which get a little score on the scale are recognized as less political organizations as if being political is destructive in itself (Kissack, 2010; Khan, Khan & Gul, 2019). If politics is about decision making, then the idea of making organizations politics free will bring destruction rather than prosperity which the scholars are romanticizing (Lieberthal & Lampton, 2018). The goal should not be to make organizations politics free but to foster functional organizational politics.

## **2.8 Limited operationalization of organizational politic**

Perceptions of organizational politics scale (POPS) developed by Kacmar and Crison is extensively used tool which assesses perceptions of organizational politics. (Vince, 2001; Hsiung, Lin & Lin, 2012; Wijewantha, Jusoh, Azam & Sudasinghe, 2020). It's based on the Ferris's theoretical model that was proposed in 1989. Various other

scholars have their credit in designing the instrument even further such as, Gandz, Madison, Porter, Mayes, Jablin, Allen and Romm during 1980s, (Cheng 1983; Park, Kim and Lee 2020)

### **3 Future Research Areas**

Organizational politics is not only about concealed agendas, mistrust and power manipulation. Organizational politics is operative in approaches that are constructive not for just executives but for vast majority of workforces deployed in organizations. Understanding or personal characteristics is important in this regard. A few scholars have tried to highlight the confusions and interchangeability of terminologies and taxonomies which can otherwise be termed as the dimensions of functional organizational politics. However, there is dearth of literature in this regard which leaves a gap in the current body of literature and calls for more inquiries to verify this standpoint. The instruments being used to measure the perceptions of organizational politics do not accommodate the functional side of it even if the respondent wants to report the functional or constructive side of it in their organizations or through their leadership's personal capabilities or standardized organizational policies. This generates an even more intense call for inquiries and researches for not just the comprehensive theoretical development of the phenomenon but also the instrument development as well which measures the both sides and facets of the phenomenon of organizational politics.

### 3.1 Annexure I

	<b>Title</b>	<b>Approach</b>	<b>Year</b>	<b>Author</b>	<b>Findings</b>
	Impact of organizational politics on employee work outcomes in higher education institutions of Pakistan: Moderating role of social capital	Quantitative	2019	Haq, Ali, Anwar, Iqbal, Suleman and Mahasbi	Organizational politics affects employee job stress and turnover intentions negatively.
	Dilemma of Employee Retention through the Lens of Organizational Politics: A Quantitative Study on Pharmaceutical Industry of Pakistan	Quantitative	2018	Imam, Ali and Soo	There is an insignificant relation between employee retention and politics.
	Organizational Politics and Turnover Intention: A Study From Private Colleges of Pakistan	Quantitative	2018	Ahmed	Favoritism, pay and promotion and scarcity of resources create and foster political tendencies of employees and results in an increased turnover intention amongst them.

	Impact of leadership perception on job involvement, organizational politics and commitment: an empirical evaluation in banking industry of Pakistan	Quantitative	2017	Sarwar	Higher the transformational leadership lesser will be the organizational politics, higher the transactional leadership higher will be the organizational politics.
	Psychological capital moderates the relationship between perception of organizational politics and turnover intention among high school teachers of Sargodha division, Pakistan	Quantitative	2017	Aslam	Positive relation between organization politics and turnover intentions is moderated by psychological capital.
	The Influence of Perceived Organizational Politics on Employee Performance: A Case Study of Lahore, Pakistan	Quantitative	2017	Haroon, Hussain and Nawaz	perceived organization politics negatively affects performance of the workers.

	The influence of perception of organizational politics on work involvement and turnover intentions of employees as moderating effects of person environment fit: A study on Health Department of Pakistan	Quantitative	2016	Aslam	Higher level of organizational politics lowers work involvement and increases the turnover intentions of employees
	Interactive effects of Perceived Organizational Politics and Person environment Fit on employee outcomes in Banking Sector of Pakistan	Quantitative	2016	Anwar and Sidin	Person environment does moderate the relationships studied.
	Antecedents of Organizational Politics in the Education Sector of Pakistan	Quantitative	2016	Fiaz and Latif	There is a negative relation between workplace spirituality, trust climate and organizational politics and job role ambiguity affect organizational politics positively

	Organizational Politics and Employee Performance in Telecommunication Sector in Pakistan	Quantitative	2016	Bushra and Wajiha	Higher the organizational politics lower will be the employee performance
	The Impact Of Organizational Politics On The Productivity Of Employees: An Empirical Investigation From Pakistan	Quantitative	2015	Ahmed, Baloch and Ghani	Organizational politics decreases the productivity of employees
	Impact of perceived organizational politics on supervisory-rated innovative performance and job stress: Evidence from Pakistan	Quantitative	2014	Abbas and Raja	Perceived politics had no effect on job stress in Pakistani environment

	Procedural justice, organizational & State Politics: the real challenge for the right selection in public sector institution of Pakistan	Quantitative	2014	Nabi, Wei, Shabbir and Altaf	Selection procedures are lacking procedural justice with negative organizational political
	The Relationship between Perception of Organizational Politics, Emotional Intelligence and Work Outcomes: Empirical Evidence from Banking Sector of Pakistan	Quantitative	2014	Asad, Saleem and Durrani	Emotional intelligence is positively linked to perceptions of organizational politics
	Informal networking affects employee turnover intention-the moderating role of organizational politics. A case of pharmaceutical companies of Pakistan	Quantitative	2014	Rana, Waqar and Mahmood	Organizational politics moderates the direct relation between informal networking and turnover intentions

	The Relationship between Perception of Organizational Politics, Emotional Intelligence and Work Outcomes: Empirical Evidence from Banking Sector of Pakistan	Quantitative	2014	Asad, Durrani	Emotional intelligence affects perception of politics positively
	Impact of Determinants Causing Organizational Politics: A case of private banks in Larkana, Pakistan	Quantitative	2014	Awan and Salam	Determinants of power and politics have a strong impact on job satisfaction
	Antecedents and consequences of organizational politics: A Study of the public sector organizations of Pakistan	Quantitative	2013	Riaz A.	Significant impact of role stressors towards politics perceived in an organization. The study also reflects, the more the whistle blowing in any organization, the more positive the perceptions of politics get and organizational politics results in escalating politics.



	Politics in the Organizational Life: A Study of the Public Sector of Pakistan	Quantitative	2013	Riaz and Akbar	Organizational politics has a strong impact on exit, voice, loyalty and neglect behavior of employees
	Impact of organizational politics on employees' job satisfaction in the health sector of Lahore Pakistan	Quantitative	2012	Gull and Zaidi	Greater the organizational politics lesser will be the satisfaction perceived by the employees regarding job.
	Organizational politics, psychological empowerment and organizational commitment: Empirical evidence from Pakistan	Quantitative	2012	Atta, Ahmad, Mangla and Farrell	When employees are psychologically empowered the negative perceptions of organizational politics change negative to positive.

	Breach of psychological contract, perception of politics and organizational cynicism: Evidence from Pakistan	Quantitative	2011	Bashir, Nasir, Saeed and Ahmed	There is no effect of breach of psychological contract with organizational cynicism.
	Perception of organizational politics leads to job stress: An evidence from banking sector of Pakistan	Quantitative	2010	Azeem, Mahmood, Haq, Shareef and Qureshi	Higher the organizational politics higher will be the job stress of the employees
	Perception of organizational politics leads to job stress: An evidence from banking sector of Pakistan	Quantitative	2010	Azeem, Mahmood. And Haq	Organizational politics increases job stress of employees

	Differences in public and private sector in organizational politics perceptions and work performance relationship: An empirical evidence from Pakistan		2000	Danish and Scholar	Public sector employees reported to have experienced greater organizational politics which lowers their job satisfaction, commitment and elevates the stress levels and turn over intentions.
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### Author Contributions:

Sehrash Sabir: Main Author

Dr. R. K. Malik: Co-Author, Reviewer/ Supervisor

### Data Availability Statement:

The data will be shared if a scholar/ researcher requests from a relevant area from an authorized institutional background. The researcher shall contact or email via official account.

### Conflict of Interest:

The matter was discussed at length amongst the participants and authors of this research and all the authors and participants of research declare no conflict of interests.

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## Evaluation of Factors Influencing Organizational Effectiveness of Textile Exporting Firms

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### Abstract

Organizational effectiveness is vital component to satisfy the clients and the textile sector is not exempted in this context. This study focuses on examining the organizational effectiveness of textile exporting firms of Pakistan. Therefore, the purpose of this study is to examine the effectiveness of these firms based on different indicators such as; effectiveness, transparency and marketing practices of the committees. The data sources for this study were compiled from preliminary data from a sample of 377 senior management employees. The research population selected for the study is the management cadre of those textile firms who manufacture products for exports. This study has many contributions for the managers and clients who are associated with textile exports. The findings significantly support the hypothesis of a positive relationship between transparency and effectiveness of the firms and the positive relationship between the board performance and efficiency of the firms. However, it is established that the positive correlation hypothesis between marketing practices and the effectiveness of the firm has insignificant results.

**Keywords:** *Textile Exporting Firms; Transparency; Board Performance; Marketing Practices; Pakistan.*

### 1 Introduction

This study focuses on investigation of effectiveness of textile exporting firms in Pakistan; hence the aim of this study is to investigate what would be the factors influencing the firms' effectiveness in Pakistan. Murtaza, Shad, Shahzad, Shah, and Khan (2011) have stated that complaints about the inefficiency and ineffectiveness of firms have been rising. In addition, many studies have been done on textile sector in Pakistan, however very limited studies have been conducted to investigate the effectiveness of exporting firms (Ijaz, Mahar, Siyal, & Anjum, 2018). Studies on textile exports in Pakistan are limited to financial management practices and financial reporting (Ejaz, Naeem, Shahmim, Elahi, & Khan, 2016). Therefore, there is a need for the expansion in the scope of firm effectiveness that would facilitate stake holders in decision making prior to provide income to the firm.

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According to (Lee, 2016) good board governance and internal control policies in organizations are important to hinder or minimize the negative effects of fraudulent activities in the organization. Effective boards enable firms to minimize fraudulent cases which subsequently would improve firm's performance. However, there are studies shows that frauds happen in firms of all sizes and in every place of the country and the cost due to frauds are increasing dramatically. According to Association of Certified Fraud Examiners, 2014 report to the Nation on Occupational Fraud and Abuse, in a 2014 study of 508 occupational fraud cases, 12.2% of the frauds happened in the textile sector. The average loss of cases in textile organizations was \$100,000, up from \$40,000 in a similar study in 2012. The billing schemes were the most common form of fraud in textile sector organizations, which contributed 46.6% of the cases. It shows clearly that, there is an issue with the board effectiveness, which becomes one of the factors, causes fraudulent cases rising in textile sector.

Over the last three decades, there was a remarkable growth in the number of textile sector (Pope, Isely, & Asamo-Tutu, 2009). This has caused more competition due to an inadequate amount of funds provided by the government, corporations, and foundations to organizations (Bilal & Sial, 2017). Therefore, to address this problem, textile sector organizations have realized the importance of marketing and in the marketing profession as a whole. From the research conducted by (Brady, Brace-Govan, Brennan, & Conduit, 2011), textile sector organizations have experienced tremendous transformation and facing a lot of pressures from outside environment which includes government, international and domestic influence and causes the changes in lifestyles of volunteers in terms of their availability and competition considerations (Bennett & Sargeant, 2005). Therefore, in order to withstand these changes many textile sector organizations have practiced marketing in their organization management (Bennett & Savani, 2004).

This study focused on transparency, board performance and marketing practices which create organizational effectiveness of textile firms. This study explain that these three factors could allow organization to take decision without fearing any protocol. This practice might improve organizational effectiveness through their spontaneous acts. In being transparent, organization do not have any practice to be concealed from their own members or from the public. Since they can present and communicate information as the way it existing, there is possibility of offering service with high effectiveness.

## **2 Literature Review**

### **2.1 Transparency**

In many countries, organizations are required to maintain a basic level of transparency through mandatory disclosure of financial information or other records, for example through the Internal Revenue Service (IRS) forms 990 and 990-PF in the United States (Striebing, 2017). The concept of transparency has not received much academic attention, so it is difficult to define and measure (Villena & Dhanorkar, 2020). The 2017 Miriam-Webster Dictionary defines transparency as "without hypocrisy or fraud". Or "easily visible", "easily understood" and "the nature of visibility or access to information, especially in relation to business operations.

According to the research by Heimstädt and Dobusch (2020), transparency in textile sector organizations can be defined as the opportunity of external stakeholders to access organization-specific details. For example, the researchers quoted transparency about the textile sector organization's operations in order to make decisions. The research also found that textile sector organizations that are large, have more debt and have bigger contribution ratio are more transparent in allowing access to their audited version financial statements.

Transparency in textile sector organizations described in the study (Greiling, Harris, & Stanley, 2016) as the act of displaying the resources used. Gandia (2011) stated that transparency in textile sector organizations is displaying the use of dispersed income for the public view. According to the research by Samuels (2021), transparency in textile sector organizations can be measured through unidirectional information disclosure and communication within the stakeholders. The description implies that transparency is measured based on the amount of unidirectional information disclosed to the members of textile sector organization and the public and the extent of communication among the stakeholders.

Chen et al. (2018) reported that textile sector organizations' transparency is best measured through their expense reporting. According to the author of this study, transparency is evaluated by monitoring how the textile sector organization dispersing net income.

## **2.2 Board Performance**

Competent government organizations and trusted partners depend not only on the skills of managers, employees and volunteers in these organizations. It also depends on the determination and skills of the director. There are studies supporting the hypothesis that the effectiveness of the committee is related to the implementation of certain guidelines of the committee, and some studies support the hypothesis that the effectiveness of the committee contributes to the overall effectiveness of public organizations. In addition, Bradshaw, Murray, and Wolpin (1992) study the relationship between board performance and organizational performance by developing a conceptual framework that includes multiple variables used to evaluate performance. On the board, the authors begin by examining the impact that committee practices have on stakeholders' perceptions of committee effectiveness. The authors found that guidelines related to stakeholders' perceptions of board performance included strategic planning, maintaining a shared vision, and applying good practice in organizing meetings. Finally, the authors suggest that there is an important link between stakeholders' perceptions of board performance and organizational efficiency. In another study, Green and Griesinger (1996) also used an example of an organization that provides services to people with disabilities. After examining stakeholders' perceptions of the effectiveness of committee practices for the first time, Green and Griesinger (1996) concluded that there is a strong link between board efficiency and organizational efficiency. It established a significant link between the effectiveness of the committee and the effectiveness of the organization when the committee is involved in policy

development, strategic planning, program review, financial planning and control, resource development, development committee. And Dispute Resolution So effective advice improves organizational results.

As a result, Holland and his colleagues have also developed a committee self-assessment tool that supports that effective advice is important for effective organizations. In addition, another study by Green and Griesinger (1996) found that higher-rated organizations have a high-performance board when the board is more contextual, interpersonal, and strategic research (Ostrower & Stone, 2006). In addition, they further identified and identified four aspects of the committee, namely the composition of the board, the relationship between the board and staff, their responsibilities and effectiveness, which have a positive impact on the effectiveness of the organization. Directors influence the effectiveness of the board and the effectiveness of the committee; this can contribute to the overall effectiveness of the organization.

Research conducted by Nobbie and Brudney (2003) presented relationship between board performance and organizational effectiveness in textile sector boards of directors. Data for this research were obtained from three sample categories whereby the first category was 32 textile sector organizations in the United States and Canada. The second category was control sample comprises of 30 textile sector organizations in the US. Third category of sample comprised of board of directors who in the past involved in board development and training activities with National Centre for textile sector organization. The researchers collected data about board performance through the survey feedback from board member, chairman and CEO. Feedback or the perceptions from board member, chairman and CEO in the change of board performance since policy governance model is implemented is gathered to identify potential relationship between the variables.

### **2.3 Marketing Practices**

Findings from the research by (Pope et al., 2009), textile sector organizations that incorporated marketing as one of the skills able to develop brand image for their respective organizations and able to acquire funding, find diverse client market and efficiently use volunteers of the organizations. (Dolnicar & Lazarevski, 2009) found that textile sector organizations could improve the organization's effectiveness through customer-centered marketing strategies. This research also identified customer-centered marketing approach will increase competitive advantage of the organization.

Research conducted by (Tabaku) showed marketing means adopted by textile sector organizations in Albania. Majority of the textile sector organizations' representative agreed that marketing is important for operational efficiency of the textile sector organizations. But in contrast to what they agree, only two organization have a marketing department. These are international organizations that operate from many years in different parts of the globe. Majority of textile sector organizations took part in this study reported that they don't have a marketing plan nor do they work based on a marketing and communications strategy. Even the textile sector organizations that have

marketing face problems such as not properly followed plan, lack of budget, and change in the environment that makes it impossible to follow one particular marketing plan.

Research conducted by (Brady et al., 2011) showed there are several marketing strategies options available to all textile sector organizations that can lead to an increase in organizational performance. This study uses (Bennett & Savani, 2004) study on MARKOR's marketing orientation study to get a better picture of marketing functions in textile sector organizations in Australia. It is clear that larger organizations seem to be more effective performers.

However, research recognizes that textile sector organizations can easily implement some activities to ensure their own performance improves. A key driver in this instance was the annual survey of donors which clearly made a difference to performance and is therefore worth considering in developing new models of operation.

According to the research by (Ejaz et al., 2016; Striebing, 2017), marketing can be measured through marketing performance of a company. The study findings showed marketing performance is good when there is alignment between marketing activities and the investments spent on the business. Besides this, alignment between marketing activities and organizational objectives is an important measurement in marketing. Accountability also shown in this research as an indicator of marketing performance.

Based on the discussion in the problem statement, below is the hypotheses and research framework for the study with three independent variables; transparency, board performance and marketing practices and textile sector organizational effectiveness represent the dependent variable.

**H1:** There is a significant positive relationship between transparency and textile sector organizational effectiveness.

**H2:** There is a significant positive relationship between board performance and textile sector organizational effectiveness.

**H3:** There is a significant positive relationship between marketing practices and textile sector organizational effectiveness.

### **3 Methodology**

For this purpose, we have selected all textile sector organizations which manufacture different products for export purpose. The mentioned population is opted for due to the reason it can provide the needed sample for the current research. Since there are huge number of employees in this sector, therefore an appropriate sampling made to select the survey participants.

The research method includes simple random sampling techniques. In this sampling, of textile sector organizations to be part of the research is selected from the population. Therefore, the uniform work processes are ensuring to be existence in the selected of

textile sector organizations. Results will not be biased or sided to one particular sample and therefore the sampling process is very critical (Silver, 2007).

Based on the principles of simple random sampling technique, each of the textile sector organizations employees is picked purely by chance and randomly. Hence, as per (Krejcie & Morgan, 1970) sample determination table, 377 managers were selected to serve as the sample. The questionnaires are distributed for these selected textile sector organizations to get appropriate responses. To obtain the correct responses through questionnaire the researcher believes that distributing the questionnaire to the staffs at managerial level of the organization would be appropriate to this study.

#### **4 Results**

A total of 450 survey questionnaires were distributed to the research target via face-face guided questionnaires. Among the 450 distributed face- face guided questionnaires, there were responses from 386 managers who are working on managerial positions. As such the respond rate for this data collection process was 94%. The quantity 377 is sufficient and valid to be used for analyzing the data using various stages of SPSS. As such data analysis techniques used on these 377 responses are presented in the below sections.

Table 1 Descriptive statistics

	<b>Demographics</b>	<b>Frequency</b>	<b>Percentage</b>
<b>Gender</b>	Male	167	44.3
	Female	210	55.7
<b>Age</b>	20 – 25	69	18.3.0
	26 – 30	93	24.7
	31- 40	164	43.5
	Above 40 years old	51	13.5
<b>Study level</b>	Foundation studies	94	24.9
	Bachelor's degree	165	43.8
	Master's degree	100	26.5
	PhD	18	4.8
<b>Position</b>	Manager	156	41.4
	Manager and above	221	58.6
<b>Experience</b>	5 – 10	83	22.0
	11 – 15	91	24.1
	15 – 20	155	41.1
	More than 20	48	12.7

According to the summary shown in table1, majority of the respondents are female staffs with 55.7% of them. The rest of the 44.3% of the sample consists of male staffs. The bigger part of the samples is in the age range 31 to 40 years old. This proportion is 43.5% of the total respondents. The subsequent majority age group is 26 to 30 years old staffs with 24.7% of them. Those in the age group 20 to 25 years old consists of 18.3% of the sample while there is just 13.5% of the respondents belong to the age group above 40 years old.

Majority of respondents are qualified in Bachelor's degree with 37.1% of them. The summary also shows those with foundation studies is next highest majority with 22.3%. Respondents with Master's degree qualification consist of 19.9% of the total respondents while respondents with PhD qualification are 20.7%. Majority of the respondents are holding position as manager and above with 58.6% of them. Most of the respondents have working experience from 15 to 20 years.

Based on the result in table 2, it has revealed that board performance showed the positive relationship with textile sector organizational effectiveness ( $r=0.561$ ,  $p=0.00$ ). Positive correlation coefficient indicated the direct relationship occurred between the variables. Likewise, transparency showed the positive relationship with textile sector organizational effectiveness ( $r=0.870$ ,  $p=0.00$ ). Positive correlation coefficient indicated the direct relationship occurred between the variables. Following this, marketing practices showed the positive relationship with textile sector organizational effectiveness ( $r=0.813$ ,  $p=0.00$ ). Positive correlation coefficient indicated the direct relationship occurred between the variables.

Among the three independent variables, transparency has the strongest association with textile sector organizational effectiveness because the correlation coefficient is 0.870, which is the highest. Following this, the variable marketing practices shows 0.813, correlation coefficient with the dependent variable. Correlation between board performance and textile sector organizational effectiveness is at moderate level. All the correlations between the variables are at significant value lower than 0.05 indicating that the relationship is not from casual.

Table 2 Pearson's correlation analysis

Dependent Variable	Independent variables	Pearson' correlation coefficient	Sig. (2-tailed)
Textile Sector Organizational effectiveness	Board Performance	0.561	0.00
	Transparency	0.870	0.00
	Marketing Practices	0.813	0.00

\*\*. Correlation is significant at the 0.01 level (2-tailed).



Regression analysis conducted to create a model that can relate all the three independent variables simultaneously with the dependent variable. Summary of regression analysis shown in table 3. Based on the regression table, the R<sup>2</sup> is recorded as .802 where it shows that the independent variables of the study (board performance, transparency and marketing practices) have 80.2% of variability on the dependent variable (textile sector organization). Based on the results in table 3 of F-Test for overall significance of the model, (502.746, p<.05), this revealed that there is a linear relationship between independent variables and dependent variable. The adjusted R<sup>2</sup> of .800 means that 80% of organizational effectiveness is explained by the variation in board performance, transparency and marketing practices.

Table 3 Regression model

Variables	Unstandardized coefficient	Standard error	t	Sig
Constant	-0.208	0.113	-1.845	0.066
Board Performance	0.305	0.034	9.040	0.000
Transparency	0.748	0.040	18.511	0.000
Marketing Practices	0.031	0.039	0.813	0.417

Table 4 ANOVA

Model	ANOVA <sup>a</sup>				
	Sum of Squares	Df	Mean Square	F	Sig.
Regression	97.795	3	32.598	502.746	.000 <sup>b</sup>
1 Residual	24.185	373	.065		
Total	121.980	376			

a. Dependent Variable: Organizational Effectiveness

b. Predictors: (Constant), Board effectiveness, Transparency, Marketing practices

Table 5 Model summary of the regression analysis

R	R square	Adjusted R square
0.895	0.802	0.800

By combining the outcomes from table 4 and table 5, mathematic model that can contribute 80% towards organization is given as: Organizational Effectiveness = 0.305; Board Performance +0.748; Transparency + 0.031; Marketing Practices = -0.208. Thus, summary of hypothesis testing is given in table 6.

Table 6 Summary of hypothesis testing

Hypothesis	Statement	Decision
<b>H1</b>	There is a significant positive relationship between transparency and textile sector organizational effectiveness.	Supported
<b>H2</b>	There is a significant positive relationship between board performance and textile sector organizational effectiveness.	Supported
<b>H3</b>	There is a significant positive relationship between marketing practices and textile sector organizational effectiveness.	Not Supported

Hypothesis 1 proposed that there is a significant positive relationship between transparency and textile sector organizational effectiveness. Table 6 exhibits that ( $B = 0.748$ ,  $t = 18.511$ ,  $p = 0.00$ ). Hence, Hypothesis 1 was accepted. Hypothesis 2 proposed that there is a significant positive relationship between board performance and textile sector organizational effectiveness. Result in Table 6 exhibits the coefficient = 0.305,  $t = 9.040$ ,  $p = 0.00$  and hence H2 is accepted. Hypothesis 3 proposed that there is a significant positive relationship between marketing practices and textile sector organizational effectiveness. Table 6 exhibited that the coefficient = 0.031,  $t = 0.813$ ,  $p = 0.417$ , due to the ( $P > 0.05$ ) hence, this study does not support H3. Therefore, the result shows that marketing practices does not significantly contribute to the textile sector's organizational effectiveness.

## 5 Discussion of the results

The discussion will be hypothesis oriented whereby it is presented to support the developed hypothesis. There are three hypotheses in this research. Each will be discussed in relation to the findings made via SPSS analysis.

Results showed that transparency will create organizational effectiveness. This result explain that practice of transparency could allow organization to take decision without fearing any protocol. This practice might improve organizational effectiveness through their spontaneous acts. In being transparent, organization do not have any practice to be concealed from their own members or from the public. Since they can present and communicate information as the way it existing, there is possibility of offering service with high effectiveness.

Past researches reviewed in the literature review supported the above finding though different methods and scopes were used in those studies. (Baapogmah, Mayer, Chien, & Afolabi, 2015) showed that transparency act such as financial accountability creates organizational effectiveness. (Liket & Maas, 2015)'s study also supported transparency in financial reporting will improve organization's effectiveness.

The board appeared to have huge responsibility in maintaining organizational effectiveness through their performance. This may include the attributes and efficiency

of board members. Their working skills could create successful projects that the organization can deliver to its clients. Apart from these, the decisions board members make from time to time can increase the organization's effectiveness due to effective decisions. Findings from (Bradshaw et al., 1992) showed that board members' practices such as planning, maintaining common vision and good practices of meeting create board effectiveness and in turn create organization's effectiveness. Even though (Herman & Renz, 2004) found relationship between board effectiveness and overall textile sector organizational effectiveness, there was no further explanation on how this relationship was validated. Similarly, (Green & Griesinger, 1996) discovered strong relationship existed between board performance and organizational effectiveness. (Green & Griesinger, 1996) found that contextual, educational, interpersonal, and strategic characteristics of board created organization's effectiveness.

Marketing practice such as marketing management found to provide organization's effectiveness. However, this was the insignificant relationship compared to the earlier two independent variables. The relationship was strengthened by both the Pearson's correlation coefficient and coefficient in the linear regression model. Based on the values obtained from these two tests, when there is increase in the marketing practices or increase of quality in marketing management, the organization will function with more effectiveness. However, due to the insignificant relationship between marketing and organization's effectiveness, there is no valid ground to make decision that the organization's effectiveness resulted from marketing alone or that it is a casual relationship. Marketing efforts such as creating feasible marketing plan, use relevant marketing materials to communicate and select accurate target to communicate marketing plans.

Past researchers (Dolnicar & Lazarevski, 2009; Pope et al., 2009) supported the findings that textile sector organizations could improve the organization's effectiveness through customer-centered marketing strategies. (Tabaku) also showed that marketing is important for operational efficiency of the textile sector's organizations. Among the findings made by previous authors, (Brady et al., 2011) showed choices of marketing strategies such as annual survey of donors and knowledge generating systems resulted in efficiency of the textile sector organizations

## **6 Research implications**

The research findings implied that marketing practices can improve organizational effectiveness. This could happen due to capability of marketing tool to promote organization, create brand image of it and identification of client needs. Via promotion, more clients will be aware of the organization operation and seek the service. Promoting organization using marketing management could improve effectiveness by creating huge client market. At the same times, clients need to remember an image of the organization in order to seek their service or refer their service to others.

## **7 Limitation of the research and recommendation for future research**

The study limitation is lack of availability to conduct qualitative research whereby an in- depth interview could be done using qualitative method. However, with the time

constraint, this method was not able to be used for data collection process. In-depth interview requires time dedication of both the researcher and the sample because this method of data collection obviously needed face-to-face time between them. Absence of qualitative method is discussed as study limitation because researcher not able to gather justification for each response provided by the respondents. Therefore, the recommendation to improve this study is to implement time management in order to conduct qualitative research. Researcher will be able to understand the reasons for each response gathered during data collection process.

## **8 Conclusion**

The research able to highlights the main variables that will increase textile sector organization's effectiveness. The board performance and transparency were identified as main variables in influencing the textile sector's organizational effectiveness. The results have shown that the board transparency and board performances are positively correlated to organizational effectiveness form context of Pakistan. Findings revealed the important implications for organization to increase their operational effectiveness; the organization has to pay more attentions in operational policies and code of ethics (integrity) in daily operation. Furthermore, the top management of organization shall ensure the board members are performing their duties and aligned with organization's vision and missions. Among the three variables, transparency practice found as the strongest variable for organization's effectiveness followed by board performance and finally marketing practices. Thus, the study recommends organization in Pakistan to improve their transparency work policies and procedures.

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## Nexus between Demographic Dividend, Human Capital and Socio-economic Development: Mediating role of Labor Force Participation

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### Abstract

Study in hand is planned to dig out the important segment of society i.e. Demographic Dividend that is an accelerating force for socio-economic development. Demographic Dividend is a situation in which working age population increased and dependency ratio is decreased. This working force is a human capital for any state, its meticulous utilization through labor force participation brings development in state. The demographic dividend is a phase of high socio-economic acceleration that associated with the low fertility and mortality rate and the specially working age group of population is prominent. Developed and industrial countries utilize this demographic transition and used the productive age group for the development of the countries in the form of labor force participation, social capital and human capital development. But the developing countries face the issues that are associated with the demographic dividend such countries do not use their youth potential for the socio-economic development, and facing the problems of population burden. The major concern of the study is to explore the reasons behind the demographic transition and utilization of existing working age population for the sake of development in social and economic sphere by developing human Capital and labor force participation. Study in hand was conducted in three districts Rawalpindi, Faisalabad and Multan from geographically dividend zones of Punjab, Pakistan. 520 respondents sample was selected with the help of Taro Yamani formula. Mediation analysis performed for explaining the relationship among different variables that shows a significant association. Inferences depicts that Pakistan currently had a window for opportunity in the form of demographic dividend. Dividend can only be achieved through utilization the potential of youth by forming human capital in the form of skill development and inclusion of youth into labor market.

**Keywords:** Demographic Dividend, Human Capital Formation, Labor force participation, Socio-economic Development, Mediation. JEL Code: F63, J21, J24

### 1 Introduction

Demographic Dividend happens once a decline in the rate of birth brings alteration in the distribution of age that needs investment on their children for getting better future and family welfare. The decline in the birth rate increases the ratio of youth and decrease the dependent population. The greater ratio of young people in the country enhance the productive labor that produces for faster pace of development in labor market as well as economy and decrease the pressure on the household. The demographic trend of increasingly large youth populations at intervals the South Asia, geographical area,

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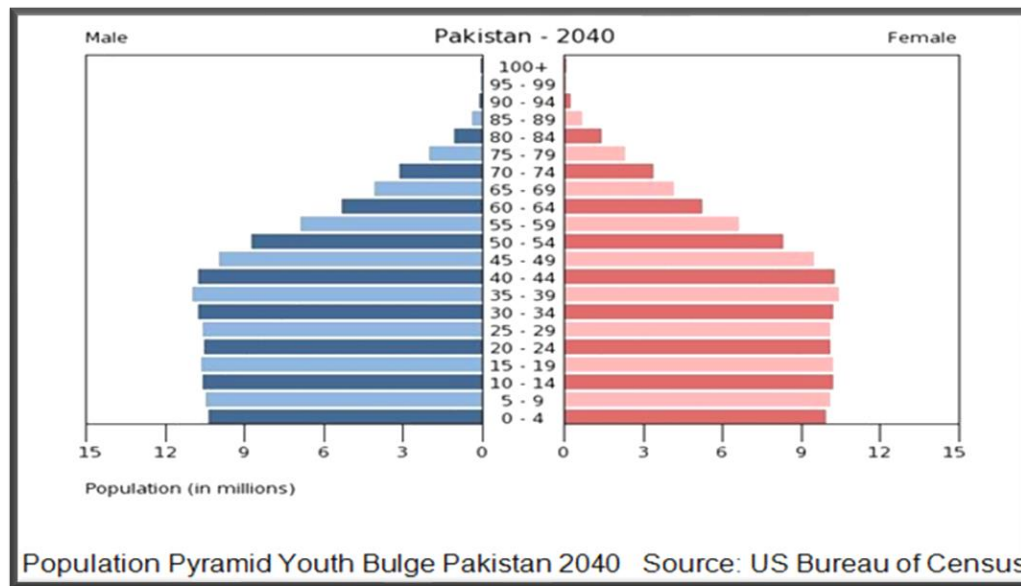
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geographic region, and continent is also a cause for concern among academics, policymakers, and governments (Zogby, 2011).

The process of change in population patterns greatly influences the state's economy. Demographic change is not very simple phenomenon that only effects the socio-economic growth of a country, there is a holistic approach is necessary to cheek the overall impact of the dividend on state. There is a directly proportion relationship among population and socio-economic growth of a country, in future economic development will dependent on the change in population structure. Countries pay proper attention towards the population transition and invest greater on the human capital development have more chances to reap its dividend as compared to that countries which not focusing on their population changing and missed their dividend and faces challenges towards its state's socio-economic growth (Imai, et. al., 2008). Empirical evidences found from the study, those countries where economic development is not properly steam lined with their needs and population face low level performance in economic sector had more probability towards Civil war and conflict that create an atmosphere of tension and unrest (Moser and McIlwaine, 2006; Urdal, 2012).

From the most recent couple of months, in Pakistan designers, researchers and policy makers focus on the profit that are existed in the focal point of the Pakistan's demographic pyramid. This enormous youth extent pulled in the consideration of the entire society and portrays the defender of high pace of birth and low pace of mortality or passing. In 1947 the people of Pakistan was 32.5 million. The population development pace of Pakistan is 2.2 evaluated by UN in 2008 and this rate will be multiplied in 2050. That has youth extent would be around 117 million. The disappointment of hostile to natalist strategies to control on population development making the young lump is an unending actuality in Pakistan. High fertility rate in Pakistan is in charge of this adolescent lump. The birth rate in Pakistan is still high, in this way the center piece of the population pyramid will demonstrate the increase in the youthful population until the expansion in population is checked. The present literature on nexus between youthful population and conflict doesn't concur that youngsters are rough by heredity, the young contribution in struggle frequently because of the constrained access to the assets. The increase in the worker or youth in the population pyramid is technically called youth bulge that placed at the middle of the pyramid that demonstrates the allotment of a blend of various age bunches in a population. The enormous youth part in it demonstrates a sweeping stage that has huge number of kids, high population development rate and fewer pieces of the dependents (Fuller, 2005). Following figure 1.1 clarifies the age structure of Pakistan.





**Figure 1.1 Population Pyramid in Pakistan 2040**

### 1.1 Labor Supply

Demographic progress goes through the increase in the labor supply in two different manners. First the proportion of the young worker is increased, and secondly females are enter in the labor market more as the rate of fertility is decline. But it relies upon the capacity of the market and laborers to utilize this situation. The male bend demonstrates a high run of LFPR cresting between 25–50 years old which means males age twenty five to fifty more likely participate in the labor market. The female cooperation stays low all through their life expectancy, demonstrating no specific example. This pattern of low female work investment has continued after some time. As should be obvious that female LFPR shows a slight expanding pattern in recent years however has kept on staying low in the course of the most recent decade. Advantages of Demographic transition/dividend profit can't be harvested with a large portion of the population not completely dynamic in the work showcase as is predominant in the Pakistan. Only 1/5 women in the working age presented themselves dynamic and energetic in the labor market and rest of the other cannot take part in the income generating activities of the labor market that responsible for the missing of demographic dividend. This asset of young males and females should be utilized by making proper policies that matched with the changing demography of Pakistan and open the door of opportunities for them and captured the situation of opportunity.

## **1.2 Human Capital**

Human capital includes those indicators of economic enhancement that increase the per capita income of the state. The effectual stock of human capital is a requirement for the human as well as economic development (Ali, et. al., 2018).

It is prefaced that Demographic dividend has critical impact on interest in human capital. Expanding future causes guardians to put more in their kids' human capital as the premium of advanced education increments and keeps going longer. As a result, the work power turns out to be progressively profitable, gets higher wages and there is improvement in the way of life (Bloom, et., al., 2001). With contracting of youthful population weight on the training framework is decreased, which can assist nations with investing more in improving the nature of instruction and in more significant levels, as opposed to in making interest in essential instruction. It can't be accentuated enough that it isn't the amount however the nature of training that is increasingly significant for human capital development and financial development (Dupreiz, 2003).

Pakistan is standing on the position where it get benefits from the existing youth that is the need for progress. Nations in East Asia Exploited Demographic profit since they made convenient interests in essential and after that auxiliary training. The aftereffect of this interest in these nations in training reflected in increasingly gainful work which had the option to take advantage of the Lucky break offered by Demographic dividend (Phang, 2005; Bricklayer, 2005). Just by having a school going population in the "right" extents doesn't make the Demographic dividend benefits programmed. Without any arranging it can just bring about huge fragments of population which are uneducated, incompetent and badly prepared to adjust to the changing scene conditions, at both miniaturized scale and large scale level.

Improved human capital is an essential for capitalizing on the Demographic dividend as the wellsprings of higher profitability are highly dependent on science-based learning and data applied to creation. There is an expanding shift from conventional rural and made Merchandise to increasingly modern administrations and farming and industrial made items. Changes are rising in the mainland monetary exercises are sorted out as a move is occurring from a mass, standard production to flexible customized creation. This gives a critical edge to the nations that have a work power having aptitudes and information to adjust to the changing economic situations. A Nation like Pakistan that is yet to unravel its essential Tutoring (primary teaching) issues can, best case scenario have a few patches of achievement yet not hope to Exploit what "Demographic profit" brings to the table (Lutz, 2013).

## **1.3 Objective:**

- To explore the relationship between demographic dividend and its effects on socio-economic development by forming human capital and labor supply.

## 2 Theoretical Framework

### 2.1 Theory of Demographic Transition by Warren Thompson-1929

“Societies are experiencing modernization and advancement from a high-level, high-mortality, modern system to a low-gen style. Transition is also a global development, and every country is a veteran as it begins its development. The change in the demography happened in the world in different time periods because all of the states in the globe not standing on the equal level of progress (Kirk, 1996; Lee, 2003).

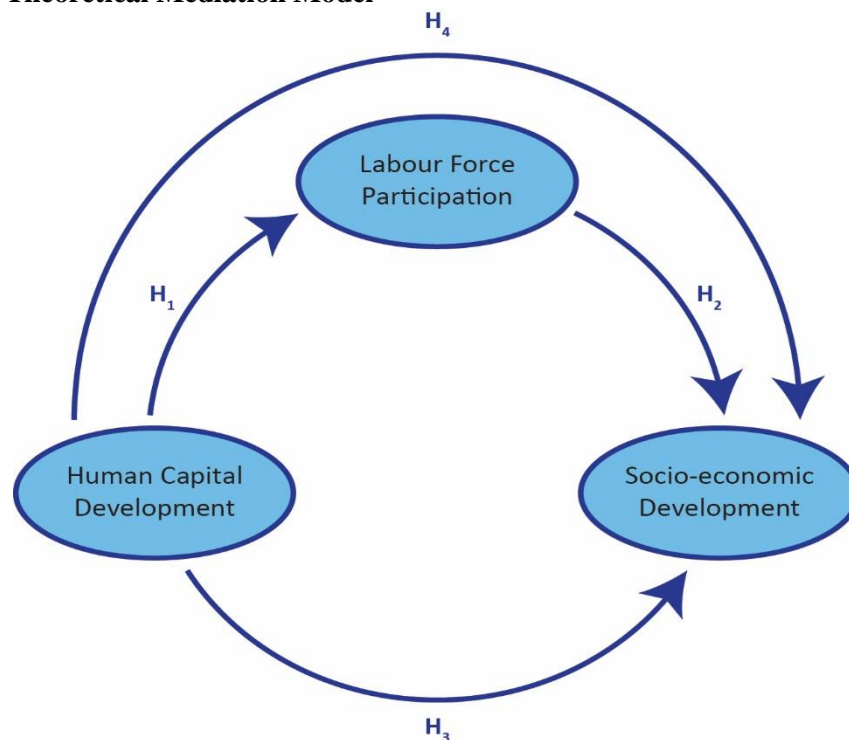
### 2.2 Human Capital Theory

Human capital theory claims that information, skills, knowledge and socio-personal characteristics of man are economically very valuable. In human capital theory, people are considered as economic entities that act as their economy performs. Role and importance of human capital is a broader concern of debate among policy makers, economist and analysis of productivity as well as education (Ali, et., al., 2018).

Theory of Modern human capital claims that behavior of people is associated with their self-interest who are working the freely in the labor market where they face lot of competition. Becker & Bowles was not agreeing with this main assumption. They says that all type of the behavior of people are not always concerned with the economic interest of individual who are in the labor market where they competition. To some extent Becker agreeing with the modern theory of human capital that people has need and interest in the markets during their operations or functioning. But he also reported that the discrimination in the labor market is an important barrier that affects the work ability or functioning of the individual in market. Becker found that the discriminatory attitude towards the individuals working in the market badly effects their wages (income reduction) and productivity. Moreover, he is concerned with the idea when people face discrimination in market than how can they freely function in the market? (Becker, 2007).



### 2.3 Theoretical Mediation Model



### 3 Materials and Methods

The method is also an organization of particular rules and techniques which depend on the fact that the analysis depends on what information requirements are evaluated (Nachmias and Nachmias, 1992). The validity, responsibility and accuracy of analytical analysis depend on the scientific method. Study in hand was conducted in Punjab Pakistan. Three districts choose from the north, central and south zones of Pakistan i.e. Rawalpindi, Faisalabad and Multan through multistage sampling technique. Sample of 520 respondents was selected through Taro Yamani formula. Moreover, well planned interview schedule prepared for the purpose of data collection. Inferential statistics applied to check the mediation effects between the variables.

### 4 Discussions & Results

The explanation of the results obtained from the field data is an integral part of the study. Without these steps and a summary of prophecy, which is the purpose of scientific research, it cannot be achieved.

#### 4.1 Regression Analysis

Regression analysis is work to check out the impact of one variable (independent) on the next variable (dependent). In the first part of regression analysis, direct paths are done. In the second part, indirect paths (mediation) of variables are analyzed.

##### Regression Analysis for Direct Paths

**H<sub>1</sub>: There is relationship between Human Capital Formation and labor force participation**

**Table 4.1: Summary**

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error of the estimate	Change Statistics		
					F-Change	df1 df2	Significance
1	.868	.754	.753	.58	52.45	1 298	.000

Predictors: (Constant), HCF

Simple Regression used applied to check the impact of human capital formation on labor force participation, regression analysis is employed. Results showed in table 4.1 illustrates that human capital formation had has significant impact on labor force participation as F= 52.45, p<0.00. The R2= 0.75 which shows that 75% change in labor force participation is due to human capital formation because skilled labor has greater chance to indulge in the labor market.

**Table 4.2: Coefficients**

Model	Unstandardized-Coefficient		Standardized-Coefficient	T	Sig.
	B	Std.-Error	Beta		
(Constant)	3.41	.19		17.97	.000
HCF	.39	.05	.86	42.763	.000

Dependent variable: LFP

Table 4.2 depicts the prediction about labor force participation due to one unit change in the human capital. The coefficient of human capital formation is  $\beta = 0.86$ ,  $p < 0.00$ , which shows that one unit change in human capital formation on average 86% change in labor force participation rate. Human capital formation has significant and positive association with labor force participation. This result coincide with Bloom and Canning (2017) who concluded that demographic bonus countries formed on the time period of forty to fifty years, this bonus enhance the human capital by reducing the dependent population and increase labor for the labor market. The young labor force enhances the per capita income of the state. Results again matched with Human capital Theory. Human capital with innate or acquired skills has more chance to get jobs in the labor

market that enhance the household income and ultimately effects the social and economic development as well (Becker, 2006).

**H2: There is association between labor force participation and socio-economic development.**

**Table 4.3: Summary**

Model	R	R <sup>2</sup> square	Adjusted-R <sup>2</sup>	Std. Error	Change-Statistics		
					F-Change	df1 df2	Sig. F change
1	.858	.736	.736	.763	57.92	1 298	.001

Predictors: (Constant), LFP

Table 4.3 explains the direct impact of mediator on the dependent variable. To find the impact of labor force participation on socio-economic development, regression analysis is employed. Results depicts that that labor force participation has significant impact on socio-economic development as F= 57.92, p<0.001. The R2= 0.736 which shows that 73% change in socio-economic development is due to labor force participation.

**Table 4.4: Coefficients**

Model	Unstandardized-Coefficient		Standardized-Coefficient	T	Sig.
	B	Std. Error	Beta		
(Constant)	3.52	.23		15.46	.000
LFP	.17	.03	.858	40.832	.001

Dependent variable: SED

The coefficient of labor force participation is  $\beta = 0.85$ ,  $p < 0.00$ , which depicts that one unit change in labor force participation brings on average 85% change in socio-economic development. LFP has significant and positive relationship with Socio-economic development. UNFPA (2016) discussed it in this way that Demographic Dividend (DD) is an momentary force for the growth in economy through decline in birth and death and increase the working age labor as compared to dependent population. The era of this dividend of demography only be sustained and brings socio-economic development if the working population is proper trained and educate, having good health and engaged in economic activity. Moreover, economic development achieved through equal participation of females in the labor market.

It also cited with the gender and development approach of feminist perspectives that the real development only be achieve through the equal access for female labor in the market where they can participate and enjoy empowerment through economic independence and also contribute for the economy (Templen, 2009; Lutz, et. al., 2013).

**H3: There is Association between Human Capital Formation and socio-economic development.**

**Table 4.5: Summary**

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error of the estimate	Change-Statistics		
					F-Change	df1 df2	Significance
1	.843	.711	.711	.798	52.45	1 298	.000

Predictors: (Constant), HCF

To probe the effect of labor force participation on socio-economic development simple linear regression is employed. Results showed that human capital formation has significant impact on socio-economic as  $F= 52.45$ ,  $p<0.00$ . The  $R^2= 0.71$  which shows that 71% change in socio-economic development is due to human capital formation rest of the change is due to other factors.

**Table 4.6: Coefficients**

Model	Unstandardized-Coefficient		Standardized-Coefficient	T	Sig.
	B	Std.-Error	Beta		
(Constant)	2.99	.28		10.73	.000
HCF	.30	.07	.843	38.390	.000

Dependent variable: SED

The coefficient of human capital formation is  $\beta= 0.843$ ,  $p<0.00$ , which shows that one unit change in human capital formation on average 84% change in socio-economic development. Human capital formation has significant and positive relationship with socio-economic development. Results coincide with Adeyemi and Ogunsola (2016) who reported nexus between human capital and economic progress in Nigeria. The findings depict a strong direct association among life expectancy, educational enrollment, per capita income and socio-economic development. The recommend that better policies and commitment of government is need towards education, because education furnish the skills of population and develop them that leads towards socio-economic development. Similarly it linked with Abbas (2011) who examined the association between human capital and development between Pakistan and Sri Lanka. His inference depicts the essential role of human capital towards the socio-economic well-being in these two states/countries.

#### 4.2 Summary of Direct Path

Overall summary of all the hypotheses is given in Table 4.7. Results show that all the hypotheses are signification and accepted which reveal that all associations are positive and significant. All direct paths hypotheses have positive impact on dependent variables. Human capital formation and labor force participation have positive impact

on socio-economic development. In the same way LFP has positive significant effect on development of social and economic sphere.

**Table 4.7: Direct Paths Summary**

Hypo No	Hypothesis Statement	B	Result
H <sub>1</sub>	Association between human capital formation and labor force participation	.86	Accepted
H <sub>2</sub>	Association between labor force participation and socio-economic development	.85	Accepted
H <sub>3</sub>	Association between human capital formation and socio-economic development	.84	Accepted

### 4.3 Regression Analysis of Indirect Paths

H4: Labor force participation mediates the relationship between human capital formation and socio-economic development Barren and Kenny, (1986) suggested four conditions to find out the mediation between all variables. To check mediation first, regression was found among human capital formation and labor force participation which demonstrated significant results ( $p < 0.00$ ) with positive relationship as  $\beta = 0.86$ . Secondly, regression was found among labor force participation and socio-economic development which demonstrated significant results ( $p < 0.00$ ) with positive relationship as  $\beta = .85$ . At third step, regression was found among Human Capital formation and socio-economic development which demonstrated significant results ( $p < 0.00$ ) with positive relationship as  $\beta = .84$ . For fourth step, regression was found among human capital formation and socio-economic development with labor force participation as mediator.

**Table 4.8: Regression Analysis H4 (Mediation)**

Conditions	R <sup>2</sup>	B	B, (S.E)	F-Change	df1,df2	Sig	B <sub>ind</sub> =B <sub>a</sub> *B <sub>b</sub>
1. HCF → LFP	.75	.86	.39, (.05)	20.03	1, 298	.000	
2. LFP → SED	.73	.85	.17, (.03)	53.92	1, 298	.000	.06
3. HCF → SED	.71	.84	.30, (.07)	16.17	1, 298	.000	
4. HCF LFP SED		.66				.000	

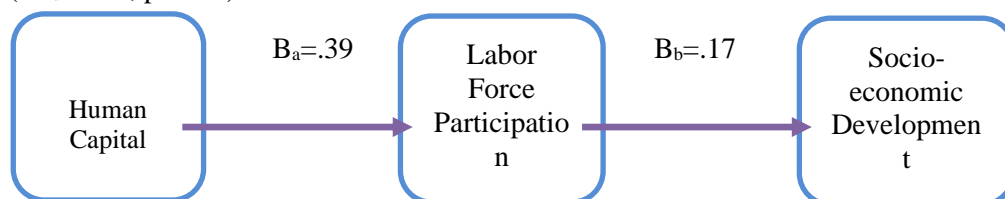
B<sub>a</sub>= unstandardized coefficient of HCF B<sub>b</sub>= unstandardized coefficient of LFP

After performing the simple linear regression the next step is to check the mediation. The hypothesis four explains the association between human capital formation and



socio-economic development as the mediating role of the labor force participation. On the bases of mediation the final results demonstrated still significant results ( $p < 0.000$ ) therefore full mediation does not exist but  $\beta$  (i.e. standardized beta) decrease from 0.84 to 0.66 that refers to partial mediation.

Sobel's test was worked to find the all hypothesis significance and effect of it variable effect. Results show the significance of all hypothesis and human capital formation and labor force participation have significant effect on socio-economic development ( $B_{ind} = 0.06, p < 0.00$ ).



Sobel's test: 0.06,  $z = 3.65, p < 0.00$

Demographic Dividend is the whole form of economic advantages that comes from the change in the structure of population. It is the proportion of young population that provides a great extent of human capital to the state. State needs to shape its human capital for easy entry into the labor market for both males and females. Proper training and skills give them easy access to labor market. If the labor market easily absorb the potential of youth than the socio-economic development is inevitable. All factors such as working age population, meticulous utilization of population in the form of labor force ultimately effects the socio-economic development of the state in a positive manner (Tesu, 2017). This again matched with the human capital, resource and population management and gender and development theory that are focusing on the skill development and adjustment of population into labor market for enhancement of per capita income and invite development. It also matched with the Fertig et al (2009) concluded that the change in population structure effects the accumulation of human capital in Germany from the panel data of 1966 to 86. Researcher depicts that change in demographic had a strong impact on the human capital formation among the young people of German. The change occurring in the labor market of Germany during the era of 80s and 90s had a great effect on the highest schooling and professional level degrees because it is the need of market. The youth having the skill easily enter in the labor market that positively effects the socio-economic development of Germany.

## 5 CONCLUSION

On the bases of mediation it was concluded that there is a strong relationship between human capital formation, labor force participation and socio-economic development. Findings reveals that Pakistan can harness its existing demographic dividend by meticulous utilization of its young human capital, provision of skills to the youth open new horizon in the labor market where they can get equal and better opportunity that enhance household and per capita income of the people that ultimately leads towards

the socio-economic development in the state. We convert this youth potential through better and timely policy making and establishing new business sphere by enhancing national and international investment.

**Author Contributions:** Muhammad Idrees is handling the entire paper writing and formatting and fieldwork and writing the introduction, Prof Dr. Zahira Batool supervised the whole team and develop the methodology, Dr. Muhammad Shabbir is the part of data collection team and interviewed the respondents and refine the collected information. Dr. Sadaf Mahmood contributes to the tool development and analysis.

**Data Availability Statement:** Data is Primary in Nature, Directly Collected from Field and available in original form with the research team, and will be provided on request.

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# Occupational Bullying and Employee Burnout: An Empirical Investigation in Healthcare Sector of Pakistan with Moderating Role of Gender

Pireh Sikandar<sup>1</sup> and Nawaz Ahmad<sup>2</sup>

## Abstract

Occupational bullying is a silent epidemic that is adversely affecting individuals and workplaces. This menace has been gaining growing attention from scholars and organizations. The aim of this research was firstly to investigate impact of occupational bullying on employee burnout in healthcare sector of Pakistan, and secondly to understand the role of gender in this relation. To achieve the purpose, self-administered survey was carried out and data was gathered from nurses working in tertiary care hospitals of Karachi and Hyderabad. Primary data was collected using Negative Acts Questionnaire and Maslach Employee Burnout and analyzed using SPSS. Findings revealed that occupational bullying is a predictor of employee burnout with being stronger predictor in male nurses than their counterparts. Furthermore, it was recommended that anti-bullying policies must be complemented with a respectable work culture, transparent reporting mechanisms and trained managerial staff to hold perpetrators accountable. This study would not only increase understanding of outcomes of workplace bullying but also draw attention towards occupational health so that it is given importance similar to public health.

**Keywords:** Occupational bullying, mobbing, employee burnout, silent epidemic, workplace bullying

## 1 Introduction

Occupational bullying is a negative behavior at workplace by individuals or groups with the intention of intimidation, humiliation or degradation that cause severe trauma to the recipient leading to depleted health (Conway, Høgh, Balducci, & Ebbesen, 2021). It is a negative interaction that manifests in number of ways such as verbal abuse, social isolation, silent treatment, discrimination and perpetual criticism (Gupta, Gupta, & Wadhwa, 2020). Consequences of bullying not only lead to deteriorating health of victims but also adversely impacts the organization. Victims are at risk of anxiety, depression, self-doubt, dissatisfaction, musculoskeletal complaints, increased chances of cardiovascular disease, suicide attempts and burnout syndrome (Chatziioannidis, Bascialla, Chatzivalsama, Vouzas, & Mitsiakos, 2018) whereas organizations' face increase in absenteeism, presenteeism, employee turnover, low productivity, etc. that eventually plummets bottom line (Wall, Smith, & Nodoushani, 2017).

Last two decades have witnessed growth in literature highlighting prevalence of occupational bullying and its consequences so much that it has been termed as 'silent

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epidemic' because it is usually underreported (Barlett, 2017). This is largely due to concealment of respective incidences, fear of retribution, lack of health & safety guidelines at workplace, discriminating work culture where bullies are part of protected group and lack of supportive culture (Franklin & Chadwick, 2013). Fast, et al. (2020) conducted a study where four thousand, seven hundred and seventy-five responses were recorded and 96.5% of participants acknowledged that disruptive behavior was under-reported. Such behavior was largely attributed to employees who did not have administrative responsibilities, biological females and younger employees.

Workplace bullying is felt differently with respect to gender. It was reported that women experience higher bullying as compared to their counterparts (Anjum & Muazzam, 2018). It was also highlighted that coping mechanism varied for men and women. Self-reported neck and back pain was associated with bullying and it was highlighted that pain levels in men increased speedily as compared to women (Glambek, Nielsen, Gjerstad, & Einarsen, 2018). Furthermore, women have higher probability of quitting work as a response to bullying whereas men would take sickness absenteeism (Hollis, 2017).

Prevalence of workplace bullying in services sector specifically healthcare is highly evident (Yun & Kang, 2018; Kim, Lee, & Lee, 2019; Karatuna, Jönsson, & Muhonen 2020; Hong, Kim, Nam, Wong, & Lee, 2021). Data recorded from three hundred and twenty-four clinical nurses indicated high prevalence of workplace bullying and its association with employee burnout. Burnout syndrome is a serious consequence of workplace bullying and is associated with suicidal thoughts (Kim, Lee, & Lee, 2019). Developing countries like Pakistan struggle to combat challenges regarding public health and occupational health is seen as unaffordable luxury owing to limited data availability, unemployment rate and competitive job market; whereas, literary evidence indicates that prevalence of workplace bullying is high in developing countries. Therefore, present research aims to highlight workplace bullying and its consequence in healthcare sector of Pakistan with moderation of gender to give this menace due spotlight and accentuation so that organizations could develop well-structured reporting mechanism, safe-workplace culture and inclusive workplace policies (Fatima , Abdul Ghaffar, Zakariya, Muhammad, & Sarwar, 2020).

## **2 Literature Review**

The term 'workplace bullying' surfaced in 1980s by a Swedish psychiatrist who described it as aggression at workplace aimed towards workers. Mistreatment at workplace is one of the serious issues for employers that not only costs the worker but also the institutions (Wall, Smith, & Nodoushani, 2017). Workplace bullying is perpetual negative act or treatment that causes another harm – physically or psychologically and becomes a traumatic experience for the recipient (Conway, Høgh, Balducci, & Ebbesen, 2021). The action can be from a superior or it can be from a colleague; consequently, leaving victim in stress, depression, anxiety, sickness and eventually intention to quit (Ahmer, Siddiqi, Faruqui, Khan, & Zuberi, 2009).

Mistreatment or bullying can be covert or overt which means there's a possibility that management can be unaware of its prevalence. Workplace bullying leads to declining health of victims that ultimately has an impact on organizational productivity (Zachariadou, Chira, & Pavlakis, 2018).

This decline in organizational productivity is an outcome of burnout caused by occupational bullying (Laschinger & Fida, 2013). Burnout first surfaced in 1970s majorly associated with service-oriented jobs, particularly occupations that involve a relationship between the caregiver and recipient such as nurses and patients (Maslach & Leiter, 2016). Burnout has three components; emotional exhaustion, depersonalization and reduced personal accomplishment. Emotional exhaustion is the being drained of energy and overextended of one's emotional and physical resources. Depersonalization or cynicism is when employee feels detached from the work. Lastly, reduced personal accomplishment is considered as self-imposed judgment of failure.

Maslach & Leiter (2016) explained burnout as an outcome of constant chronic emotional and interpersonal stressors experienced by employee on the job. This impairs the functioning of the employees. Costs associated with burnout are severe for an organization (Maslach & Leiter, 2016). Decline in productivity, output, performance, victims' health, and high turnover are associated with burnout which ultimately impacts the organizational performance. Organizational culture where occupational bullying is prevalent, employees experience job burnout and eventually organization and individual both face unredeemable costs (Srivastava & Dey, 2020).

## **2.1 Bullying:**

Evidence of its existence has been highlighted in various researches. A study by Srivastava and Dey (2020) highlighted workplace bullying in India by collecting responses from three hundred and fifty employees employed in BPO sector. It was concluded that bullying was associated with burnout and it was recommended that management must indulge in curbing this menace. Furthermore, global economic and financial crises have contributed to this peril (D'Cruz, Noronha, & Beale, 2014).

It has been proposed that workplace bullying deprives organization of resources which leads to declining work performance and inclining work retaliatory behaviors (Naseer, Raja, Syed, & Bockenoghe, 2018). A qualitative study was conducted by Wech, Howard, and Autrey (2020) on registered nurses of a teaching hospital in US. Extensive interviews were held and it was highlighted that bullying impacted patient care, performance and workplace safety. Respondents stated that they felt unsafe, threatened, and wanted to quit. This indicated depletion of human resource. Moreover, it was recorded that such incidences when unaddressed by management left employees in perpetual state of fear. In addition, bullying harms self-worth of recipient and has also been associated with suicides (Suggala, Thomas, & Kureshi, 2021).

Talent management has been highlighted as a way to combat cutthroat competition of 21st century. However, retaining talent has caused a challenge to employers specifically

where workplace mobbing is unaddressed. An organization where bullying has embedded its roots, employee turnover has a steep rise (Jamshaid, Malik, & Perveen, 2021). This leads to grave costs for the organization. A study on three hundred and seventy three employees employed in South African companies concluded that mobbing culture is associated with high turnover causing unredeemable cost to the organization (Coetzee & Dyk, 2017).

Another extensive study conducted by Ayoko, Callan, & Härtel (2003) that was based on three studies. Data gathering for study one involved semi-structured interviews from fifty employees of two large organizations; data gathering for study two was based six hundred and sixty open-ended surveys from public sector; data gathering for study three involved survey from five hundred and ten employees from five organizations to examine workplace conflict, emotional reaction to bullying and nonproductive measures. The study concluded that conflict at workplace led to emotional and behavioral responses, most of the respondents from the sample perceived their managers as bullies and positively correlated with various counterproductive behaviors like purposely wasting organization's resources, deliberately working incorrectly and intentionally damaging employer's property.

Johnson & Rea, (2009) examined workplace bullying of nurses from Washington State Council of the Emergency Nurses Association (WA-ENA). The study was conducted on a sample of two hundred and forty-nine nurses using Negative Acts Questionnaire – Revised. It exhibited that bullying was prevalent in 27.3% of sample and it was significantly associated with intention to quit the job or the profession itself.

Talking about Pakistan, a study conducted by Hussain & Aslam (2015) supported the prevalence of bullying in Pakistan. Another study conducted by Khan, Sabri, and Nasir (2016) on three hundred and fifty employees in Lahore investigated that impact of bullying on employee's productivity. In this study, spirituality was kept as moderating variable. It concluded that workplace bullying has severely negative implications in workplace whereas spirituality controls the effects of workplace bullying on employee productivity. Furthermore, it was also proposed that workplace bullying can be mitigated by job embeddedness (Jamshaid, Malik, & Perveen, 2021).

## **2.2 Burnout:**

Maslach & Leiter (2016) defined burnout as a psychological condition that is caused due to chronic interpersonal stressors that leads to work-related dysphoria. It has been given significant attention in different studies during the past few decades (Maslach & Leiter, 2016). Findings of a study conducted by Elmore, Jeffe, Jin, Awad, & Turnbull (2016) reported that in U.S. out of sample of six hundred and sixty-five residents of general surgery, 69% met the criterion for burnout and considered dropping out of the program.

A study conducted by Malik, Zaheer, Khan, & Ahmed (2010) on doctors of Pakistan concluded that burnout influenced work life conflict and job satisfaction levels. With

the advent of emphasis on customer relationship, employee burnout can cause detrimental implications on customer services (Maslach & Leiter, 2016). Theory of Job Demand-Control proposed by Karasek in 1999 has three major aspects namely; job demand, job control and social support. Theory states that employees when exposed to different stressors at work in terms of work-pace and strict deadlines along with skill and decision discretion leads to strain and learning of employees (Verhofstadt, Bailien, Verhaest, & Witte, 2015). These are called psychological demands of the job and control on the job respectively. If the psychological demand of the job is high but the job control is low, it affects the health of employees causing burnout levels in employees. Burnout causes an individual to emotionally be exhausted, cynicism and reduced personal accomplishment (Bakker & Costa, 2014). The first aspect of this theory examines emotional exhaustion when the demands of the job places employees under time pressure and role conflict. The second aspect of this theory predicts the cynicism and reduced personal accomplishment by understanding the autonomy he/she has over the tasks. The third aspect investigates the support that employee gets from colleagues and supervisor. The first two aspects predict the emotional exhaustion, cynicism and reduced personal accomplishment which are components of employee burnout. Being a victim of bully is a chronic stressor along with shortage of effective social sources (Ostberg, Laftman, Modin, & Lindfors, 2018).

A study conducted to investigate the relationship between bullying and burnout within the setting of health and climate relationship concluded indirect influence of mobbing on worker's health with the presence of burnout as mediation (Giorgi, et al., 2015). Respondents of the study were six hundred and fifty-eight nurses. Results led to the conclusion that bullying if prevalent in the healthcare sector along with poor organizational culture and increased burnout causes harm to employee's psychological health.

Burnout is one of the significant outcomes of workplace bullying (Mathisen, Einarsen, & Mykletun, 2008). One study concluded that bullying at workplace is causing employee burnout (Raja, Javed, & Abbas, 2018). Negative health symptoms are associated with employee burnout that distresses the entire organization (Malik, Björkqvist, & Österman, 2017). Such consequences become crucial in service-oriented sectors specially if it is healthcare sector.

### **2.3 Gendered Phenomenon:**

Bullying is not gender neutral. Comprehension of bullying is different for men and women (Salin & Hoel, 2013). A study conducted by Rosander, Salin, Viita, and Bloomberg (2020) highlighted the significance of gender in workplace mobbing. It was concluded that women have higher rate of self-labeling as bullied than their counterparts. Furthermore, the responses to bullying varied between gender. As consequence to bullying, it was revealed that men applied for sick leave whereas women either quit from job or applied for transfer.



To curb this menace, it is pertinent that bullying gets reported. However, men are less likely to report bullying as compared to their counterparts (Rouse, Gallagher-Garza, Gebhard, Harrison, & Wallace, 2016). In addition, men seem to have greater impact on physical health as an outcome of bullying whereas women experience greater impact on mental health (Cooper, Hoel, & Faragher, 2004). Nevertheless, contrary to presumptions associated with gender, men eagerly look for support to combat adverse consequences of bullying at workplace (O'Donnell & MacIntosh, 2016).

Moreover, it was revealed that women faced bullying at workplace from colleagues than men whereas men were usually targeted by their supervisors (Salin & Hoel, 2013). Studies show that men and women had varied response to bullying. As a consequence of bullying, men confronted bullies without asking for help whereas women opted for avoidance strategies, asked for help or stayed quite (Johannsdottir & Olafsson, 2004).

Prevalence of workplace mobbing is evident in healthcare sector (Yun & Kang, 2018; Kim, Lee, & Lee, 2019; Karatuna, Jönsson, & Muhonen, 2020; Hong, Kim, Nam, Wong, & Lee, 2021). Intensity of phenomenon increases with increased risks and unredeemable costs for healthcare. In Pakistan, nursing is a female dominated occupation (Abbas, Zakar, & Fischer, 2020). Scholars have highlighted prevalence of mobbing behaviors. It was revealed that mostly incidences go unreported because nurses felt ashamed, guilty, and were afraid of retribution (Somani, Karmaliani, McFarlane, Asad, & Hirani, 2015). Even though with high unemployment rate in Pakistan, bullying led to high turnover in nursing profession along with adverse impact on recipient's health (Malik, Sattar, Shahzad, & Faiz, 2020).

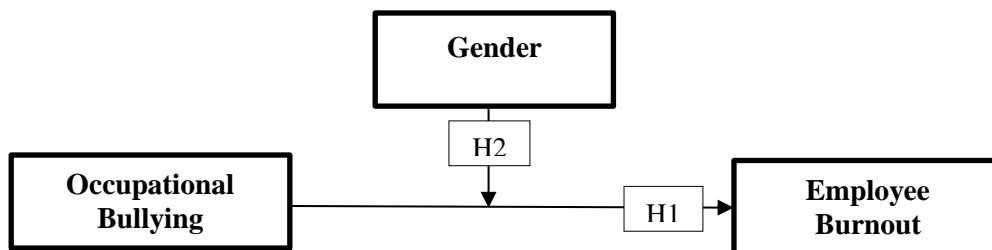
Sustainable competitive advantage of an organization can be captured by its human resource as it's the only resource that appreciates with time whereas others depreciate. Therefore, retaining and managing talent effectively is the only way forward. It can be done by reducing job stressors and addressing challenges faced by them. Therefore, present study aims to investigate the impact of occupational bullying on burnout levels in nurses of Pakistan to contribute to the literature with contemporary findings so that specific measures can be devised. Furthermore, since bullying is different with respect to gender, therefore, current study has used gender as moderating variable. To pursue the objective of this study, following hypothesis have been developed;

**Ho1:** There is no statistically significant impact of occupational bullying on employee burnout

**Ho2:** Gender does not moderate the impact of occupational bullying on employee burnout

#### **2.4 Conceptual Framework**

Based on the above discussion, a conceptual framework has been developed. It is presented in the figure i.



**Figure i: Conceptual Framework**

### **3 Research Methodology**

#### **3.1 Procedure & Sample**

Present study was quantitative in nature and followed positivism approach (Park, Konge, & Artino, 2020). The variables used in the present study were occupational bullying as dependent variable, employee burnout as independent variable and gender as moderating variable. The study involved largest and second largest city of Sindh province. Due to resource constraints we could not add other cities into the study.

Data was gathered from male and female nurses. The sample size was 400 with a response rate of 62.5%. Sample constituted of 76 male and 174 females' nurses. Responses were acquired from Civil Hospital Karachi, The Indus hospital (TIH), Jinnah Postgraduate Medical Center (JPMC), Sindh Government Hospital, National Institute of Child Health (NICH), Aga Khan University Hospital (AKUH), Abbasi Shaheed, Sindh Institute of Urology and Transplantation (SIUT), Liaquat Medical College (LMC) Hyderabad and Sheikh Saeed Memorial Center, Karachi.

#### **3.2 Scales and Measures**

To acquire the data, questionnaires were adopted, and informed consent was acquired. To assess occupational bullying, Negative Acts Questionnaire – Revised was adopted (Bilal, Raza, & Ghani, 2019); and to assess employee burnout Maslach Burnout Inventory was adopted (Stefanska, Manulik, Chmielowiec, Chmielowiec, & Boron, 2021). Both the scales are most popular scales to analyze workplace bullying and employee burnout. Each scale consisted of 22 items. Both the scales measured the frequency of the behaviors experienced by the respondent on 5-point Likert scale; 1 = never experienced, 2 = occasionally experienced, 3 = monthly, 4 = weekly and 5 = daily.

#### **3.3 Statistical Analysis**

To assess the causal relationship between independent and dependent variable, linear regression was conducted on SPSS 20 along with Pearson correlation to investigate the association between the variables.

## 4 Results

### 4.1 Demographic Profile

Participants of this study are nurses belonging to different hospitals of Karachi and Hyderabad. Both – male and female nurses were forwarded the questionnaire and they actively participated for the study. Total 174 female nurses and 76 male nurses participated. Questionnaires were self-administered. Hospitals namely; Civil Karachi, Indus Hospital, Jinnah Postgraduate Medical College, Sindh Government Hospital, National Institute of Child Health, Aga Khan University Hospital, Abbasi Shaheed Hospital, Liaqat Medical College Hyderabad, Sheikh Saeed Memorial Campus and SIUT were approached for this research. 30.4% were the male respondents whereas 69.6% were the female respondents that participated for this research. Majority of the respondents i.e. 68.8% belong to age group of 21 to 30 years. 60.8% of the respondents had total professional experience ranging from 1 to 3 years, 22% of the participants had total experience ranging from 3 – 6 years and remaining respondents belonged to either having less than 1 year of total experience or more than 6 years of total professional experience.

**Table 1: Demographic Profile**

Demographics		Percentages
<b>Gender</b>	Male	30.4%
	Female	69.6%
<b>Hospital</b>	Civil Hospital, Karachi	1.6%
	The Indus Hospital	37.2%
	Jinnah Postgraduate Medical College	3.6%
	Sindh Government Hospital	2.4%
	Sheikh Saeed Memorial Hospital	22.8%
	Liaqat Medical College, Hyderabad	10.4%
	National Institute of Child Health	1.6%
	Aga Khan University Hospital	6.4%
	Abbasi Shaheed	8.4%
	SIUT	5.6%
<b>Age</b>	Less than 21 years	6.0%
	21 - 30 years	68.8%
	31 - 40 years	16.0%
	More than 40 years	9.2%
<b>Total experience</b>	Less than 1 year	2.0%
	1 - 3 years	60.8%
	3 - 6 years	22.0%

	6 - 9 years	2.4%
	More than 9 years	12.8%
<b>Experience in current organization</b>	Less than 1 year	2.8%
	1 - 3 years	71.6%
	3 - 6 years	12.4%
	6 - 9 years	2.0%
	More than 9 years	11.2%

#### 4.2 Reliability Analysis

The internal consistency of constructs used in the questionnaire was assessed through Cronbach's alpha. The results are presented in Table 2. Results indicate reliability statistics for the reliability of scales. Cronbach alpha was run on SPSS 20 to measure the interitem consistency. Cronbach alpha was run for Negative Acts Questionnaire – Revised and Maslach Burnout Inventory respectively. The results depict high consistency for both the scales and the items in the scales share high covariance.

**Table 2: Reliability Status**

	<b>Cronbach's Alpha</b>	<b>Cronbach's Alpha Based on Standardized Item</b>	<b>N of Items</b>
<b>Workplace Bullying (NAQ-R)</b>	.937	.939	22
<b>Employee Burnout (MBI)</b>	.860	.862	22

#### 4.3 Descriptive Statistics

Table 3 shows descriptive statistics for this study. It exhibits mean +2.0425 for occupational bullying with standard deviation +0.801 whereas +2.6145 for employee burnout with standard deviation +0.716. Table further indicates skewness and kurtosis for this study. Skewness refers to where our data lies i.e. high end of the scale or the low end of the scale. Skewness for the data collected for workplace bullying is 0.691 with std. error .154; whereas for employee burnout skewness is 0.018 with std. error .154. Kurtosis measures how much peaked or flat the distribution is; for workplace bullying kurtosis is -.354 with std. error of 0.307 whereas for employee burnout kurtosis is -.085 with std. error .307. However, since the participants of the study were 250; normality, therefore, exists irrespective of skewness and kurtosis.

**Table 3: Descriptive Statistics**

	N	Min	Max	Mean	Std. Deviation	Skewness		Kurtosis	
						Statistic	Std. Error	Statistic	Std. Error
<b>Workplace_bullying</b>	250	1.00	4.50	2.0425	0.80128	0.691	0.154	-0.354	0.307
<b>Employee_burnout</b>	250	1.00	4.41	2.6145	0.71631	0.018	0.154	-0.085	0.307

#### 4.4 Correlation

For correlation statistics, test of Pearson correlation was run on SPSS to determine the significant association between the variable. The coefficient correlation tells us the strength of the linear relationship between our variable. Table 4 indicates that the correlation between workplace bullying and employee burnout is +.487 which is significant at the .01 level. This means that workplace bullying, and employee burnout are statistically positively correlated.

**Table 4: Correlations**

		Workplace_Bullying	Employee_burnout
<b>Workplace bullying</b>	<b>Pearson Correlation</b>	1	.487**
	<b>Sig. (2-tailed)</b>		0
	<b>N</b>	250	250
<b>Employee_burnout</b>	<b>Pearson Correlation</b>	.487**	1
	<b>Sig. (2-tailed)</b>	0	
	<b>N</b>	250	250

\*\* Correlation is significant at the 0.01 level (2-tailed)

#### 4.5 Regression Analysis

To investigate the impact of workplace bullying on employee burnout with gender as moderating variable, linear regression analysis was run on the data. Tables 5 to 7 indicate the simple linear regression. However, regression was run again after splitting gender into male and female so that the output is organized between the two and it is shown in tables 8 to 10.

**Table 5: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.549 <sup>a</sup>	0.301	0.293	0.60242
a. Predictors: (Constant), gender, workplace bullying, interaction				

**Table 6: ANOVA**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	<b>Regression</b>	38.486	3	12.829	35.350	.000 <sup>b</sup>
	<b>Residual</b>	89.275	246	0.363		
	<b>Total</b>	127.761	246			
a. Dependent Variable: Employee_burnout						
b. Predictors: (Constant), gender, workplace bullying, interaction						

**Table 7: Coefficients**

Model		Unstandardized coefficients		Standardized coefficients	t	Sig.
		B	Std. Error	Beta		
1	<b>(Constant)</b>	0.265	0.404		0.655	0.513
	<b>Workplace_ bullying</b>	0.89	0.193	0.995	4.614	0
	<b>Interaction</b>	-0.272	0.108	-0.667	-2.517	0.012
	<b>Gender</b>	0.874	0.229	0.562	3.808	0
a. Dependent Variable: Employee_burnout						

**Table 8: Model Summary**

Model	Gender	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	Male	0.620 <sup>a</sup>	0.384	0.376	0.59356
	Female	0.425 <sup>a</sup>	0.181	0.176	0.60619
a. Predictors: (Constant), workplace bullying					

**Table 9: ANOVA<sup>a</sup>**

Gender	Model	Sum of Squares	df	Mean Square	F	Sig.	
Male	1	Regression	16.286	1	16.286	46.225	.000 <sup>b</sup>
		Residual	26.071	74	0.352		
		Total	42.357	75			
Female	1	Regression	13.952	1	13.952	37.969	.000 <sup>b</sup>
		Residual	63.204	172	0.367		
		Total	77.156	173			
a. Dependent Variable: Employee_burnout							
b. Predictors: (Constant), gender, workplace bullying							

**Table 10: Coefficients**

Gender	Model	Unstandardized coefficients		Standardized coefficients	t	Sig.	
		B	Std. Error	Beta			
Male	1	(Constant)	1.138	0.189		6.011	0.000
		Workplace Bullying	0.618	0.091	0.62	6.799	0.000

Female	1	(Constant)	2.012	0.126		15.969	0.000
		Workplace_Bullying	0.347	0.056	0.425	6.162	0.000

Results after simple linear regression indicate R as 54.9% and adjusted R square as 23.9%. This means 29.3% of variance in employee burnout is explained by variance in occupational bullying. ANOVA indicates that regression equation is significant with  $F=35.350$ ,  $p=.000$ . From the results, we can conclude that our HO1 which stated there is no statistically significant impact of workplace bullying on employee burnout is rejected as our sig value is less than 0.05. Therefore, we can conclude that there is statistically significant impact of workplace bullying on employee burnout.

Furthermore, Ho2 of this study stated that gender does not moderates the impact of occupational bullying on employee burnout which has also been rejected after the test. Since p value is less than 0.05. Therefore, we can conclude that gender moderates the impact of occupational bullying on employee burnout.

Tables 8 to 10 indicate further analysis of occupational bullying on employee burnout based on gender. Results indicate that occupational bullying is stronger predictor of employee burnout in males with the  $\beta$  coefficient = 0.620 as compared to females with the  $\beta$  coefficient = 0.425.

## 5 Discussion

The present study highlights the relationship between workplace bullying and employee burnout especially in healthcare sector. Occupational bullying has been in focus of many studies from last few decades. This study indicated significant levels of workplace bullying among nurses – both males and females. Due to exposure towards occupational bullying, the burnout levels in employees tend to be high. As nursing profession is highly critical where human lives are involved, burnout levels can cause grave consequences. Additionally, this research also investigated the interaction of gender with workplace bullying and its impact on employee burnout. Outcome indicated that gender moderates the impact of occupational bullying on employee burnout and it is stronger predictor for burnout in males than in females.

Somani, Karmaliani, Mc Farlane, Asad, and Hirani (2015) reported prevalence of bullying among 33.8% nurses of Karachi. However, their study was limited to two public sector hospital and two hospitals of private sector only whereas current study includes eight tertiary care hospitals of Karachi and one tertiary care hospital of Hyderabad. Moreover, present study revealed the consequence of workplace bullying along with gender as moderating variable.

Looking at the respondent’s profiles, we conclude that majority of nurses aged from 21 years to 30 years making up to 68.8%. According to the data, majority of the male



respondents belonged to The Indus Hospital, Karachi whereas female respondents belonged to Sheikh Saeed Memorial Center, Karachi.

Data highlighted 64% of the male respondents having over all professional experience between 1 to 3 years whereas majority of female respondents also aged from 1 to 3 years making it approximately 59% of total. In terms of experience in current organization, majority of the respondents both male and females had 1 to 3 years of working experience in the current organization. This fulfils the operational definition of workplace bullying which states that bullying is when an individual has been part of organization for at least more than 6 months.

The correlation test was conducted to find the interdependence among the independent and dependent variable. Pearson correlation was computed to determine the association. The correlation coefficient was +48.7% at significant level 0.01. This concluded a strong association between the independent and dependent variable of our study.

This research investigated the impact of workplace bullying on employee burnout among nurses. The results portrayed that significant impact of workplace bullying exists on the employee burnout. Furthermore, this research studied the workplace bullying and its influence on burnout levels based on gender. Results depicted R for male to be .710 and R for female to be .423 with adjusted R square .492 and .174 respectively. Sig value for both – male and female was below 0.05. F value for male nurse was 40.679 and for female nurse was 20.218 after splitting the gender. The outcome indicated that bullying is strong predictor in males than in females.

A study conducted by Yildiz (2015) to investigate the relationship between bullying and burnout supported that bullying has impact on all three components of employee burnout and it is a strong predictor of it as identified in present study. Literature also supports that burnout causes reduced self-esteem, high probability of sick leave, difficulty in concentrating at work, quitting the nursing profession altogether or worse, depression and suicide (Hartin, Birks, & Lindsay, 2018).

## **6 Conclusion**

This study investigated the impact of occupational bullying on employee burnout. The results from the statistical model conclude that occupational bullying is a strong predictor of employee burnout. Moreover, gender moderates the relationship between occupational bullying and employee burnout. Results indicate occupational bullying is strong predictor of employee burnout in males than females.

Employees, irrespective of industry, are only ways for organizations to gain competitive advantage. Organizations can retain employees by giving extrinsic and intrinsic rewarding jobs. One of the essential means of retaining people is having good work environment. Good work environment not only encourages employees, but it impacts on customers as well.

One component of good work environment is that employee feels safe. Prevalence of workplace bullying is in contrast with the safe and secure work environment. There are a lot of consequences associated with workplace bullying and it causes distress to the entire organization.

Workplace bullying has high costs associated with it specially in the healthcare sector because of the nature of the profession. This study examined the impact of workplace bullying on employee burnout among nurses of Karachi and Hyderabad. As we conclude that there exists a strong impact of workplace bullying on employee burnout with stronger predictor being in males than females, therefore, corrective measures should be taken by organization. Unfortunately, Pakistan lacks any specific anti-bullying legislation which can be due to lack of awareness (Ahmad, Kalim, & Kaleem, 2017). Therefore, organization must indulge in devising policies that help curb the bullying.

With the advent of globalization, world has become an ever-changing place. Organizations are competing to gain competitive advantage and are indulged in war on talent as competitive advantage can only be gained by human resources. Employers offer various benefits to the hires. One of the most important characteristics of a good organization is a safe work environment. It is essential for organizations to make a safe and healthy workplace because it strongly impacts the productivity of employee.

## **7 Recommendations**

Even though organizations have safety and protective policies but bullying is still a sad reality. This menace needs to be curbed so that not only individuals would be safe from physical and mental stress but organizations remain sustained as well. Merely anti-bullying policy would not make a difference until the work culture has interpersonal respect instilled in it (Hidgins, et al., 2020).

Moreover, organizations need to create transparent mechanisms where recipient could report incidences without any fear and hesitation. (Wech, Howard, & Autrey, 2020). In addition, employees in managerial positions must be trained to create a healthy work environment and to hold individuals responsible for accountability (Anusiewicz, et al., 2020).

Future studies can further extend the implications of workplace bullying by shedding light on individual's health and its effect on their social, professional and personal lives. In addition, research can be conducted using various other demographics so that target-oriented policies can be drawn since effects of workplace bullying can be felt differently by people. It is also suggested to conduct research using qualitative methods so that comprehensive understanding of this menace can be drawn and specific resolutions can be devised.

**Author Contributions:** Pireh Sikandar: Topic conceptualisation, literature review, conceptual model, data gathering, Dr. Nawaz Ahmed: Data analysis, statistical techniques, discussion and conclusion

**Data Availability Statement:** The data will be available for further researches

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## Pathways Toward Job Creation: Empirical Evidence on the Role of Digital Entrepreneurship and Social Capital

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### Abstract

Entrepreneurship has become a critical aspect of nations' socio-economic growth. Digital entrepreneurship is a new business model for pursuing opportunities via the use of digital technologies. The goal of this research is to look into the impact of digital entrepreneurship on employment creation, as well as the role of social capital as a moderator. This research is based on a survey technique, with 453 digital entrepreneurs in Pakistan filling out a well-structured questionnaire. We have checked the instrument reliability, validity, and data normality before employing inferential analysis. The hypotheses were tested using correlation and hierarchical regression analysis. The study's findings demonstrated a considerable positive relationship between digital entrepreneurship, job generation, and social capital. The empirical data showed that digital entrepreneurship has a substantial impact on job generation in the country. Results of moderation analysis revealed that social capital acts as a moderator in the relationship between digital entrepreneurship and job creation. The study concluded that the enhancement of digital entrepreneurial activities is more likely to maximize job creation. Finally, the findings demonstrated that social capital had an enhancing effect as a moderator, as its inclusion boosted the impact of digital entrepreneurship on employment creation.

**Keywords:** *Digital Entrepreneurship, Job Creation, Social Capital* JEL Code: M13, J23

### 1 Introduction

The growth of information and communication technology has ushered in the digital era (ICTs) The technology approach broadened the scope of both domestic and international companies. According to Block, Brohman, and Steinger's study, the application of ICTs in organizations resulted in a significant modification of traditional business processes and a shift toward current entrepreneurship (digital entrepreneurship) (2020). Digital entrepreneurs undertake business in a new way as compared to conventional entrepreneurs and play a tremendous role in world economic development. In line with digital entrepreneurship, Google, Apple, and Facebook, etc. not only made drastic changes in conventional businesses but also changed the way of communication in daily social lives (Richter, Kraus and Bouncken, 2015; Panetta, 2017, Duan, Kotey & Sandhu, 2021). Digital entrepreneurship is conceptually reported as an opportunity for new business creation caused by the use of ICTs, social computing, mobile technologies, and digital platforms (O'Reilly, 2007; Davidson & Vaast, 2010;

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Onetti, Zucchella, Jones, McDougall-Covin, 2012; Oestreicher-Singer & Zalmanson, 2013 & Cooper, 2019). Digital entrepreneurship is a novel concept that is vigorously studied in developed countries (Anckar, 2016). Digital entrepreneurship monitor (2014) reported five main pillars of digital entrepreneurship including (digital knowledge base and ICT market, digital business environment, access to finance, digital skills, and e-leadership and entrepreneurial culture).

The current study used the Actor-network theory of Latour (2005) that stated the collaboration of human and material actors to enhance the overall performance. This study made a theoretical contribution by checking the influence of digital entrepreneurship on job creation by using social capital as a moderator because existing literature is quite on the association among these variables. Furthermore, we explored five sub-dimensions of digital entrepreneurship including the Digital knowledge base & ICT market, Digital business environment, Access to finance, Digital skills & E-leadership, and Entrepreneurial culture. In addition, we made a methodological contribution by developing the scale of digital entrepreneurship (Enz, Hinkin & Tracey, 1997) and used Hayes process macro for moderation analysis. As for as, this study is conducted in Pakistani perspective because in developing countries the concept of digital entrepreneurship is still passing through the crescent age and is not reached its yielding stage. Similarly, the findings of this study are beneficial for multi-groups of society, for instance, it inculcates the practicing entrepreneurs toward adopting the digital technologies for recognizing and catching the new opportunities. Furthermore, the study grabs the attention of policymakers to initiate the projects, that assist and encourage the youth to be engaged in digital entrepreneurial undertakings. Concurrently, social capital plays an active role in intensifying the role of digital entrepreneurship in job creation that leads toward economic prosperity.

## **2 Literature Review**

With the emergence of ICTs, complex technological and structural communication fabric emerge which summons all the resources in one place and enhances the access to the global market in continuous dramatic ways. Mole & Mole (2010) noted that the advances of the internet in the 21st century is an opportunity creator, which in many ways, directly and indirectly, alters the market structures for entrepreneurs whether or not they use it. The late 1990's decade witnessed the internet revolution along with the influx of entrepreneurs, which induce structural and legislative reforms for the internet industry under international law.

### **2.1 Digital Entrepreneurship**

The scholars reported not to merge the terms internet entrepreneurship and digital entrepreneurship (McKelvey, 2001 & Abubakar, Faik, & Mkansi, 2021). Because the internet entrepreneurs and innovators develop business models based on the internet i.e., e-business and e-commerce and they exclude all those businesses which use digital technologies other than the internet like cellular technology as a trading platform and mobile commerce. According to Hafzieh, Akhavan, and Eshraghian (2011), there are three main differences in digital and conventional entrepreneurship, a) There is a big



difference in organizational structure, the art of working, and business prototypes. b) The marketing of services by digital entrepreneurs is entirely different from traditional entrepreneurship. c) Mostly the place of work in digital entrepreneurship is cybernetic, so employees don't need to be positioned physically (Waker 2006; Davidson & Vaast, 2010; Nambisan, 2017; Li et al. 2021, Zhang et al. 2021; Gong et al. 2021).

Moreover, Davidson and Vaast (2010) argued that entrepreneurship in digital economies having the characteristics of three different but interrelated types of entrepreneurship that generate opportunities: a) Business entrepreneurship, b) Institutional entrepreneurship and c) Knowledge entrepreneurship. They also mentioned that digital entrepreneurship is based on the interrelationship among technology, organization, and work meaning that it is socio-material. There are many E-commerce enterprises like Amazon.com, E-bay.com, etc. are the business entrepreneurs in digital economies meaning that they have created digital ventures and earning profit from them. The use of intellectual capital by the people to generate wealth for their personal needs as well as for the community is known as knowledge entrepreneurs. Arianna Huffington is the best example of a knowledge entrepreneur. The creation of new institutions or the development of existing ones is known as institutional entrepreneurship. Such type institutions like Alibaba or Rozee.com, harvest laws for these new types of organizations and entrepreneurs and also launch contemporary standards, technologies, and digital innovation (Von, Recker, Selander, Jarvenpaa, Hukal, Yoo, & Wurm, 2021; Davidson & Vaast, 2010). According to Hair et al. (2012) when entrepreneurial ventures work through digital technologies are known as digital entrepreneurship. Digital entrepreneurship having distinguished business models as compared to traditional entrepreneurship because they adopt digital platforms to hound their products, distribution, and marketing processes. Rosenbloom et al. (1993) and Muhibullah et al. (2021) reported the gigantic spectrum of digital entrepreneurship that all those large established enterprises that evolve software, hardware, and networking technologies to small level start-ups using ICTs to run businesses.

## **2.2 Job Creation**

The dilemma of job creation is at a crucial stage in developing economies because of severe poverty all the dwellers are to be employed to ensure survival (ILO, 2011). This problem turns into a hazard for society and the economy of many developing countries. This unemployment leads to uncertainty in labor markets, reduction in tax collection, and expanded well-being costs. Unemployment is not only a worry for unemployed dwellers but also an issue for society and families. Most people expected to obtain a job after completion of education. If the occupant failed in finding jobs, they are demoralized that ultimately depreciates human capital, and resultantly causes social segregation (Gilal et al., 2019; Clark & Summers, 1982). Natras (2002) reported that crime and violence are also the outcomes of unemployment that may totally destroy society and ultimately the economy. International Labor Organization in 1983 argued the dweller is said to be jobless if, a) he or she is not at work, b) presently accessible

for the job, c) looking for work. This argument is now used in one or form by developed and developing countries.

So, from the above discussion, it is concluded that unemployment is evil for individuals, families, societies, and economies. Hence, it is crucial for governments, non-government agencies, industrialists, and entrepreneurs to help dwellers in creating opportunities that ultimately lead towards job creation (McMahon et al. 2021; Zhang et al. 2021).

### **2.3 Social Capital**

The pivotal works of Bourdieu (1986) and Coleman (1990) compel many scholars to confer social capital. Social capital is comprised of mutual anticipation of economic rewards among dwellers and clusters by collaborations. Due to this dynamic nature of social capital, it has been studied from various outlooks of the economic gig to the expansion of human capital, regional and national growth (Nahapiet and Ghoshal, 1998; Fraser, 2021). The broad spectrum of social capital comprehends intricate network acquaintances between economic and social perceptions (Robison et al., 2002 and Setini, Yasa, Supartha, Giantari, & Rajani, 2020; Hua, Dong, & Goodman, 2021). Social capital is the process of sharing customs, beliefs, or values and considerations to enable collaboration in groups (Organization for Economic Co-operation and Development, 2001). An individual social capital encompasses his or her associations with other dwellers by which one can engage in attaining his or her interest (Khan, Yang, & Waheed, 2019). The conception of social capital theory was based on dimensions of belief, policies, and customs that help in controlling social collaborations, actions, and traits of a network and its resources. Resultantly social capital phenomenon is researched in numerous fields including political science and economics (Chen et al. 2019; Collier, 1998; Woolcock, 1998; Leana & Van Buren, 1999; Putnam, 1993; Fukuyama, 2001; Zhang et al. 2018).

### **2.4 Digital Entrepreneurship and Job Creation**

Anyadike, Emeh, and Ukah (2012) described the advent of creating jobs as one of the extremely crucial economic problems faced by today's world. Entrepreneurs are playing a tremendous role in job creation by examining society's immediate needs and try to provide solutions. The provision of solutions to prevailing social problems needs systematic processes in a way that creates opportunities for fetching human efforts known as job creation. Job creation widely depends on the nature of opportunities engendered by entrepreneurs because every job demands specific skills relevant to the job. Tijani-Alawiye (2004) and Mehmood et al. (2020) suggested that entrepreneurship is the continuous process of creating and providing the adept workforce for innovation and on other hand helps in the establishment of new firms (SME's), encouraging and polishing the capabilities of entrepreneurs not only to run the innovative business but also nurturing them for sustainability by encompassing the socio-economic activities and its growth (Pathan et al. 2017; Solangi et al. 2018). According to Anyadike, Emeh, and Ukah (2012), job creation is one of the numerous economic challenges faced by the world, Jobs creation is a qualified ability of an entrepreneur which s/he must be

developed strategically by hunting and identifying the opportunities and voids of an environment of any specific or world society and addressing those voids through innovative solutions. The European commission's project in the name of "Wotify" was designed with the goal of creating 1.5 million jobs in the field of digital entrepreneurship in Europe. Whilst creating opportunities this new idea also deters the jobs in sectors of retail and manufacturing where there is a deficit in the growth of demand and automation. Studies by OECD and other schools of thought described that level of production increases due to the technological evolution which reduces the overall cost of production, ultimately lead to an increase in demand which again increased employment and recompenses the initial job destruction.

### **2.5 Digital Entrepreneurship and Social Capital**

Cook (2011) argued that social capital whether conventional or modern helps in promoting economic growth. Kickul, Gundry, & Sampson (2007) reported that for women entrepreneurs' formal social capital brought many benefits like developing resources, financial benefits as compared to casual social capital. Previous work reported that proper training for producing quality products, proper entrepreneurial planning along formal social capital can help the women entrepreneurs for growth elevation. As per Inkpen and Tsang (2005) the entrepreneurs' individual and entrepreneur organizational social capital are collectively known as the generation of new resources within a prevailing social network. And long-term business consistency can be achieved by accumulative network associations along with inherited social resources. Moreover, organizational capacities are directly proportional to value creation via novelty in products through quality services (Prendes-Espinosa, Solano-Fernández, & García-Tudela, 2021; Möller & Rajala 2007).

### **2.6 Digital Entrepreneurship, Job Creation, and Social Capital**

Social networks in any society are an important source to achieve the defined objectives of business at any level (start-up, venture development, etc.) to analyze business growth (Job Creation) (Lee, 2009). While Ramos-Rodríguez et al. (2010) said that entrepreneurial social relations are the key elements for the establishment of resources that lead the new opportunities in a way to create more jobs (Gong et al. 2019; 2020). Furthermore, this social relation is worthy when properly managed by focusing its underlying structure (network organization, ties) to attain the business goals (Muhibullah et al., 2021; Muafi, Syafri, Prabowo, & Nur, 2021; Khan, Yang, Khan, Kherbachi, & Huemann, 2020). For consistent business/entrepreneurial growth utilization of the social networks aids to develop quality resources and value-added strategies through their social network potential.

## **3 Problem Statement**

The literature argued that digital entrepreneurship has a great potential in the modern world to enhance innovative entrepreneurial behavior leading to new ways of self-employment by the means of social capital (Gilal et al. 2019a 2019b; Block et al. 2018 & Anckar, 2016). In this modern age, despite the great development around the globe,

still there are many countries (developing and underdeveloped) facing the problem. The adoption of conventional approaches used in businesses ultimately lacks innovation and cannot handle the problem of unemployment. So, to solve the issue of inconsistent entrepreneur innovative behavior and unemployment in developing and underdeveloped countries, quick development and growth is the only chance by structuring digital entrepreneurship platforms. The current study aimed to explore an optimistic framework to study the issue of unemployment by connecting digital entrepreneurship platforms.

### **3.1 Research Objectives**

The research objectives of the present study are:

1. To find out the association among Digital Entrepreneurship, Job Creation, and Social Capital.
2. To investigate the influence of Digital Entrepreneurship on Job Creation.
3. To identify the moderating role of Social Capital in the relationship between Digital Entrepreneurship and Job Creation

### **3.2 Research Hypotheses**

H1: There is a positive significant relationship among the study variables.

H1a: There is a positive significant relationship between digital entrepreneurship and job creation.

H1b: There is a positive significant relationship between digital entrepreneurship and social capital.

H2: There is a significant effect of digital entrepreneurship on job creation.

H3: Social capital significantly moderates the relationship between digital entrepreneurship and job creation.

## **4 Research Methods**

### **4.1 Data collection method**

Primary data were collected from digital entrepreneurs of Pakistan by using a well-structured adapted and developed questionnaire.

### **4.2 Research population**

We applied a quantitative survey approach in order to collect the data from the digital entrepreneurs of Pakistan. Concurrently 361200 digital entrepreneurs are operating their businesses in Pakistan Grabowski, Koleonidis, Arshad, Sohail & Ibrahim (2017). So, the population of the current study is 361200.

### 4.3 Sample size and Technique

We used a convenient sampling technique (non-probability sampling) for data collection as the population of the study is scattered across Pakistan., hence, the data were collected from “453” digital entrepreneurs.

### 4.4 Instrument design

We developed a scale for digital entrepreneurship while using the framework given by digital Entrepreneurship Monitor (DEM, 2014) as per Hinkin, Enz, and Tracey (1997) as followed by (Gilal, Zhang, & Gilal, 2018), and the scales for job creation and social capital are adapted from the studies of Uzochukwu and Chidiebere (2015) and Amir (2015) respectively. The total number of items are “16” for variable digital entrepreneurship, “4” items for variable job creation, and “6” items for variable social capital.

## 5 Data analysis

We tested the instrument validity (factor analysis) for extraction of items, factors, and their confirmation, reliability of the scale, to check the convergent and discriminant validity using measurement model. We used AMOS-SEM for confirmatory factor analysis and SPSS for the purpose of moderation analysis using Hayes process macro to check moderation effects i.e. enhancing effect, buffering effect, and antagonistic effect (Preacher and Hayes, 2007).

## 6 Results

### 5.1.1 Construct Cross Loadings

**Table I Constructs Cross Loadings**

	DE	JC	SC
DE1	<b>0.673</b>		
DE2	<b>0.699</b>		
DE3	<b>0.711</b>		
DE4	<b>0.753</b>		
DE5	<b>0.719</b>		
DE6	<b>0.649</b>		
DE7	<b>0.752</b>		
DE8	<b>0.764</b>		
DE9	<b>0.758</b>		
DE10	<b>0.751</b>		
DE11	<b>0.705</b>		
DE12	<b>0.721</b>		
DE13	<b>0.729</b>		
DE14	<b>0.74</b>		

DE15	<b>0.683</b>		
DE16	<b>0.711</b>		
JC1		<b>0.736</b>	
JC2		<b>0.789</b>	
JC3		<b>0.748</b>	
JC4		<b>0.729</b>	
SC1			<b>0.479</b>
SC2			<b>0.6</b>
SC3			<b>0.569</b>
SC4			<b>0.648</b>
SC5			<b>0.757</b>
SC6			<b>0.727</b>

This study analyzes item cross-loadings to examine that, items load on their corresponding constructs with higher factor loadings as compared to other constructs (Chin, 1998 & Yi and Davis, 2003). The aforementioned table revealed that all items load higher on their corresponding construct as compared to other constructs (See Table-I).

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6.1.1 Confirmatory Factor Analysis (Digital Entrepreneurship)

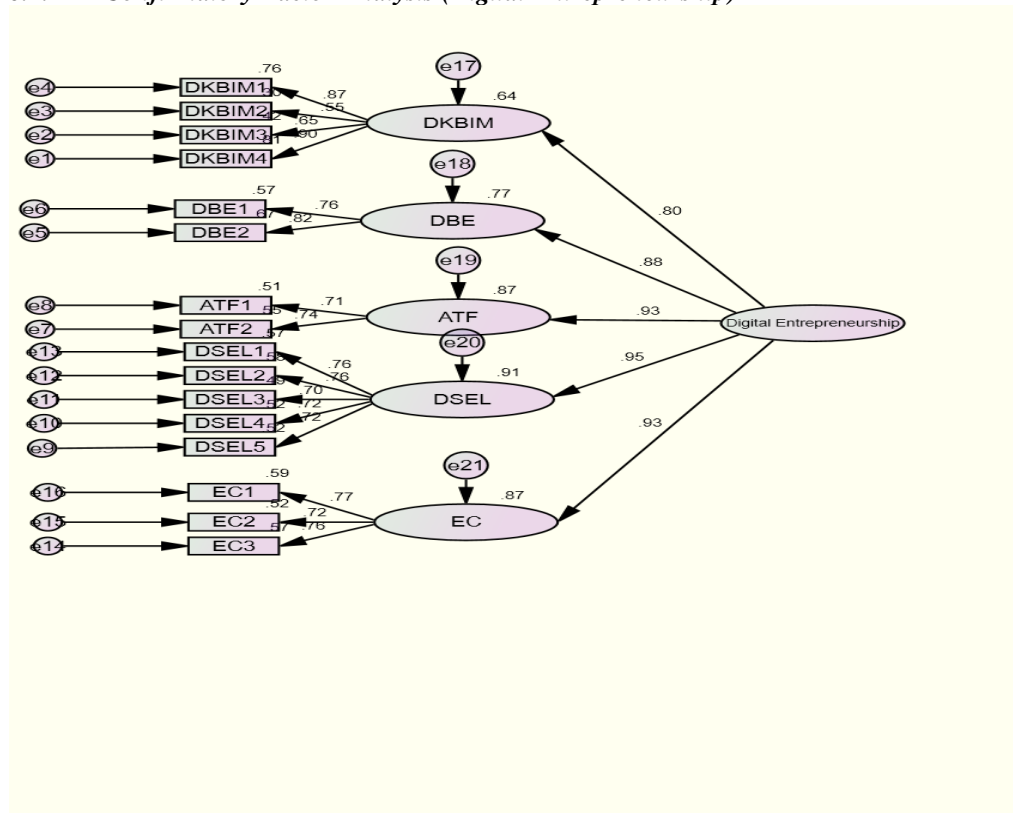
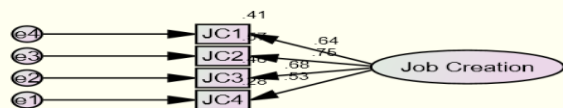


Figure: I Confirmatory factor analysis (Digital Entrepreneurship)

Confirmatory factor analysis was done for the purpose of scale validation. Here, we applied CFA on digital entrepreneurship for model fitness, which can be seen in figure I. We applied second-order confirmatory factor analysis because in first-order CFA digital entrepreneurship facets were highly correlated in such cases second-order CFA is the rationale choice. Measurement model elaborate model fitness an essential measure in CFA, verified using multiple fit indices like GFI, NFI, CFI, TLI, AGFI, and RMSEA (De Run, 2004; MacInnis & Jaworski, 1989; Moore & Lutz, 2000; Muehling, et al., 1991). Results of final data for the variable digital entrepreneurship revealed that the values of fit indices are  $\chi^2/df = 1.844$  with  $p < 0.01$  GFI = 0.949 > .90, NFI = 0.948 > .90, CFI = 0.975 > .90, TLI = 0.971 > .90, AGFI = 0.932 > .90 and RMSEA 0.043 < 0.08 for the variable digital entrepreneurship. Hence, final data results also reported overall model fitness based on the aforementioned criteria

### 6.1.2 Confirmatory factor analysis (Job Creation)



**Figure: II Confirmatory factor analysis (Job Creation)**

Measurement model elaborate model fitness an essential measure in CFA, verified using multiple fit indices like GFI, NFI, CFI, TLI, AGFI and RMSEA (De Run, 2004; MacInnis & Jaworski, 1989; Moore & Lutz, 2000; Muehling, et al., 1991). Results for the variable job creation revealed that the values of fit indices are  $X^2/df = 2.145$  with  $p < 0.01$ ,  $GFI = 0.995 > .90$ ,  $NFI = 0.989 > .90$ ,  $CFI = 0.994 > .90$ ,  $TLI = 0.982 > .90$ ,  $AGFI = 0.977 > .90$  and  $RMSEA = 0.050 < 0.08$  for the variable job creation. Hence, results reported overall model fitness based on aforementioned criteria.



6.1.3 Confirmatory factor analysis (Social Capital)

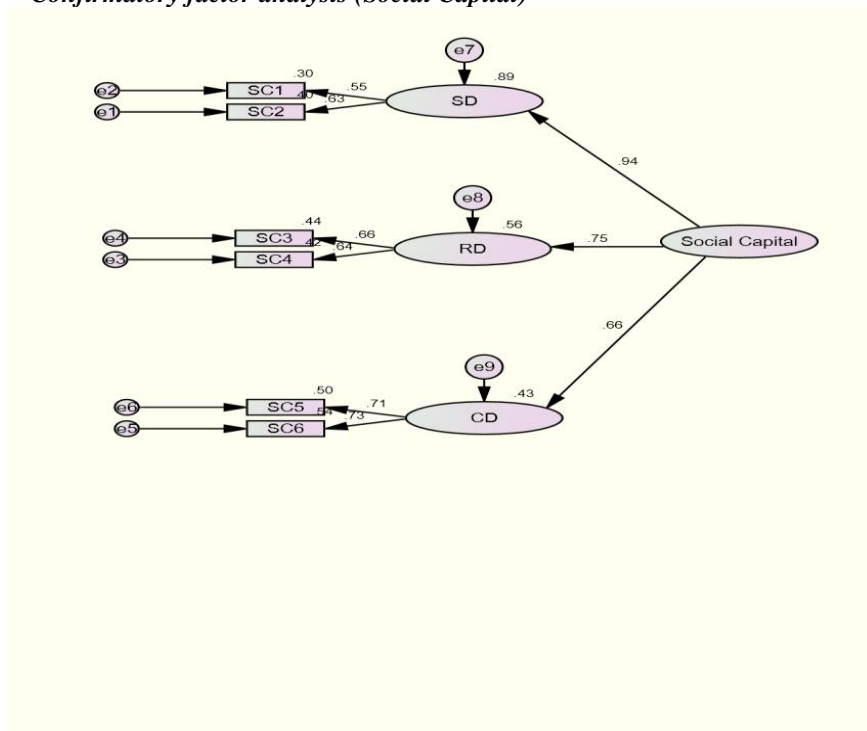


Figure: III Confirmatory factor analysis (Social Capital)

Measurement model elaborates the model fitness as an essential measure in CFA, verified using multiple fit indices like GFI, NFI, CFI, TLI, AGFI and RMSEA (De Run, 2004; MacInnis & Jaworski, 1989; Moore & Lutz, 2000; Muehling, et al., 1991). Results for the variable job creation revealed that the values of fit indices are  $X^2/df = 5.637$  with  $p < 0.01$   $GFI = 0.968 > .90$ ,  $NFI = 0.884$ ,  $CFI = 0.90$ ,  $TLI = 0.813$ ,  $AGFI = 0.915 > .90$  and  $RMSEA = 0.10 < 0.10$  (Henseler, Dijkstra, et al., 2014). for the variable social capital. Hence, results reported overall model fitness based on aforementioned criteria.

6.1.4 Convergent validity

Table II Convergent Validity

Construct	Items	Code	Loadings	Cronbach's Alpha	CR	AVE
Digital Entrepreneurship	Access to finance enhances the entrepreneur's profitability in Digital	DE1	0.673	0.938	0.945	0.519

Entrepreneurship.						
Digital entrepreneurs having access to finance other than bank loans.	DE2	0.699				
The government is adopting structures to promote a digital business environment.	DE3	0.711				
Enterprises using customer relationship management to analyze information about clients for marketing purposes.	DE4	0.753				
Digital media create excitement in society.	DE5	0.719				
Entrepreneur possesses awareness about information communication technologies (ICTs).	DE6	0.649				
Entrepreneur holds an experience of using ICTs.	DE7	0.752				
ICTs distribute the information quickly to improve organizational communication.	DE8	0.764				

	Digital entrepreneurship hires almost all employees with ICT skills.	DE9	0.758			
	Almost all Enterprises provide training to ICT/IT specialists to upgrade their ICT skills.	DE10	0.751			
	Digital entrepreneurs having the availability of individuals who obtained IT skills through formalized educational institutions (school, college, university, etc.)	DE11	0.705			
	E-Leaders give you the freedom to decide the way you do your job.	DE12	0.721			
	E-leadership enhances the commitment level of employees.	DE13	0.729			
	Favorable entrepreneurial culture is prevailing in society.	DE14	0.740			
	The government encourages Digital entrepreneurship in the country.	DE15	0.683			

	Positive entrepreneurial culture leads Digital entrepreneurship towards creativity.	DE16	0.711			
Social Capital	The establishment of stable partnership networks is encouraged by the entrepreneur.	SC1	0.479	0.716	0.800	0.406
	The acquisition of valuable information is facilitated by my working relationships.	SC2	0.600			
	Important information to my professional life is provided by my work contacts.	SC3	0.569			
	Personal relations within the company encourage a trustful work environment.	SC4	0.648			
	I consider my work environment to be encouraging.	SC5	0.757			
	The communication policy of the company promotes its organizational values in a way that can be	SC6	0.727			

	clearly understood by all.					
Job Creation	Digital Entrepreneurship create jobs that benefits to increase economic security of employees.	JC1	0.736	0.743	0.838	0.564
	Digital Entrepreneurship creates jobs that help employees to develop the skills necessary to launch a career path.	JC2	0.789			
	Digital Entrepreneurship creates jobs that help employees to enhances Career-building opportunities.	JC3	0.748			
	Digital Entrepreneurship creates jobs that provide sufficient funds to employees to manage financial emergencies.	JC4	0.729			

As per Hinkin, Tracey, and Enz (1997), for scale validation, it is important to run confirmatory factor analysis after exploratory factor analysis. The measurement model followed convergent and discriminant validity along with composite reliability of the study scale. We also calculated convergent validity based on factor loadings and average variance extracted. Pavlou and Fygenson (2006) reported the value of AVE>0.5 reveals convergent validity, Hair et al. (2007) argued the value of AVE>0.4 achieve convergent validity and (Gefen & Straub, 2005) reported that the values of factor

loadings greater than 0.6 also achieve convergent validity for items measuring their respective construct. Furthermore, the researcher calculated composite reliability to measure the construct reliability (Chin et al., 2003). The threshold for construct reliability is  $CR > 0.5$  (Hinton et al., 2004). Results identify that all the variables attain the convergent validity and construct reliability based on mentioned thresholds (See Table-II).

#### 6.1.5 Discriminant validity

**Table III Discriminant Validity**

	DE	JC	SC
DE			
JC	0.237		
SC	0.243	0.072	

Here the study results verified discernment validity based on Hetro-trait Mono-trait (HTMT) to ensure dissimilarity of the constructs. The table indicate digital entrepreneurship (DE) with job creation (JC) having HTMT-score = 0.237 < 0.85, digital entrepreneurship (DE) with social capital (SC) having HTMT-score = 0.243 < 0.85, and finally social capital (SC) with job creation (JC) having HTMT-score = 0.072 < 0.85. all of the HTMT-scores are well below the range of 0.85 proposed by Kilne (2003) (See Table-III).

#### 6.1.6 Correlation Analysis

**Table IV Correlation Analysis**

		JC	SC	DE
JC	Pearson Correlation	1	-.017	.198**
	Sig. (2-tailed)		.717	.000
	N	453	453	453
SC	Pearson Correlation	-.017	1	.203**
	Sig. (2-tailed)	.717		.000
	N	453	453	453
DE	Pearson Correlation	.198**	.203**	1
	Sig. (2-tailed)	.000	.000	
	N	453	453	453

Results elaborated that all the values of correlation are positive, and the probability values of the results are less than the threshold of 5%. Results explained that digital entrepreneurship has a positive relationship with job creation revealing that if the

government and private agencies provide proper digital skills through training, workshops, seminars, etc. to digital entrepreneurs of Pakistan and if these entrepreneurs work under the umbrella of appropriate E-leadership then they will not only be self-employed but will also create jobs in the country that will boost the economy in a very short run. In nutshell results elaborated that digital entrepreneurship is directly and significantly proportional to job creation (See Table-IV).

### 6.1.7 Regression Analysis

**Table V Regression Analysis**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sig.
1	.198 <sup>a</sup>	.039	.037	.68887	18.398	.000 <sup>b</sup>

a. Predictors: (Constant), DE

Simple Linear Regression results of model-II revealed that the value of R<sup>2</sup> = 0.039 with p<0.05 and F = 18.398, meaning that there is 3.9% change occurred in job creation due to digital entrepreneurship and the overall model is significant as the probability statistics meet the threshold at 95% confidence interval (See Table-V).

### 6.1.8 Coefficients

**Table VI Coefficient**

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.333	.109		30.633	.000
	DE	.143	.033	.198	4.289	.000

a. Dependent Variable: JC

Results of the model coefficient elaborated that the beta value of digital entrepreneurship = 0.143, meaning that with the one-unit change in digital entrepreneurship there is 0.194 unit change that occurs in job creation with t = 4.289 and p<0.05 (See Table-VI).

### 6.1.9 Multiple Hierarchical Regression

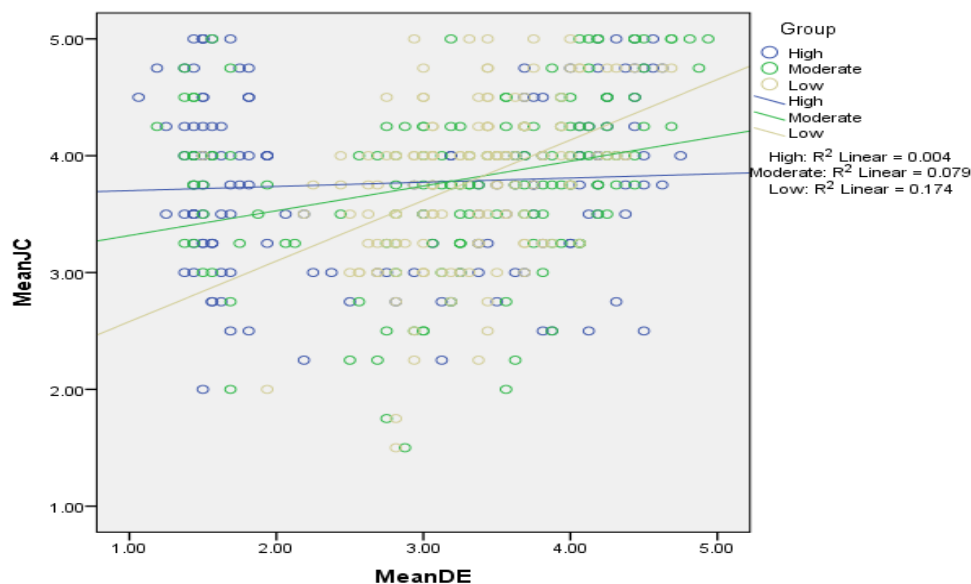
**Table VII Multiple Hierarchical Regression**

Variables	Coefficient (b)	SE (B)	R <sup>2</sup>	R <sup>2</sup> Change	P(Model Summary)	T	P
Constant	3.7588	.0328	.0608	.0182	.0000	114.679	.0000
Social Capital	-.0608	.0544				-1.1181	.2641
Digital Entrepreneurship	.1948	.0368				5.2965	.0000
DE*Social Capital (Int)	.1678	.0569				2.9493	.0034

Results of multiple hierarchical regression elaborated that  $R^2 = .060$  with  $p < 0.05$ , meaning that 6% variation in job creation due to digital entrepreneurship. The overall model is statistically significant based on probability statistics at a 95% confidence interval. We used social capital as a moderator on the relationship between digital entrepreneurship and job creation. Results of moderation analysis show the value of  $R^2$  change = 0.0182 with  $p < 0.05$  by following Jaccard et al (1989), who reported  $R^2$  change as a base to evaluate moderation effect. Model coefficient explained the beta score of digital entrepreneurship (independent variable) is 0.1948 with  $p < 0.05$ , a beta score of social capital (moderator) is -0.0608 with  $p > 0.05$  and the beta value of interaction is 0.1678 with  $p < 0.05$ . Results explained that with the one-unit change in digital entrepreneurship there will be 0.1948-unit variation occurred in job creation, a beta score of social capital revealed that with the one-unit change in moderator there will be -0.0608-unit variation in job creation and at last the beta value of interaction term (digital entrepreneurship\*social capital) explained that with the one-unit change in interaction term there is 0.1678-unit variation in the dependent variable. Here the study results also confirm moderation criteria given by Aiken and West (1991), They explained significant interaction as a compulsory part for a moderator to do act as moderator. Results also revealed the nature of the effect that when moderator brought to the model carries enhancing effect i.e., the inclusion of social capital as a moderator increases the effect of digital entrepreneurship on job creation (See Table-VII).

### 6.1.10 Interaction Plot





**Figure V Interaction Plot**

Aicken and West (1991) reported that for analyzing the conditional effects of moderator on dependent variable researcher should have to group the moderator into three categories (High social capital, Moderate social capital, and Low social capital). Conditional effects of groups revealed that high social capital is represented by the blue line, moderate is the green line and low social capital is represented by the yellow line. The value of R<sup>2</sup> for high social capital is 0.004 and its under root revealed the correlation is found at 0.063 with digital entrepreneurship and job creation. The R<sup>2</sup> value for moderate social capital is 0.079 with a correlation of 0.281 with digital entrepreneurship and job creation and in the end, the value of low social capital is 0.174 and it's under root elaborated correlation is 0.4171 with digital entrepreneurship and job creation. Results also elaborated the conditional effect of digital entrepreneurship and social capital on job creation. Investigation of interaction plot revealed that as digital entrepreneurship and social capital are high the job creation is also elevated, and this would be the best scenario for entrepreneurs to be adopted. The plot also elaborated that when digital entrepreneurship is low job creation is almost the same for entrepreneurs with low, moderate, or high social capital, See figure-V.

## 7 Discussion

Digital entrepreneurship idea emerged in the 21st century, scholars like (Yaghoubi, Salehi, Eftekharian&Samipourgiri, 2012; Hull, Hung & Hair, 2006; Digital Entrepreneurship Monitor, 2014; Davidson & Vaast, 2010; Growth European Union, 2016; Leong, Pan & Liu, 2016; Hamid & Khalid, 2016 & Anckar, 2016) drove numerous dimensions of digital entrepreneurship. We aimed, to find out the moderating

role of social capital in the association between digital entrepreneurship and job creation. Results of the research elaborated that digital entrepreneurship reported a significant relationship with job creation and social capital. Meaning that with the increase in digital entrepreneurial activities more jobs will be created and it will also help in boosting the social capital. Based on the findings of the study, hypothesis “1” along with its sub-hypotheses (H1a and H1b) is accepted. Results are in line with the findings of existing researches of Anckar, (2016) and Prendes-Espinosa, Solano-Fernández, & García-Tudela, (2021) the study argued that digital entrepreneurship plays a significant role in creating more jobs with the inclusion of social capital. Results also revealed that digital entrepreneurship having a significant influence on job creation, meaning that with the increase in digital entrepreneurship, more jobs can be created in an economy that will lead the economic prosperity. Based on findings hypothesis “2” is accepted. Results are supported by the scholarly work of (Hamid & Khalid 2016; Anckar, 2016). Research revealed that social capital significantly moderates the relationship between digital entrepreneurship and job creation based on findings it is reported that the inclusion of social capital enhanced the effect of digital entrepreneurship on job creation. Results of the study accepted hypothesis “3”. Results are supported by the findings of (Davidson & Vaast, 2010 and Zhao & Collier, 2016).

## **8 Conclusion**

Concurrently, the world is considered as a global village, still, there are evils of unemployment at peak in most of the countries due to many reasons. Economists are consistently working to find out the solution to reduce unemployment. In the recent past, entrepreneurs’ fetch the attention of the world by introducing novel entrepreneurship i.e., digital entrepreneurship in order to reduce the tribulations of unemployment. The findings of the study revealed that digital entrepreneurship and social capital are important spectacles to reduce the level of unemployment around the globe without the barriers of caste, race, culture, distance, etc. The prime of the study was to evaluate the relationship between digital entrepreneurship and job creation, with the moderating role of social capital in Pakistan. The results of the study concluded that digital entrepreneurship has a positive relationship with job creation, meaning that with the increase in digital entrepreneurial activities more jobs will be created, and results also concluded that the inclusion of social capital being a moderator, enhances this relationship. Hence, the findings of the study inculcate the government authorities, practitioners, academicians, entrepreneurs, and students to focus on establishing more and more digital entrepreneurial initiatives with the intentions to create jobs as well as, the entrepreneurs may focus on enhancing their social capital that boosts employment level.

## **9 Implications for Entrepreneurs**

The theoretical side of the study contributed to the knowledge of career digitalization in the era of sustainable development by new employment channels. Firstly, the study at hand contributed to the field of employment by highlighting critical factors in the domain of e-commerce. Secondly, this study accumulated digital entrepreneurship

means that support job creation. Thirdly, this study model offers an extended framework to investigate the role of social capital in connection to job creation and digital entrepreneurship to map an optimistic path in the field of management science. Practically, the study findings of the study frame a roadmap for creating more and more innovative jobs than traditional sectors of the economy. Similarly, digital means design employment platforms for job seekers in a cheaper and flexible way in the Pakistani market. Furthermore, the traditional, as well as digital entrepreneurs, may use their social capital at par to develop their businesses which in turn increases more opportunities and firms' reputation in society. The findings indicated that social movement is an ideal and convenient path that entrepreneurs transform into optimistic products by capturing social knowledge. Finally, at the broader spectrum, the findings of the current work showcase a network of employment trees that will be the panacea for the decision machinery of a country like Pakistan.

## **10 Limitations and future direction**

The cross-sectional nature of data is the part of this study that can be strengthened further by future work having longitudinal data of digital entrepreneurship and job creation area. The study at hand is based upon a limited sample size of Pakistani digital entrepreneurs that can hinder the generalizability of the findings of the study. Since, the sample size can be increased in future studies, so as to cover the limitations of this study in respect of the small size of the sample. The current study is only confined to digital entrepreneurs, future work may include comparative analysis of conventional and digital entrepreneurship in the context of job creation.

### **Author Contributions:**

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The principal author initiated the idea via available models on papers, identified the gap and developed a scale for the purpose of data collection & interpretations of findings.

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