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# THE DYNAMIC ROLE OF TRUST TOWARDS AUGMENTING TEAM EFFECTIVENESS AND PRODUCTIVITY

## Muhammad Zia-ur-Rehman

Associate Professor, Department of Leadership and Management Studies, National Defence University, drziaofficial@gmail.com

#### Hira Khalil

Research Scholar, National Defence University Islamabad hirakhalil@gmail.com

# **Muhammad Ismael Ramay**

Associate Professor, National Defence University Islamabad Dean-ramay@gmail.com

#### Abstract

Modern competitive environment demands that the level of adaptability and flexibility in the organizations be increased. An increasing number of organizations have tried to explore trust and team effectiveness as a mean of achieving organizational desired outputs. In this paper we have proposed a model of trust and team effectiveness that may contribute to increase productivity of organizations. Although current study only focused on two factors to increase productivity, however a modification and addition to this may be necessary. Research results show significance relationship between three variables studied. All our hypothesis were approved and they show that trust add to team effectiveness and organizational productivity. The research also offers set of future perspectives of increasing productivity as well.

**Key words**: (Productivity, Trust, Team Effectiveness, Commitment, Cohesion) **INTRODUCTION** 

With modernization everything is on the path of adaptability and change. Impossible things have been possible on single click. This rapid change has brought change in everything from the livelihood of people to the operations in organizations. Organizations in today's world have been struggling to survive in super competitive environment (Tyler, 2020). Those which are not able to bring adaptability and productivity face disastrous losses. Organizational performance means an organization's actual outputs or results as compared to its projected outputs or goals and objectives. Today's businesses want to get the most out of their resources. Interdependence is the foundation for mutual trust and respect. It's simple; employees who trust you have a higher level of motivation. That's why it's critical to periodically delegate authority to your team in order to improve their performance (Mishra, 1996).

Delegation is important task of effective leadership. Let's imagine you are working on a project and need to make a critical decision. Rather than tackling it alone, you invite and solicit comments from your team and actively demonstrate that you have factored their input into your decision-making process. So, trust is a firm conviction in someone or something's character, strength, or truth. It is the legal arrangements in which a property owner transfers ownership to another person or entity who is obligated to keep and utilize the property only for the benefit of others. The capability of a team to attain the aims or objectives set out by professionals or the organization is called team effectiveness. Trust, communication and effective leadership i.e., a focus on common goals with a shared responsibility for achievements are essential components of teamwork. Several Meta-analyses show the association between how much a team members trust one another and the achievement of team goals.

The results that you will obtain from working well together as a team are many. Positive spirit, increased productivity, high standard work attainment and desired goal achievement are just a few examples. It also helps to create a sense of protection and better collaboration. When individuals of a team feel safe, they become more open and more eager to work, they become ready to take risks and also disclose weaknesses. Trust is also necessary for knowledge sharing. Effective teamwork leads to success in the end. On the other hand, productivity shows the efficiency with the help of which product or services are produced. Companies where employees are trustworthy have reported 76 percent less stress, more energy at work (106 percent), 50 percent greater productivity, 13 percent lowered sick

days, 76 percent more work engagement, employees more satisfied with their lives (29 percent) and 40 percent lowered burnout as compared employees at low-trust organizations (Buzaglo, 1999).

Productivity is frequently shown as a ratio of output to input or an input used in a production process i.e., output to input, over a specified time period. Productivity is a metric that measures how efficient a company's production is. Increased productivity can result in more profit for corporation and higher income for individuals. Productivity increase is vital for business because giving more goods and services to customers means more revenues. The following are some of the ways that trust and team effectiveness influences productivity:

- 1. Employees that are trusted are more likely to stay engaged. Trust is the remedy to employee disengagement, which is decreasing productivity throughout educational institutes. Employee who feels more engaged to their work invest more of themselves in their employment, according to research, high level of trust result in a deeper feeling of personal responsibility, interpersonal insight and alignment in the pursuit of common goals. Management has been found to utilize fear to create a negative working atmosphere that effects productivity. When people do not trust their leaders, their relationships become transactional because employees are compelled to think "What if the company fails?"
- 2. Trust eliminates bureaucracy and speeds up the process. High trust cultures eliminate fear, employees at all level may be open and honest or suspicion from higher management allowing teams to do correct things as quickly as possible. Criticizing, complaining, comparing, competing and arguing are all avoided in high trust cultures.
- 3. Collaboration quality improves as a result of trust. Honesty and trust generate a positive feedback loop that fosters an open culture that increases team collaboration. Better execution and deeper collaboration are all outcomes of high-trust cultures. Having shared and common goals which are predicted on a willingness to provide accurate information: a trait that emerge from trust is critical to achieving high quality collaboration. The more the trust and efficiency the easier and faster a team may deliver honest feedback to each other utilizing technologies like reflection which connect seamlessly into existing workflows.

# Some of the research objectives for current study are:

RO1. To figure out the state of Productivity in educational sectors.

RO2. To find out the role of trust in educational sectors.

RO3. To check out what role team effectiveness plays during the presence of trust and productivity.

As productivity has been a matter of concern for organizations now a days. It can be seen that trust between team members is associated with the performance of the team in presence of other features: trust in team leader, previous team performance which have an impact on productivity. Trust is more likely to help team members to focus on collective goals rather than personal interests. Trust between colleagues also improves organizational effectiveness. It decreases turnover, work related stress and ultimately increases better quality of products and services that a company produces. This helps team members to cooperate more effectively in order to accomplish the team's objectives.

Based on the above objective following were current study's research questions:

#### **Research Ouestion**

RO1. What is the role of trust in educational sectors?

RQ2. What is the role of team effectiveness in the presence of trust and production?

### REVIEW OF LITERATURE

Trust is defined as a team member's perception about how the team member would perform his or her activities (such as sharing information) that will be beneficial or not, allowing for the creation of a cooperative environment for team members (Gambetta 1988).

Cook (1998) asserted that the greatest achievement of an employee is achieving defined goals through teams (teamwork). It is common knowledge that cooperation is not only the foundation of effective management, but also the way of increasing overall organizational productivity.

Globalization workplace diversity has improved awareness about cultural differences, economizing, rescheduling, increased workplace consensus, international networks, compound alliances, information technologies and decentralized decision making are just few of the actions and procedures that place trust on top of managers task (Mishra, 1999). Many people believe that trust within the organization is directly connected to the capacity to form new relations and networks of trusting associations in order to complete business transaction and that is thus a predictor of whether or not a company will survive (Fukumama,1995). Furthermore, employee job satisfaction and perceived organizational effectiveness have been linked to trust (Money, Shockley-Zalabak and Cesaria, 1997). It's not astonishing that a transformed interest in trust has surfaced as scholars and consultants alike

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seem to understand relationships between trust, cooperative behaviors and organizational ability to change in this time of increased need for change and less certainty about how changes can and should occur (Kramer and Tyler,1996).

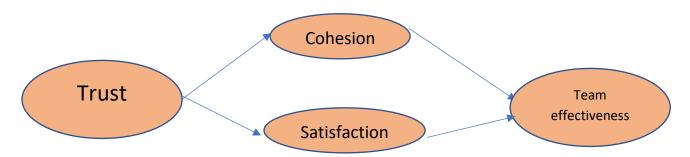
Making a team's existence significant to the individual is essential for the team cohesion (Fine and Holyfield, 1996). Wage (1997 defined teamwork as "process of working together in a group to achieve common goals and objectives for improved products and organizations in order to provide high-quality service" (productivity). Establishing a culture of success, which supports an atmosphere for the interpersonal risk-taking is one of the basic ways to do so (Edmonson, 1999).

The importance of trust in team procedures and performance is frequently emphasized (Dirks 1999; Dirks and Ferrin 1998). One of the most frequently cited reason for the importance of trust that team members who trust each other are better able to observe and improve team processes, and thus self-manage their own performance (Friedlander 1970; Golembieski and McConie 1975; Larson and LaFasto 1989). Despite this, studies looked into the association between trust and team effectiveness (Cohen and Baliey 1997; Dirks 1999; Mayer and Davis 1999; Spreitzer Noble, Mishra and Cooke 1999). Campion, Medsker and Higgs (1993); Gist, Locke and Taylor (1987); Shea and Guzzo (1987); Shea and Guzoo (1987), Haytt and Ruddy 1997; KirkmN Jones and Shapiro 2000; Larson and LaFasto 1989; Larson and LaFasto 2001). It is thus necessary to include trust in conventional team effectiveness model, not only to give much-needed theoretical and empirical evidence for its role effectiveness (McEvily, Perrone and Zaheer 2003), but also to comprehend that why trust influences effectiveness.

Team members are expected to trust each other; however, they should see their team as a close collective or a cohesive unit that will help people achieve their objectives. Individual's beliefs in the team's ability to work together, which is necessary condition for achieving interdependent goals, are represented by this impression of cohesion. Cohesiveness has been shown to have a positive link with team effectiveness, it is critical that team members see themselves as a cohesive entity (Beal 2003, Chioccio and Essieembre 2008; Webber and Danuhue 2001). As a result, we predict trust to be positively connected to cohesion (Fine and Holyfield,1996) and it moderate the relationship between trust and team effectiveness.

The essence of teamwork is that the task is decreased and broken down into manageable chunks so that everyone may participate using their positive energy. Alan (2003) defined teamwork as a cluster of professionals who work passionately on a specific, common goal. Taking use of their positive energy, individuals' mutual accountability and complementary capabilities. The capacity to work collectively in achieving a single desired goal is called teamwork. It enables ordinary employees to achieve extraordinary outputs.

Individuals will cooperate together to attain common goals, according to interdependence theory (Deutsch, 1949). When defined as a desire to be vulnerable, trust within teams can be used to explain people's willingness to operate as a team and have their aim dependent on the action of others. Interdependence theory suggests that when individuals are able to stay together (be cohesive) and operate as team, shared goals are more likely to be accomplished than when individuals are unable to function as a unit (Deutsch, 1949). Positive Interdependence develops between people and teams in situation when the attainment of individual goals is contingent on the action of other team members. Cohesion should develop between individuals and team members as long as this exists and impact the effectiveness of individual working together to achieve common goals.

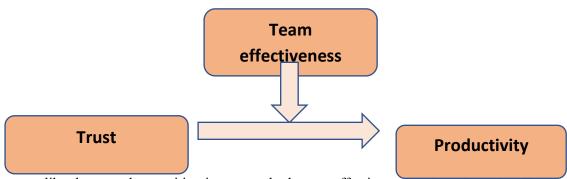


Source: Interdependence Theory (Deutsch, 1949).

Ackomak ad Ter weel (2009) investigated the effects of social capital on TFP, particularly the effect of social trust. Stronger bilateral trade flows are associated with higher trust in a country, according to Guiso,(2020) while TFP growth is associated with trade openness, according to Edwards, (2019). As a result, it is reasonable to conclude that trust influences production by allowing companies to better use

the comparative advantage. Similar reasons are advances by (Kwon and Arenius ,2010), who show cross-country evidence to back up a link between trust, investment and entrepreneurial activity.

#### THEORETICAL FRAMEWORK



It seems like that trust has positive impact on both team effectiveness and productivity. The greater the trust the grater is the team collaboration, which ultimately results in achievements of goals and increased productivity.

# **Hypotheses**

Based on the above diagram following hypothesis were developed,

H<sub>1</sub>: There is a positive impact of trust on productivity.

H<sub>2</sub>: There is a positive and significant impact of trust and association on team effectiveness on productivity.

## RESEARCH METHODOLOGY

The research design was cross-sectional. In this trust, team effectiveness and productivity were studied and measured at the same time. The research was positivistic in nature as we can see the positive relation between the variables. Questionnaire items were carefully looked upon to see if they measure what the research study aimed for. The questionnaire was divided into four Section: Trust, Team Effectiveness, Productivity and Demographics. Then question for each category were developed. The question showed the association of productivity, trust and team effectiveness. A five-point Likert scale was chosen for the analysis of question. Reliability and validity measures were adopted so that research criteria were accurate and brings the desired outcome. Cronbach alpha value of the items were critically checked and compared with previous studies and found that the items are going to measure what the main purpose of study's objective were. Respondents' responses were analyzed via SPSS.

# DATA COLLECTION AND ANALYSIS

To verify hypothesis statistically, our total population was Twenty-Five Hundred (teachers, management staff and principals) from different schools and Universities. According to sampling technique 440 were sample size for current study. The questionnaire was distributed among the sample population via email and personal visit to targeted population, and responses were received from 427 respondent. Out of all the received responses, 7 were discarded as they were not properly filled and were incomplete, and several demographic items were left blank. Finally, 420 filled questionnaires were used for final analysis. These 420 questioners were plotted in SPSS for analysis. After finalizing the data, the researchers first arranged the order and then accordingly put into SPSS. All the necessary tests were applied to find the association of all three variables (Trust, Team Effectiveness and Productivity).

**Table 1: Reliability Statistics** 

**Case Processing Summary** 

		N	%	Reliability	<b>Statistics</b>
Cases	Valid	26	93.8	Cronbach's Alpha	No of items
	Excluded	1	6.3	.670	3
	Total	26	100		

All the variables are reliable in my research on which questionnaire were made that are Trust, team effectiveness and productivity have positive relation.

# **Descriptive Statistics**

The basic feature of data is measured here. This helped to provide simple summaries of all the data collected and it showed that quantitative description is simple way which can be understood. The demographic tests conducted are as below:

**Table 2: Demographics** 

		Minimum	Maximum	_	
	N	m	m	Mean	Std. Deviation
Age	25	1	3	1.52	.7433
Gender	25	1	2	1.40	.50709
Education	25	1	3	1.53	.74322
Experience	25	1	2	1.4	.50709
Valid N (List)	25				

From this we can conclude that 25 people have responded to age, gender, education experience. In which the minimum is 1 and maximum being 3. The means for age and education being highest 1.53 and for gender and experience it is 1.4. There has been quite a variation in our data which is greatest for age and education .743 and least for gender and experience .507.

The table below shows the demographics for age.

Table 3: Age

Age					
Valid	Frequency	%	Valid %	%	
Below 30	14	56.3	60.3	60.3	
31-40	5	25.7	26.7	78.8	
41-50	4	12.5	13.3	86.2	
Above 50	2	4	4.5	100	
Total	25	93.8	100		
Missing	1	6.3			
Total	26	100			
			AGE		

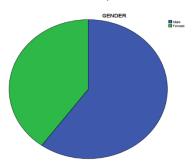
From this table and graph, we can see that maximum of the respondents age range is below 30. Their frequency being 15 and validity percentage being 60. Six people from the age range 31-40 have responded and their percentage is 25. Furthermore, 4 people from 41-50 have responded and their percentage is 12.5.

The below data shows the gender of respondents.

**Table 4: Gender** 

Valid	Frequency	%	Valid %	C %
Female	18	56.3	83.3	60.3
Male	7	25.7	27.7	86.7
Total	25	93.8	100	
Missing	1	6.3		
Total	26	100		

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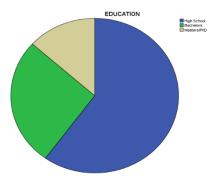


The above table and graph show that out of the 25 respondents the maximum number is of males: 18 having a percentage 60. Its validity percentage is also 60. Seven respondents are female and their percentage being 40.

The below table shows the respondents education

**Table 5: Education** 

Valid	Frequency	%	Valid %	C %
High school	16	56.3	60.	60.
	5	24.7	27.7	86.7
Bachelor				
Master/PhD	4	20	13.3	100
Total	25	93.8	100	
Missing	1	6.3		
Total	26	100		



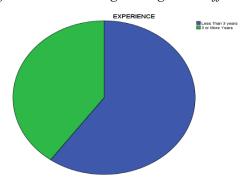
It can be seen from the table and graph that maximum of the respondents were from high schools having frequency of 16 and percentage of 56.3. Bachelors having a frequency of 5 and percentage of 25. Furthermore, masters/PhD has least frequency of 4 and percentage of 12.5. One questioner has been discarded having a percentage of 6.3.

Below is the table for experience demographics.

**Table 6: Experience** 

Valid Frequency Less than 3 19		% 66.3	Valid % 60.	C % 60.
More than 3	6	34.7	27.7	86.7
Total 25 Missing 1 Total 26		93.8 6.3 100	100	

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We can see from the above table and graph that most the respondents have experience of less than 3 years, having a frequency of 19 and percentage of 59.3. For more than three years the frequency is 6 and the percentage is 39.5. One questioner has been discarded which has a percentage of 6.

# **Correlation Analysis**

Correlation tests the relationships between variables. In other words, it is a measure of how things are interrelated. In our case values being compared is the independent variable trust and moderating team effectiveness and dependent being the productivity.

**Table 7: Correlation Analysis** 

		Trust	Team Ef.	Productivity
Trust	Pearson Correlation			
Team effectiveness	Pearson Correlation	.455	1	
Productivity	Pearson Correlation	.476	.160	1

Correlation is significant at 0.012 level therefore we can see from the tables that our values are in proper range. This means our hypothesis are being accepted.

# Regression

Regression tells the multiple relations between multiple variables that are mentioned in the research rather than the dependent ones and independent ones only. In my research Flow trust is independent variable, team effectiveness is the mediating variable and productivity is the dependent variable.

T	ิล	hl	e	8

Variable En	tered/ Removed			
	Variable	Variable		
Model	Entered	Removed	Method	
1	Trust, Team			
	Effectiveness	,	Enter	
	Productivity			
a. Depender	nt: Productivity			
b. All reque	sted variables ente	red		
Model Sur	mmary			
Model R	R Square Adjuste	d Std. Error		
	squa	re		
1 .47	79 <sup>a</sup> .230 .	093 .3766		

a. Predictors: (Constant), trust, team effectiveness

# Table 9: Coefficient

Unstandardized	Standardized
Coefficient	coefficient

Model	В	Std Error	Beta	Τ	Sig.	

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1 (	Constant	1.49	1.889	.558 .597
Trust	.834	.481	.496	1.73 .139
Team eff	fec .072	.354	.056	2.25 .793

Dependent variable: Productivity

# **Model Summary**

Model R R Square Adjusted Std. Error square

1 .479<sup>a</sup> .221 .093 .37373

**a.** Predictors: (Constant), Trust, team effectiveness

b. Predictors: (Constant), trust, team effectiveness

# **Coefficient**

		_	Instand Coeffic	ed Standardized coefficient						
Model			В		Std E	rror	Bet	a	T	Sig.
2	Co	nstant	1.5	9	1.87	9			.548	.587
Trust		.834		.491	.4	196	1.73	.1	19	
Team E	Eff	.082	.3	364	.05	56	2.65 .	323		

Dependent variable: Productivity

From the above regression tests, we can conclude that trust has a significant impact on productivity and team effectiveness in the presence of trust, it can enhance the productivity.

**Table 10: Hypotheses Result** 

Sr. No	Hypotheses	Outcome
1	There is a positive impact of trust on productivity.	Accepted
2	There is a positive and significant impact of trust and association on team effectiveness on productivity.	Accepted

# CONCLUSION

Based on data analysis it can be concluded that trust has significant role in educational sectors. The organizations where the employees are trustworthy are core committed to work and in turn positively affect the productivity of organization. The more trustworthy employees the more is the success of the organizations. It can also be seen that team effectiveness along with trust also increases the productivity of the organizations. Team effectiveness and trust among employees make them more work oriented and as a team they can come up with better strategies to improve their and organizational performance. This ultimately leads to greater productivity. Moreover, the problem statement has been proved. The hypotheses were both supported by the results of that tests so we can conclude that trust has positive relation with productivity and in presence of trust and team effectiveness the productivity of an educational organization increases.

The research objectives were also met as we figured out that productivity is the basic aim, trust has significant role in and team effectiveness in presence of trust increases productivity of all educational institutes. The previous studies conducted on trust and team effectiveness shows that they have positive relation with productivity which also matches our findings on the subject. On the basis of all our findings we can say we have successfully proved that how trust and team effectiveness have positive impact on education sector.

## RECOMMENDATIONS

As we have seen that productivity is the outmost desired outcome for any organization. All organizations try their best to come up with better values and strategies which would help them to gain maximum output. Lot of work has already been done on productivity and how it can be improved and this study would certainly add to the body of knowledge and would help practitioners to utilize result for better managing their teams. Furthermore, this is a vital topic and needs to be focused from all perspectives. On the basis of our findings, we would recommend adding more variables for future studies, which might have an effect on productivity; The future researchers can add more variable along with ours to study productivity from different perspectives. The effect of trust and team effectiveness on productivity can be studied on corporate sectors. The results were from Pakistani educational institutions, and if the same model is utilized in much more structured western culture it would be interesting to see different or similar results.

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