

Top executives' team spirit affects whole business

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Effective teamwork among an organization's top management makes employees happier and more productive, with positive benefits to the organization.

Despite an abundance of research on teamwork in the workplace, studies of how teamwork right at the top impacts employees lower down the <u>food chain</u> is surprisingly thin on the ground. Now researchers have surveyed business theory and put it to the test empirically, showing that top management's behaviour does trickle down. This new research is published by SAGE in the journal *Human Relations*.

Does effective teamwork in an organization's top management team (TMT) matter to employees? Even though much of this top level interaction takes place behind closed doors, Anneloes ML Raes, Heike Bruch and Simon B De Jong all from the Institute for Leadership and Human Resource Management, University of Galen, decided to find out, and to uncover empirical evidence into how such a relationship might work.

The authors gathered data from employees, TMT members, and human resource (HR) representatives of 63 organizations, obtaining the responses of 5,048 employees and 191 TMT members. They aimed to test the hypothesis that TMT behavioural integration increases organizational-level productive energy. They also aimed to find out whether organizational-level productive energy improves employee job satisfaction, and on the other side, reduces employee turnover intention.



Finally, they hypothesized that organizational-level productive energy mediates both the positive relationship between behavioural integration and employee job satisfaction, and conversely the <u>negative relationship</u> between top management team behavioural integration and employee turnover intention. In other words, with top management working in concert, would employees be happier and more productive, with positive benefits to the organization? In fact, all of these hypotheses proved correct.

The finding that the authors describe as the TMT's "teamness", indicated by the level of behavioural integration and how this might impact an organization's productive energy and employees' job satisfaction and turnover intention, is an important contribution to the field. Previous researchers have pointed out the significance of teamwork at the top to a company's strategic and performance-related outcomes, but this is the first study to highlight the correlated effect on employee job satisfaction and turnover intention metrics.

"Since retaining and motivating talented employees is of key interest to most organizations, our findings emphasize that it is even more important for a TMT to have a high level of behavioural integration than researchers have thus far assumed," says Anneloes ML Raes.

TMT work has been characterized as a strategic, relational, and symbolic activity, but until now the bulk of research has investigated the strategic angle. The authors hope that the current study will provide "a starting point from which these relational and symbolic aspects of TMT work can be assessed further and in more depth." Future work might look at whether the emotional, cognitive, or behavioural mechanism is particularly important in specific circumstances, offering more advanced insight into how TMT behaviour impacts employees, they suggest.

"Acknowledging these influences is important not only for the TMT's



and organization's own sake, as employee work outcomes may be early indicators of organizational performance, but also because they are an important aspect of employee well-being at work," the authors conclude.

"Even though TMTs may assume that their behaviour inside the executive suite is not visible to employees, or reason that teamwork is for everyone except the executive team, a TMT that actually works as a team can confer important advantages upon the entire organization."

More information: "How top management team behavioural integration can impact employee work outcomes: Theory development and first empirical tests" by Anneloes ML Raes, Heike Bruch and Simon B De Jong published September 2012 in *Human Relations*.

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