Workplace Attitudes among Offshore Team Members

A dissertation submitted in partial fulfilment of the requirements for the

Degree of

Master of Science in Applied Psychology

at the

University of Canterbury

by

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2014

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1. ACKNOWLEDGEMENTS

I would firstly like to thank my primary supervisor, Joana Kuntz, for her time, knowledge and expertise throughout the course of this research. Thank you Joana for your endless patience and for the always prompt, thoughtful and thorough feedback on the many drafts and 'final' drafts I submitted throughout this process.

In addition, I would also like to thank my secondary supervisor, Katharina Näswall, for her assistance and support, particularly with statistical interpretations. Thank you for making 'dumb questions' easy to ask!

Thank you to my 2013 Applied Psychology colleagues for allowing me to bounce ideas off you all and to take suggestions from you throughout this process.

Finally, thanks to my parents for all their support and encouragement throughout my time at university. No words can fully express my gratitude for all you've done to help me through these years.

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3. ABSTRACT

The attitudes of employees are key for ensuring the productivity and sustainability of an organisation. The present research aimed to explore obstacles and facilitators of positive team functioning in an offshore environment. Preliminary identification of obstacles and challenges to effective teamwork was achieved through an interview with two senior Human Resource managers at a large international bank, the primary location of which is in Australia. From this information, a survey was developed and distributed to members of an offshore Human Resource (HR) service centre consisting of 100 staff members, responsible for HR operations and described as an 'extension' or 'captive' team. An interview with management revealed that the effectiveness and sustainability of the current offshore team were of particular interest. Consideration of these issues and research into the effectiveness of virtual and captive teams led to a focus on organisational identity, work engagement, climate, trust, recognition from management, technology support, reliability of technology and goal clarity. Goal clarity and technology support were significant predictors of work engagement; low integration, goal clarity, technology support, reliability of technology and recognition from management were significant predictors of organisational identity. Thus, in an offshore environment, clear goals and the ability to complete those goals through use of efficient technologies are vital. This should impact the type of training given to offshore team members as well as the amount of technology support that is available to them.

4. WORKPLACE ATTITUDES AMONG OFFSHORE TEAM MEMBERS

4.1. Offshore Teams

Globally distributed work is on the rise, partly due to an increasing availability of competitive resource pools across the world (Vlaar et al., 2008). A 2002 study by the Gartner Group reported that more than 60 percent of professional employees work in teams communicating primarily through technology (Kanawattanachai & Yoo, 2002). Interestingly, Dixon and Panteli (2010) found that even when team members are co-located, they are frequently members of multiple teams interacting using communication technology.

Sourcing staff members internationally and operating projects virtually allows organisations to benefit from the ability to allocate staff to a project regardless of geographical boundaries (Brahm & Kunze, 2012), providing access to relevant expertise as well as a better understanding of global clients, operations and suppliers (Gibson & Gibbs, 2006). The dynamic structure and diverse participants in these teams enable creative and flexible responses to challenging organisational development needs, through access to their expertise on an as-needed basis (Gibson & Gibbs, 2006). Virtual team members are also able to work independently of time and location, allowing such teams to provide customer service and work on innovations 24-hours-a-day, seven-days-a-week (Brahm & Kunze, 2012). Furthermore, organisations are increasingly compelled to move work offshore to countries such as India, China, Russia and the Philippines due to pressures to focus on core activities and reduce costs (Willcocks et al., 2002).

In the 1990s, a new type of outsourcing occurred – ‘offshoring’ (Lewin & Volberda, 2011). Offshoring is defined as “relating to the activities which are

subcontracted to parties operating outside of the national borders of the offshoring party, through either a captive centre (captive offshoring) or a third party agreement (outsource offshoring)" (Lewin & Volberda, 2011, p.241). The type of offshoring addressed in this research is captive offshoring, through a captive centre located in the Philippines.

According to Lewin and Volberda (2011), Western economies have practiced various modes of offshoring for at least 50 years, with offshoring now reaching substantial proportions. Typically these initiatives are triggered by a need to save on costs and improve financial performance. However, financial implications may no longer be the only driver. Lewin and Volberda (2011) state that the level of talent, services and quality of work discovered at offshore locations have led firms to realise that offshoring offers many opportunities to source new organisational capabilities, rethink business models and leverage innovative processes. Additionally, 'labour arbitrage,' or the relocation of certain roles to nations where labour is less expensive, is only a short term benefit, with companies increasingly moving processes offshore for strategic reasons, such an increase in organisational flexibility, local absorptive capacity and to access talent with special capabilities.

Lewin and Volberda (2011) claim that a boost was given to the perceived legitimacy of offshoring business services upon the formation of GECIS (a captive centre in India) by General Electric in 1997. Since the 1990s, captive offshoring has grown greatly. By the year 2000, of Forbes 2000 companies 44 had captives in India; 71 had captives in 2003; in 2006 110 had captives. In 2006 alone, approximately US $9 billion worth of IT and business process sourcing activities shifted to captive centres in India (Kotlarsky & Oshri, 2008).

Initially only highly standardised and fairly independent tasks or processes not requiring significant expertise were being offshored to specific locations, but it wasn't long before companies began offshoring more complex, highly interdependent tasks such as IT infrastructure, engineering services and product development and design (Lewin and Voldberda, 2011). In this way, increasingly offshoring is not limited to manufacturing jobs, but also higher value-added company activities (Horvit, 2004). Ward (2004) asserts that there has been a shift in the offshoring trend from standardised processes to increasingly knowledge-intensive processes, which require increasing levels of domain and subject expertise, together with higher-end professional talent. In the case of the current organisation, a significant proportion of the Human Resource function has been moved to the captive centre.

Despite the benefits of offshoring, setting up a captive centre is more expensive for a multinational than it is for a local vendor (Kotlarsky & Oshri, 2005). Nearly 20% of the Fortune Global 150 companies with captive centres in India divested or terminated their operations following negative service experiences (Kotlarsky & Oshri, 2008). Although primary motivations for relocating organisational functions tend to be lowered cost of labour, capturing talent not available locally and the ability to increase and decrease project size without layoffs, hidden costs of offshoring are significant and high productivity is not easily achievable (Sutherland et al., 2009). According to Sutherland, et al. (2009), achieving the promised benefits of outsourcing requires real cost savings, stable offshore teams and a strategy for retaining core knowledge onshore.

Outsourcing of certain functions to teams in offshore locations also increases the amount of leadership and communication that must be managed virtually. As noted previously, 60 percent of professional employees work in teams that

communicate primarily through technology (Kanawattanachai & Yoo, 2002). In 2008 a study by the Institute for Corporate Productivity found that 62 percent of interviewed companies consider a virtual team as an increasingly important format for collaboration (Rusman et al., 2010). In companies with more than 10,000 employees this percentage rises to 80 percent (Perry, 2008). Computer-mediated communication reduces nonverbal cues about interpersonal affections such as tone, warmth and attentiveness, which contribute to message clarity, and collaborators who use computer-mediated communication often a use more direct style with fewer social cues than those in face-to-face conditions (Gibson & Gibbs, 2006). Further, Raiborn et al. (2009) describe unique challenges associated with offshoring, which can include the loss of control that arises when management is located elsewhere, loss of innovation due to communication difficulties, loss of organisational trust and higher-than expected transactional costs.

Cultural differences between co-workers in virtual teams can result in miscommunications and misperceptions, overshadowing many advantages of offshore locations (Kotlarsky & Oshri, 2005). Differences among team members may bring challenges in communication, potentially causing distrust, conflict and misinterpretation, potentially restricting opportunities for innovation and value creation (Vlaar et al. 2008). A further consideration is that as distributed workers are situated in distinct locations, characterised by unique socio-cultural, economic and legal environments, these workers will experience "different exogenous events, physical settings, constraints and practices, resulting in their having different information, assumptions, preferences and constraints" (Cramton & Hinds, 2005, p. 236). To combat such issues, socialising, norming and renorming offshore and onsite teams in order to renew social ties, renegotiate the meaning of communication

protocols and development methodologies and build the global team have been recommended. (Kotlarsky & Oshri, 2005).

Despite a growing number of studies investigating antecedents of successful virtual team functioning, research looking into the contributors to positive attitudes and outcomes in offshore centres is scarce. Due to increasing reliance on offshoring and outsourcing, it is particularly important to ascertain the factors that account for positive team member attitudes in these environments. Therefore, this study aims to investigate offshore team members' attitudes towards their work and organisation, and explore the factors contributing to these attitudes. The team members surveyed for this research comprise a 'captive team,' managed as part of the organisation rather than through a third party or local vendor (outsourcing). Feelings towards organisational identity and work engagement are considered and whether and to what extent specific work-related variables contribute to these attitudes is explored, including organisational climate, trust, integration, management recognition, reliability of technology, technology support and goal clarity. Figure 1 (page 22) provides an organised snapshot of the variables of interest, how they are categorised as team and contextual factors, and how they are proposed to relate to each other.

4.2. Offshore Team Member Attitudes

4.2.1. Organisational Identity

Identification with the organisation can reduce uncertainty by providing employees with a sense of order (Hogg, 2000) as well as increase loyalty, decrease turnover intentions, prevent alienation, lead to more work satisfaction and increase general performance (Ashforth et al., 2008; Haslam, 2001). Organisational identification, or the belief that the organisation's values are very similar to those held by the

employee, is viewed by O'Reilly and Chatman (1986) as a subset of organisational commitment. According to their research, an important mechanism in the development of psychological attachment is the process of identification. O'Reilly and Chatman (1986) propose that attachment to an organisation results from identification with the attitudes, values or goals of that organisation. The importance of developing this attachment is supported by Smith et al.'s (1983) study on organisational citizenship behaviours. This study indicates that much critical behaviour in organisations rely on acts of cooperation, altruism and spontaneous unrewarded help from employees – behaviours that are not associated with commitment based on 'simple compliance'. Moreover, a failure to develop this attachment may require the organisation to bear the increased costs associated with more detailed and sophisticated control systems (O'Reilly & Chatman, 1986). In terms of organisational sustainability, it is important that employees develop this attachment to the larger organisation.

The current organisation is particularly interested in this construct in relation to the offshore captive centre. Although the centre is located in a different country, staff members are managed as part of the organisation acting as an 'extension team' rather than an 'outsourced team'. The organisation is therefore motivated to ensure that staff in this offshore team identify with the organisation and have attitudes, values and goals that are aligned with those of the organisation as a whole.

A lack of common identity and power inequalities between in-house and outsourced staff can disrupt collective learning and participation processes (Hong and Fiona, 2009). Identity conflict between outsourced and in-house staff has been described as 'organisational dis-identification,' which can affect the willingness of staff to contribute to knowledge sharing and creation processes (Humphreys &

Brown, 2002). In the case study described by Humphreys and Brown (2002), in-house staff viewed outsourced staff as cheap and meant to perform routine or 'menial' tasks, whereas outsourced staff viewed themselves as professional, mobile and capable of handling difficult tasks. Accordingly, these contrasting images created tension and psychological distance between the two communities (Humphreys & Brown, 2002).

According to Wiesenfeld et al. (2001), virtual work also increases employees' isolation and independence, which can fragment organisations. Virtual workers are often separated from co-workers, supervisors and other organisation members, leading to feelings of isolation, greater need for self-organisation and sometimes greater stress (Dobrian, 1999). Wiesenfeld et al. (2001) claim that if an organisation is to have meaning to individuals in a virtual work context, it will be because members feel they are part of the organisation. Furthermore, organisational identification has been linked to motivation to fulfil organisational needs and goals, willingness to show organisational citizenship behaviours and tendency to remain with the organisation (Dutton et al., 1994; Kramer, 1993; Mael & Ashforth, 1995). This construct is thus vital in the context of the offshore team in ensuring organisational effectiveness and sustainability.

4.2.2. Work Engagement

Work engagement has been described as a kind of 'flow' where an employee becomes carried away with their responsibilities, is charged with energy and is fully dedicated to their work (Hallberg & Schaufeli, 2006). It is a "persistent, positive affective-motivational state of fulfilment" (Hallberg & Schaufeli, 2006, p.119). The term is frequently used interchangeably with organisational commitment and job involvement, but Hallberg and Schaufeli (2006) successfully established that the three

are in fact differentiated concepts. Engagement can inspire positive emotions toward the organisation. It has been found to correlate positively with autonomy and feedback, and negatively with emotional exhaustion, cynicism, depressive symptoms, somatic complaints, sleep disturbances, role conflict and turnover intention. Engagement can also be increased by the perception that obstacles at work have been mitigated by availability of resources such as training or technology (Salanova, Agut & Peiró, 2005). Moreover, engagement related to better service climate – defined as "employees' shared perceptions of the practices, procedures and behaviours that are rewarded, supported and expected by the organisation, with regard to customer service and service quality" (Salanova, Agut & Peiro, 2005, p.1217). Employees who are committed to and engaged in their work are therefore critical for maintaining organisational stability through lower turnover, and organisational effectiveness through high performance and organisational citizenship behaviours.

Ideally, all employees begin their jobs feeling engaged with their work. However, over time a mismatch between employee expectations and job demands results in the erosion of work engagement (Maslach & Leiter, 1997). The current research aims to identify possible antecedents to engagement and organisational identity among staff in the offshore captive centre. Thus far, little research has attempted to identify best workplace practices for staff in this format; therefore this research is exploratory in nature.

4.3. Antecedents of Offshore Team Member Attitudes

The current research will explore team and contextual antecedents of organisational identity and work engagement in offshore captive teams. Team factors to be concentrated on are climate, trust and integration; Contextual factors will be

management recognition, reliability of technology, technology support and goal clarity. These variables were chosen after reviewing literature on virtual team work and offshoring and outsourcing, as well as discussions with management staff in the organisation surveyed, namely the current concerns they had regarding the offshore captive centre staff. Further detail regarding each variable will be given in the following sections.

4.3.1. Team Factors

Collaborative Climate. It was first suggested in 1962 that organisations might consist of both formal and informal dimensions (Blau & Scott, 1962). These informal dimensions include an organisation's climate and culture. Wallace et al. (1999) state that culture is made up of a collection of fundamental values and belief systems, while organisational climate is made up of more empirically accessible elements such as behavioural and attitudinal characteristics.

A collaborative climate is the essence of teams – the 'teamwork' factor (Larson & LaFasto, 1989). This concept is defined as the extent to which members communicate openly, disclose problems, share information, help each other overcome obstacles and discover ways of succeeding (Larson & LaFasto, 1989). Successful collaborative practice is contingent upon more than co-workers being in close proximity. The key for successful collaborative practice is a foundation of trust and respect, for when these factors are present, cooperation can exist, assertiveness seems less threatening, team members share decision making, communication is effective and coordination is systematic (Almost & Laschinger, 2002). Further, collaboration with managers has been linked to job satisfaction and decreased turnover and job strain (Almost & Laschinger, 2002).

Organisational characteristics commonly found in collaborative climates, such as free expression, questioning, participation in the definition of goals, innovation and intrinsic satisfaction from the work itself, are all positively associated with project success, whilst organisational change and conflict are negatively associated with project success (Gray, 2012). From this it can be concluded that there is some agreement that climate likely has an impact on organisational performance (Gray, 2012). Organisational climate may be particularly important in an offshore environment, where staff members are required to communicate and share information daily with co-workers they have not met. A trusting, open and respectful environment is therefore key to ensuring offshore staff members are comfortable sharing information and ideas with those co-workers.

Interest in organisational climate is gaining momentum, with companies performing at high levels showing higher values on climate dimensions than those who perform at low levels (Kangis & Williams, 2000). Previous research suggests the environment of an organisation influences job satisfaction, organisational commitment and employee turnover, among other positive organisational attributes (Holland, 1985; O'Reilly et al., 1991). Given strong ties between work engagement, job satisfaction and organisational commitment, it seems likely that organisational environment (or climate) might also affect work engagement. This may be particularly so in the offshore environment where a closed and protective climate could seriously hinder information sharing between departments. Further, Smidts et al. (2001) found that a positive and open communicative climate in which individuals feel valued and appreciated is important for organisational identity. Taken together, these findings are in line with the expectation of a positive association between collaborative climate and both work engagement and organisational identity.

Team Trust. As reliance on technologies increases, managers and team members will be required to trust each other more than ever (DeRosa et al., 2004). This is particularly true in virtual teams where team members may not be able to monitor each other (DeRosa et al., 2004).

Literature on teamwork frequently defines trust as willingness to be vulnerable to the actions of another party, based on expectations that the other will perform a particular action important to the trustor, regardless of the ability to monitor or control that other party (Mayer et al., 1995). Chen et al. (2011) found that trust serves as a mediator in the relationship between leadership effectiveness and team satisfaction and performance.

Trust among team members decreases transactional costs of relationships because individuals have to engage less in self-protective actions in preparation for the possibility of others' opportunistic behaviour (Jarvenpaa et al., 1998). In low trust climates, team members question their colleague's intentions and monitor each other's actions (Brahm & Kunze, 2012). For virtual teams, trust is an important component in preventing psychological distance and increases confidence in relationships by promoting open information exchange (Hinds & Bailey, 2000). Individuals who trust each other are also more likely to bring problems forth in an effort to resolve them effectively (Furumu et al., 2012). Moreover, Brahm and Kunze (2012) suggest if employees perceive mutual support from other team members and are confident that their colleagues will behave in a way that is mutually beneficial, team goals may better translate into reality.

More than ever organisations are looking to invest in conditions that facilitate trust among members in order to survive, foster adaptability and innovation, enhance

their competitive advantage, and facilitate positive team working conditions within organisational structures that are becoming increasingly reliant on on-going project teams and collaborative working environments (Costa & Anderson, 2011). As outlined above, trust and respect are critical to collaborative practice (Almost & Laschinger, 2002) and facilitating positive team working conditions necessary for social integration. We therefore expect it to also be present under the same conditions necessary for organisational identity and expect to find a positive relationship between trust and organisational identity.

Integration. Integration allows joint cooperation between departments to execute common goals. Integration is defined by Lawrence and Lorsch (1967, p.11) as "the quality of the state of collaboration that exists among departments that are required to achieve unity of effort by the demands of the environment" and by Patterson et al. (2005) as the extent of interdepartmental trust and cooperation in an organisation. High levels of integration are positively associated with problem solving, the development of cross-functional teams, high quality organisational culture and high organisational performance (Patterson et al., 2005).

This type of integration, or cohesion, between departments can be quite difficult for virtual team members as they typically engage in less communication and interaction than face-to-face co-workers (Brahm & Kunze, 2012). In the current sample, it may be easier for the captive team members to form cohesive relationships among themselves but difficult to form these relationships with management and staff in remote departments of the organisation. Management stressed the importance of the team having a trusting and collaborative relationship with the rest of the organisation, not simply because these relationships have been found to encourage

high performance (Mullen & Copper, 1994), but also because the team handles sensitive information regarding staff in other departments on a day to day basis. It is expected that by fostering integrative relationships between departments and aligning individual goals to team or departmental goals; (as necessary for integration)' work engagement and a greater sense of organisational identity will be promoted.

4.3.2. Contextual Factors

Recognition from Management. According to Cacioppe (1989), rewards and recognition are acknowledged by organisations and managers as important elements in motivating employees. Reward and recognition can be used to encourage cooperation, common goals, development and learning (Cacioppe, 1989). Driscoll and Randall (1999) found that satisfaction with intrinsic and extrinsic rewards acted as a salient predictor of job involvement and affective commitment. Additionally, rewards in the form of gratitude from clients, and recognition and support from management positively influenced the organisational climate (Bennet et al., 1996).

Recognition from management is considered to be a 'higher order reward,' and is most effective for employees who are already satisfied with lower-order rewards such as pay (Churchill et al., 1979). This recognition is also particularly important for individuals who are physically distant from headquarters. Distant staff members may not be as aware of their value or contributions to the organisation due to the delayed feedback they receive. Moreover, recognition from management confirms that behaviours which employees demonstrate are appropriate, and corrects behaviours that are not aligned with work goals. According to Cacioppe (1989), rewards from management are one of the clearest ways of informing employees what work is considered important and what level of performance is expected. In this way,

it is expected that recognition from management will positively relate to work engagement. Further, Postmes et al., (2001) found that information signalling of the organisational identity from management can increase organisational identity, because it helps individuals see themselves as part of the organisation they work for. Thus, recognition from management may also relate positively with organisational identity.

Reliability of Technology and Technology Support. Organisations are placing increasing emphasis on knowledge-intensive work, outsourcing and collaborative work arrangements. Subsequently, individuals spend more of their days interacting with ICTs (Information and Communication Technologies) (Ragu-Nathan et al., 2008). Employees are required to manage constantly evolving ICTs and changing physical, social and cognitive responses demanded by their use. This can lead to anxiety and tension (Heinssen et al., 1987), perceived higher work pressures and job dissatisfaction (Smith et al., 1981), and ambiguity about job demands (Ragu-Nathan et al., 2008).

The term 'technostress' was coined in the 1990s to describe the phenomena of stress experienced by end users in organisations as a result of use of ICTs (Ragu-Nathan et al., 2008). Although email, electronic scheduling and video conferencing make it convenient to connect team members with flexible work schedules, who are geographically distributed, or work in telecommuting arrangements, they also increase remote supervision, multitasking, social isolation and abstraction of work (Zuboff, 1988). Technostress results in perceived work overload, demoralised and frustrated users, information fatigue, loss of motivation and dissatisfaction at work (Ragu-Nathan et al., 2009). The consequences of ineffective systems design and implementation can also lead to negative attitudes and resistance by users, inadequate

training and support, and poorly designed systems that do not meet user needs (Turnage, 1990). Therefore, it is vital that organisations provide reliable ICT systems and specific ICT support for their employees.

Reliability of technology is particularly vital in an offshore team setting, as much of the communication with management occurs through virtual media. If this technology is not reliable and easy to use, communication will be hindered. This may result in errors and process loss (loss due to poorly designed or poorly implemented operating procedures), and ultimately a waste of organisational resources. Hence, support for, and reliability of, technology are vital for organisational sustainability and effectiveness. Further, organisations that provide employees with necessary work resources, such as up-to-date technologies and support for technology use, may create a greater sense of belonging and engagement among staff by signalling their support for employee needs. It is expected that reliability of technology and technology support relate positively to work attitudes, such as organisational identity and work engagement.

Goal Clarity. Finally, goal clarity refers to the extent to which an individual's work goals and responsibilities are communicated clearly (Sawyer, 1992). For employees to adequately perform their roles, they must know what the expectations of the role are, what activities fulfil their role responsibilities, and what the consequences of role performance are to themselves, others and the organisation (Kahn et al., 1964). According to Sawyer (1992), should these types of information be unclear, role ambiguity will result. Moynihan and Pandey (2007) argue that goal clarity fosters role clarity, which provides employees with a sense of purpose and increases the individual's belief that their goals are achievable. Goal clarity has been found to relate

positively with job satisfaction (Sawyer, 1992; Moynihan & Pandey, 2007), which is negatively related with turnover intentions (Sawyer, 1992).

Cognitive theory suggests that the critical motivating factor for employees is the perceived gap between an individual's self-assessment of performance in completing their goals, and how they want to perform (Moynihan & Pandey, 2007). Role clarity provides a sense of purpose and increases the individual's belief that their goals are achievable (Moynihan & Pandey, 2007). This is related to Bandura's (1988) self-efficacy theory, referring to the sense of confidence in an ability to overcome obstacles and persist in their presence. Greater self-efficacy is positively related to employee perceptions that they are successfully contributing to meaningful work and therefore enhance work motivation.

In a setting such as the offshore HR service centre, goal clarity is particularly important as immediate feedback from management is not always available. In a virtual setting management staff are unable to monitor the work and behaviours of employees, and should an employee take a wrong turn in their work, it may take management several days to realise and contact the employee to correct the mistake. Employees in this setting must therefore be very clear on their goals and responsibilities. Through providing a complete understanding of those work responsibilities and by increasing motivation, it is expected that goal clarity will also increase work engagement. Additionally by increasing self-efficacy and employees' perceptions that they are making a meaningful contribution to their work goals, goal clarity may also have a positive relationship with organisational identity.

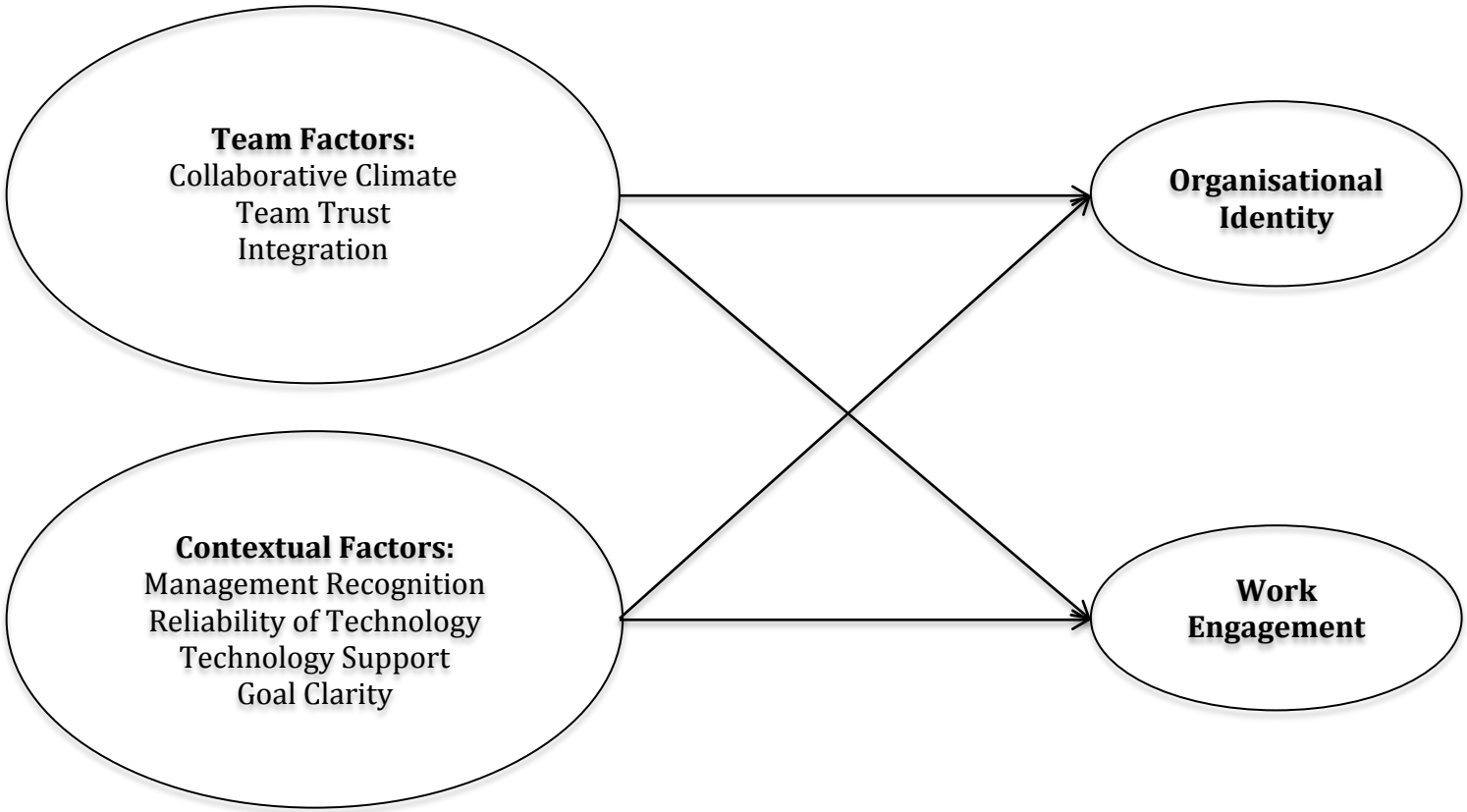

Figure 1: The proposed relationship between antecedent and outcome variables.

5. METHODS

5.1. Participants

The survey was sent to staff located at the offshore Human Resource Service Centre of a large global bank. The 100 staff members located at the offshore site made up the HR operational team, referred to as a 'captive team', while upper management staff were housed at an 'onsite' location in Australia. The offshore office was set up solely to house the centre for HR operations, which looks after a number of HR functions for the other offices. Management staff were interviewed only to help create and interpret the survey and its findings. The online survey was sent to participants via an email with a short brief about the study, an invitation to participate and a link to the survey. The email was sent to participants by the Head of the HR Centre.

Demographics. Of the 100 staff sent a link to the survey, 91 staff members responded – resulting in a 91% response rate for the offshore team. Of the participants, 21 were male and 70 were female, with four unknown. Ages ranged between 24 and 46 years (M = 29.8, SD = 4.1). The majority of staff members had been with the organisation between one and two years (M = 1.9, SD = 2.3), and the HR functions covered: data management, learning and development, help desk, remuneration and reward, employment screening, contracts, global mobility and international payroll. Ninety percent of participants working at the offshore centre were already located in the offshore country before joining the organisation. Seventy-eight percent of respondents were not required to travel to other organisational offices, while 15 percent of participants travelled to other offices at least once a year. However, 88 percent of participants communicated daily with staff at other offices via ICTs. Of management staff at the 'onsite' location, 50% were required to travel to the offshore centre at least

once per year while all four managers communicated daily with the offshore centre.

5.2. Procedure.

Initial Interview. Firstly the Global Head of the Human Resources department was approached with an outline of a project focusing on communication in dispersed teams. She described an offshore extension team and detailed the questions she had regarding work attitudes among the staff and whether they felt a sense of belonging with the Head Office in Australia. Using the information gathered in this interview and the research outlined in the introduction on offshore team performance, a survey was created and distributed to the 100 staff members of the offshore service centre.

Information, Consent and Ethical Approval. Prior to starting the survey, participants were required to read the information sheet and consent to participate in the study (see Appendix A). Specifically, participants were informed that the purpose of the study was to investigate workplace attitudes among staff in an 'offshore team' environment. They were informed that the study's findings would be used to better understand factors that promote or inhibit the development and management of effective teams in that environment, and that the study would also help identify any areas requiring further support in the current format of the offshore HR team.

Participants were informed their data would be treated as confidential, would be made available only to the primary researcher and supervisors and that raw data would not be shared with third parties, including their organisation. It was then stressed that participation was entirely voluntary and participants could withdraw their participation up until the moment they submitted their survey, when it would be impossible to retrieve their data due to the survey anonymity. The project was revised

and approved by the University of Canterbury's Human Ethics Committee (Reference number: HEC 2013/48).

The Questionnaire. The survey contained a number of demographic questions, as well as measures for the nine variables (organisational identity, work engagement, trust, integration, climate, recognition from management, technology support, reliability of technology and goal clarity). There was no time limit on the survey, so participants were able to complete it at their own pace, however participants were informed that the survey would take approximately 20 minutes to complete. Item responses were not forced, meaning questions could remain unanswered. This format was chosen to avoid frustrating participants. The last page of the survey provided a link to another window where participants could provide their email address to enter a prize draw for one of three Amazon vouchers, worth USD $100 each. A new window was required for anonymity, so that email addresses and survey responses were not linked in any database.

Data Analysis. The statistical programme SPSS was used to analyse the collected data. Exploratory factor analyses, reliability analyses, correlational analyses, independent samples t-test, ANOVA and regressional analyses were conducted. Despite the high quality of the sample, because of its small size (N=91) the current research has low statistical power. This means that the research may be at risk of Type II error and that the small sample size may mask or fail to identify effects.

5.3. Materials

Potential obstacles and facilitators of offshore team functioning were ascertained through research and preliminary discussions with senior members of the HR management team. This information was then used to designed a survey to measure the obstacles and facilitators of concern, as well as work attitudes among offshore staff relevant to the team's effectiveness and sustainability. The study adapted measures of organisational identity, work engagement, trust, integration, climate, recognition from management, reliability of technology, technology support and goal clarity. All responses were collected on a 5-point Likert type scale where 1 = *strongly agree* and 5 =*strongly disagree*,. The survey was developed and distributed online using Qualtrics Survey Software (2011). The results from the reliability analyses can be found in Table 1. The full survey can be found in Appendix B.

Organisational Identity. Organisational identity was adapted from the 12-item scale developed by O'Reilly and Chatman (1986), and consisted of three dimensions: internalisation, identification and compliance. Only 8 items representing the 'identification' and 'internalisation' subscales were used. For the purposes of this research, internalisation was defined as an employee adopting the organisation's mission as their own, and identification of the belief that the organisation's values are very similar to those of employees (O'Reilly & Chatman, 1986). Previous studies using these subscales obtained coefficient alpha values ranging from .86 to .91 (Fields, 2002). An example item from the identification subscale is: 'What this organisation stands for is important to me' and from the internalisation subscale: 'Since joining this organisation, my personal values and those of the organisation have become more similar.'

Work Engagement. Work engagement was assessed with the short 9-item version of the 'Utrecht Work Engagement Scale' (UWES-9) (Seppala et al., 2009), which measures three underlying dimensions of work engagement: vigour (3 items), dedication (3 items) and absorption (3 items). Cronbach's alphas of the full scale range between 0.75 and 0.83 for vigour, between 0.86 and 0.90 for dedication, and between 0.82 and 0.88 for absorption (Seppala et al., 2009). An example item from this scale is: 'At my work, I feel that I am bursting with energy.'

Climate. Climate was assessed with a 4-item 'Collaborative Climate' measure from Larson and LaFasto's (1987) 'Team Excellence Survey,' which was developed to measure a team's health in terms of the criteria of team excellence. Cronbach's alphas for this measure range from .70 to .90 (Littlepage & Brower, 2004). An example item from this scale is: 'We trust each other sufficiently to accurately share information, perceptions and feedback.'

Trust. Trust was assessed using an 8-item scale from Pearce et al. (1992) modified by Jarvenpaa and Leidner (1999) to reflect trust at a team level. Jarvenpaa and Leidner (1999) calculated a Cronbach's alpha of .92 for the modified scale. An example item from this scale is: 'Members of my work group show a great deal of integrity.'

Integration. The 5-item Integration subscale from Patterson et al.'s (2005) Organisational Climate Measure was used. Here integration is defined as the extent of perceived interdepartmental trust and cooperation. In this scale a high score indicates a low level of integration while a low score indicates a high level of integration.

Patterson et al. (2005) found a Cronbach's alpha of .86 for the subscale. Three items were also reworded so that no reverse score items were included in the scale. An example item from this scale is: 'People are suspicious of other departments.'

Management Recognition. To measure management recognition, a 4-item scale was developed specifically for this study. The scale is intended to measure the level of recognition employees felt they were receiving from the Head of their department. The questions are as follows: (1) The Head of the [HR Centre] formally acknowledges my individual contributions to the organisation, (2) The Head of the [HR Centre] formally acknowledges my team's contributions to the organisation, (3) The Head of the [HR Centre] provides valued direction to the organisation and (4) I feel valued and recognised by the Head of the [HR Centre] for my contributions to the organisation's success.

Reliability of Technology. The 3-item measure of reliability of technology was adapted from Goodhue and Thompson's 1995 'Task-Technology Fit' measure. Goodhue and Thompson (1995) found a Cronbach's alpha of .71. One item was reworded so that no reverse score items were included in the scale. An example of an item from this scale is: 'I can count on our computer systems to be 'up' and available when I need them.'

Technology Support. Technology support was assessed using a 5-point literacy facilitation scale from Ragu-Nathan et al. (2008), assessing the mechanisms that the organisation uses to encourage and foster the sharing of ICT-related knowledge within the organisation. Ragu-Nathan et al. (2008) found a Cronbach's alpha of .85.

An example of an item from this scale is: 'Our organisation provides end-user training before the introduction of new technology.'

Goal Clarity. The measure of goal clarity was a 5-item scale adapted from Sawyer (1992), with a Cronbach's alpha of .92. The respondents indicated how certain or clear they were about each aspect of their work. Goal clarity was defined as the extent to which the outcome goals and job objectives are clearly stated and well defined. In contrast to the other scales used, due to the wording of the questions responses are obtained on a 7-point Likert-type scale where 1 = *very uncertain* and 7 = *very certain*. At the request of management staff, one extra item was included which was '[I am very certain… uncertain of] how my work relates to the overall delivery of Human Resource Services'. An example of an item from the original scale is: '[I am very uncertain… certain of] my duties and responsibilities.'

Open-ended Questions. At the end of the survey open-ended questions were included to ascertain enabling and hindering factors to the success of the offshore team. These questions were 'Are there any barriers in your workplace that you feel prevent you from performing your job to the best of your ability?' 'How do you perceive the nature of the relationship between the Shared Service Centre and other offices? (E.g. supportive, trusting)' 'Do you believe there is sufficient collaboration between the HR Shared Service Centre and other offices?' and 'If you have any further comments relating to this survey or suggestions for improving the current form of the Shared Service Centre, please leave them in the comment box below.'

6. RESULTS

6.1. Exploratory Factor Analysis

Two exploratory factor analyses were carried out for the measures 'recognition from management' and 'goal clarity' to establish relationship between the measured variables and latent constructs. This was done because the 'recognition from management' scale was created solely for this research and because the 'goal clarity' scale was adapted to this study.

Intercorrelations between items in each scale were high, indicating that the items were measuring the same underlying dimension (or dimensions). The 'recognition from management' scale had one particularly high correlation (between recog1 and recog4 at $r = .91$, $p < .01$), however for factor analysis high within-scale correlations do not typically cause issues. Further, KMO statistics calculated for both scales suggested that factor analysis was appropriate for the measures, according to criteria from Kaiser (1974). These KMO statistics were .71 for the 'recognition from management' scale and .85 for the 'goal clarity' scale. Based on this, exploratory factor analyses were carried out for each of the measures, using principal axis factoring.

Recognition from Management. Before extraction, SPSS identified four linear components within the data set, with one factor explaining 81.38% of the variance in the data alone. All items with eigenvalues greater than 1 were then extracted, leaving only one factor which was supported by a Scree Plot.

Goal Clarity. Before extraction, SPSS identified six linear components within the data set, with one factor explaining 65.08% of the variance in the data alone. All items

with eigenvalues greater than 1 were then extracted, which left only one factor which was supported by a Scree Plot.

As expected, both the 'recognition from management' and 'goal clarity' scales are explained by one latent factor each. Full results from the factor analyses can be found in Appendix C.

6.3. Correlation Analysis

Means, standard deviations and correlations among variables of interest are depicted in Table 1. Initial analysis found that older staff members had greater work engagement ($r = .27$, $p < .01$) and those who had been with the organisation longer felt the organisation was less integrated ($r = .34$, $p < .01$). Gender had a significant negative correlation with organisational identity ($r = -.26$, $p < .05$), therefore independent samples t-tests were carried out to compare gender means on the two dependent variables, organisational identity and work engagement. Males and females did not differ in terms of work engagement ($t(79) = 1.13$, p .26). However, males (M = 4.05, SD = .58) identified more strongly with the organisations than females (M = 3.87, SD = .58; $t(81) = 2.45$, $p < .05$). No outliers were found in the data.

Staff members with higher levels of organisational identity also reported higher levels of work engagement ($r = .59$, $p < .01$), trust ($r = .38$, $p < .01$), recognition from management ($r = .57$, $p < .01$), technology support ($r = .46$, $p < .01$) and goal clarity ($r = .55$, $p < .01$) but lower levels of integration ($r = -.54$, $p < .01$). These findings match with expectations.

High work engagement was also related to higher levels of trust ($r = .38$, $p < .01$), recognition from management ($r = .57$, $p < .01$), technology support ($r = .46$, $p < .01$), goal clarity ($r = .54$, $p < .01$) and age ($r = .27$, $p < .01$), but those with high

levels of work engagement had low levels of integration (r = -.54, p < .01). No scales correlated highly enough with each other to suggest multicollinearity and these findings are also as expected.

Table 1: Means, standard deviations, correlations and Cronbach's alpha (in parentheses) for each research variable, and demographic information

***Correlation is significant at the 0.01 level (2-tailed)*
** Correlation is significant at the 0.05 level (2-tailed)*

	Mean	SD	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.
1. Organisational Identity	4.06	0.61	*(.92)*											
2. Work Engagement	3.90	0.58	.59**	*(.92)*										
3. Climate	2.27	1.02	-.11	-.08	*(.94)*									
4. Trust	4.09	0.66	.38**	.38**	-.15	*(.96)*								
5. Low Integration	2.12	0.79	-.54**	-.32**	.28**	-.61**	*(.85)*							
6. Recognition	3.53	0.84	.57**	.36**	-.05	.36**	-.43**	*(.92)*						
7. Tech Reliability	2.48	0.84	-.06	-.08	-.07	-.27*	.28**	-.26*	*(.87)*					
8. Tech Support	3.82	0.62	.46**	.42**	-.16	.58**	-.46**	.51**	-.33**	*(.87)*				
9. Goal Clarity	4.30	0.54	.55**	.53**	-.01	.34**	-.44**	.43**	-.03	.23*	*(.87)*			
10. Age	29.82	4.09	.06	.27*	-.01	.18	-.12	.09	-.14	.01	.15			
11. Gender	N/A	N/A	-.26*	-.13	.03	.06	-.02	-.15	-.02	-.17	-.12	-.07		
12. Tenure	1.98	2.26	-.14	-.09	-.02	-.08	.34**	-.12	-.05	-.07	-.17	.08	-.22	

6.4. Relationship between Team Function and Dependent Variables

Two ANOVAs were carried out to examine the relationship between team function (or work group) and the dependent variables. If significant differences were found between teams this would need to be taken into account when performing the regression analysis. Neither analysis found significant differences between team functions in the organisational identity or work engagement measures.

6.5. Regression Analyses

Multiple regression analyses were conducted to test the relationships between each of the dependent variables (work engagement and organisational identity), and the predictors climate, trust, integration, management recognition, reliability of technology, technology support and goal clarity. Age and gender were also included as predictors, as they were found to correlate significantly with work engagement and organisational identity respectively.

With regards to organisational identity, together the nine predictors explain 52.8% of the variance in organisational identity, $R^2 = .528$, F (9, 71) = 10.94, $p < .001$. When the variables were examined to evaluate their individual contribution to the model, it was found that low integration ($\beta = -.25$ $p < 0.05$), high management recognition ($\beta = .27$, $p < 0.01$), high technology support ($\beta = .21$, $p < 0.05$) and high goal clarity ($\beta = .32$, $p < 0.01$) predicted high organisational identity. However, climate ($\beta = .03$, $p = 0.77$), trust ($\beta = -.06$, $p = 0.59$), reliability of technology ($\beta = .14$, $p = 0.12$), age ($\beta = -.04$, $p = 0.66$) and gender ($\beta = -.16$, $p = .06$) were not significant predictors of organisational identity.

In order to examine the unique contribution to the variance explained by each of the significant variables, the semi-partial correlations of each significant predictor

was squared. From this it was found that the unique contribution of goal clarity was 6.60%, recognition from management 4.58%, low integration 2.96% and technology support 4.58%.

Table 2: Regression of proposed antecedent variables onto work engagement and organisational identity.

	Work Engagement β	Organisational Identity β
Age	.19*	-.04
Gender	.02	-.16
Low Integration	.12	-.25*
Trust	-.01	-.06
Goal Clarity	.48**	.32**
Climate	-.05	.03
Tech Support	.39**	.21*
Tech Reliability	.03	.14
Recognition	.01	.27**
F	5.99**	10.94**
R^2	.36**	.52**

*** p < 0.01, * p < 0.05*
N=91

Regarding work engagement, results indicate that together the nine predictors explain 36.3% of the variance in work engagement, $R^2 = .363$, F (9, 70) = 5.99, $p < .001$. When the variables were examined to evaluate their individual contribution to the model, it was found that high technology support ($\beta = .39$, $p < 0.01$), high goal clarity ($\beta = .48$, $p < 0.01$) and greater age ($\beta = .19$, $p < 0.05$) significantly predicted work engagement. However, low integration ($\beta = .12$, $p = 0.40$), management recognition ($\beta = .01$, $p = 0.96$), reliability of technology ($\beta = .03$, $p = 0.76$), climate ($\beta = -.05$, $p = 0.60$), trust ($\beta = -.01$, $p = 0.95$) and gender ($\beta = .02$, $p = 0.87$) were not significant predictors of organisational identity.

In order to examine the unique contribution to the variance explained by each of the significant variables, the semi-partial correlations of each significant predictor was squared. From this it was found that the unique contribution of goal clarity was

13.91%, technology support 7.29% and age 3.20%.

One assumption in multiple regression is that multicollinearity does not exist in the data. No bivariate correlation was greater than .7, which suggests it is unlikely that multicollinearity is present. A further rule of thumb suggests that to conduct a multiple regression, the sample should include at least 15 participants for each predictor variable. This was not the case in the current research, with 7-8 predictor variables to only 91 participants. However, because of the high response rate (91%) and that the sample came from one team in one organisation, we can say that the sample is of good quality.

7. DISCUSSION

7.1. Summary of Main Findings

The current research explored obstacles and facilitators to team functioning in an offshore team. Variables representing team functioning were 'organisational identity' and 'work engagement'. Organisational identity was seen as particularly important since the HR operations team surveyed are located in a different space to the organisation's main office and management staff. Potential obstacles and facilitators measured included trust, climate, integration, technology support, reliability of technology, recognition from management and goal clarity. It was expected that high levels of these variables would be positively related to high levels of the dependent variables, organisational identity and work engagement. Age and gender were also included in regression analyses, as initial correlational analyses suggested that they might also influence work engagement and organisational identity.

The first finding of note was that integration, recognition from management, technology support and goal clarity were all significant predictors of organisational

identity consistent with the study's expectations. However climate, reliability of technology and trust did not predict organisational identity, which was contrary to hypotheses. Furthermore, neither age nor gender predicted organisational identity. Secondly, technology support and goal clarity did predict work engagement, as expected, but integration, recognition from management, reliability of technology, climate and trust did not. In this case, with increasing age came greater levels of engagement, but there was no influence of gender. These findings indicate that a high level of integration between departments, sufficient recognition from management for performance, ample support for new technologies, and clear workplace goals are related to greater identification with the organisation. Moreover, sufficient support for ICTs and clear workplace goals are positively related to work engagement, as, to a small degree, is age.

Only two variables acted as significant predictors of both dependent variables: goal clarity and technology support. Intuitively, it makes sense that goal clarity should correlate positively with work engagement, for to be engaged in one's work one must know what their work goals entail. This is supported by Kahn et al. (1964) who assert that in order to adequately perform a role, an employee must know what the expectations of the role are. Further, Hu and Liden (2011) found that goal clarity enhances team performance by offering members a clear view of their goals and the connection between their own work and the team's. Both process and goal clarity promote the quality of interactions within teams and nurture a sense of confidence in the team's potential effectiveness (Hu & Liden, 2011). Goal clarity also predicted organisational identity. This is likely because having clear goals increases self-efficacy and the perception that one is making a meaningful contribution to the workplace. Staff may feel more connected to the organisation and less isolated by

feeling as though they are making a meaningful contribution to the workplace. This is particularly important for offsite workers who are at greater risk of feeling isolated (Dobrian, 1999). Moreover, being clear about work goals and responsibilities may help staff members to correctly understand the nature of the organisation and therefore enable staff to identify with the organisation. O'Reilly and Chatman (1986) propose that attachment to an organisation results from identification with the attitudes, values or goals of that organisation. In this way, understanding workplace goals and goals of the organisation helps staff members feel more connected to the organisation.

Technology support also predicted better levels of work engagement and organisational identity. This means in the case of the current organisation, the more technology support a staff member felt they received, the more likely they were to identify with the organisation and be engaged in their work. Ragu-Nathan et al. (2008) argue that individuals are continually required to increase their day-to-day interaction with ICTs that they are not necessarily familiar with. Similarly to goal clarity, it also makes intuitive sense that support for these new technologies should correlate positively with work engagement. Without knowing how to use technologies required for completing their work, staff members would likely become frustrated and struggle to engage in their work tasks. This supports the findings of Salanova et al. (2005) that organisational resources such as training help employees to feel more engaged at work, and those of Ragu-Nathan et al. (2008) that technostress resulted in perceived work overload, demoralised and frustrated users, information fatigue, loss of motivation and dissatisfaction at work. This loss of motivation and dissatisfaction at work is likely to impact organisational identification. Particularly among offshore workers, we would expect staff members who are unable to use technologies required

to communicate with onsite workers to feel isolated and undervalued.

Low integration predicted higher organisational identity but had no relationship with work engagement. This means that in this case, a low level of integration (or low levels of cooperation between departments) was associated with high levels of organisational identity. High levels of collaboration between departments encourages staff members to align individual goals with departmental and organisational goals as well as increasing the level of interconnectedness. In this way collaboration helps staff members to identify with organisational values. Although low integration did have a moderate negative correlation with work engagement, this relationship was not statistically significant. This is surprising, as Mullen and Copper (1994) found that integration was positively correlated with team performance. However, it is possible that integration and team performance are able to occur without staff experiencing the kind of 'work flow' that characterises engagement. Integration may therefore be important for one to feel connected to the organisation, without actually impacting the ability to become engaged in one's work. In fact, becoming completely immersed in one's work may not always be compatible with collaboration, which may require additional time, social interaction and often compromise.

Recognition from management was positively associated with organisational identity but not with work engagement. Recognition from management is particularly important for individuals who are physically distant from headquarters, as these staff members may not be as aware of their value or contributions to the organisation. Recognition from management also confirms that behaviours employees demonstrate are appropriate, or corrects behaviours not aligned with work goals. Postmes et al. (2001) found that information signalling the organisational identity can increase

organisational identity, because it helps individuals to see themselves as part of the organisation they work for. In this way, recognition from management helps employees to feel valued and understand what the goals of the organisation are. Further, Bennet et al. (1996) found recognition and support from management positively influenced the organisational climate, and Hallberg and Schaufeli (2006) identify that engagement can inspire positive emotions towards the organisation. From this we can see how recognition from management might relate positively to organisational identity. However, given that rewards from management are seen as one of the clearest ways of letting employees know what work is considered important and what level of performance is expected (Cacioppe, 1989), it is surprising that this variable does not correlate significantly with work engagement. Perhaps recognition from management may only affect work engagement when used in a particular way. For instance, if overused this recognition may lose its effectiveness and if underused employees may give up on striving to receive it. It is also possible that if employees are completely engaged and motivated by themselves, recognition from management may not be as important. A more in depth investigation on the relationship between recognition from management and work engagement is needed to address these questions.

Reliability of technology had a small but non-statistically significant association with organisational identity and no relationship with work engagement, which was unexpected. For similar reasons as to why it makes intuitive sense that technology support should positively relate to organisational identity, it also makes sense that reliability of technology should positively relate to organisational identity. Having new and reliable ICTs enables offshore staff members to communicate effectively with their onsite counterparts and management staff. Investment in these

technologies also demonstrates the value of offshore staff members to the organisation. These factors should help staff members to attach and identify with the greater organisation. Therefore it is surprising that the relationships between reliability of technology, organisational identity and work engagement were not statistically significant. This is especially so when technology support received one of the lower scores by staff members, with a mean of 2.48 out of a possible 5, meaning that it is likely seen as an issue by employees. It is possible that those not already engaged in their work did not find unreliable technology particularly interfering and therefore did not give the measure a low score, while those who were more engaged were also more sensitive to ICT issues and therefore gave harsher ratings on this measure. This could account for the null relationships. Similarly, those who do not identify with the organisation's values or who already have doubts about certain aspects of the organisation may not be motivated to improve or report on unreliable systems.

The two most surprising findings from the research were that climate and trust did not relate strongly or significantly with either of engagement or identity, which was contrary to expectations. Smidts et al. (2001) found that a positive organisational climate was important for organisational identity (Smidts et al., 2001), and correlated with job satisfaction and organisational commitment, both of which are related to organisational identity (Holland, 1985; O'Reilly et al., 1991). It may be that in an offshore environment, it is possible to be aware of a positive organisational climate without feeling a part of that climate or really identifying with it. It is also possible that participants rated the climate measure based on the supportive and trusting climate in their own department rather than the overall organisation. Staff members may therefore believe that their own offshore service centre has a positive climate,

without necessarily identifying with the overall organisational values. This may be supported by the relatively low mean score on integration (2.12), suggesting there is not a large amount of collaboration between departments. If this is the case, a more stringent measure should be introduced in future research to differentiate between the climate of the department and the climate of the overall organisation. The non-relationship between climate and work engagement was also surprising, given that organisational climate is known to influence job satisfaction, vocational adjustment and occupational stability (Holland, 1985; O'Reilly et al., 1991). This may again suggest that the overall organisational climate is not felt by the offshore teams.

Contrary to research from Almost and Laschinger (2002) and similarly to organisational climate, team trust also did not predict either organisational identity or work engagement. Trust and respect were shown to be key to creating collaborative practice (Almost & Laschinger, 2002), which is related to organisational identity. Kramer (1993) also found an association between organisational identity and cooperative behaviours, which are known to be encouraged by trusting relationships (Brahm & Kunze, 2012). The explanation to this may be similar to that in relation to climate and organisational identity. It is again possible that participants believe that their own department has a trusting and cooperative climate, but do not extend this to the overall organisation. Therefore, staff members may experience trusting relationships with their immediate peers without necessarily communicating, collaborating or identifying with other departments. However, it is still surprising that holding trusting relationships with co-workers does not have a positive relationship with work engagement.

Finally, although neither gender nor age predicted organisational identity, age did predict work engagement. It may be that as an employee gets older and takes on

more responsibilities, for example buying a house or starting a family, earning enough money to upkeep those responsibilities becomes important and therefore the employee becomes more motivated in their work. Schaufeli et al. (2006) also found a relationship between age and work engagement, however as in their research the relationship found in the current study was small.

7.3. Limitations and Future Research

One of the clearest limitations for the current research is the low statistical power due to the small sample size. The low power of the study increases the chances of making a Type II error and can potentially mask relationships between variables. However, the sample is of high quality due to the high response rate (91 percent) and the fact that the data came from one department in one organisation.

The lack of correlation between climate and organisational identity suggests that participants differentiated between their own team climate and the overall organisational climate. A follow up study using a more comprehensive climate measure could shed more light on how a positive team climate could influence organisational climate in an offshore setting. Further research into the area of offshore team functioning could also include a measure of performance, exploring the link between those variables associated with organisational identity and/or work engagement (goal clarity, climate, technology support, reliability of technology and recognition from management) and team performance.

7.2. Implications of the Current Research

The current research helps to understand how employees function in an offshore environment. As mentioned previously, globally distributed work is becoming more

common for a number of reasons, including the ability to capture talent not available locally, the ability to work on projects 24 hours a day and in many cases to reduce costs by moving work offshore to countries with lower wages. Despite the benefits of offshoring, setting up captive centres is expensive and they are not always successful in reaching organisational aims, with 20% of the Fortune Global 150 companies closing offshore operations in 2008 (Kotlarsky & Oshri, 2005).

Though there is an abundance of literature on typical team structures, the management of offshore teams is very different. Moving departments to offshore locations increases the amount of leadership and communication that must be managed virtually, employees are at a greater risk of isolation and cultural differences between co-workers can result in misperceptions and miscommunications, among other issues. However, even with the growing amount of research into virtual team functioning, research on captive teams and what contributes to their success or failure is scarce.

The fact that climate and trust did not emerge as significant predictors of organisational identity suggests that for offshore employees, departmental identity and organisational identity may be separable. For these employees, it is possible to experience trusting, collaborative and cooperative relationships within their own department without necessarily identifying with the values of the overall organisation. Given the increased risk of isolation for offshore employees and difficulties for management in monitoring the work of dispersed employees, it is particularly important to know how to encourage organisational identity and work engagement in these captive centres. The present study suggests that ensuring goal clarity and technology support may represent an important first step in fostering these positive workplace attitudes. When management is located in a different country and

immediate feedback is therefore difficult to attain, having clear knowledge of one's own work goals and responsibilities is vital if one is to be completely engaged in one's work. The importance of this is stressed by the fact that goal clarity explained the largest portion of variance in both organisational identity and work engagement.

Further, when technology is an integral part of the workplace, and the primary form of communication between co-workers in other locations, support for technology use is also vital. If employees are unable to use ICTs in the way they are intended, they will be unable to work without interruptions and minimise error. Finally, both integration and recognition from management emerged as significant predictors of organisational identity, which stresses the importance of collaborating and communicating with offshore staff to keep them connected to the overall organisation.

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APPENDIX A – Information and Consent Form

Workplace Attitudes Survey
You are invited to participate in a research study conducted by Dr. Joana Kuntz and Abigail Roberts from the Psychology Department at the University of Canterbury, New Zealand.

Purpose of the Study
The purpose of this study is to identify and compare workplace attitudes among staff in an 'extension team' environment, in contrast with staff in a traditional 'co-located' environment. The study seeks to identify strengths and areas requiring support in the current format of the Shared Service Centre in Manila. This will be done by focusing on technology support, organisational support, communications, leadership practices and trust among team members.

If you volunteer to participate in this study, you will be asked questions relating to these topics. You will also be given the opportunity to enter into a prize draw for one of three Amazon vouchers, worth AUD$100 each, as a thank you for your participation.

Potential Risks and Discomforts
There are no foreseeable risks associated with this study.

Potential Benefits to Participants and Organisations
This study's results will be used to better understand the factors that promote or inhibit the development and management of effective teams in an 'extension' or off-shore environment. This study will also help identify any areas requiring support in the current format of the Shared Service Centre. Your time and attention is greatly appreciated.

Confidentiality
The researchers are very mindful of the need to protect participants' interests. Any information that you provide will be treated as confidential. Only the principal researcher and named co-investigators, who have signed a formal confidentiality agreement, will have access to raw data. Under no circumstances will any data you supply be disclosed to a third party in a way that could reveal its source. The survey data will be stored on password-protected computers in secured locations in the Psychology Department of the University of Canterbury. Because this research involves anonymous questionnaires you can be assured that your name will not be revealed in any reports or publications generated by this study.

Participation and Withdrawal
Participation is entirely voluntary. If you volunteer to be in this study, you may withdraw at any time without consequences of any kind, up until you choose to submit your survey when you will no longer be able to withdraw.

Rights of Research Subjects
The project has been reviewed and approved by the appropriate department and the University of Canterbury's Human Ethics Committee. If you have any questions or concerns about this research, please contact Joana Kuntz (joana.kuntz@canterbury.ac.nz).

Participant Consent
I have read and understood the description of the above-mentioned project. I understand that my participation will involve completing an anonymous questionnaire.

□□I fully accept that I am giving my consent to participate in this research study. Ticking the 'accept' box indicates that I understand and agree to the research conditions.
□□I also understand and am satisfied with all the measures that will be taken to protect my identity and ensure that my interests are protected.
□□I understand that I can withdraw from the study and withdraw the data I provided up until I choose to submit the online survey, when it will no longer be possible to withdraw.
□□I agree to publication of results, with the understanding that my anonymity will be preserved.

□ **I have read and accept the terms of this research**

APPENDIX B - Survey

Organisational Identity

Identification and Internalisation (O'Reilly & Chatman, 1986)

1. What this organisation stands for is important to me
2. I talk up this organisation to my friends as a great organisation to work for
3. If the values of the organisation were different, I would not be as attached to this organisation
4. Since joining the organisation, my personal values and those of the organisation have become more similar
5. The reason I prefer this organisation to others is because of what it stands for, that is, its values
6. My attachment to this organisation is primarily based on the similarity of my values and those represented by the organisation
7. I am proud to tell others that I am a part of this organisation
8. I feel a sense of 'ownership' for this organisation rather than just being an employee

Work Engagement

UWES-9 (Schaufeli et al. 2006)

1. At my work, I feel that I am bursting with energy
2. At my job, I feel strong and vigorous
3. I am enthusiastic about my job
4. My job inspires me
5. When I get up in the morning, I feel like going to work
6. I feel happy when I am working intensely
7. I am proud of the work that I do
8. I am immersed in my work
9. I get carried away when I'm working

Collaborative Climate

Collaborative Climate (Larson & LaFasto, 1989)

1. We trust each other sufficiently to accurately share information, perceptions and feedback
2. We help each other by compensating for individual shortcomings
3. We can trust each other to act completely and responsibly in performing our individual tasks
4. As a team we embrace a common set of guiding values

Trust

Trust (Pierce et al., 1992 – modified by Jarvenpaa & Leidner, 1999)

1. Members of my work group show a great deal of integrity
2. I can rely on those with whom I work in this group
3. Overall, the people in my group are very trustworthy
4. We are usually considerate of one another's feelings in this work group
5. The people in my group are friendly
6. There is no 'team spirit' in my group
7. There is a noticeable lack of confidence among those with whom I work
8. We have confidence in one another in this group

Integration
Organisational Climate Scale (Patterson et al. 2005).
1. People are suspicious of other departments*
2. There is very little conflict between departments here
3. People in different departments are prepared to share information
4. Collaboration between departments is very effective
5. There is very little respect between some of the departments here*

Management Recognition
Developed for current research.
1. The Head of HRSS formally acknowledges my individual contributions to the organisation
2. The Head of HRSS formally acknowledges my team's contributions to the organisation
3. The Head of HRSS provides valued direction to the organisation
4. I feel valued and recognised by the Head of HRSS for my contributions to the organisation's success

Reliability of Technology
Goodhue and Thompson (1995)
1. I can count on our computer systems to be 'up' and available when I need them
2. The computer systems I use are subject to unexpected or inconvenient downtimes which makes it harder to do my work
3. The computer systems I use are subject to frequent problems and crashes

Technology Support
Ragu-Nathan et al. (2008)
1. Our organization encourages knowledge sharing to help deal with new technology.
2. Our organization emphasizes teamwork in dealing with new technology-related problems.
3. Our organization provides end-user training before the introduction of new technology.
4. Our organization fosters a good relationship between IT department and end users.
5. Our organization provides clear documentation to end users on using new technologies.

Goal and Process Clarity
Goal and Process Clarity (Sawyer, 1992), Goal Clarity item only
1. My duties and responsibilities
2. The goals and objectives for my job
3. How my work relates to the overall objectives of my work unit
4. How my work relates to the overall delivery of Human Resource services
5. The expected results of my work
6. What aspects of my work will lead to a positive evaluation

APPENDIX C – Exploratory Factor Analyses

Recognition from Management

The following figures are the results from an exploratory factor analysis with the newly created 'recognition from management' scale. Firstly a correlation matrix was produced to check inter-correlation between variables. All variables correlated strongly and significantly with each other, which suggests that they are measuring the same thing.

	M	SD	1.	2.	3.	4.
Recog1	3.35	1.00	1			
Recog2	3.58	0.93	.83**	1		
Recog3	3.85	0.75	.60**	.71**	1	
Recog4	3.36	1.02	.91**	.77**	.68**	1

* $p < 0.05$
* $p < 0.01$

Intercorrelations for 'Recognition from Management' scale.

A factor analysis was then carried out for the subscale. The KMO statistic was firstly calculated, which was 0.71. Kaiser (1974) recommends accepting values greater than 0.5 as acceptable, therefore factor analysis is considered appropriate for the data. Next the eigenvalues before and after extraction were viewed. Before extraction, SPSS identified four linear components within the data set, with one factor explaining 81.38% of the variance in the data alone. SPSS then extracted all items with eigenvalues greater than 1, which left only one factor. This is supported by a Scree Plot, which suggests only one factor.

	Initial	Extraction
Recog 1.	.88	.86
Recog 2.	.76	.79
Recog 3.	.58	.52
Recog 4.	.86	.86

Communalities.

Total Variance Explained

Factor	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.26	81.38	81.38	3.03	75.86	75.86
2	.45	11.24	92.62			
3	.23	5.71	98.33			
4	.07	1.67	100.00			

Extraction Method: Principal Axis Factoring.

Factor analysis for 'Recognition from Management'.

	Factor 1
Recog 1.	.93
Recog 2.	.89
Recog 3.	.72
Recog 4.	.93

Factor Matrix.

Goal Clarity

The following figures are the results from an exploratory factor analysis for the 'goal clarity' scale, adapted from Sawyer (1992). Firstly the KMO statistic was calculated, this was 0.85. As mentioned, Kaiser (1974) recommends accepting values greater than 0.5 as acceptable, therefore factor analysis is considered appropriate for the data. Next the eigenvalues before and after extraction were viewed. Before extraction, SPSS identified six linear components within the data set, with one factor explaining 65.08% of the variance in the data alone. SPSS then extracted all items with eigenvalues greater than 1, which left only one factor. This is supported by a Scree Plot, which suggests only one factor.

Table 5.

	M	SD	1.	2.	3.	4.	5.	6.
GC1	4.37	.60	1					
GC2	4.38	.54	.69**	1				
GC3	4.43	.57	.57**	.69**	1			
GC4	**4.47**	**.67**	**.56****	**.69****	**.75****	**1**		
GC5	4.34	.68	.56**	.61**	.57**	.70**	1	
GC6	3.88	.99	.31**	.48**	.36**	.51**	.56**	1

* $p < 0.05$
* $p < 0.01$
Intercorrelations for Goal Clarity measure.

	Initial	Extraction
GC 1.	.52	.50
GC 2.	.66	.72
GC 3.	.64	.63
GC 4.	.70	.76
GC 5.	.59	.61
GC 6.	.38	.31

Communalities.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.91	65.08	65.08	3.91	65.08	65.08
2	.77	12.82	77.90			
3	.49	8.21	86.12			
4	.39	6.42	92.53			
5	.24	4.07	96.60			
6	.20	3.40	100.00			

Extraction Method: Principal Axis Factoring.
Factor analysis for 'Goal Clarity' items.

	Component
GC 1.	.71
GC 2.	.85
GC 3.	.79
GC 4.	.87
GC 5.	.79
GC 6.	.56

Factor Matrix.

Overall, the findings suggest that both the 'recognition from management' and 'goal clarity' scales are explained by one latent factor each, which is as expected.