The Relationship between Employee Commitment to Strategy Implementation and Employee Satisfaction

Chijioke Nwachukwu, Helena Chládková, Fadeyi Olatunji

Abstract

Purpose of the article: The mobile telecommunication sector in Nigeria has attracted highest foreign direct investment, consistently created jobs more than any sector in the economy. Encouraging employees commitment to strategy implementation can have a positive impact on employee satisfaction level.

Methodology/methods: This study used a descriptive quantitative research approach. The survey method was used to collect data from four mobile telecommunication firms in Nigeria. We administered 120 questionnaires to employees of the sample firms, 105 questionnaires were returned and analysed using the regression analysis, Pearson correlation and ANOVA techniques.

Scientific aim: This study examines the relationship between employee commitment to strategy implementation and employee satisfaction in mobile telecommunication firms in Nigeria.

Findings: The results show that employee commitment to strategy implementation has a positive and significant relationship with employee satisfaction. Employee commitment to strategy implementation is correlated with employee satisfaction, the more committed employees are to their firms strategy implementation, the higher their level of satisfaction with their firms. Thus, employee commitment to strategy implementation have positive impact on employee satisfaction. Our formulated hypothesis is supported.

Conclusions: This study provides a better understanding on the importance of employee commitment to strategy implementation in improving the level of employee satisfaction. This study suggests that employee commitment to strategy implementation is an important factor of employee satisfaction. Thus, policymakers, business executives, and HR managers must create an organisational culture and climate that support employee commitment to strategy implementation to improve employee satisfaction. The authors recommended that firms should elicit the commitment of their employees at the strategy implementation stage as this will boost their level of satisfaction. A satisfied employee will be more productive and this will in turn improve the firm’s performance.

Keywords: strategy implementation, employee commitment, resource-based view, employee satisfaction, mobile telecommunication firms

JEL Classification: M15, M21
Introduction

Firms need to formulate and implement strategies to survive, grow and remain competitive. Some scholars, though, argue that the process of strategy implementation is important than strategy itself (e.g. Hrebiniak, 2006; Robbins, Coulter, 1996). Empirically, Miller (2002) observed that more than seventy percent of strategic initiatives fail at the implementation stage. Successful strategy implementation initiatives depend on the content, strategy process, internal and external contexts (Okumus, 2001). Arguably, employee commitment to strategy implementation has received less attention from both academics and practitioners compared to other drivers of strategy implementation. Nonetheless, employee commitment is one of the important factors that facilitate successful strategy implementation. To implement strategies successfully, firms need to create an organisational climate that supports the commitment of employees to strategy implementation. Employee commitment is necessary to align strategy implementation and strategy decisions. Empirically, many scholars have examined the impact of strategy implementation and performance (e.g. Wanjiru, 2016; Kumar, 2015; Aremu, Oyinloye, 2014; Ibrahim et al., 2012); strategy implementation drivers such as human resource and performance (Shigang, Guozhi, 2016; Sorooshian et al., 2010); financial capability and performance (Shigang, Guozhi, 2016); organisational structure and Small and Medium Enterprises (SMEs) performance (Okeke et al., 2016; Nwosu, 2015); organisational structure and market share (Akinyeke, 2011); HRM policies and variables like commitment, productivity, profitability, and quality, among others (Demo et al., 2012; Kim, Lee, 2012); financial policy and performance (Salawu et al., 2012; Akhigbe, Madura, 2008; Bokpin, Abor, 2009). Previous studies found a connection between employee commitment to strategy implementation and performance (Dooley et al., 2000; Ramaseshan et al., 2013; Kohtamäki et al., 2012; Kuye, Sulaimon, 2011). Employees’ satisfaction is related to investments in human resources practices. Empirically, some studies found a positive relationship between human resource practices and employee satisfaction (e.g. Nwachukwu, Chladkova, 2017; Ijigu, 2015; Rahman et al., 2013). Additionally, employee satisfaction is widely recognised as a determinant of productivity and performance in firms (Silvestro, 2002; Dawal et al., 2009). Communication is a major driver of economic development and growth of any country. The telecommunication markets is mostly characterise with the oligopolistic structure of a market, where there are only a few competitors offering similar services to the customers. The same implications and trends can be seen in the Nigeria were only four firms operate in the mobile telecommunication sector. The mobile telecommunication sector contributed 9.13 percent to Nigeria’s Gross Domestic Product (GDP) in 2016 (Nigerian Communications Commission, 2017). Most of the past studies on the subject examined financial performance in SMEs and manufacturing companies. No study though have explored the association between employee commitment to strategy implementation and employee satisfaction in both Nigerian companies and multinational corporations (MNCs) operating in Nigeria, especially in the mobile telecommunication sector. In light of the dearth of studies on the subject, this study attempts to fill this gap by investigating the association between employee commitment to strategy implementation and employee satisfaction in mobile telecommunication firms in Nigeria. The remainder of the paper is divided into the following sections: Section 1 highlights theoretical foundation, literature review and hypothesis development. Section 2 focuses on methodology. Section 3 presents results and discussion. Whereas section 4 is about conclusions, limitations and suggestions for further research.
1. Review of literature

1.1 Theoretical foundation
According to Barney (1991), firm resources include all assets, capabilities, firm attributes, information, knowledge, organisational processes, etc. controlled by firms that allows them to develop and implement strategies that enhance their efficiency and effectiveness. Resource-based view (RBV) is one of the most widely accepted theories of strategic management (Powell, 2001). Firms achieve superior performance when their resources are aligned with their overall strategy (Barney, Hesterly, 2010; Mugera, 2012). In terms of performance, the resource may increase a firm’s capacity to charge high prices and thus contribute to performance by helping the firm to appropriate value linked to competitive advantage. Therefore, both internal and external resources are important factors of organisational strategy and performance (Barney, 1991). Grant (1991) posits that the internal resources of the firm and their potential for value generation have to be assessed in order to define a strategy allowing the firm to achieve the maximum value in a sustainable way. Authors like Wright et al. (1994), Huselid (1995), Kamoche (1996), specifically use the RBV theory in the field of human resource management, they suggest that human resources that are valuable, rare, cannot be imitated, and cannot be substitute are a source of competitive advantage. This theory underscores the importance of the human element in developing and implementing effective strategies in organisations. Arguably, commitment of employee to strategy implementation can lead to workers satisfaction and improve firm performance. For the purpose of this study, RBV theory is relevant to describe, explain and connect employee commitment to strategy implementation to employee satisfaction.

1.2 Employee commitment to strategy implementation
Successful strategy require the commitment of people at the implementntation stage. Addi-
involvement in implementing marketing strategies. They concluded that marketing managers’ commitment towards strategy implementation has a significant positive impact on organisational performance. They add that top management support, innovative culture, and job autonomy are the important antecedents of managers’ commitment. In the same direction, Kohtamäki et al. (2012) found a statistically significant relationship between employee commitment to strategy implementation and company performance. Using a sample of 670 manufacturing firms in Nigeria, Kuye, Sulaimon (2011) investigated the relationship between employee involvement in decision making and firms’ performance. Profit growth, sales revenue, financial strength, operating efficiency, performance stability, public image, employee morale, environmental adaptation, new ideas, and social impact on the society were used as performance indicators. Data collected from the survey were analysed using descriptive statistics, product moment correlation, regression analysis and Z-test (approximated with the independent samples t-test). It was observed that a statistically significant relationship exists between employee involvement in decision making and firms’ performance and a significant difference between the performance of firms whose employee involvement in decision making are deep and the performance of firms whose employee involvement in decision making are shallow.

1.3 The Concept of Employee Satisfaction
The concept of employee satisfaction has always attracted widespread empirical investigation in organisational and behavioural research. Thus, leading to a number of interesting definitions of the subject. According to Price (2001) employee satisfaction is the effective orientation that an employee has towards his or her work. Employee satisfaction connotes how workers view their work in relation to the overall work environment. Lu et al. (2005) suggest that employee satisfaction is a global feeling about one’s work or a related cluster of attitudes about various aspects of the work environment. Islam, Siengthai (2009) suggest that employee satisfaction may denote a positive emotional state due to an appraisal of one’s job or job experiences. Ellickson, Logsdon (2001) argued that environmental factors and personal characteristics are the two most influential variables that affect the level of employee satisfaction. Additionally, Ganguly (2010), asserts that the person-environment fit paradigm is widely recognised as the most appropriate explanation for employee satisfaction. Other authors observed that employee satisfaction is influenced by factors such as communication, co-workers, fringe benefits, recognition, working conditions, the nature of the work itself, the nature of the organisation itself, organisational systems, policies and procedures, compensation, personal development, promotion, appreciation, security, and supervision (Ilies et al., 2009; Irving, Montes, 2009; Koonmee et al., 2010). For most management scholars, meeting the needs of employees remains an important employee satisfaction-enhancement strategy (Giannikis, Mihail, 2011). Moyes et al. (2008) pointed out that employee satisfaction describes how pleased an employee is with his or her position of employment. Arguably, employee satisfaction measures the degree to which employees are happy with their jobs. Firms use different methods to measure the level of employee satisfaction. These methods are anonymous employee satisfaction surveys (Deshpande et al., 2012), meetings held between management and small groups of employees (Ybema et al., 2010) and exit interviews (Schulz, 2001). The importance of these methods lies in that they elicit satisfaction sentiments from employees themselves (Schneider et al., 2003). Employee satisfaction has been widely recognised as a predictor of productivity and performance in organisations (Dawal et al., 2009; Silvestro, 2002). Previous studies
have found significant relationships between human resource management practices and employee satisfaction (Usha Priya, 2013; Oyeniyi et al., 2014; Rathanaeera, 2010; Kashfi et al., 2015). Finally, the authors contend that employee commitment to strategy implementation will be positively related to employee satisfaction. We, therefore, hypothesized thus;

**H1:** Employee commitment to strategy implementation is positively related to employee satisfaction.

### Model specification

\[ Y = \beta_0 + \beta_1 X_1 + \epsilon, \]  

where:

- \( X_1 \) employee commitment to strategy implementation,
- \( Y \) employee satisfaction,
- \( \beta_0 \) constant or intercept which is the value of the dependent variable when the independent variable is zero,
- \( \beta_1 \) regression Coefficient for the independent variable,
- \( \epsilon \) error term.

### 2. Methodology

This study employed a descriptive quantitative research approach using the survey method. The survey allows easy collection of data from large groups of respondents. It requires minimum time and cost to develop and administer, and is relatively easy for making generalisations (Glasow, 2005; Zikmund et al., 2009). In this study, authors used a purposive sample of \( n=120 \) employees on managerial levels in four mobile telecommunication firms in Nigeria. Purposive sampling enables researchers to obtain information from people who can provide the best information on the research topic (Leedy, Ormrod, 2005). To determine the sample size, Green’s (1991) rule of thumb which states that no less than 50 participants are suitable for a correlation or regression with the number increasing with larger numbers of independent variables (IVs), was used. Data were collected through an electronic survey instrument which was validated by a panel of strategic management scholars. The survey was conducted between June 2017 to November 2017. A web-based survey was combined with sending emails to individuals to participate in the study. Andrews et al. (2003) argue that web-based surveys are better than email surveys, but when combined with email they represent an excellent vehicle for inviting individuals to participate in web-based surveys. Out of 120 questionnaires sent to respondents, only 105 were returned, which represent a response rate of 87.5%. A response rate of 50% is adequate for data analysis and drawing conclusions (Bryman, Bell, 2015; Mugenda, Mugenda, 2009). Thus, the response rate of 87.5% is adequate for data analysis and drawing conclusions. The authors used 5-point Likert scale questionnaire to collect data from respondents. Employee commitment to strategy implementation was measured using two questions. A single question was used to measure the overall employee satisfaction this is consistent with Bergkvist, Rossiter (2007, 2009) that single-item (SI) measures demonstrated equally high predictive validity as multiple-items (MI) scales. We use simple linear regression techniques, Pearson correlation and ANOVA for testing the relationships and hypotheses in this study. SPSS 17 (statistical package for the social sciences software) statistical software is employed in the analyses conducted.

### 3. Results and Discussion

In terms of the demographic profile of the respondents, the respondents were classified into four groups of age: between
25–34 years old; 35–44 years old; 45–54 years old; 55 years old and above. Table 1, shows that 36% of the respondent’s age is between 25–34 years old. More than half 62% of the respondents whose age was between 35–44 years old. About 2% whose age was between 45–54 years old. There are no respondents whose age was 55 years and above. With respect to educational qualifications, 44% of the respondents have a first degree (HND/B.SC), 55% have a second degree (MBA/M.SC) and 2% have professional certifications. This study suggests that majority of the respondents were college/university graduates. It, therefore, means that the responses of the participants in this study were well informed as a result of their educational background. With regard to work experience in years, the respondents were grouped into three: between 1–10 years; 11–20 years; 21 years and above. 60% of the respondents have worked between 1–10 years, 39% between 11–20 years. Only 1% has worked for 21 years and above. Furthermore, 2% of the respondents were directors, 10% were senior managers, 45% were middle managers, 41% were lower level managers, 2% were analysts and supervisors. The sample may be considered adequate in terms of the distributions of these characteristics.

The regression result in Table 2 shows a coefficient of determination ($R^2=12.3\%$) which indicates that employee commitment to strategy implementation accounts for 12.3% of the variation in employee satisfaction. A statistically significant relationship was found

<table>
<thead>
<tr>
<th>Table 1. The demographic composition of the respondents.</th>
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<tbody>
<tr>
<td><strong>Characteristics</strong></td>
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<td><strong>Age</strong></td>
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<td><strong>Education Qualification</strong></td>
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<td><strong>Length of Service</strong></td>
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<td><strong>Job position</strong></td>
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</table>

Source: Authors. $n = 105$.

<table>
<thead>
<tr>
<th>Table 2. Regression results employee commitment to strategy implementation and employee satisfaction.</th>
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</thead>
<tbody>
<tr>
<td><strong>Model</strong></td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

P<0.05 Source: Authors.

Predictors: (Constant), employee commitment to strategy implementation.
Dependent variable: employee satisfaction.
between employee commitment to strategy implementation and employee satisfaction (P<0.05). Hence, the model is valid and a good predictor of employee satisfaction.

The correlation results in Table 3, (r=0.350, p-value 0.000<0.05) indicates that a moderate positive relationship exists between employee commitment to strategy implementation and employee satisfaction. The relationship is statistically significant because our computed p-value of 0.00 is less than p-value of 0.05. The two variables move in the same direction, the stronger the commitment of employees to strategy implementation, the higher their level of satisfaction with their organizations. Thus, employee commitment to strategy implementation have positive impact on employee satisfaction.

The results of ANOVA tests are presented in Table 4. The linear regression F-value is the Mean Square Regression (15.409) divided by the Mean Square Residual (1.111), yielding F=13.863 at an acceptable significant level of 0.000. Hence (F=13.863, P-value .000<0.05) shows a statistically significant relationships between the variables. The authors conclude with 95% confidence that employee commitment to strategy implementation has explanatory power on employee satisfaction.

The regression, ANOVA and correlation results show that a positive significant relationship exists between employee commitment to strategy implementation and employee satisfaction. The results indicate that employee commitment to strategy implementation has a positive impact on employee satisfaction. In other words, employee commitment to strategy implementation is a predictor of employee satisfaction. Thus, the hypothesis employee commitment to strategy implementation is positively related to employee satisfaction is supported. This finding is similar with the studies of Dooley et al. (2000) that commitment increases employee motivation and shortens the time needed for strategy implementation, and Ramaseshan et al. (2013) that found positive impact between marketing managers’ commitment and involvement in implementing marketing strategies and organisational performance. We infer from the findings from

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**Table 3. Correlation results employee commitment to strategy implementation and employee satisfaction.**

<table>
<thead>
<tr>
<th></th>
<th>Employee satisfaction</th>
<th>Employee commitment to strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1</td>
<td>0.350</td>
</tr>
<tr>
<td>Employee satisfaction</td>
<td>Sig. (2-tailed)</td>
<td>0.000</td>
</tr>
<tr>
<td>N</td>
<td>102</td>
<td>102</td>
</tr>
</tbody>
</table>

*P<0.05; Source: Authors.*

**Table 4. Anova results employee commitment to strategy implementation and employee satisfaction.**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>15.409</td>
<td>1</td>
<td>15.409</td>
<td>13.863</td>
<td>0.000</td>
</tr>
<tr>
<td>1 Residual</td>
<td>110.037</td>
<td>99</td>
<td>1.111</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>125.446</td>
<td>100</td>
<td></td>
<td></td>
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</tbody>
</table>

*Source: Authors.*

Predictors: (Constant), employee commitment to strategy implementation.
Dependent Variable: employee satisfaction.
this study that employee commitment to strategy implementation is a source of motivation for employees which could increase their level of satisfaction. Also, management supports is necessary to elicit the commitment of employees to implementing firm’s strategic initiatives as this could have positive implications for employees satisfaction and business performance.

4. Conclusion

The study examines the relationship between employee commitment to strategy implementation and employee satisfaction in mobile telecommunication firms in Nigeria. Mobile telecommunication firms contribute to gross domestic products (GDP) and employment growth in both developed and emerging economies. Implementing successful strategies is important for firms to remain competitive. Committing employees to strategy implementation is crucial for firms to achieve their goals. Some studies operationalised employee satisfaction as one of the indicators of firm performance. Finding from our study reveals that employee commitment to strategy implementation is a predictor of employee satisfaction. Firms need satisfied employees to deliver superior business results. Employee satisfaction could improve productivity, profitability and reduce employee turnover (Nwachukwu, Chladkova, 2017). Our study has both theoretical and managerial implications for business executives and human resource practitioners, with reference to the emerging market. This study adds to existing knowledge in the field of strategic human resource management research, by investigating the impact of employee commitment to strategy implementation on employee satisfaction in mobile telecommunication firms in Nigeria. This study gives insight on the importance of employee commitment to strategy implementation in improving employee satisfaction. Secondly, insight from this study will enable policymakers, business executives, and HR managers create an organisational culture and climate that encourage employee commitment to strategy implementation to improve employee satisfaction and enhance business performance. Furthermore, this study affirms that employee commitment to strategy implementation is an important determinant of employee satisfaction. The level of satisfaction may be as a result of the joy or happiness an employee feel after implementing a successful strategy. Also, it could be as a result of the fulfilment employee get from been committed to implementing the firm’s strategy. Low employee turnover, investment in training and development, good wages and reward policies, career plans are not the only predictors of employee satisfaction. Our study demonstrated that employee commitment to strategy implementation is also important to enhance employee satisfaction. The finding of this study is useful for decision-making in the mobile telecommunication sector, other industry and public sector in Nigeria and in other countries. We recommend that firms should elicit the commitment of their employees in the strategy implementation stage as this could boost their level of satisfaction. A satisfied employee will be more productive and this could have an overall positive impact on the firm’s performance. Consequently, a firm that fails to give attention to the commitment of their employees to strategy implementation may have less productive and dissatisfied employees. A single item scale was used to measure employee satisfaction. Despite this limitation described above, the applicability of this study contributes to the literature as it relates to the strategic human resource research from both theoretical and practical point of view. This study could be further developed by using a multi-item scale to measure the constructs of employee satisfaction. The impact of other drivers of strategy implementation such as human resource capability, financi-
al resource capability, organisation structure and organisational policies on employee satisfaction could be jointly examined in telecommunication sector and other sectors in Nigeria and other countries.

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