

# Determinants of High-Performance Organization: Empirical Evidence from Private Telecommunication Sector of Afghanistan

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## Abstract

The purpose of the study is to ascertain forces influencing high performance work system. The study is conducted on telecommunication sector, targeting four private organizations. The study is based on branch level in the capital city Kabul. A questionnaire consisting of 20 items distributed to measure globalization, demographic change and new technology. The results explore that these forces have significant influence on high performance work system. A significant limitation emerges for the existing study due to lack of research that could set up the chain between globalization, demographic change, new technology and high-performance work system in Afghanistan.

**Keywords:** Globalization, Diversity Management, New Technology and High-performance work system

**JEL Codes:** F35, F43, F1, P45

## Introduction

The present world is sorted out by quickened globalization which is fortifying the strength of financial systems of entrepreneurs around the world. Globalization is replacing the power of the country state with transnational or potentially worldwide organizations and associations. With expanding globalization, there have been huge and sweeping changes in worldwide associations. Concerning data and correspondences on new innovation and technology, it will be hard for a business to be involved in various global market and partnership to turn into a critical player in the worldwide commercial center without a broad utilization of data and interchanges. Data and interchanges advancement assumes an enormous job in every aspect of the present organization. ICT is considered to drive associations to more prominent and proficient execution. It gives the chance to associations to be in any region of the globe, even in remote areas. In addition, it sets up a virtual nearness in the worldwide economy as an e-business on the web (ccenter, 2002).

ICT empowers associations to set up exchange seas in short period of time. Onwuka and Eguavoen (2007) concur with this when they communicated that, propels in PC innovation empower dealers to satisfy need for monetary instruments, for example, swaps and prospects without any difficulty. Through ICT, associations can enhance their business through the web. An example is the online web exchange goliath, ebay.com, which serves clients in practically every one of the nations from their American area. Furthermore, as indicated by Adei (2004), mechanical developments have assumed a critical job in the making of trans-world social spaces. Mechanical developments and insurgencies in transportation and particularly, data and correspondences innovation (ICT) are the spine and framework of globalization. Improved transportation just as the rise of containerization in land-and ocean-based sending has decreased both the dealing with necessity and travel time by multiple thirds (Onwuka and Eguavoen, 2007). On the other hand, aging of the workforce and lack of talented specialists change the natural conditions for associations' human asset (HR) (Armstrong-Stassen and Lee, 2009). Associations progressively face a war for ability that incites aggressive power hands on market (Beechler and Woodward, 2009). Moreover, the more noteworthy heterogeneity of the workforce makes more dynamism in representatives' desires and authoritative offers. While studies suggest that associations need to rethink their HR strategies and practices in the light of these improvements (e.g., Kooij, Jansen, Dikkers, and De Lange, 2010) and realize inventive practices to draw in, persuade, and hold maturing and progressively age-diverse workforces" (Kulik et al., 2014), little is thought about how improvements on occupation markets influence authoritative HR in the board. Thus, the primary objective of this paper is to give a more intellectual comprehension of how associations react to these changes, especially to new trends and development in globalization, change in demographics and new technology that can influence high work system in telecommunication sector of Afghanistan.

### **1.1 Research Problem**

The monstrous exchange advancement and budgetary reconciliation went with becoming political, socio-social and military reliance just as the unreasonable innovative advances has driven the expression "globalization" to wind up perhaps the most sweltering theme of our time. Despite the fact that the term "globalization" is utilized to allude to a solitary wonder, it's anything but a solitary, bound together process (Ardıç, 2009). Research on statistic organization and firm execution. Hierarchical demography analysts will in general center on the impacts of residency,

utilitarian foundation, or occupation related factors just as noticeable statistic qualities, for example, age, race and ethnicity, and sexual orientation. In spite of the fact that the focal point of this examination is sexual orientation assorted variety, as foundation we present a brief audit of the discoveries of statistic synthesis and firm execution studies.

## **1.2 Significant of the Research**

The current study deal with understanding the influencing factor such as globalization, demographic change and new technology towards high performance work system in selected private telecommunication sector in Afghanistan. Increased demographic change, rapid globalization and fast change in technology completely changed organizational high performance work system.

## **1.3 Objectives of the Study**

**RO1:** To examine recent trends and developments in globalization and analyze how they are affecting high performance work system.

**RO2:** To measure and explore the change in demographics and how it influences work system for an organization.

**RO3:** To understand the need for new technology for an organization, and suggest how it will affect organizational work system.

## **2. Literature Review**

### **2.1 Globalization**

In spite of the fact that „Globalization“ is a notable and broadly utilized term for quite a while and proceeds to influence organizations in all angles, there are just a couple of inquiries about that address the effect of globalization on firm execution. Among these, Acheampong, (2000) inspected in the case of expanding globalization evens out velocities of productivity alteration of worldwide firms in the refreshment. Furthermore, industry in the beverage purchaser items industry and their discoveries report no critical nation impact in the refreshment (beverage) and tobacco industry while in the sustenance and shopper items industry, rates of gainfulness alteration was found to change crosswise over nations. In another investigation, Peltonen, (2008) examined the effect of import entrance on firm’s benefit in 15 assembling enterprises in 10-euro territory nations during 1955-2004 and their outcomes show that import rivalry from developing business sector economies has had a general negative effect on organization gainfulness in the euro territory producing division. Be that as it may, in spite of the discoveries of Peltonen et al. (2008), Georgiou (2011) report a positive effect of globalization (as estimated by absolute exchange

to GDP) on organization benefit (as estimated by net profit for value) for Europe and the discoveries of Akinola (2012) propose that the presentation of Nigerian Banks as estimated by benefit before assessment increments with globalization. By the by, clearly there exists a restricted assemblage of learning about the effect of globalization on the firm execution/worth and further research is urgently required.

## **2.2 Demographic Change**

Thusly statistic change, workforce maturing and the administration of more seasoned laborers is progressively turning into an issue of arrangement worry for governments and bosses. Social dependability, physical security, improved living conditions and monetary just as therapeutic advancement have added to longer future and improved personal satisfaction (Commission Communication, 2006). Free development of work crosswise over EU part nations has further influenced the statistic circumstance (Pollard, Latorre and Srisikandarajah, 2008), prompting a further decay of the extent of individuals in work in numerous districts of the EU (De Jong and Eding, 2000). The current worldwide monetary downturn has consequences for work and movement in Europe influencing the entire of the work advertise. At the hour of composing this paper quite a bit of these issues is so far misty or simply advancing. As statistic change is a long-term wonder, the work of more seasoned laborers is no less significant than that of the youthful.

## **2.3 New Technology**

There are a few looks into that attempted to clarify IT and profitability of paradox. Brynjolfsson and Hitt (1996) considered also, experimentally tried the plausibility of the efficiency Catch 22 as an antique of mis-estimation. They utilized the neoclassical generation hypothesis so as to decide the commitment of such contributions as PC capital and data frameworks staff work to yield. They gauged yield in swelling balanced dollar terms since, this in part represents changes in item quality what's more, presentation of new items. They inferred that their results demonstrated that IT had made a considerable and measurably critical commitment to firm yield, and that the profitability oddity vanished by 1991, at any rate in their example of firms. By concentrating on one of the four potential clarifications (mismeasurement) for the profitability, Brynjolfsson and Hit (1996) had the option to demonstrate a critical connection between interest in data frameworks and firm yield. Stratopoulos and Dehning (2000) look into considers the probability that a bit of the efficiency conundrum is owing to botch. Experimental discoveries of Strassmann

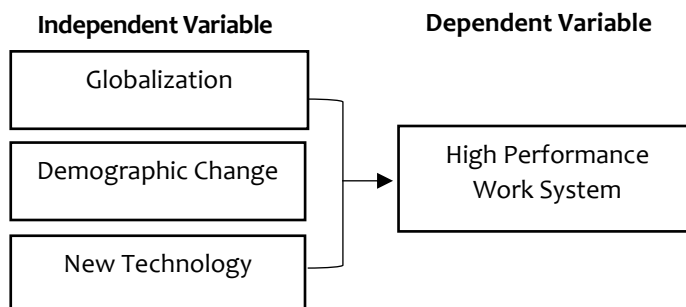
(1990), likewise, show that the absence of any huge relationship between the interest in IT and execution, focuses to conceivable unreasonable conduct of the administration. Moreover, Chaos (1995) announced that 80 percent of IT ventures can't meet their budget as well as time objectives in light of the bungle of activities. These confirmations emphasis on the job of bungle in IT efficiency mystery presented by Brynjolfsson (1996).

## 2.4 Underpinning theory

### 2.4.1 Leader Member Exchange (LMX)

As previously mentioned, the study planned to broaden the usual goal of inconsistency from the organization and add result-oriented items that causes high performance of employees and the organization as a whole (Schuh, et al., 2016; Sparrowe & Liden, 2005). The leader member exchange (LMX) relationship not only influences employee's actions (Dulebohn, & Bommer, 2012) and employees work behavior (Liden, Brouer & Ferris, 2012), but it also influences follower's perception and views of the leaders and the organization as a whole (Martin, et al., 2010). Leaders' member exchange (LMX) is the most recognized and well-known theory of relational leadership (Uhl-Bien, 2006). The basic concept of leader's member exchange theory is that leaders differentiate how they handle their follower through various types of exchange which causes employees behavioral change related to work (Dansereau et al., 1975), that results different quality relationship between leaders and members. As per previously discussion, leaders' members exchange or LMX related researchers analyzed the leaders and follower's relationship from a univalent standpoint, implicitly assuming that this relation is either primarily causes higher performance of individuals or primarily higher performance system within the organization as a whole (Lian & Ferris 2012). As a consequence, research has overlooked the possibility that most of the followers views the relationship as strong predictor for motivation toward higher performance work system.

## 2.5 Theoretical Framework



Source: Author's compilation

## 2.6 Hypothesis

- **H<sub>1</sub>**: There is significant relationship between globalization and high-performance work system.
- **H<sub>2</sub>**: There is significant influence of demographic change towards high performance work system.
- **H<sub>3</sub>**: There is significant influence of new technology towards high performance work system.

## 3. Methodology

The objective of the study was to examine the linkage between forces for instance globalization, demographic change, new technology and its influence on high-performance work system. The purpose of this research was to examine how various driving forces impact the high-performance system. The telecommunication sector was chosen for this study because of the recent dramatic changes in internal service quality, competitive advantage and stressful job situations in the telecommunication sector. The data collected for this study is primarily in nature. The population of the study takes into account staff members of five (4) private telecommunication Kabul, Afghanistan. The respondents were chosen based on simple random sampling. Telecommunication chosen for this study was; Roshan, Afghan, MTN, and Etisalat telecommunication sectors. Furthermore, the total sample size for this study was 300 participants.

## 4. Measurement

**Table 1: Reliability Statistics**

Cronbach's Alpha	N of Items
.719	27

Source: Data output from SPSS v 24.0

Data collection through the survey is an appropriate technique since it allows the researcher to target a large number of elements in the population and thus reliable and valid information collected from the selected sample can be generalized over the entire population (Kerlinger & Lee, 2000).

The questionnaire was divided into two sections. Section A consisted of questions related to personal and job-related information primarily categorical in nature measured on nominal and ordinal scale. Section B consisted of perceptual questions related to independent and dependent variables. For measuring the construct of interest in the present study, scales were adapted from established measures from existing studies. Each of the construct along with their source and items is discussed below;

The instrument for globalization was taken from Newburry, W., Belkin, L. Y., & Ansari, P. (2008), the instrument for demographic change was taken from Radcliffe, K. W., Ahmad, S., Gilleran, G., & Ross, J. D. C. (2001), the instrument for new technology was taken from Shaukat, M., Zafarullah, M., & Wajid, R. A. (2009), instrument for high performance work system was taken from Den Hartog, D. N., & Verborg, R. M. (2004).

The reliability of the scales utilized in the present research was tested by the Cronbach’s alpha test in SPSS. In this present research Cronbach’s Alpha is more than .719 which shows that the instruments used are reliable enough to carry out the research. The results are shown in the table;

### 5. Data Analysis and Results

**Table 2: Demographics Characteristics**

	Frequency	Percent	Valid Percent	Cumulative Percent
<b>Age</b>				
20-29	181	51.6	51.6	51.6
30-39	49	21.5	21.5	21.5
40-49	48	16.5	16.5	100
50 or above	22	10.4	10.4	
Total	300	100	100	
<b>Gender</b>				
Male	211	80.2	80.2	80.2
Female	89	19.8	19.8	100
Total	300	100	100	
<b>Educational Level</b>				
Bachelor	175	72.2	72.2	72.2
Master	106	23.6	23.6	95.8
MS/M.Phil.	19	4.2	4.2	100
Total	300	100	100	
<b>Designation</b>				
Assistant				
Lecturer	86	19.1	19.1	19.1
Lecturer	69	27.6	27.6	95.3
Associate				
Professor	124	48.7	48.7	67.8
Professor	21	4.7	4.7	100
Total	300	100	100	
<b>Experience Level</b>				
1- 10	201	78.8	78.8	78.8
11-20	99	21.2	21.2	100
Total	300	100	100	

Source: Data output from SPSS v 24.0

A total number of 300 respondents were chosen of which 212 were male and 89 were female. The age table elucidates that majority of the respondents were between 20 – 29, they comprised 51.6 % of the total respondents. The next major respondent group was between 30 - 39, their

percentage was 21.5 % of the remaining 26.9%. The education table shows that majority of the respondents was bachelor undergraduates with the percentage of 72.2. Designation table shows that 124 participants were associate professor with percentage of 48.7%. Furthermore, experience table explores that 201-participant had 1-10 years of experience with 78.8 % and only 21.2 % had experience between 11-20.

**Table 3: Hypothesis Testing**

Model	R	R Square	F	Std. Error of the Estimate
G & HWPS	.144	.021	35.120	2.16368

a. Predictors: (Constant), Globalization  
 Source: Data output from SPSS v 24.0

From the above table 2 the value of R Square, which is .144 shows that 14.4% change in high performance work system, is explained by selected forces (globalization). The results reveal a significant impact of globalization on high performance work system,  $f = 35.120$ ,  $p < .001$ . Hence  $H_1$  is supported.

**Table 3: Regression Analysis between DC & HWPS**

Model	R	R Square	F	Std. Error of the Estimate
DC & HWPS	.376	.141	239.25	2.02596

a. Predictors: (Constant), Demographic Change  
 Source: Data output from SPSS v 24.0

From the above table the value of R Square, which is .141 shows that 14.1% change in high performance work system, is explained by selected forces (demographic change). The results reveal a significant impact of demographic change on high performance work system,  $f = 239.25$ ,  $p < .001$ . Hence  $H_2$  is supported.

**Table 4: Regression Results**

Model	R	R Square	F	Std. Error of the Estimate
NT & HWPS	.362	.131	225.31	2.03781

a. Predictors: (Constant), New Technology  
 Source: Data output from SPSS v 24.0

From the above table the value of R Square, which is .131 shows that 13.1% change in high performance work system, is explained by selected forces (new technology). The results reveal a significant impact of new technology on high performance work system,  $f = 225.31$ ,  $p < .001$ . Hence  $H_3$  is supported.

**Table 5: Correlations**

	Demographic Change	Globalization	New Technology	High Performance Work System
Demographic Change	Pearson Correlation	1		



		Sig. (2-tailed)			
		N	300		
Globalization	Pearson				
	Correlation	.325**	1		
	Sig. (2-tailed)	.000			
	N	300	300		
New Technology	Pearson				
	Correlation	.369**	.284**	1	
	Sig. (2-tailed)	.000	.000		
	N	300	300	300	
High Performance Work System	Pearson				
	Correlation	.376**	.144*	.362**	1
	Sig. (2-tailed)	.000	.012	.000	
	N	300	300	300	300

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

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

Source: Data output from SPSS v 24.0

Table 5 represents the correlation analysis of the organization high performance work system which result from selected forces for instance “globalization, demographic change, and new technology. The examination demonstrates that there is positive strong relationship between the variables carrying values  $r = .376$ ,  $p = .000$ .

#### 4. Conclusion

Rehashed financial emergencies and relentlessly expanding challenge, realized in especially by derives and forces, for example, the globalization, demographic change, and new innovation moved markets into expanding rivalry, the selected forces for the current study are driving a phenomenal nationalization of assets. Improved profitability has along these lines turned into a worry all things considered, both public and private. Based on the results of regression and correlation analysis, we conclude that there are significant correlations at the 5% level between all factors which implies that globalization, demographic change and new technology positively affect the high-performance work system. The study found significant relationship between globalization and high-performance work system, the current study also explored positive relationship between demographic change and high-performance work system. It’s important to mention that the study also found significant positive relationship between new technology and high-performance work system.

#### 4.1 Implication and Future Research Direction

One of the most important strategic decisions facing management in today’s globally competitive business environment involves globalization, demographic change and with no doubt increasingly new technology and its rapid development, necessarily organization must focus on these

changes. The current study targeted telecommunication sectors in Kabul, Afghanistan to explore the influence of selected forces on higher performance work system. The study shows high performance work system because of the driving forces for instance globalization, demographic change and new technology. Furthermore, the study can be effectively implemented in other industries with some expanding its scope and dimensions.

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