

Research article

The role of organizational resources and environment in Organizational performance and customer loyalty; service climate as mediator: A Study of Telecommunication Sector of Pakistan

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Abstract

Employees are the most important asset for organizations have significant importance and their performance can influence customer satisfaction and loyalty. This research is both from employee and customer perspective in Telecom Sector of Pakistan. The rationale of this exploratory study is to investigate the link among organizational resources, work environment, employees, and customers. Structured questionnaires were given to employees and customers. For the study 100 employees of telecom companies of Pakistan were selected and customers of telecom services by using convenient sampling technique. Statistical tools such as factor analysis, regression and correlation analysis are designed to examine impacts. Results proposed that environment and resources influence service climate that influence employee work engagement and performance that ultimately impact on job satisfaction, customer satisfaction and loyalty. Tenure has a little impact on performance and satisfaction. This work will enhance the understanding of service sector of telecom industry in Pakistan.

Keywords: Organizational Resources, Work environment, Service climate, Employee job satisfaction, Employee work engagement, Employee performance, Tenure, Customer satisfaction, Loyalty.

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1. Introduction

The most important priority in the service sector of organization is customer satisfaction to evaluate organizational performance (Wisniewski, 2001). Employee interests and engagement play a very vital role in the customer satisfaction and loyalty (Barnes, Ponder and Hopkins, 2014, Bettencourt and Brown, 2003). For this purpose to keep customers loyal and satisfy, organizational resources and environment is very much important. Climate for service enhances customer satisfaction and employee performance; hence the service researchers and practitioners recognize that service climate will lead to high job satisfaction (Pantouvakis and Bouranta, 2013). Better service climate can lead to employee's engagement which in turn in higher value and better results. High

levels of employee engagement occur when employees are involved with, committed to, enthusiastic, and passionate about their work (Truss et al., 2013).

For service industry growth and quality improvement, continuous effort is necessary especially when environment is unbalanced. The telecom sector of Pakistan is highly pressurized by customer demands and worldwide issues, suffering from many problems relating to work environment and services. Pressure to bring massive and rapid structural modifications to tackle upcoming challenges from government is one of them. According to Malik et al. (2013), the alteration in telecom sector of Pakistan is not only restricted towards the social and economic area rather it has also affected the psychological globe of the human resources and they are suffering exhaustion. These

changes have enhanced employees' turnover rate. Due to privatization telecom sector has facing difficulties in retaining personnel (Khurram et al., 2011). In the existing scenario where employee retention has become an important element for achieving organizational goals it is necessary to enhance employee work engagement with job satisfaction by improving service climate (Salanova et al., 2005).

A climate for service rests on a foundation of fundamental support in the way of resources, training, managerial practices, and the assistance required to perform effectively that have a direct, both positive and negative, effect on work engagement of an employee within the organization (Salanova et al., 2005). More engaged employees enhance the productivity of the organization. Engagement impacts on customer loyalty in more ways than simply interactions with frontline staff. The quality of products produced by engaged employees is better, as previously reported and more productive staff make less mistakes that could impact on customer (Ram and Prabhakar, 2011). Service climate is built on foundations of caring for both internal and external customers. Highly engaged workers are highly satisfied and vice versa. Tenure plays a negative role as a mediator. However, the effects of tenure as a moderator have been conflicting. Tenure negatively affected the relationship between job satisfaction and productive work/work engagement (Bakker et al., 2007).

Most of research is conducted in health and psychology dealing with nurses and doctors, restaurants and retailing mainly in Japan, America, U.K, Canada, Rome, and Germany. In telecom sector most of the work is done on job satisfaction, motivation and empowerment (Ahmed and Islam, 2011, Rana et al., 2009, Saleem et al., 2010). Some research is also done on work engagement is conducted in retails shops, fast-food restaurants, software industries, banking, and hotels (James et al., 2011; Koyuncu et al., 2006, Roberts and Davenport, 2002, Salanova et al., 2005, Xanthopoulou et al., 2009). But there exist very few studies exist in telecom sector especially in Pakistan. So the area of special interest is to understand the behaviors of employees in Telecom sector of Pakistan imply best practices within the organization. To date, there is no research exist which deals with impact of all these variables together.

Therefore, the objective of this study is to evaluate the effectiveness of proper work environment practices and conditions associated with a service climate, and by determining the relationships between service climate components and customer satisfaction in Telecom sector. This study also examine whether work engagement influence job satisfaction and if tenure acts as a moderator to this relationship.

This study will make a unique contribution to the literature by examining the relationship between work engagement and employee performance, job satisfaction as well as customer loyalty along with how tenure and service climate affects this relationship. To date, no research has been conducted that examines the relationship between dimensions of work engagement and job satisfaction, employee performance, customer satisfaction & loyalty together. By understanding this relationship, upper level management can implement changes that can improve work engagement employee performance, customer satisfaction and loyalty and job satisfaction.

The results will also provide an objective insight to Telecom sector to plan necessary course of action to achieve and sustain service based competitive advantage. The study will generate information that will be useful for organizational leaders in evaluating work engagement based practices in their own organizations, in Pakistan, to enhance organizational performance as well as this study is helpful for both marketing and human resource sector for further research.

2. Review of Literature:

Service quality literature identifies that there is a need for organizations to create and maintain a climate for service in order to deliver excellent service (Salanova et al., 2005). In the case of service climate, the priority is customer satisfaction (Johnson, 1996). Employees are motivated and delighted to deliver excellent service to customers when the organization rewards such behaviors and organize practices that improve service delivery (Grigoroudis et al., 2013, Schneider et al., 1992). Kehoe and Wright (2013) investigated and empirically evaluated that human resource practices (realistic job information, job analysis, work family balance, career development, compensation and Supervisor support) may impact on marketing executive intention to leave or turnover in companies. Foong-ming (2008) investigated the role of career development practices. Sajjad et al., (2013) examined the impact of motivation on employee turnover.

Even though there is much discussion which can be held on this topic, there is very few researches designed to enhance service delivery to investigate the effectiveness of management.

Organizational resources: Organizational resources refers to the organizational context of a job that are proved functional in achieving work goals, reduce job demands and their associated physiological costs, and, finally, could stimulate personal growth, learning, and development (Demerouti et al., 2001). Resources are motivational source for an organization as according to the conservation of resources theory (Hobfoll, 2001), basic human motivation is directed

toward the creation, maintenance, and accumulation of resources. Resources are valued in their own right in motivation process. The presence of available job resources enhances personal development and increases motivation. More specifically, Bakker et al. (2007) found that job resources (performance feedback, supervisor support, job control) were stimulator of engagement. Kahn (1990) examined that engagement also varies according to the resources people expected themselves to have their availability. In this study, we perceived organizational resources as “facilitators” in the workplace because they treated as potential motivational factors to increase work engagement.

Service Climate: Service climate deals with employee attitudes toward the practices, procedures, and behaviors that get rewarded, supported, and expected related to customer service and customer service quality (Schneider et al., 1998). It is the employees view about management practices across a range of disciplines including human resources, leadership and marketing (Kopperud et al., 2014). Service climate is established according to caring for both internal and external customers. It is the message for employees about how service is important in their organization. The organizational climate is based on beliefs among the employees according to organizational policies, procedures, and practice that are supported and rewarded (Randhawa and Kaur, 2014). A climate for service organization is built on a foundation of fundamental support in the way of resources, training, managerial practices (Schneider et al., 1998). Reynoso and Moores (1995) proposes two categories of foundation issues: (a) the quality of internal service received from other departments within the organization, and (b) general conditions which includes efforts toward removing barriers to work (Buzaglo and Wheelan, 1999), and HR policies (Schneider and Bowen, 1993). It is important for management to find out from the market, about what are the customers’ expectations from the organization in terms of customer service. This information should be analyzed and give to employees. This would help management to create the right work environment and other plans for actually delivering the expected service quality.

Management can recruit the right type of employees with the right skills, train and compensate them for providing excellent service. Proper procedures, equipment, tools and technology should facilitate service delivery in the eyes of both the employees and the customers. The functions of operations management, marketing, and human resources should work together to create an integrated service system. Albrecht and Zemke (2002) suggested a similar set of practices and conditions that they expected to be related to an organization's ability to deliver high quality service. Schneider (1990) was the first to link employee perceptions of service climate

with customer satisfaction. Customer retention also depends on customer satisfaction. Current customers can also be a source of good ideas. More importantly, it is less expensive for an organization to keep a current customer than to gain a new one. Bhatti and Qureshi (2007) investigated the impact of employee participation on job satisfaction.

Work Engagement: In the literature, employee engagement has been defined in different ways. Kahn (1990) defined engagement as “the binding of organization members’ selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances”. Thus, according to Kahn (1990) engagement means to be psychologically present when occupying and performing an organizational role. According to the bestselling book, ‘First, Break All the Rules’, which first compiled the results, fewer than one in every five workers is actively engaged in their work (Buckingham and Coffman, 1999). Britt, Adler, and Bartone (2001) found that engagement can lead to expected benefits from the work. Other research using a different measure of engagement (i.e. involvement and enthusiasm) has related it to employee turnover, customer satisfaction-loyalty, safety, and to productivity and profitability (Harter et al., 2002). Thus, there are practical reasons that managers and researchers of organizations should be concerned with employees’ engagement in work.

Engagement has been defined more completely when employees feel positive emotions toward their work, find their work to be personally meaningful, consider their workload to be manageable, and have hope about the future of their work (Nelson and Simmons, 2003). The evidences of different researches conducted have refined definition including three-dimensional concept of work engagement (May et al., 2004, Schaufeli et al., 2008). The three factors include a physical component (I put a lot of energy performing my job.), an emotional component (I really put my heart into my job), and a cognitive component (Performing my job is so absorbing that I forget about everything else).

Work engagement is mainly new area of interest. The concept of work engagement was first introduced by Kahn in 1990 as a type of personal engagement, which is related to personal presence (physical, cognitive and emotional), and active, full role performances" (Kahn, 1990).

Kahn (1990) research statement was based on Hackman and Oldham (1980) findings that people's attitudes and behaviors are driven by their psychological experience of work (Kahn, 1990, Hackman and Oldham, 1980). In 1997, Maslach and Leiter redefined work engagement when they studied job burnout as barrier of work engagement.

According to Hakanen and Schaufeli (2012) job burnout is the opposite of work engagement because "energy turns into exhaustion, involvement turns in to cynicism, and efficacy turns into ineffectiveness" (p. 416). They characterize engagement as energy, involvement and efficacy, which are the direct opposite of job burnout.

In study conducted by Schaufeli et al., Bakker (2002) work engagement practices were verified and redefined it as a positive work-related state of mind that is determined by three dimensions: vigor, dedication and absorption. The first dimension is Vigor, as high level of energy and, persistence and a willingness to invest effort into work.

The second dimension, dedication, a sense of significance, inspiration, pride, enthusiasm, and challenge. The final dimension is absorption, having difficulties detaching oneself from work while fully concentrating and being deeply involved in work (Schaufeli et al., 2002). Conceptualization of work engagement is used in this study because it provides empirical evidence that work engagement is a distinguished from job burnout (Gonzalez-Roma et al., 2006). This study treats job burnout and work engagement as two different and independent constructs.

Customer satisfaction: Customer satisfaction refers to an affective situation that is the emotional and contented reaction to an experience with a seller. It is produced by the customer's evaluation of the degree to which a seller 's performance is expected (Anderson et al., 1994). The concept of customer satisfaction is consistent with previous research. It has been argued that the job satisfaction of a company's employees is an important element of customer satisfaction. Results describe a positive relation between salespeople's job satisfaction and customer satisfaction (Ugboro and Obeng, 2000).

The existing studies provide evidences for a positive relation between employee' s job satisfaction and customer satisfaction in several industries. The researchers developed a direct relation between job satisfaction and customer satisfaction. This relation is stronger when innovative products are involved due to the need understand product changing (Homburg & Stock, 2004). If a customer examine that an employee does not have a positive attitude, a customer can develop the wrong perceptions leading the customer to question the integrity and safe image of the company and results are, decreased sales (Ahearne et al., 2005). It is backbone importance for manager to focus on increasing employee satisfaction to create a positive work environment which is an integral part of organization. Employees with positive attitudes should be encouraged to develop contact with customers at every point to create the best customer relations. They

should also be encouraged to take responsibility for customer satisfaction that will be beneficial of higher profits for the organization (Loveman, 1998).

Job Satisfaction: Job satisfaction has been defined in many ways as emotional beliefs of employees how one feels about his/her job or one's thoughts about his/her job. Job satisfaction is most simply defined as "the extent to which people like their jobs". Job satisfaction has been related to many different contexts of the job, including job performance, life satisfaction, health, productive work behavior and retention behaviors, turnover (Millán et al., 2013). Different studies has evaluated that people who are satisfied with their jobs perform better experiencing productive work behavior and less withdrawal (Bartling et al., 2013).

The Job Characteristics Theory (JCT) was first developed by Hackman and Oldham (1975). From the Job Characteristics Theory, Hackman and Oldham identified the Job Characteristics Model (Hackman and Oldham, 1975, 1976, 1980). In this model, a set of three psychological states act as mediator between basic job characteristics and results. These physical states deal with meaningfulness of the work, experienced responsibility for outcomes of the work and knowledge of the actual results of the work activities (Hackman and Oldham, 1976). In the JCM, the five basic job characteristics are skill variety, task identity, task significance, autonomy and feedback from job and the job results are high internal work motivation, high satisfaction with the work, low absenteeism and turnover and high quality work performance (Hackman and Oldham, 1975). In the Job Characteristics Model, job satisfaction is composed of four dimensions; satisfaction with job security, satisfaction with compensation, satisfaction with co-workers and satisfaction with supervision (Hackman and Oldham, 1980). In review of job satisfaction, Fritzsche and Parrish (2005) found that Hackman and Oldham's measure is one of the most popular measurements of job satisfaction. By examining the context of job satisfaction, it is easily possible to describe why employees are satisfied or dissatisfied with their jobs. For example, if employees have low overall job satisfaction it could be simply analyzed that they have low satisfaction with their job security, supervision and compensation (Yousef, 1998).

3. Hypotheses

H1: Work environment is positively correlated to service climate.

H2: There is significant positive relation between Service climate and employee job satisfaction.

H3: Service climate will positively influence employee engagement.

H4: Work engagement positively enhances job satisfaction.

H5: Employee job satisfaction, both positively and negatively, influences customer satisfaction and loyalty.

H6: There is a positive relation between work engagement and customer satisfaction.

H7: Service climate positively influences customer satisfaction.

H8: Tenure influence negatively. Tenure as moderator between service climate and work engagement have negative relation. Having long occupancy at same level can effect engagement.

H9: There is positive relation between Employee performance and customer satisfaction.

H10: Work engagement influence positively Employee performance

H11: Job satisfaction positively affects employee performance

H12: Service climate positively influence employee performance.

H13: Service climate mediate the relationship between organizational resources and environment and work engagement, employee performance, and customer satisfaction also.

H14: service climate mediate relationship between environment and resources and employee job satisfaction.

H15: Work engagement mediates the relationship between service climate and customer satisfaction and loyalty.

H16: Employee performance act as mediator between work engagement and customer satisfaction.

4. Conceptual framework

The conceptual framework of this study focuses on an organizational resources and service climate followed by systematic links. Figure 2 shows the hypothetical relationships among the variables that are investigated.

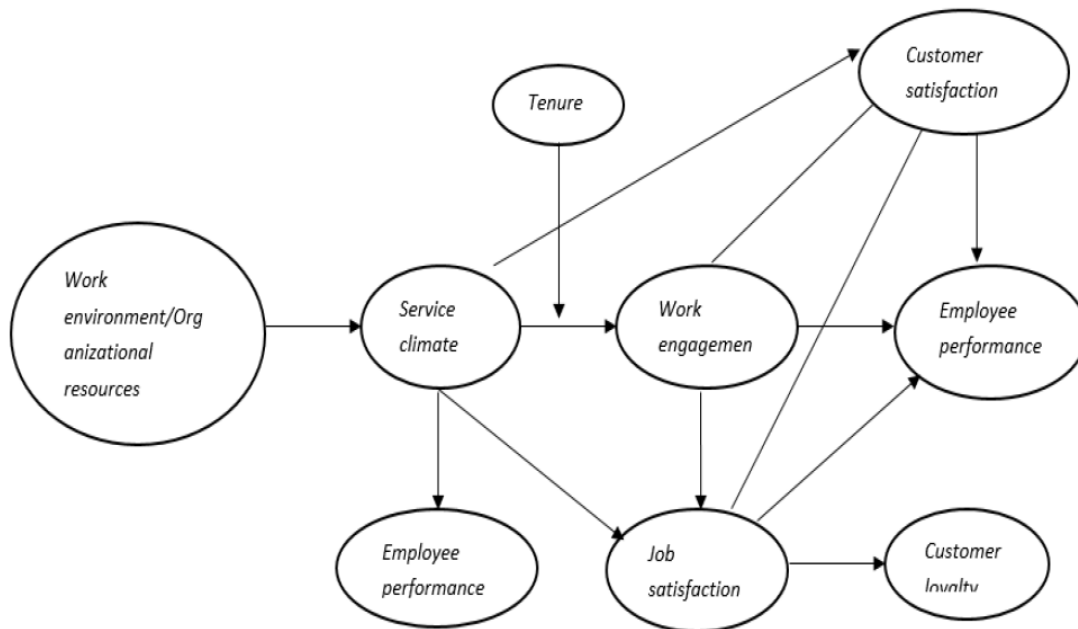


Figure 1: Conceptual model

5. Research Methodology

The purpose of this study is to identify organizational work environment and an appropriate service climate that can improve the delivery of service by analyzing the relationships between organizational work environment and actual aspects of customer satisfaction. The measurement of service climate used in this study is an employee opinion survey that is built to measure employees' perceptions about the performance of their organization in handling the of quality service. It is based on the service climate components identified by Schneider et al. (1998) which are work engagement components, customer satisfaction and loyalty. The current research is conducted on Telecom sector in Pakistan.

The telecom sector of Pakistan selected for this research and unit of analysis of this study are employees working in this sector. There are many division and networks in telecom sector of Pakistan such as PTCL, Ufone, Warid, Mobilink, Zong, and Telenor. A lot of companies, franchises, and customer service centers are working in Pakistan. We targeted Dera Ghazi Khan Region of Pakistan. There are 11 franchises, 1 PTCL center and 1 customer service center of Zong is working. The total population of this sector is near about 800. The main reason to select this area is that this region is considered as backward area, facilities for employees are limited rather than big cities. We want to examine what they think, what they want.

This study is cross sectional because the data is gathered in one point in time to determine the relationship between the variables at particular time. Sample is selected through simple convenient sampling technique to collect primary data. Total 101 questionnaires were distributed.

According to the objectives of this study and research variables, as well as different dimensions in the conceptual structure, the questionnaire was organized into six parts: organizational resources, work engagement, performance, service climate, customer loyalty and employee job satisfaction.

The questionnaire was adapted from Salanova et al. (2005) which is developed by different studies as Brown and Mitchell (1993), and Peters, O'Connor, and Eulberg (1985). The scale for organizational resource composed of three categories: training, job autonomy, and technology. This questionnaire consisted of 11 items, 4 items of training scale, 3 items autonomy scale, and 4 items technology scale. We asked employees about the extent to which these organizational resources had been important to facilitate employee performance and had helped them to face challenges at workplace. A 5-point rating scale ranging from 1 (not important) to 5 (very important) is used. Work engagement scale is adapted from version

of the Work and Well-Being Survey (Schaufeli et al., 2002). Work Engagement Scale is categorized into vigor, dedication, and absorption. This questionnaire is made up of 17 items (6-item vigor scale, 5-item dedication scale, and 6-item absorption scale). All items scored on a 7-point frequency rating scale ranging from 0 (never) to 6 (always). Service climate is adapted from 7-item Global Service Climate Scale (Schneider et al., 1998). All items scored on a 7-point rating scale from 1 (completely agree) to 7 (completely disagree). Scale is composed of empathy and excellent performance which shows expected behaviors for related employees. Empathy scale is composed of 3 items based on the SERVQUAL Empathy Scale.

A further scale of 3 items was based on the Service Provider Performance Scale. All items scored on a 7-point rating scale from 1 (completely agree) to 7 (completely disagree). Employee job satisfaction questionnaire is composed of 7 items. A 7-point rating scale is used for the level of agreement ranging from 1 (strongly disagree) to 7 (strongly Agree). Customer loyalty scale composed of 3 items that measure positive word-of-mouth behaviors. A 7-point rating scale ranging from 1 (strongly disagree) to 7 (strongly agree). The questionnaire targeted to employees of telecom sector as well as to customers. Only 65 were collected. Employee performance and loyalty questions are given to customers, remaining for employees.

5.1 Data collection

Survey approach for data collection is used in this research. To present the overall picture of the variables the descriptive statistics are used. Descriptive statistics are used to describe the basic features of the data in a study, to determine characteristics of sample. They provide simple summary about the sample and the measures. The factor analysis, regression analysis, and correlation analysis technique is used to check the validity and reliability of this research. To examine the link between variables, the study has used step by step regression.

5.2 Data analysis

A total of 101 questionnaires were distributed for this study, and only 65 valid questionnaires were collected, the proportion of male (92.3 per cent) is higher than that of their female (7.7 per cent), their ages are mostly in the ranged between 26-30 years old (33.8 per cent). Also 76.9 per cent of the respondents were post graduates. In addition 50.8 per cent of the respondents' monthly income was above 30,000 and 66.2 per cent of the respondents were married, 47.7 % of respondents' job experience was less than 5 years, 56.9 % respondents have less than 10 year job tenure, and job nature of 90.8 % respondents was full time.

Reliability: Reliability is a measuring tool that describes variable error. Cronbach' s alpha values are commonly used to measure consistency of various

aspects in the same dimension. The questionnaire includes a variety of dimensions, and a higher reliability coefficient represents a higher correlation, which describes higher consistency. When Cronbach's alpha value is greater than 0.70, it shows high reliability; when the value falls between 0.70 and 0.35, it is considered as acceptable reliability and the value smaller than 0.35 shows low reliability.

The results of the questionnaire reliability analysis show that the Cronbach's alpha value of organizational resources (autonomy) is 0.805, organizational resources (tech) is 0.664, engagement (vigor) is 0.656, dedication is 0.863, absorption 0.810, service climate is 0.840, job satisfaction is 0.811, performance is 0.778, loyalty is 0.791 and overall reliability is 0.942. Its variables all reach a level of high reliability, it describes that the overall consistency of the questionnaire of this study is in highly reliable.

Validity: KMO & Bartlett's test is used to check validity. To show validity of questionnaire is, it is necessary that factors measurement is greater than 0.40. The overall validity of the questionnaire is good and all the questions are appropriate. According to the factor analysis, each question's factor loading is between 0.400 and 0.896 and overall validity is 0.684. It demonstrates that the questionnaire in this research fulfills the requirement of criteria of validity.

Correlation analysis: This research used Pearson's correlation analysis to illustrate the correlation between variables and the correlation coefficients of variables. Data shows that organizational resources, engagement, performance, service climate, employee job satisfaction and customer loyalty have significant positive correlation.

5.3 Hypotheses testing

The regression analysis is adopted to test the relationship of hypothesis. The results of the regression analysis are shown in Table 5. From data, Model 1 of Table 5, $b = 0.144$, $t = 0.913$, $0.365 > 0.05$, which does not have a statistical significance, it means WOE and

SC have a significant positive correlation is not supported. From data of Model 2, $b = 0.134$, $t = 1.072$, $0.288 > 0.05$, which has no statistical significance, it means SC and EJS have a significant positive relationship is not supported. And as data shown in Model 3, $b = 0.163$, $t = 1.311$, $0.195 > 0.05$, which has no statistical significance, it means SC and WE have a significant positive relationship is supported. The regression analysis for the influence of work engagement on job satisfaction is shown as Model 4, $b = 0.725$, $t = 8.363$, $0.000 < 0.05$, which has a statistical significance, it means that WE with EJS have a highly significant positive relation is supported. Model 5, $b = 0.618$, $t = 6.238$, $0.000 > 0.05$, which has a statistical significance, it means EJS with have a significant positive influence on customer loyalty is supported. The regression analysis for the influence of work engagement on customer loyalty is shown as Model 6, $b = 0.521$, $t = 4.844$, $0.000 < 0.05$, which has reached a statistical significance, it means WE have a significant positive impact on customer loyalty is supported. Model 7, $b = 0.122$, $t = 0.979$, $0.331 > 0.1$, which has statistical significance, it means SC have a significant positive impact on customer loyalty is supported. Model 8 $b = 0.029$, $t = 0.544$, $p = 0.588 > 0.05$, which has no statistical significance, it means that SC with JT have no significant influence on WE is not supported. Model 9, $b = 0.173$, $t = 1.395$, $0.168 > 0.05$, which has no statistical significance, it means that the significant positive relation between EP and customer loyalty is not supported. Model 10, $b = 0.140$, $t = 1.121$, $0.267 > 0.05$, which has no statistical significance, it means that the significant positive relation between EP and WE is not supported. Model 11, $b = 0.200$, $t = 1.623$, $0.109 > 0.1$, which has statistical significance, it means EJS have a significant positive impact on EP is supported.

Model 12, $b = 0.699$, $t = 7.761$, 0.000 significance level, which has statistical significance, it means SC have a significant positive impact on EP is supported.

Table 1: Descriptive statistics

Variables	Label	Sum	Mean	Std. Deviation
Service Climate	SC	211.50	3.2538	1.41800
Customer Loyalty	CL	259.00	3.9846	1.26028
Work Environment	WOE	216.82	3.3357	.83767
Work Engagement	WE	233.71	3.5955	1.23076
Employee Performance	EP	213.17	3.2795	1.26967
Employee Job Satisfaction	EJS	275.57	4.2396	1.26221

Table 2: Cronbach's Alpha values for reliability testing

Variable	Cronbach's Alpha
JT	.942
EJS	.759
SC	.685
LOY	.852
WOE	.715
WE	.725
EP	.890

Table 3: Pearson correlation analysis

Variables		JT	EJS	SC	L	WOE	WE	EP
JT	Pearson Correlation	1						
	Sig. (2-tailed)							
EJS	Pearson Correlation	-.110	1					
	Sig. (2-tailed)	.383						
SC	Pearson Correlation	.096	.134	1				
	Sig. (2-tailed)	.446	.288					
LOY	Pearson Correlation	.138	.618**	.122	1			
	Sig. (2-tailed)	.272	.000	.331				
WOE	Pearson Correlation	-.145	.733**	.114	.508**	1		
	Sig. (2-tailed)	.250	.000	.365	.000			
WE	Pearson Correlation	-.119	.725**	.163	.521**	.710**	1	
	Sig. (2-tailed)	.345	.000	.195	.000	.000		
EP	Pearson Correlation	.016	.200	.699**	.173	.125	.140	1
	Sig. (2-tailed)	.898	.109	.000	.168	.322	.267	

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

Notes: Figures in parentheses represent p value; *p < 0.05; **p < 0.01

Table 4: Regression analysis for relationship testing

Model	dependent variable	Independent variable	Co-efficient/ beta	T-value	Model significance
Model 1	WOE	SC	.114	.913	.365
Model 2	EJS	SC	.134	1.072	.288
Model 3	WE	SC	.163	1.311	.195
Model 4	EJS	WE	.725	8.363	.000
Model 5	Loyalty	EJS	.618	6.238	.000
Model 6	Loyalty	WE	.521	4.844	.000
Model 7	Loyalty	SC	.122	.979	.331
Model 8	WE	SC*JT	.029	.544	.588
Model 9	Loyalty	EP	.173	1.395	.168
Model 10	EP	WE	.140	1.121	.267
Model 11	EP	EJS	.200	1.623	.109
Model 12	EP	SC	.699	7.761	.000

Note: criteria for significance is less than 0.05, T-value is <2 and <-2

6. Discussion & Conclusion

Employees of telecom sector gave an above average response on organizational resources, environment, work engagement, performance and service climate. However, the regression analyses examine that all dimensions positively influenced employee work engagement and customer satisfaction as well as performance. Based on findings, this study has some conclusion. First, when employees find their tasks meaningful and purposeful than their goals are properly engaged with organizational goals, their performance is enhanced. Second, when employees feel that they are facilitated with all resources, their engagement is enhanced. Third, when engagement level of employees enhance, their job satisfaction level is increased. Four, satisfied employees can increase customer satisfaction and loyalty. Tenure positively enhances work engagement but the impact ratio is little.

The research shows the impact of sources, environment on work engagement through impact of climate and tenure in telecom sector of Pakistan. Data collected from different franchises and through factor, regression and correlation result shows that the independent variable organizational resources and work environment have significant impact on employee work engagement, job satisfaction and their performance in telecom sector which suggest that must improve organizational resources the enhance employee performance in telecom sector. I limited my study to the telecom sector. The current study acknowledged an important role in literature. Findings drawn from this study are not only helpful for telecom sector but can be effective for those organizations that have a desire to enhance employee work engagement.

It is an observable fact from the epochs back that if you ought to obtain a bit, you ought to invest a little. For this reason, organizations ought to give such working environment where employees not only feel engaged but also become integrated with their job that will definitely lead to higher level of performance and customer satisfaction.

7. Managerial implications & Limitations:

This is a cross sectional study and the results of this study are limited to the period in which data is collected. Future researchers can investigate the same correlation by carrying out longitudinal study. Data is collected only from Dera Ghazi Khan Sector; future researches can target other cities. The study takes into account only those forecasters of employee work engagement those are in range of study.

The present findings suggest that providing better work environment with all organizational resources increases employee engagement, which in turn helps to boost an excellent service climate. This service climate increases customer satisfaction about of employee performance and, increase customer loyalty. These results have significance practical implications for companies. Any organization, particularly a service organization has to meet the quality of service to ensure organizational profitability. Employees who interact with customers daily to provide the service are key element in this study. Managers must pay attention to employees 'work engagement and satisfaction to ensure future service competitiveness. It is important for management not to wait for employees to feel dissatisfied and less engaged and then to take corrective measures. One target issue is to encourage

employees to feel engaged in their work to create an affective climate for services. To meet quality challenges require people who are strongly engaged in their work. Effective management should take significant steps to avoid loss of creative energy. Building and sustaining an organizational environment that supports engagement at work makes an organization attractive.

The strong points of this study are that we used both of organizational resources and work environment as influential of service climate, examined employee performance and customer loyalty and their satisfaction loyalty, we tested engagement with job satisfaction and we used both employee and customer data in our research model. However, this study has some weaknesses. The research design is cross-sectional, and the reciprocal relationships between employees and customers cannot be fully analyzed. Also, some specific research issues should be tested in future research, such as the interaction effect of frequency and intensity of social interaction of employees and the interdependence of the group goals on collective engagement and service climate strength. Moreover, quantity and quality of social interaction at the workplace are indeed an interesting topic for future research. Finally, research could be carried out in other service occupations and in other service organizations.

With leadership and strategic direction taken as dimensions in future research. There are many other variables like employee commitment and job involvement, organizational citizenship behavior, turnover intentions, motivation etc. that can be investigated for engagement.

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