

Strategic Human Resource Management impact of Employees Morale : An Empirical Study of Taiwan Telcos Organization Transitions

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ABSTRACT

This article employs the above four phases as the foundations, and uses survey questionnaires to investigate the employees of Chung Hwa telecos, the major telecom company in Taiwan, as a population sample for studying work value and work morale. With this object in mind, we have issued 2,300 copies of questionnaires, and received 1,080 useful returned questionnaires, as well as analyzed the samples by using the regression method of the statistical analysis.

It can best be inferred from the preceding paragraphs that the integration and adaptation of strategic human resource management in the Taiwan Public Department Transitions telecom industry will be based on the following strategic approaches, this article is enumerated with both macro and micro observations of the above phenomena.

Keywords: Strategic Human Resource Management, Organization Transitions, Work Value, Work Morale

INTRODUCTION

Butler, Ferris & Napier (1991) claimed that strategic human resource management researches study from the aspects of overall environmental and organizational management strategy, which combines the needs of employees and the goals of the organization, to investigate the relationship between human resource management and functions of business and the causal relationship between organizational business policies and management strategies.

Barney (1986) proposed resource-based theory and stated that the internal resource of a company decides the directions and foundations of the future development of the company. Moreover, the company can create valuable and develop sustainable competitive advantage by specific conditions developed by human intelligent, such as valuable, scarce, unique, and hard-to-imitate or -replace conditions.

This study conducted the survey with Chunghwa Telecom employees in order to achieve the following purposes:

1. To discuss the relationship and roles of the construction of Chunghwa Telecom employees' work values and staff morale, training mechanism, performance evaluation, and welfare and safety mechanism on the strategic human resource management in the industry of Chunghwa Telecom.
2. To build the model of strategic human resource management of the industry of Chunghwa Telecom, and to provide the amendment reference of human resource system for carriers.

LITERATURE REVIEW

Strategic Human Resources Management

From all the scholars' research interpretations, the meaning of human resource management changes from the angels of micro perspective to macro perspective exploration. Through human resource in order to achieve the competitive advantage, strategic views are needed to engage in the management of human resources to meet the needs of business strategies and to use and distribute human resources appropriately.

The Work Values of Staff

This study was mainly discussing Telecom employees' work values in the area of Taiwanese telecommunication industries. Therefore, with the focus of the telecom employees' work environment, the opinions of pervious scholars' classifications, and the corrections for the situations to meet telecommunication industrial environment, the work values of Telecom employees were divided into five structures based on the perception of satisfaction of work environment: values of promotion, values of salaries and benefits, the relationship with coworkers and managers, employees' participation in decision-making, and the foster of the skill training development.

Staff Work Morale

Kanter (1988) believes that organizational loyalty is a kind of energy and willingness of loyalty paid by the social system; this treats personal character, which dependents on social relation, as self-expression. From the organizational behaviors, Staw (1977) views loyalty as a kind of strong recognitions and inputs toward the organizations and it is produced by many factors caused by the attitude of loyalty.

Organizational Changes

This study examined the organizational changes in the telecommunications. This is a dynamic point of view. From no liberalization of telecommunication to liberalization, the environmental changes bring the changes of the trend on the structures of the strategic management of human resources; therefore, this is an innovative argument.

Related study of Strategic Human Resource Management, Employee Values, and Employee Morale

In their study, O'reilly, Chatman & Caldwell (1999) indicate that the work values are treated as key factors in the organizational culture. Personal values and expectations will work with the environment in the organization, such as incentive systems or standardized policy system, to affect the individual attitudes and behaviors. When the fit point of personal values and the organizational culture is higher, the more the good interactions maximize the synergy to reach the ultimate goal of the organization.

METHODOLOGY

Research Framework

Based on the four structures referred by Shepeck and Militello (2000), the construction of this study was established, as shown in Figure 1, and the research hypotheses were listed below:

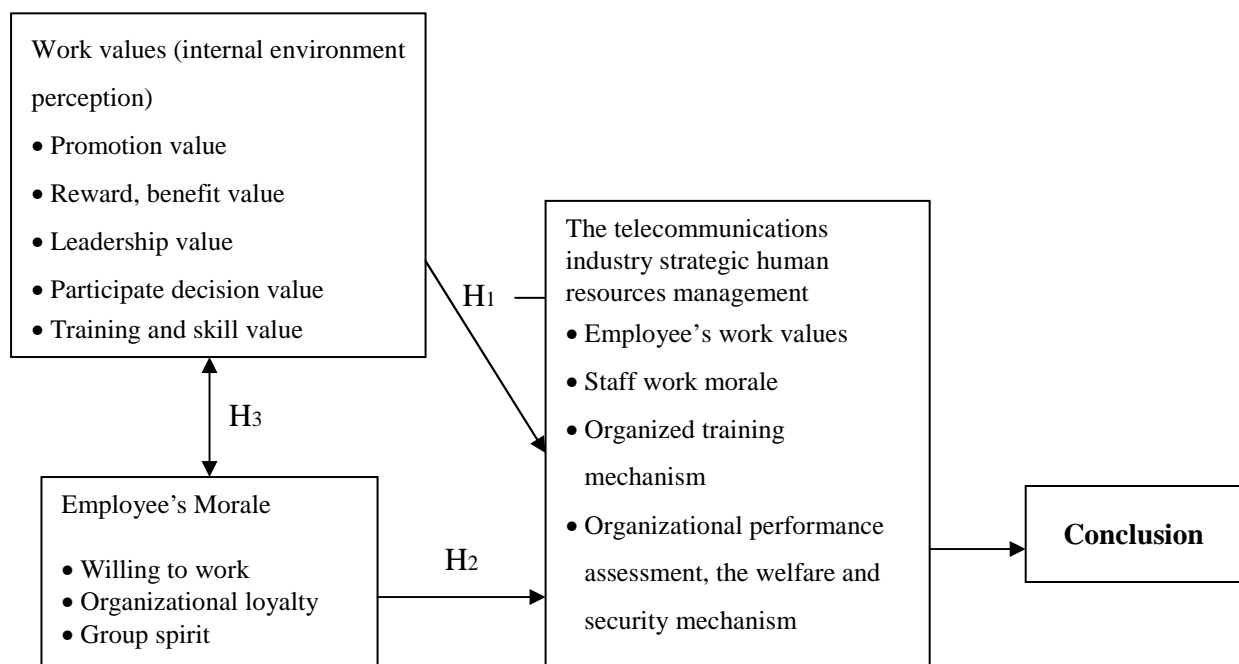


Figure 1. Research Constructional Chart

- Hypothesis 1: Various structures of Telecom employees' work values can be included in the construction of strategic human resource management of telecommunication industry.
- Hypothesis 2: Various structures of telecom employees' work morale can be included in the structures of strategic human resource management of telecommunication industry.
- Hypothesis 3: If there is no significant difference between the work value and work morale, both work values and work morale can be included in the structures of strategic human resource management of telecommunication industry.

The Definitions and Measurements of Variables

The variables in this study were defined as follows and measure respectively by Likert's 5-point Scale.

Employees' Work Values

This refers to Telecom employees' views toward the internal environment and the perceived environment of human resource management system. The views include promotion value, salary and benefit value, leadership value, participate decision value, and training and skill value. This study refers the study of Meglino et.al (1989) and the U.S. telecommunication employees.

Employees' Work Morale

This refers to employees' willing to work, organizational loyalty, and group spirit. Based on the views of Jucius (1979), the survey of this study was divided into three structures and 18 questions.

Variables of Personal Attributions

The variables of personal attributions in this study include gender, age, length of service, education, service area, and leadership.

Research Subjects and Abstract Methods

Based on the purposes of this study, researcher used 28,000 employees working in Chunghwa Telecom, the largest telecommunication company in Taiwan. This study issued 2,300 surveys and 1,395 returned. After removed the unusable surveys, there were 1,080 usable surveys, and the response rate was 46.96%.

Methods of Data Analysis

1. Use ANOVA and Duncan's multiple comparison to test the difference of the variables of personal attributions, and use Pearson's Correlation to exam all relevant structures.
2. Use regression analysis to exam the impacts of employees' morale and employees' work values and all variables in the structures of strategic human resource management.

RESULTS AND DISCUSSION

Statistics of Variable Description

Table 1-1 shows Telecom employees' work value. The score of employees' work value is 60.10 points out of 100, and the score of employees' morale is 76.

Table 1-1. Summary of the Statistics of Variable Description

Structures	Average	Standard deviation
A. Employee's work value	60.10(100)	0.5895
1. Promotion value	2.420	0.8524
2. Reward, benefit value	3.438	0.7476
3. Leadership value	3.493	0.8789
4. Participate decision value	3.093	0.7497
5. Training and skill value	3.360	0.7179
B. Employee's morale	76(100)	0.4090
1. Willing to work	3.803	0.5150
2. Organizational loyalty	3.743	0.5450
3. Group spirit	3.848	0.4170

Factor Analysis and Reliability/Validity Analysis

Table 1-2. Summary of Factor Analysis and Reliability Analysis

Structures	Items	Factor loading	Line items VS. Total items Correlation coefficient	Characteristic value	variation (%)	Cronbac's α
Promotion Value	4 The fairness of the telecommunication company promotion	0.439	0.445	1.341	9.64	0.8469
	5 Promotion efforts under the circumstances of employees' work	0.481	0.432			
	6 Satisfaction with the opportunities for promotion	0.496	0.480			
	7 Promotion without the circumstances of personal relation	0.508	0.485			
Reward, benefit value	12 The current treatment compares with the workload	0.819	0.921	1.457	32.07	0.8319
	13 Current welfare measures in the telecommunication company	0.912	0.895			

	14 The Treatment compares with their own work ability	0.714	0.716			
	15 The rationality of my payment comparing with the employees from other telecommunication company	0.689	0.788			
Leadership value	8 The personal feeling of the treatment that managers treat their subordinates	0.675	0.752	2.672	5.40	0.9054
	9 The ways managers coordinate complains and suggestions.	0.526	0.694			
	10 The degree of the harmony between coworkers	0.501	0.616			
Participate decision value	1 I can use my ability to judge at work	0.716	0.704	1.943	10.52	0.7992
	2 Managers allow me to participate in decision making.	0.619	0.605			
	3 Managers give me authority to participate and implement	0.707	0.701			
	25 Supervisors give positive response to my proposals and decisions	0.812	0.713			
Training and skill value	20 The situation about participate in training inside the company	0.611	0.602	2.126	27.43	0.7931
	21 My current views on how the company train me	0.710	0.618			
	22 The satisfaction level toward employees' skill training in the company	0.589	0.554			
Willing to work	2 Until now, working conditions in Chunghwa Telecom are still attractive.	0.746	0.705	2.14	21.16	0.6795
	3 I would sacrifice my personal time for the work in Chunghwa Telecom.	0.711	0.667			
	4 I got professional growth and development at work.	0.526	0.595			
	5 After complete the work, I feel a great sense of achievement.	0.510	0.586			
	17 My life is secured when I work in Chunghwa Telecom.	0.712	0.732			
	*1 I often leave to do other things.	0.615	0.714			
Organizational loyalty	7 I would be sad when media criticize Chunghwa Telecom.	0.717	0.617	3.54	27.11	0.7062
	8 No matter how the external environment changes, I would still like to work in Chunghwa Telecom.	0.646	0.656			
	11 I am still willing to do a good job on my position no matter what changes occurred in the company.	0.798	0.813			
	16 To meet customer's diverse needs and provide them high quality of service are the goals the Telecom employees try to achieve.	0.707	0.889			
	*9 For me, the current job has no other significant meaning but a job with salary.	0.810	0.802			
	*10 If there is an appropriate job opportunity, I have left Chunghwa Telecom.	0.723	0.769			
Group spirit	6 Everyone helps each other and works together initiatives in this unit.	0.911	0.814	3.02	36.24	0.6643
	12 It is necessary to simplified Telecom service process to customers.	0.816	0.775			

13 I always care about Telecom's major measures and implementations.	0.711	0.682			
14 I can usually respect the views of the majority of people	0.818	0.708			
15 I am friendly to my coworkers	0.801	0.852			
18 I am willing to participate in Telecom's activities	0.614	0.764			
※Total Explained variations : 84.51% Overall reliability : 0.9356					

Relevance of Findings

This study used Person's Correlation Coefficient to exam the all correlated variables and their related empirical results, as shown in Table 1-3

Table 1-3. Table of the Relevance of Various Structures

	Work Morale	(1) Willing to Work	(2)Organizational loyalty	(3) Group Spirit	Overall work Value	(1) Promotion value	(2) Reward, benefit value	(3) Leadership value	(4) Participate decision value	(5) Training and skill value
Work Morale	1.0000									
(1) Willing to Work	0.8637***	1.000								
(2)Organizational loyalty	0.8493	0.5950***	1.000							
(3) Group Spirit	0.7639***	0.5273***	0.4554***	1.000						
Overall Work Value	0.5622*	0.4884*	0.5233*	0.3661*	1.000					
(1) Promotion value	0.3445*	0.2890*	0.3356*	0.2176*	0.7597***	1.000				
(2) Reward, benefit value	0.4384*	0.3836*	0.4365*	0.2448*	0.6805***	0.3970***	1.000			
(3) Leadership value	0.4402*	0.3757*	0.3826*	0.3304*	0.8337***	0.5407***	0.4491***	1.000		
(4) Participate decision value	0.4680*	0.3986*	0.4369*	0.3128*	0.8439***	0.5816***	0.4484***	0.7668***	1.000	
(5) Training and skill value	0.5237*	0.4786*	0.4797*	0.3220*	0.6915***	0.4100***	0.4918***	0.4742***	0.5112***	1.000

Note: *p<0.05, **P<0.01, ***P<0.001

D. The Influential Analysis of the Variables of Personal Background on the Overall Work Morale, Work Values, and Various Structures

Table 1-4. The Variables of Personal Background on the Overall Work Morale, Work Values, and Various Structures

	Work Morale (A)	Willing to Work (B)	Organizational loyalty (C)	Group Spirit (D)	Overall Work Value (E)	Promotion Value (F)	Reward, benefit value (G)	Leadership Value (H)	Participate decision value (I)	Training and skill value (F)
(1) Gender	0.02 (0.8978)	0.14 (0.7065)	0.02 (0.8883)	0.01 (0.9217)	4.38* (0.0367)	2.44 (0.1186)	2.49 (0.1150)	6.69** (0.0098)	8.43*** (0.0038)	11.41*** (0.0008)
(2) Age	11.37*** (0.0001)	11.97*** (0.0001)	11.47*** (0.0001)	4.56** (0.0012)	13.68 (0.0001)	3.79** (0.0046)	3.77** (0.0047)	7.63*** (0.0001)	10.06*** (0.0001)	8.29*** (0.0001)
(3) Education	2.54 (0.0553)	5.17** (0.0015)	0.95 (0.4154)	2.24 (0.0826)	1.71 (0.1636)	2.24 (0.0816)	0.70 (0.5517)	0.79 (0.5015)	0.73 (0.5334)	5.09** (0.0017)
(4) Length of Service	2.56* (0.0372)	1.86 (0.1148)	3.62** (0.0062)	1.83 (0.1207)	2.98 (0.0183)	1.67 (0.1536)	2.15 (0.0728)	1.35 (0.2490)	1.67 (0.1536)	1.17 (0.3215)
(5) Service Area	5.58** (0.0039)	5.18** (0.0057)	2.35 (0.0956)	5.18** (0.0058)	16.71*** (0.0001)	3.19* (0.0415)	4.30* (0.0138)	22.89*** (0.0001)	18.40*** (0.0001)	6.10** (0.0023)
(6) Leadership	10.37** (0.0013)	12.98*** (0.0003)	10.96** (0.0010)	0.45 (0.5042)	36.51 (0.0001)	17.32*** (0.0001)	25.62 (0.0001)	1.25*** (0.0008)	17.32*** (0.0001)	23.85*** (0.0001)

Adj-R ²	0.412	0.101	0.169	0.192	0.450	0.049	0.118	0.038	0.421	0.016
R ²	0.845	0.212	0.271	0.362	0.851	0.096	0.320	0.054	0.105	0.212
F Value	8.836**	3.566**	4.896**	2.143*	4.367***	2.82	1.859**	1.351	2.112**	3.117***

Note. *p<0.05 , **P<0.01 , ***P<0.001

The analysis above shows the variables of personal background to various structures including work morale, willing to work, organizational loyalty, group spirit,

Work Morale and Work Values

This module was designed to exam the following hypothesizes:

Table 1-5. The analysis of Regression of Work Morale and Work Value

Variables	Overall Work Value	Promotion Value	Reward, benefit value	Leadership Value	Participate decision value	Training and skill value
Constant Term	2.2699	2.0263	3.0422	2.4340	0.0791	0.1711
Overall Work Morale	0.3633*	0.0004	0.0224*	0.0004	0.0102*	0.2743*
Willing to Work	0.2850*	0.0008	0.0163*	0.0005	0.0321*	0.2291*
Organizational loyalty	0.3190*	0.0000	0.0531*	0.0008	0.0283*	0.2301
Group Spirit	0.1549*	0.0008	0.0011	0.0092*	0.0005	0.0336*
F	140.834*	101.434	160.473*	72.093	85.090*	71.035*
R ²	0.3626	0.0130	0.3513	0.1043	0.2815	0.2643

Note. * : P<0.05

The analysis shows that in the overall work values, participate decision value, reward, benefit value, and training and skill value can be included in the structure of the overall work morale; and participate decision value, reward, benefit value, and training and skill value can be included in the structure of strategic human resource. In addition, significant relationship found between overall work morale and work value, and the structure of work morale and be included in the structure of strategic human resource.

The curve of Telecom employees' work morale

The curve of Telecom employees' work morale is shown as below:

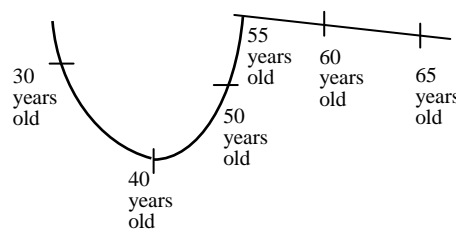


Figure2. Curve of Telecom employees' work morale

CONCLUSIONS AND RECOMMENDATIONS

Empirical Research Findings

1. Included in the Structure of Strategic Human Resource Management

In this Study, ANOVA and Stepwise Regression Analysis were used to exam employees' work morale on Chunghwa Telecom human resource management. Table 5-1 shows the work value structure that explains the structures of work morale, which include participate decision value, reward, benefit value, and training and skill value. These three structures can be included in the structure of strategic human resource management. Examined overall work morale can be included in the structure of strategic human resource management. In addition employees' work values can be included in the structure of strategic human resource management; reward, benefit value and organized training mechanism (training and skill value) can also be included in the structure of strategic human resource management.

Table2-1. The Work Value Structure that Explains the Structures of Work Morale

Structure of Work Morale	Structures of Work Value	Structure Value
Overall Work Morale	Participate decision value, Reward, benefit value, and Training and skill value	3
Willing to Work	Participate decision value, Reward, benefit value, and Training and skill value	3
Organizational loyalty	Participate decision value, Reward, benefit value, and Training and skill value	3
Group Spirit	Leadership Value and Training and skill value	2

2. Conclusion of employees' work morale and work value

- a. After Chunghwa Telecom became a privatization, the score of overall employees' work morale is 76 points out of 100; it does not reach the high level of score 81-100, which means the employees' work morale remains to be incentive.
- b. For the overall employees' work morale, ages and morale of employees both show a U-shaped Logistic curve. Before 30 year-old, employees have high morale; however, the morale rate goes down after 30, and employees with age 40s have lowest work morale. After 40, employees' morale rate increases until employees' 55, but the morale rate goes down again after 55.
- c. After Privatization, the structures of overall work value, which include Participate decision value, Reward, benefit value, and Training and skill value, can be included in the structure of overall work morale, and these three structures can be included in the structures of strategic human resource management.

Theoretical Contribution of this Study

1. Examining Sheppeck and Militello's (2000) Structure

Built by Sheppeck and Mililello (2000), the structure of strategic human resource management was proved via employees' work morale and work value in the survey questionnaires in this study. This study also found that the three structures, Participate decision value, Reward, benefit value, and Training and skill value, and strategic human resource management have high capacities to explain.

2. Assist the industries to build the structures of strategic human resource management in telecommunication industries

This study mainly focused on the application value to help telecommunication industries recognize the key factors that affect the development of human resources management when employees work for the company, to improve the reference of their behavior and intention of choice when graduates want to work for telecommunication companies. In addition, this study can provide telecommunication industries information to choose the most appropriate measures to improve the hum

Research Restrictions

In this study, the population sample was focused on the employees of Chunghwa Telecom, the largest and greatest telecommunication company in Taiwan. Other telecommunication companies in Taiwan did not participate; this was one of limitations in this study.

The Recommendations for the Follow-up Research

The follow-up researchers can use the performance of telecommunication companies as another variable to explore the relationship between structure and performance management in the structure of strategic human resource management and to expand research and the applications of development.

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