

Team Communication and Employee Performance in Commercial Banks in Tanzania

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Abstract

This study established the influence of team communication on employee performance in commercial banks in Tanzania. The study was anchored on the Katzenback and Smith model. The study adopted a descriptive survey research design and targeted all 39 operational commercial bank headquarters. The unit of observation comprised senior managers, managers, supervisors, and lower-level employees in each of the commercial banks under review thus making a total of 1480 of the targeted respondents. A simple random sampling technique was used to select the respondents; however, the expected sample size was 445 respondents with each senior manager, manager, supervisor, and lower-level employee contributing 30 percent of the total sample size. Both descriptive and inferential statistics were used to analyze the data with the assistance of statistical package for social sciences version 26. The study established that team communication influences employee performance in commercial banks. The study recommended that banks and many other organizations need to put in place mechanisms on how to evaluate -employee-based team performance rather than the rule thumb individual-based performance evaluation. The study has also pointed out strategic areas of importance into which managers in banks can look into the respective banks such as team communication that if well accommodated influence employee performance. In addition to other recommendations, it was proposed that, in light of these findings, work organizations evaluate their high-performance work system policy and activities by the degree to which they contribute directly to the accomplishment of the team's strategic goals and objectives through the improvement of the employee performance.

Keywords: *Interpersonal Communication, Feedback Mechanism, Vertical Communication, Employee performance, Banks in Tanzania*

1. INTRODUCTION

Globalization has necessitated human to develop their potential into a quality resource. Activities toward the achievement of a superior company are not able to be reached when only relying on individual efforts, but there must be team dynamics between employees in the company. Company success achievement is seen by the organization process which is capable of generating something useful for the company. The process of organization, needs two people

or more to work together to create or form a value in understanding that the value can be achieved efficiently if they work together rather than individually (Alharthey, 2018).

According to Gogoi and Baruah (2021), a successful team will interpret the general purpose of employee performance purpose that is specific, measurable, and realistic. The specific purpose facilitates clear communication. It helps the team maintain focus on the result. The success teams will increase their trust in the success in the future, which in turn motivates them to work harder. Employee performance is an organization's effectiveness completely to fulfill the needs assigned by each team related to systematic efforts and increasing the ability of the employee to continuously achieve performance effectively.

The importance of team dynamics in the organization gives the picture that the idea of two people or more tends better than the idea of one person, the result of a team is much better than the sum of its parts (individual members). In an organization, each individual contributes their performance to the team, and then the team will contribute their performance to the organization. In an effective organization, management always creates positive synergy, which produces the whole becomes greater than the sum of all the parts (Dean & Alini, 2017).

In the United States, about 75% of employers rate team dynamics and collaboration as “very important”, yet only 18% of employees get communication evaluations at their performance reviews according to Kushner (2020). Furthermore, 97% of employees and executives believe a lack of alignment within a team impacts the outcome of a task or performance.

Akparep, Jengre, and Mogre (2019) in Accra Ghana concluded that firms should encourage an outlook and attitude of team dynamics to gain its benefits. Asiimwe (2013) in Uganda was able to conclude that team dynamics is critical in the functioning of an organization and the reasons for employees working as a team at MTN (U) Ltd are; to reduce costs, to encourage efficiency and effectiveness, to promote employee performance, to act as advertising, for easy communication and to reduce on employee's mistakes.

A similar study has been done by Bahati (2013) in Tanzania. The study assessed the role of team dynamics in non-governmental employee performance. The results from this study implied that organizations interested in team dynamics mode of operations have a lot of potential to benefit in terms of improved employee performance. Another study related to this current study in Tanzania is by Ngimba (2015) who looked into the effectiveness of team communication towards the attainment of organizational goals in Tanzania public organizations whose findings concluded that effective team communication creates mutual understanding between management and workers which helps in the attainment of organization's goals. Management also needs to communicate with employees regularly to get feedback and offer suggestions in order to prevent confusion about future job assignments; this will help improve employee performance.

The stability and development of an economy is dependent upon the performance of financial sector. Banking sector is the vital part of country's financial system, and thus for sound economic growth and development, banks efficiency is crucial (Gishkori and Ullah, 2013). Without a sound and efficiently functioning banking system, the economy cannot function smoothly and efficiently (Kumar and Gulati, 2008). Commercial banks dominate the financial markets in most countries. They have finance and infrastructure. An efficient financial sector is of significant importance to any economy because it ensures sustainable economic growth and economic development.

In Tanzania, banking sector reform was the outcome of the Presidential Commission of Enquiry of 1990. The efficient banks can compete because of their lower operational costs and

can steal business away from less efficient banks. Thus, to improve employee performance in banks, evaluating its efficiency and identifying the sources of inefficiency is always a matter of serious interest (Yang, 2011). Tanzania has introduced regulatory reforms to its financial-services sector since 1991, the expected result of these changes in financial reforms was to increase competition and employee performance in the banking sector, which was also expected to lead to an improvement in the efficiency of the banking system and contribute to the progress of economic development. Therefore, commercial banks need to respond to greater global imperatives and challenges to compete effectively in local and global markets.

1.1 Problem Statement

In this era of increased competition, leaders recognize the importance of team dynamics more than ever before as a result of its being appreciated in improving employee performance and competitiveness. Commercial banks in a competitive market focus on having team dynamics that will contribute to employee performance (Berber, Slavic, & Aleksić, 2020). However, a great deal of commercial banks in Tanzania have struggled with low employee performance as a result of management that is not inclusive, which makes teams inefficient. In November 2021, the BOT released a public notice listing measures to address employees with high levels of NPLs. The circular directed banks to determine employees who are directly responsible for NPLs without following procedures, fraud, or integrity and take legal action and that the BOT would blacklist these employees. This explains the high level of poor employee performance in Commercial banks in Tanzania.

Kileo (2017) noted that the commercial banks in Tanzania are making losses in their financial reports implying that this poor employee performance is due to improper management of team diversity. High levels of NPLs in Commercial banks are some of the major threats to the stability of the banking and financial sector. According to the Tanzania Banking Sector Report, (2021) NPLs from Commercial banks accounted for about 68.7% of the NPLs written which was due to poor performance of the employees in the credit departments. For example, Banks like CRDB posted a loss of Tsh 1.9 billion (\$ 1 million) in the third quarter of this year, and Twiga Bancorp also registered a loss of Tsh18 billion (\$ 8.26 million) over the past year (URT, 2017). Additionally, the Tanzania Banking Sector Report (2021) noted that internal factors such as poor managing of employee performance contributed to the closure of five banks (Covenant Bank, Efatha Bank, Njombe Community Bank, Kagera Farmers' Cooperative Bank, and Meru Community Bank) in Tanzania. This explains in-effective team performance as the management teams failed to resolve issues of nonperforming loans (Tanzania Banking Sector Report, 2021).

Reviews of past studies show that several researchers examined the influence of team dynamics on employee performance in work organizations but few studies have been done in Tanzania focusing on Commercial banks in particular. For example, Rao, (2020) found that team diversity influences employee performance of Commercial banks in India. Aydintan and Abdulle (2019) concluded that team cohesion enhanced good employee performance in Commercial Banks in Somalia. Daudi (2021) found that team dynamics affect employee performance in commercial banks in Kenya. Daudi concluded that top management team diversity affects employee performance in the service industry. It is against this background that this study undertook to address the research gap and also provide a better understanding through empirical evidence of influence of team communication on employee performance in commercial banks in Tanzania.

1.2 Research Hypothesis

H_o : Team communication has no significant influence on employee performance in commercial banks in Tanzania.

2. LITERATURE REVIEW

2.1 Theoretical Review

The study used Katzenbach and Smith Model to explain the relationship between team communication and employee performance. Katzenbach and Smith in 1993 formulated a model known as Katzenbach and Smith Model (1993) which asserts that most people realize the capabilities of teams. The model maintains that team dynamics is the key to improving employee performance in all kinds of organizations especially when communication is effective. Katzenbach and Smith proceed to argue that "individuals utilize the word "team dynamics" so loosely that it gets in the way of learning and applying the discipline that leads to good performance." Katzenbach and Smith (1993) pose the following series of six questions to diagnose the functioning of teams and enhance their effectiveness. One is whether the size of the team is appropriate. Second is whether members have sufficient complementary skills. Third is whether the purpose of the team is truly meaningful and understood. Fourth is whether that the team-oriented goals – are they clear, realistic, and measurable. Fifth is whether the team has a well thought-out, articulated working approach. And the sixth is whether there is a sense of mutual accountability. For teams to be effective, all six questions need to be addressed satisfactorily. Team dynamics is one of the key factors of business success.

The growing need for efficiency, the pressure of competition, and also the complexity and speed of change have led organizations to change their organizational structure into a team dynamics-based model to achieve a high-performing state (Sharp *et al.* 2000). "In high-performing teams, members are not interested in their own goals and success, but care and help their team members so they could reach goals together as a team (Katzenbach 1993; Bovee & Thill 2013; Hakanen & Soudunsaari, 2012). Teams cannot succeed without a shared purpose for why the team exists. This model explains much about team communication in the sense that, for the team to function effectively and enhance employee performance the posed questions about the team should be met as such; whether the purpose of the team is truly meaningful and understood, this explains about whether the members within a team are communicated regarding the goals they want to achieve. But also, the model posed whether the team-oriented goals – are clear, realistic, and measurable, again this can be achieved through effective team communication. The model also emphasized whether the team has a well thought-out, articulated working approach, this refers to verbal communication to members of the team concerning the means they will use to execute the work. So far, the model links to our study with respect to how communications in a team can spearhead the achievement of team members' performance.

2.2 Conceptual Framework

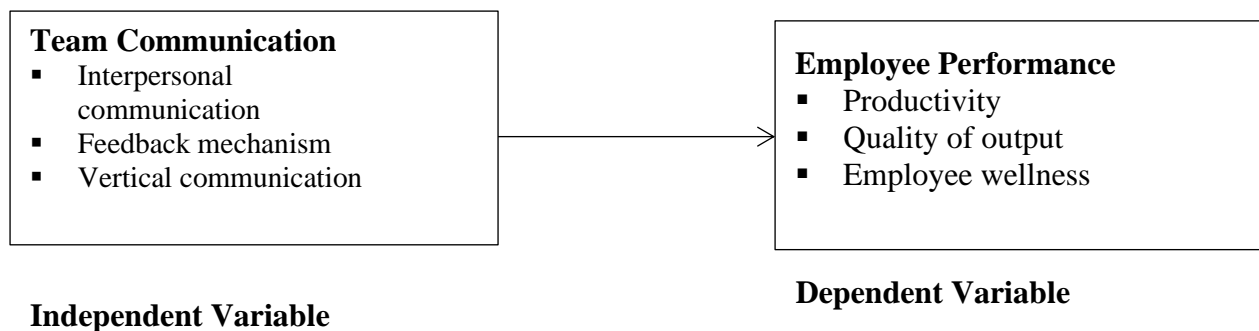


Figure 1: Conceptual Framework

2.3 Empirical Review

2.3.1 Team Communication

Kreps (2016) conducted a study on communication and the performance of employees in healthcare organizations. The study specifically sought to examine the need for team dynamics in health care, the challenges to working effectively in teams, communication strategies, and skills needed to promote team dynamics in effective health care within an organization. The findings of the study revealed that Inter-professional health care teams have become an integral part of the performance of the healthcare system. These teams enable interdependent health care providers and consumers to share needed expertise for making complex and important collaborative health care decisions. Effective teams also promote coordination among different specialists and key stakeholders in delivering the best possible care and achieving employee performance.

Brock *et al.* (2013) sought to assess inter-personal team communication (working together) in improving employee performance. The study focused on the effectiveness of a simulation-based inter-personal Team STEPPS training in impacting student attitudes, knowledge, and skills around inter-professional communication. Three hundred and six fourth-year medical, third-year nursing, second-year pharmacy, and second-year physician assistant students took part in a 4 h training that included a 1 h Team STEPPS didactic session and three 1 h team simulation and feedback sessions. Students worked in groups balanced by a professional programme in a self-selected focal area (adult acute, pediatric, obstetrics). Pre-assessments and post-assessments were used for examining attitudes, beliefs and reported opportunities to observe or participate in inter-personal team communication behaviors that improve employee performance. One hundred and forty-nine students (48.7%) completed the pre-assessments and post-assessments. The results of the study revealed that effective inter-personal communication is important in the performance of employees.

Cardon and Marshall (2015) sought to examine the Hype and Reality of Social Media Usage for Work Collaboration and employee performance. The study portrays the developing reception of big business long-range informal communication stages by associations trying to encourage better group correspondence and coordinated effort. To analyze current perspectives on these long-range informal communication devices, review results from 227 business experts are exhibited that address three zones: recurrence of the utilization of person-to-person communication for group correspondence contrasted with other correspondence channels, saw adequacy of interpersonal interaction devices for group correspondence contrasted with other correspondence channels, and demeanors toward informal communication for group correspondence. The outcomes of the study demonstrated that conventional correspondence

channels were utilized more habitually and were considered progressively compelling for group productivity. The study concludes that business correspondence researchers can progress, characterize, and set apart the field by concentrating on business correspondence by means of big business long-range vertical communication platforms.

3. METHODOLOGY

The study used a positivist paradigm as the research philosophy since the positivistic philosophical approach is quantitative and is dominated by the process of hypothesis testing with the intent to either reject or accept the null hypothesis (Collis & Hussey, 2013). The study adopted a descriptive research design, using a survey method because it allows a large amount of data to be obtained by use of a questionnaire that was administered to a sample. The target population for this study comprised commercial banks operating in Tanzania and licensed by Bank of Tanzania. The Bank of Tanzania (2018) reported that it had licensed 39 operational commercial banks in the country. All of the commercial banks formed the target population. The study was conducted in all 39 commercial banks' head offices due to the following reasons; they were the old banks established in Tanzania, they are the central source of information, and they have substantial numbers of employees to sustain the study.

The main research instrument used was questionnaires organized in a five-point Likert scale to collect data from the respondents on various issues surrounding team dynamics on employee performance. The questionnaire was used since it addresses the specific objectives of the study appropriately (Mugenda & Mugenda, 2003). The study considered questionnaires that were both open-ended (unstructured) and close-ended (structured). A pilot study was carried out to identify any potential problems with the design of the questionnaire and to check the internal consistency and reliability of the questions (Saunders *et al.* 2012). The study used Cronbach's Alpha reliability coefficient, one of the most commonly used reliability coefficients (Coakes & Steed, 2003). Sampling criteria for this research used simple random sampling because in this type of sampling, there is an equal chance of selecting each unit from the total population being studied when choosing a sample (Saunders, Lewis & Thornhill, 2009). A sample of 30% were obtained from the population sample since is appropriate for the research (Mugenda & Mugenda, 2003). Therefore, a sample size of thirty percent (30%) of 1480 total employees was randomly selected. The total sample size comprised of 445 respondents for this study. Both descriptive and inferential statistics were used in analyzing collected data through administered questionnaires. Statistical Package for Social Sciences (SPSS) version, 26 was employed in generating both inferential and descriptive statistics. The characteristics of the variable under study were captured through descriptive statistics such as standard deviation and mean. The open-ended questions were analyzed through the use of quantitative content analysis by the researcher to quantifying emerging characteristics and concepts.

4. FINDINGS AND DISCUSSION

4.1 Descriptive Statistics

4.1.1 Team Communication

The study sought to examine the influence of team communication on employee performance in commercial banks in Tanzania. The respondents were required to indicate their level of agreement or disagreement with the statements provided on indicators of team communication on a scale of 1 to 5, where 1 was strongly disagree and 5 strongly agree respectively. The results of the findings are shown in Table 1.

Table 1: Descriptive Statistics for Team Communication

	N	Mean	Std.		Skewness		Kurtosis	
			Stat.	Dev.	Stat.	Var.	Stat.	Std. Error
Our bank has created effective feedback channels which are the most cost effective in increasing productivity.	344	4.01	0.639	0.408	-1.225	0.131	4.689	0.262
Our bank has less complex interpersonal communication that influences employee well-being	341	4.05	0.801	0.642	-1.023	0.132	1.679	0.263
Our bank encourages top-down- bottom-up communication and offers suggestions for improved quality of our services	343	4.34	0.702	0.493	-1.090	0.132	1.929	0.263
In our bank team members communicate one-on-one about what they don't know and ask for help to improve quality of services	343	4.33	0.833	0.694	-1.345	0.132	1.615	0.263
In our bank team members' interaction with each other improves the quality of service they perform	343	4.45	0.727	0.529	-1.336	0.132	1.644	0.263
One on one interaction between team members in our bank has improved social well-being to employees	343	4.39	0.786	0.618	-1.349	0.132	1.757	0.263
Feedback mechanisms in our team increase employee performance	343	4.50	0.630	0.397	-1.311	0.132	2.925	0.263
Information or messages flow between or among the subordinates and superiors of our bank influence employee performance	344	4.43	0.701	0.491	-1.192	0.131	1.372	0.262
Valid N (listwise)	338							

According to the study findings, all the indicators of team communication have a mean ranging from 4.01 and 4.50. Most of the respondents showed that the practice of communication within a work team is important in the improvement of employee performance to meet the prescribed goal. Feedback mechanism is the most important aspect for the performance of individual employees in a team, moreover members' interaction through interpersonal communication with each other improves performance, and thus organizations need to spearhead on one interaction within their work place environment for better performance, but also information flows between or among the subordinates and superiors is fundamental aspect for employee performance improvements, this mean organizations that practice top down –bottom up

information flow is likely to be better off, organizations to encourage top down- bottom-up communication and offering suggestions for improved performance. Additionally, organizations need to create effective feedback channels which are the most cost-effective in increasing employee performance.

The results of the study are in justification with the position that, communication should be a step-by-step process that involves the exchange of information between two or more parts at all individuals in the organization levels (Kreps, 2016). The findings are also consistent with Mahboub, (2018) that managers stress the importance of feedback practices in communication which plays a vital role in influencing team member performance. Therefore, organizations need to inform all work teams about say corporate plans in line with what is expected of them and the organization to keep receiving feedback from team members for goal achievement.

The findings to encourage top-down- bottom-up communication and offering suggestions for improved performance were echoed by the findings of Hart, Vroman and Stulz, (2015) that some advantages of vertical communication system are such to provide necessary instructions that are sent to subordinates, and they perform their duties and responsibilities accordingly. That help to increase productivity for both superior and subordinate, without vertical communication an organization ceases to exist.

The influence of information flow on performance is further demonstrated by the results of the open-ended question. Asked, “how does information flows between or among the subordinates and superiors influence employee performance?” the responses indicate that information flow boosts morale and performance, enables understanding of goals and objectives, enhances freedom to air views and opinions, improves problem-solving and decision-making, ensures responsibility, increases transparency and accountability, and provides a platform for the transfer of knowledge and skills as shown in Figure 2.

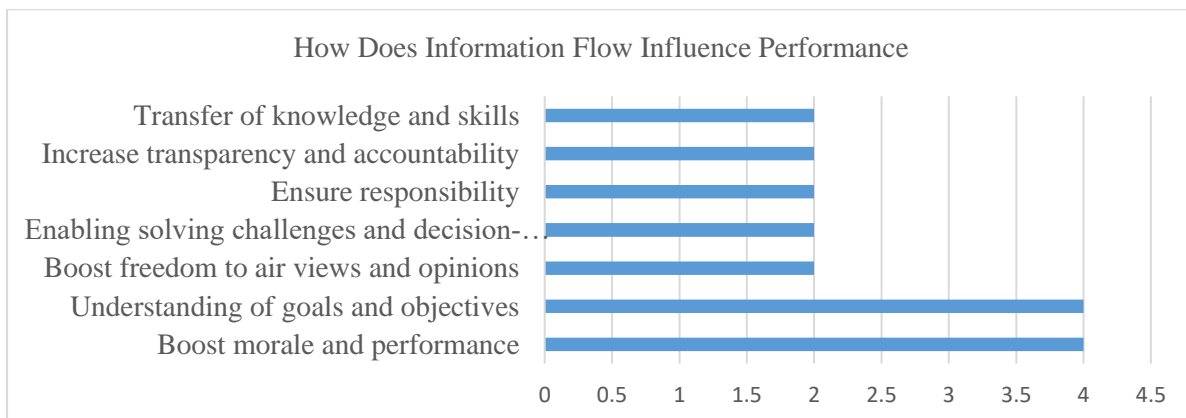


Figure 2: Influence of Information Flow on Performance

The respondents also pronounced themselves on the preferred modes of communication. Physical meetings are the most preferred followed by telephone conversations, email correspondence, virtual meetings, oral, social media, and short-text messaging as shown in Figure 3.

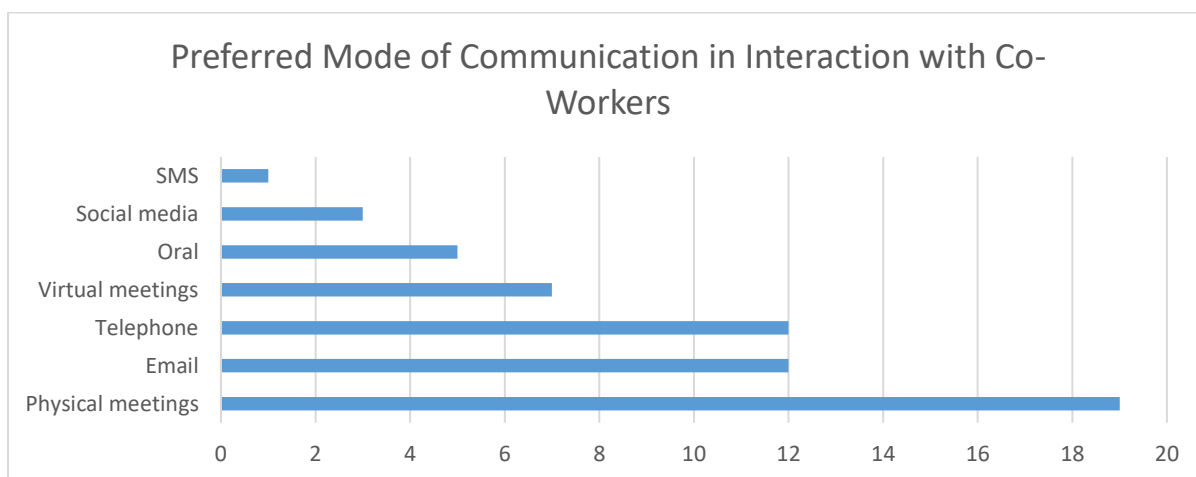


Figure 3: Preferred Mode of Communication

4.1.2 Employee Performance

Concerning the criterion variable employee performance, the respondents were required to indicate their level of agreement or disagreement with the statements provided on indicators of employee performance on a scale of 1 to 5, where 1 was strongly disagree and 5 strongly agree respectively. The results of the findings are shown in table 2.

Table 2: Descriptive Statistics for Employee Performance

	N	Mean	Std.		Skewness		Kurtosis	
			Stat.	Dev.	Stat.	Var.	Stat.	Std. Error
In our bank, there is improved quality of output offered to our clients by employees in the course of a workday	341	4.20	0.580	0.337	-0.502	0.132	2.538	0.263
In our bank employee's health and safety systems are well improved	341	4.30	0.569	0.323	-0.579	0.132	2.862	0.263
In our bank employees' task completion and dependability are improved	341	4.29	0.664	0.441	-0.822	0.132	1.642	0.263
Improved well-being has made our employees more committed to their work	340	4.42	0.663	0.439	-1.572	0.132	5.377	0.264
The improved quality of our service attracts a large number of clients to our bank	342	4.36	0.687	0.471	-1.698	0.132	6.086	0.263
Our employees have achieved a sense of job satisfaction due to team dynamics	341	4.26	0.710	0.504	-1.361	0.132	3.977	0.263
Our employees often achieve the performance objectives of increased number of clients served	341	4.35	0.667	0.446	-1.075	0.132	2.405	0.263

Our employees can deliver the promised service consistently and accurately through teams	340	4.46	0.635	0.403	-1.259	0.132	3.021	0.264
In their working teams, our employees offer a speedy service to our clients	341	4.43	0.727	0.528	-1.469	0.132	3.018	0.263
Employees productivity in our bank is improved	341	4.51	0.676	0.456	-1.689	0.132	4.063	0.263
Valid N (listwise)	336							

According to the study findings, all the indicators on employee performance have a mean ranging from 4.20 and 4.51 generally, most of the respondents indicated that employee performance is improved over the period covered by the study. Employee productivity is improved, employees can deliver the promised service in a consistent and accurate manner through teams, and there is improved quality of output offered to clients by employees in the course of a workday.

Overall, the study findings reveal that the employee performance in commercial banks in Tanzania is fair as opposed to excellent. The findings corroborate the submissions that, although commercial banks in Tanzania have been restructured to enhance performance through introduced regulatory reforms to its financial-services sector since 1991, the expected result of these changes in financial reforms are still performing dismally (Qin & Pastor, 2012). Team dynamics should therefore be carried out appropriately and as the organization's conscious efforts to provide HR managers with opportunities to learn to improve employee performance in organizations, evaluating its efficiency and identifying the sources of inefficiency is always a matter of serious interest (Yang, 2011).

On the open-ended question on the role of team dynamics on employee performance, a simple majority indicated that it has an impact on productivity improvement. This was followed by improved trust, creativity, collective decisions, and productivity. Team spirit and teamwork increases at par with increase in credibility and extra knowledge as shown in Figure 4.

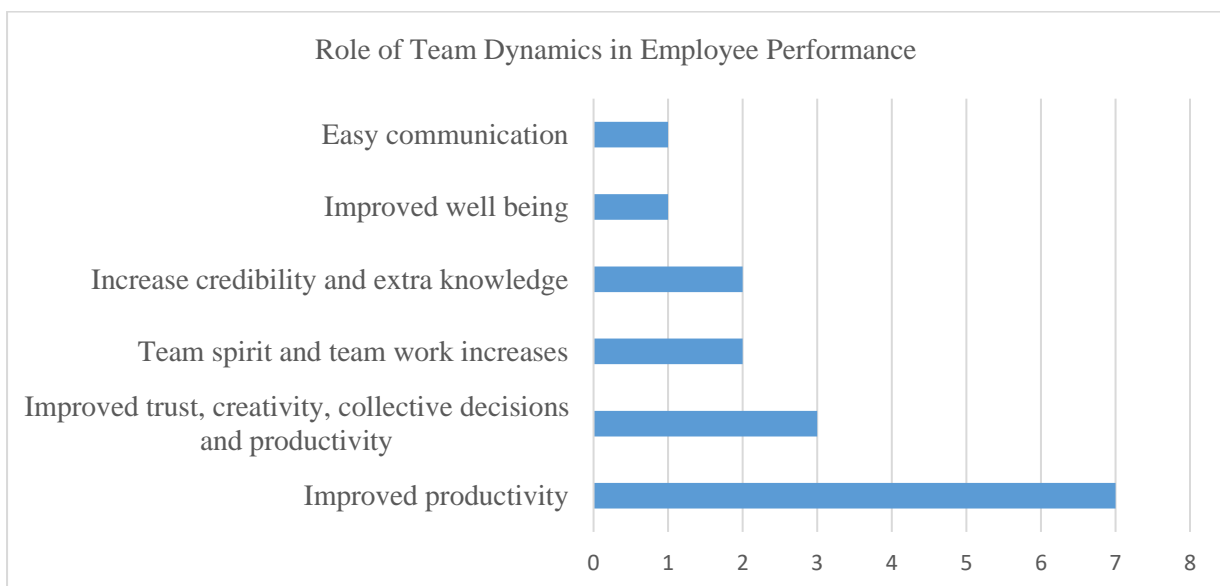


Figure 4: Role of Team Dynamics on Employee Performance

On the ways of team dynamics for better employee performance, a simple majority transfer of knowledge and skills prevailed followed closely by providing support and cooperation then diagnosis to understand teams and solving problems. Strong communication mechanisms, training and coaching, and rewarding best performers (including bonuses) followed as shown in Figure 5.

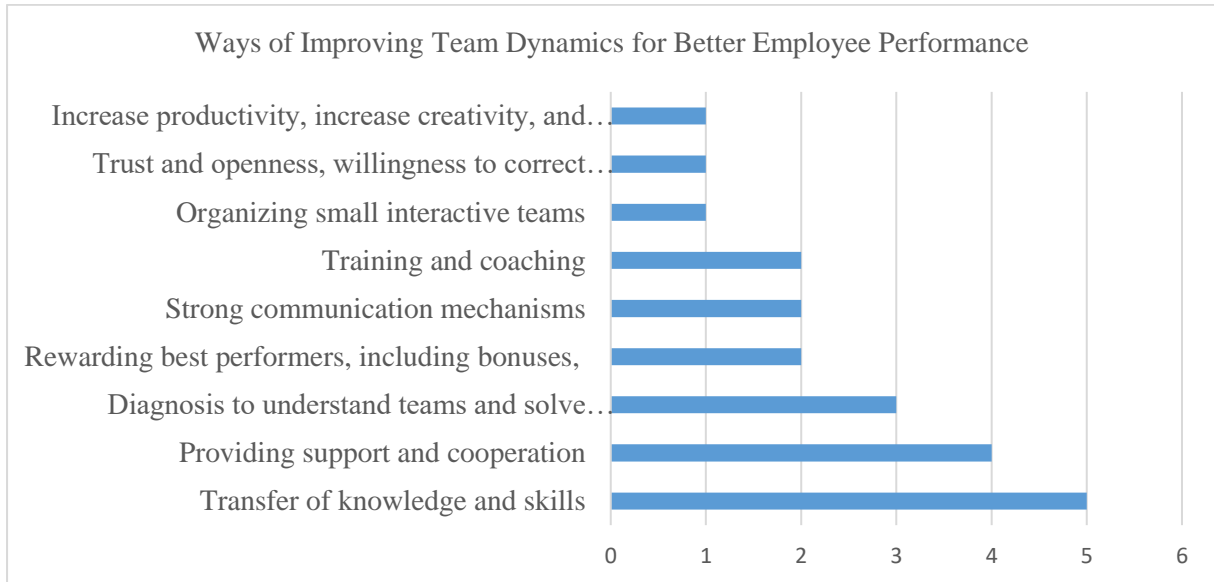


Figure 5: Ways of Improving Team Dynamics for Employee Performance

4.2 Regression Analysis and Hypothesis Testing

The objective of this study was to determine the influence of team communication on employee performance in commercial banks in Tanzania. This study was premised on the hypothesis that team communication has no significant influence on employee performance. The influence was tested in linear regression.

The specific objective of team communication was to determine the influence of team communication on employee performance in commercial banks in Tanzania. The statistical model $Y = \alpha + \beta_1 X_1 + \varepsilon$ where: Y = Employee Performance, α = constant, β_1 = Coefficient of X_1 , X_1 = Team Communication, ε = Error term was used to explore the relationship. Table 3 yields an R Square value of 0.055. This means that 5.5 percent of the variation in employee performance can be explained by team communication.

Table 3: Team communication and employee performance Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics			
						F	Change	df1	df2
1	0.234 ^a	0.055	0.052	0.29370	0.055	17.898	1	308	0.000

a. Predictors: (Constant), Team Communication

b. Dependent Variable: Employee Performance

According to the findings of the study, it was established that team communication complements employee performance. The findings are in line with a study by Grover and Niecko-Najjum (2013) that team members need to learn how to work together cooperatively, how to communicate with one another meaningfully, and how to make good decisions together and improve the quality of output. This justifies that meaningfully team communication is an indispensable strategic tool for enhancing employee performance in work organizations. In

addition, it is also evidenced that the survival of any organization in today's competitive society lies in its ability to communicate and avoid complacency which will eventually lead to employee performance within a team (Foundation Coalition, 2014). Therefore, work organizations should enhance effective communication between members of the team in their high-performance work systems to contribute to employee performance improvement.

The ANOVA results in Table 4 showed that the model was found to be statistically significant ($F(1, 308) = 17.898, p\text{-value} < 0.001$). This implies that there was a goodness of fit of the model and that team communication is a good predictor of employee performance in commercial banks in Tanzania.

Table 4: Team communication and employee performance; ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.544	1	1.544	17.898	0.000 ^b
	Residual	26.567	308	0.086		
	Total	28.111	309			

- a. Dependent Variable: Employee Performance
 b. Predictors: (Constant), Team Communication

Given the statistical model $Y = \alpha + \beta_1 X_1 + \epsilon$, the beta coefficients of team communication in Table 5 show that $\beta_1 = 0.234, t = 4.231, p\text{-value} < 0.001$ indicating that a unit improvement in the team communication contributes to a 0.234 improvement in employee performance. This is an indication that team communication predicts well employee performance in commercial banks in Tanzania. The results are in agreement with a study by Mahboub, (2018) that communication is one of the six components of social interaction for teams that are found to be positively associated with the five dimensions of new venture success, including economic success, productivity, efficiency, client satisfaction and personal success and thus according to the study, effective feedback practices in communication plays a vital role in influencing the team members performance.

Table 5: Team communication and employee performance Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.593	0.188		19.152	0.000
	Team Communication	0.183	0.043	0.234	4.231	0.000

- a. Dependent Variable: Employee Performance

H_0 : Team communication has no significant influence on employee performance in commercial banks in Tanzania.

The criterion for acceptance was to reject if the p-value was less than 0.05 otherwise null hypothesis is accepted. The results indicate a p-value < 0.001 with a t-statistic of 4.231 which is larger than the critical t-statistic of 1.96. The null hypothesis, H_0 , that team communication does not have a significant influence on employee performance is rejected. The study therefore concludes that team communication has a significant influence on employee performance.

5. CONCLUSION

Based on the results of this study, the use of team communication by the majority of commercial banks in Tanzania could be concluded that these practices influence employee performance. Efficiency interpersonal communication, feedback mechanism as well and vertical communication had a positive and significant linear relationship on the various measures of employee performance used in this particular study which are productivity, quality of services, and wellness of employees. Effective communication in the workplace is important for good employee performance. Managers with good communication skills can convey their ideas clearly so that subordinates understand what is required from them and can positively contribute to employee performance. In contrast, a lack of communication can lead to employee frustration, lower productivity, job dissatisfaction, and reduced quality of output. To be effective, communication is a two-way process. Team communication practices create procedures that establish the building of employees' knowledge skills and abilities throughout the organization to promote valued and unique employee competencies that support them in improving performance.

6. RECOMMENDATIONS

Managers should acknowledge the importance of team dynamics and how it helps increase employee performance in their work organizations. Due to growth in competition, liberalization of the economy and the environmental dynamics put additional challenges to work organizations. Therefore, managers need to respond to greater market imperatives and challenges. The study has pointed out strategic areas of importance into which managers in banks can look into the respective banks such as team communication, leadership, diversity, and organizational culture that if well-accommodated influence employee performance. Additionally, the result of this study calls upon new perspectives in management and gives the picture that the idea of two people or more tend better rather than the idea of one person, the result of team is much better rather than the sum of its part. Team dynamics practices: team communication, team leadership, team diversity and organization culture influence employee performance. This is considered as a significant practical insight for managers and the results of this study have demonstrated that the use of team dynamics is crucial to the success of every organization and part of an organization's effort is to ensure efficiency and effective performance. These strategic areas of team dynamics must be involved in designing and implementing a set of internally consistent HR practices that ensure that firm human capital performance contributes to achieving firm business goals. The results of this study have helped to determine the crucial role of the use of teams and, therefore, recommend that managers should focus on the use of teams as their involvement is necessary to improve employee performance and support its mission.

The underlying assumption of high-performance work system is that firm performance is influenced by a set of HR practices, and for a firm to compete effectively; they must constantly improve their performance through good organization of their team communication, leadership, and diversity that enhances productivity, quality and well-being of their employee. From the findings of this result, the elements of team dynamics influence the performance of employees. These findings recommend that organizations should carefully consider the alignment among team dynamics, as well as organizational culture in between team dynamics and employee performance since they support and supplement one another. In addition, it is proposed that in light of these findings, policy makers in organizations evaluate their performance work system programs and activities by the degree to which they contribute

directly to the accomplishment of the team's strategic goals and objectives through the improvement of employee performance.

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