

**INFLUENCE OF TEAM DYNAMICS ON EMPLOYEE
PERFORMANCE IN COMMERCIAL BANKS IN
TANZANIA**

YUSUPH SHABANI SEMVUA

**DOCTOR OF PHILOSOPHY IN
HUMAN RESOURCE MANAGEMENT**

**JOMO KENYATTA UNIVERSITY
OF
AGRICULTURE AND TECHNOLOGY**

2026

**Influence of Team Dynamics on Employee Performance in Commercial
Banks in Tanzania**

Yusuph Shabani Semvua

**A Thesis Submitted in Partial Fulfillment of the Requirements for the
Degree of Doctor of Philosophy in Human Resource Management of
the Jomo Kenyatta University of Agriculture and Technology**

2026

DECLARATION

This thesis is my original work and has not been presented for a degree at any other University.

Signature.....Date.....

Yusuph Shabani Semvua

This thesis has been submitted for examination with our approval as the University Supervisors:

Signature.....Date.....

Dr. Susan Naikuru, PhD

JKUAT, Kenya

Signature.....Date.....

Dr. Rebeccah Maina, PhD

JKUAT, Kenya

DEDICATION

This study is dedicated to my mother, Mrs. Mwanafuraha Msangi; my late father, Mr. Shabani Semvua; and the entire family.

ACKNOWLEDGEMENT

Looking back on my graduate studies, first and foremost, I would like to thank God indeed, who has helped me to be in good health throughout the entire process of writing my thesis. This would not have been possible without his will. Secondly, I would like to extend my sincere appreciation to my research supervisors, Dr. Susan Naikuru, Dr. Rebeccah Maina and Dr. Susan Were for their valuable academic input, technical guidance, and expertise in making sure I come up with a quality thesis. I truly appreciate and may God bless you forever. I would also like to sincerely appreciate the encouragement and continual support from my family friends, Dr. Boniface Mwirigi Kiula as well as Dr. Angela Kiula Mwirigi, who motivated me whenever I felt a little discouraged. I also appreciate all others whose support in one way or another in my study has played a fundamental role in the accomplishment of this thesis.

TABLE OF CONTENTS

DECLARATION.....	ii
DEDICATION.....	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS.....	v
LIST OF TABLES	xiii
LIST OF FIGURES	xvii
LIST OF APPENDICES	xviii
ACRONYMS AND ABBREVIATIONS.....	xix
DEFINITION OF OPERATIONAL TERMS	xx
ABSTRACT.....	xxi
CHAPTER ONE	1
INTRODUCTION.....	1
1.1 Background of the Study.....	1
1.1.1 Global Perspective of Team Dynamics and Employee Performance	5
1.1.2 Regional Perspective on Team Dynamics and Employee Performance.....	7
1.1.3 Local Perspective on Team Dynamics and Employee Performance	7
1.1.4 Commercial Banks in Tanzania.....	8

1.2 Statement of the Problem	9
1.3 Objectives of the Study	11
1.3.1 General Objective of the Study.....	11
1.3.2 Specific Objectives of the Study.....	11
1.4 Research Hypotheses	12
1.5 Justification of the Study	13
1.5.1 Banks in Tanzania.....	14
1.5.2 Bank Managers	14
1.5.3 Researchers and Scholars	15
1.6 Scope of the Study	15
1.7 Limitations of the Study	16
CHAPTER TWO	17
LITERATURE REVIEW.....	17
2.1 Introduction	17
2.2 Theoretical Review	17
2.2.1 Katzenbach and Smith Model.....	18
2.2.2 Contingency Theory	20
2.2.3 Resource-Based Theory of Diversity Management.....	21

2.2.4 Ringelmann Effect Theory	23
2.2.5 Systems Theory	25
2.3 Conceptual Framework	26
2.3.1 Team Communication	28
2.3.2 Team Leadership	31
2.3.3 Team Diversity	33
2.3.4 Team Size	35
2.3.5 Organizational Culture	37
2.3.6 Employee Performance.....	39
2.4 Empirical Literature Review	41
2.4.1 Team Communication	41
2.4.2 Team Leadership	42
2.4.3 Team Diversity	44
2.4.4 Team Size	46
2.4.5 Employee Performance.....	48
2.4.6 Organizational Culture	49
2.5 Critique of Literature.....	51
2.6 Research Gaps	53

2.7 Summary of the Chapter	54
CHAPTER THREE	55
RESEARCH METHODOLOGY	55
3.1 Introduction	55
3.2 Research Philosophy	55
3.2.1 Research Design	56
3.3 Target Population	56
3.4 Sampling Frame.....	58
3.5 Sample Size and Sampling Technique	59
3.6 Data Collection Instruments	61
3.7 Data Collection Procedure.....	62
3.8 Pilot Testing.....	62
3.8.1 Reliability of the Instruments	63
3.8.2 Validity of Instruments	63
3.9 Data Analysis and Presentation	65
3.9.1 Diagnostic Tests.....	65
3.9.2 Descriptive Statistics	67
3.9.3 Correlation Analysis	67

3.9.4 Regression Analysis	68
3.9.5 F-Test.....	71
3.9.6 Analysis of Variance (ANOVA)	71
3.9.7 Operationalization of Study Variables.....	72
3.10 Hypothesis Testing	72
CHAPTER FOUR.....	75
RESEARCH FINDINGS, ANALYSIS AND DISCUSSION.....	75
4.1 Introduction	75
4.2 Response Rate	75
4.3 Pilot Test Results.....	75
4.3.1 Reliability of the Instruments	76
4.3.2 Validity of the Instruments	77
4.4 Demographic Characteristics.....	79
4.4.1 Gender of the Respondents.....	80
4.4.2 Age Bracket of the Respondents.....	80
4.4.3 Managerial Position	81
4.4.4 Level of Education.....	81
4.4.5 Work Experience	82

4.5 Descriptive Statistics	83
4.5.1 Team Communication	83
4.5.2 Team Leadership	87
4.5.3 Team Diversity	90
4.5.4 Team Size	93
4.5.5 Organizational Culture	96
4.5.6 Employee Performance.....	99
4.6 Diagnostic Tests	102
4.6.1 Normality Test	102
4.6.2 Test for Linearity	104
4.6.3 Multicollinearity Test	105
4.6.4 Tests for Heteroscedasticity.....	106
4.7 Inferential Statistics	107
4.7.1 Correlation Analysis	107
4.7.2 Linear Regression Analysis and Hypothesis Testing	109
Table 4.34: Moderating effect of Organization Culture ANOVA.....	121
4.7.3 Multiple Linear Regression	128

CHAPTER FIVE.....	133
SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS	133
5.1 Introduction	133
5.2 Summary of Findings	133
5.2.1 Team Communication	134
5.2.2 Team Leadership	134
5.2.3 Team Diversity	135
5.2.4 Team Size	135
5.2.5 Moderating Effect-Organizational Culture.....	136
5.3 Conclusion.....	136
5.3.1 Team Communication	136
5.3.2 Team Leadership	137
5.3.3 Team Diversity	137
5.3.4 Team Size	137
5.3.5 Organizational Culture-Moderating variable.....	138
5.4 Recommendations	138
5.4.1 Recommendations- Banks	138
5.4.2 Managerial Recommendations	139

5.4.3 Policy Recommendations	140
5.5 Study's Contribution to Theory.....	140
5.6 Suggestions for Further Research.....	141
REFERENCES.....	142
APPENDICES	159

LIST OF TABLES

Table 3.1: Target Population.....	58
Table 3.2: Sample Size.....	60
Table 3.3: Operationalization of Variables	72
Table 4.1: Response Rate	75
Table 4.2: Reliability of the Findings.....	77
Table 4.3: Content Validity Index.....	78
Table 4.4: Summary of Factor Analysis	79
Table 4.5: Response Rate by Gender	80
Table 4.6: Response Rate by Age	81
Table 4.7: Response Rate by Managerial Position.....	81
Table 4.8: Response Rate by Level of Education	82
Table 4.9: Work Experience.....	82
Table 4.10: Descriptive Statistics for Study Variables	83
Table 4.11: Descriptive Statistics for Team Communication	85
Table 4.12: Descriptive Statistics for Team Leadership	88
Table 4.13: Descriptive Statistics for Team Diversity	91
Table 4.14: Descriptive Statistics for Team Size	94

Table 4.15: Descriptive Statistics for Organizational Culture - Moderating Influence ..	97
Table 4.16: Descriptive Statistics for Employee Performance	100
Table 4.17: Tests of Normality	103
Table 4.18: Multicollinearity Test Statistics	106
Table 4.19: Breusch-Pagan / Cook-Weisberg Test for Heteroscedasticity	106
Table 4.20: Correlation of the Study Variables.....	109
Table 4.21: Team Communication and Employee Performance Model Summary	111
Table 4.22: Team Communication and Employee Performance ANOVA ^a	111
Table 4.23: Team Communication and Employee Performance Coefficients.....	113
Table 4.24: Moderating Effect of Organizational Culture ANOVA.....	114
Table 4.25: Model Summary for Team Communication and Organization Culture, Moderating Influence	114
Table 4.26: Team Leadership and Employee Performance Model Summary	115
Table 4.27: Team Leadership and Employee Performance ANOVA.....	116
Table 4.28: Team Leadership and Employee Performance Coefficients.....	117
Table 4.29: Moderating Effect of Organization Culture ANOVA.....	118
Table 4.30: Model Summary for Team Leadership and Organization Culture, Moderating Influence.....	118
Table 4.31: Team Diversity and Employee Performance Model Summary	119

Table 4.32: Team Diversity and Employee Performance ANOVA..... 119

Table 4.33: Team Diversity and Employee Performance Coefficients..... 120

Table 4.34: Moderating effect of Organization Culture ANOVA 121

Table 4.35: Model Summary for Team Diversity and Organization Culture, Moderating Influence..... 122

Table 4.36: Team Size and Employee Performance Model Summary 123

Table 4.37: Team Size and Employee Performance ANOVA..... 123

Table 4.38: Team Size and Employee Performance Coefficients..... 124

Table 4.39: Moderating Effect of Organization Culture ANOVA..... 125

Table 4.40: Model Summary for Team Size and Organization Culture, Moderating Influence..... 126

Table 4.41: Organization Culture and Employee Performance Model Summary 127

Table 4.42: Organization Culture and Employee Performance ANOVA 127

Table 4.43: Organization Culture and Employee Performance Coefficients..... 128

Table 4.44: Team Dynamics and Employee Performance Model Summary 129

Table 4.45: Team Dynamics and Employee Performance ANOVA 129

Table 4.46: Team Dynamics and Employee Performance Coefficients 130

Table 4.47: Moderating Influence of Organizational Culture on both Predictor and Criterion Variables ANOVA..... 131

Table 4.48: Team Dynamics and Organization Culture on Employee Performance Model
Summary 131

Table 4.49: Hypotheses Testing Summary 132

LIST OF FIGURES

Figure 2.1: Conceptual Framework	28
Figure 4.1: Influence of Information Flow on Performance	86
Figure 4.2: Preferred Mode of Communication.....	87
Figure 4.3: Influence of Leadership Support	89
Figure 4.4: Influence of Leadership Support	90
Figure 4.5: Influence of Team Diversity on Employee Performance	92
Figure 4.6: Other Ways of Improving Team Diversity.....	92
Figure 4.7: Role of Team Size on Employee Performance.....	95
Figure 4.8: Best Team Structure for Employee Performance	96
Figure 4.9: Influence of Organizational Culture on Employee Performance	98
Figure 4.10: Best Organizational Culture for Employee Performance	98
Figure 4.11: Role of Team Dynamics on Employee Performance	101
Figure 4.12: Ways of Improving Team Dynamics for Employee Performance	102
Figure 4.13: Q-Q Plot for Normal Distribution	104
Figure 4.14: Scatter Plot for Linearity	105

LIST OF APPENDICES

Appendix I: Survey Questionnaire	159
Appendix II: List of Commercial Banks in Tanzania	168

ACRONYMS AND ABBREVIATIONS

ANOVA	Analysis of Variance
BOT	Bank of Tanzania
COSTECH	Commission for Science and Technology
HR	Human Resource
HRM	Human Resource Management
JKUAT	Jomo Kenyatta University of Agriculture and Technology
MMR	Moderated Multiple Regression
MRQ	Multiple Resources Questionnaire
NPLs	Non-Performing Loans
PhD	Doctor of Philosophy
ROA	Return on Assets
ROE	Return on Equity
SPSS	Statistical Package for Social Sciences
TBSR	Tanzania Banking Sector Report
TMT	Top Management Team
URT	United Republic of Tanzania

DEFINITION OF OPERATIONAL TERMS

Employee Performance Employee performance involves factors such as quality, productivity, and effectiveness of work, as well as the well-being of your employee in the workplace (Thompson, 2019). How your employee performs daily in your business will have an impact on your business's success or failure.

Team Communication This is the interaction that takes place among the members of a work team or group. Effective team communication is vital to the success of the group in performing its role as well as to the morale and work satisfaction of its members (Sutrisno & Jaya, 2023).

Team Diversity Diversity is the differences across several dimensions, including education, professional experience, age, sex, physical abilities, age, and race, and even into political beliefs, religious practices, and socio-economic status (Mata *et al.*, 2021). Team Diversity refers to the significant uniqueness of each individual in a team.

Team Dynamics The unconscious, psychological forces that influence the direction of a team's behaviour and performance. Team dynamics are created by the nature of the team's work, the personalities within the team, their working relationships with other people, and the environment in which the team members work (Gogoi & Baruah, 2021).

Team Leadership These are the leadership practices and values exhibited by leaders, governing a specific group of individuals who work towards achieving a particular goal or objective (Owens, 2024).

Team Size The sum of people in a specific team, the number of members in a given team (Jaiswal & Dyaram, 2020).

ABSTRACT

Team dynamics is considered as one of the most desired attributes that an employer wishes to have in modern-day organizations. Employees are perceived to attain their set performance goals through team dynamics. Team dynamics are hinged on diversity and collaboration prowess for effectiveness. Much research has been done on the impact of team dynamics in organizations generally. However, there is little research on team dynamics in relation to employee performance. This study sought to establish the influence of team dynamics on employee performance in commercial banks in Tanzania. The objectives of the study were to determine the influence of team communication, team leadership, team diversity, and team size on employee performance in commercial banks in Tanzania. The moderating variable was organizational culture. The study was anchored on the Katzenback and Smith model, Contingency theory, Resource Theory of Diversity Management, Ringelmann effect theory, and System theory. The study adopted a descriptive survey research design. The target population was all the 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, hence a total of 1480 respondents. Simple random sampling technique was used to select the sample size of 445 respondents. Pilot testing was conducted before the actual data collection. The study collected both primary and secondary data. Both descriptive and inferential statistics were computed using SPSS version 26. The findings were presented using tables, figures and charts. The study found that team communication, team leadership, and team diversity had a significant influence on employee performance in commercial banks. Also, the study found that organizational culture positively moderates the relationship between team dynamics and employee performance. Generally, it is concluded that improvement in each- acting unilaterally, team communication, team leadership, and team diversity leads to improvement in employee performance. Applied together, only the joint team dynamics of team communication and team diversity lead to improvement in employee performance. To improve employee performance, bank managers should focus on fostering a culture of open communication. To leverage team diversity for improved employee performance, bank managers should implement inclusive hiring and promotion policies based on skills. In addition, it is proposed that in light of these findings, policymakers in organizations should 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. This will then enhance employee performance.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

This chapter presents the foundation of the study by outlining the background of the study. The background is structured along the global, regional and local perspectives of teams' dynamics and employee performance. The chapter also discusses the statement of the problem, the research objectives as well as the study hypotheses. It also highlighted the justification of the study, scope of the study as well as limitations of the study.

Globalization has necessitated human beings to develop their potential into quality resources. Activities towards the achievement of a highly performing company cannot be able to be reached by individual efforts alone. Team efforts and competences hold a high premium, hence the concept of team dynamics. A company's success is seen by the organization's processes and procedures as handled by teams. Organizational processes and procedures need two or more people to work together to create value. Higher value is created if staff work collectively rather than individually (Rahmatullah, Wibowo, & Mustaqim, 2024).

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. Successful teams are usually more optimistic about future success. This in turn motivates them to work harder. Employee performance is the ability to achieve allocated responsibilities in line with given roles. This involves engaging systematic efforts and alignment of competences towards work role to continuously achieve performance within the organization (Jayashankar & Balan, 2024).

The importance of team dynamics in the organization lies in the fact that two people or more deliver better than one person - as a result, the output of a team is much better than

the sum of its parts (individual members). In an organization, everyone contributes their input to the team, and then the team will contribute its performance to the organization. In an effective organization, management will strengthen team output by creating positive energy, which flows into the whole team thereby being greater than the sum of all the individual team members (Owens, 2024).

People are the most important asset, since ordinarily their individual potential and input contribute to team performance (Bhatia & Baruah, 2020). The people who form organizations are individuals, and everyone brings his/her uniqueness, such as styles, skills, gender, beliefs, and values that may affect day-to-day work processes and interactions (Owens, 2024). The complex and unique qualities that people bring to the workplace make them uniquely valuable as far as performance is concerned (Hakiki *et al.*, 2023).

Organizations need the technical know – how of recruitment and selection to bring on board proficient talent which through their performance can contribute towards achieving organizational goals (Veena & Vemuri, 2022). Intangible dimensions or intellectual capital of team members, such as knowledge, skill, abilities, personality, social capital and emotional intelligence, have been the main concerns for organizations in selecting the right candidates. Organizations require instruments that are simple, practical, and applicable to support management activities (Ray & Sahoo, 2021).

Mutual trust is a further prerequisite for effective mutual performance. Mutual trust is a key aspect of team dynamics (Morrison-Smith & Ruiz, 2020). Team dynamics is an operational concept that describes one element of the many strategies for employees' effectiveness. Oyefusi (2022) defines team dynamics as the structure whereby several people with different backgrounds, skills, and knowledge drawn from various areas of an organization work together on specific and defined tasks.

Team dynamics refers to the ability of project members to work efficiently as a team. It also refers to the actions of employees that are brought together to accomplish a common

goal, giving priority to the end goal of employee performance (Jayashankar & Balan, 2024). Team dynamics is one of the most important parameters that support team effectiveness and high-functioning teams which then lead to enhanced delivery of services by the employees.

Individuals work together in a team, and everyone brings their unique characteristics, competences, experiences and qualifications into the organization. This means that an organization needs to know how to harness the unique qualities individual characteristics that influence day-to-day interaction in the workplace, if team performance must improve (Owens, 2024). Good team dynamics lead to productive practices such as transparency, open communication, and collaboration. Owen (2024) opines that this produces suitable work environments, and in turn yields positive results.

Organizations today are challenged with a range of complexities that necessitate them to configure reliable teams that can respond to and resolve complex problems. Patrick and Mazhar (2021) distinguish cooperation as "one of the sixteen Human Resource Management (HRM) practices that enhance associations". The ancient focal point of HRM concerning work associations has been the quest for individual greatness (Lu, Zhang, Yang, & Li, 2025).

Organizations are required to give more attention to selecting suitable individuals who can demonstrate outstanding performance, be good team players, and be able to deal with workplace complexities. Organizations need to increase awareness of individual differences and some intangible aspects of individuals that influence team dynamics and employee performance (Jayashankar & Balan, 2024).

Rahmatullah, Wibowo, and Mustaqim (2024) state that the viability of the group relies upon how much a group output meets performance measures like quality, amount, and practicality (execution); the degree to which the team's experience improves the capacity to function as a team (conduct), and the degree to which the team's experience adds to singular fulfillment (frame of mind). Taberna (*et al.* 2020) recommends that a successful

team ought to be assessed through a multidimensional system of group effectiveness since a singular focus on task outcomes might have a detrimental effect on team function and the performance deliverables over time.

Berraies and Chouiref (2023) state that team members need challenging tasks, working in appropriate conditions, and the chance to feel valuable. When teams are exposed to stressful situations, this ends up reflecting negatively on their duties. Focus on results, rather than on input or processes, requires determining what good results are through setting clear goals and the pursuit of such goals (Anu & Gireesh, 2021). As a result, self-managing teams with competences aligned with tasks and responsibilities are becoming the norm. The clearer, more specific, and more challenging a goal is, the better one performs (Magpili, Nina, & Pazos, 2021).

For over three decades, several studies have been undertaken to strengthen the parameters around team dynamics (Magpili *et al.*, 2021). Collaboration and interaction among team members are vital since employee performance relies upon the ability of team members to collaborate and interact well (Esan, Ajayi, & Olawale, 2024). Research has clarified that team dynamics enhance team effectiveness and employee performance (Rahmatullah, Wibowo, & Mustaqim, 2024).

Further, still research shows that effective teams may enhance business results and outputs by strengthening the decision-making capacity, enhancing employee commitment and involvement, increasing organizational collaboration and cooperation, and providing career growth and development opportunities for employees (Rahmatullah, Wibowo, & Mustaqim, 2024). Team dynamics and professional team members significantly influence overall employee performance. Further research initiatives focusing on team performance have been developed to highlight the complexities experienced during team interactions. The team performance also reflected the collaborative personality, team size, and culture behind the input of each team member (Devaraj & Jiang, 2021).

Team dynamics are not merely sets of aggregated, independent individuals; they are unified social entities (Godbles & Amaluwa, 2022). Whenever a team comes into existence, it becomes a system with emergent properties that must be understood more than the sum of individual members. The outcome of team cohesiveness has also been claimed to be divided into two categories: morale and employee performance (Godbles & Amaluwa, 2022). High team cohesion has almost positive effects on the satisfaction and morale of team members (Taberna *et al.*, 2020).

With respect to performance, studies suggest that teams in which members share strong feelings of connectedness and generally positive interactions tend to perform better (Godbles & Amaluwa, 2022). Rahmatullah, Wibowo, and Mustaqim (2024) suggested that stress can result in a loss of team perspective and a shift to a more narrow or individualistic self-focus, which can impair social behavior. A review of the literature shows that employee performance is influenced by team dynamics (Tago & Mwita, 2025).

Through leadership, organizational managers can articulate project vision, integrate and coordinate organizational team members, build team commitment, and enhance employee performance (Patrick & Mazhar, 2021). Rahmatullah, Wibowo, and Mustaqim (2024) strongly support the view that team dynamics are very crucial to the performance of an employee. Baker *et al.* (2024) have provided similar viewpoints on the effectiveness of team dynamics over other forms of work design, typically suggesting that team dynamics improve both the quality of work life and employee performance. Mitchell, Boyle, and Von Stieglitz (2021) also remind us that the traditional performance indicators fall under operational and financial outcomes. In practice, the use of teams has been associated with improved performance in terms of quality, meeting targets, and employee wellness.

1.1.1 Global Perspective of Team Dynamics and Employee Performance

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. A survey of employees conducted by Taberna (*et al.* 2020) found that nearly 39% of Western Balkan countries' employees believe that their organization does not collaborate enough.

The study concluded that the introduction of new forms of work organization, including team dynamics, led to an increased workload and an increase in time pressure caused by a staff shortage and technical problems. A Danish comparative study conducted in 2021 based on a comprehensive analysis of 144 completed case studies and theoretical studies indicated that the introduction of team dynamics is typically followed by an intensification of work. This higher work intensity is problematic from the employee's point of view, mainly if the job enlargement is not accompanied by a greater possibility for control over one's work.

The Finnish Quality of Work Life survey reveals that 59% of employees working in teams described their working environment as being driven by time pressure and tight time schedules, compared with 51% of employees not working in teams. Increased stress among team workers is also apparent from the Spanish representative survey, Quality of Life in the Workplace, 2004. The available data show that 32.2% of those who work in a team report being 'always or frequently' stressed at work, in comparison with 23.4% of those who do not work in teams or groups. On the other hand, the results of the extensive Dutch quantitative survey of labour relations 2005, conducted by TNO, identified no statistically significant correlation between team dynamics and employee performance (Jayashankar & Balan, 2024).

The Spanish results of the European Working Conditions Surveys (2021) revealed that 'high-performance work practices, including team dynamics, were a source for spill-over of work into home life'. Overall, the results of this survey suggest a conflict between high-performance practices and work-life balance policies and showed that team-work practices were playing a larger role in work demands. Chung & van der Horst (2020) draw

similar conclusions in the UK, finding that people who work in teams think about their work in their free time more often than those who do not work in teams.

1.1.2 Regional Perspective on Team Dynamics and Employee Performance

In Nigeria, Godbles and Amaluwa (2022) found the team to have a positive and significant impact on employee performance, and this brings benefits in terms of higher productivity, better employee performance, competitive advantages, and increased product quality and quantity. They continued to identify that teams offer better utilization of skills and reduce the tendency to quit. A study in Kenya by Rono and Yusuf (2023) on team dynamics concluded that it affects quality in the sales and marketing department of Nairobi Bottlers. Also, Marx, Pons, and Suri (2021) were able to determine that team performance is crucial to providing safe patient care, which can be realised through effective team dynamics.

Rono (*et al*, 2023) suggested that gainful team dynamics would include open channels of communication, role clarity, constructive conflict resolution, high cohesion, and active collaboration. Akparep, Jengre, and Mogre (2021) in Accra, Ghana, concluded that firms should encourage an outlook and attitude of team dynamics to gain its benefits. Kateeba, Kitata, and Rukanyangira (2023) 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 the costs, to encourage efficiency and effectiveness, to promote employee performance, to act as advertising, for easy communication and to reduce on employee's mistakes.

1.1.3 Local Perspective on Team Dynamics and Employee Performance

A similar study has been done by Masanja and Chambi (2020) 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 the 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 Masanja and

Chambi (2020), who investigated the effectiveness of team communication towards the attainment of organizational goals in Tanzanian public organizations, whose findings concluded that effective team communication creates mutual understanding between management and workers, which helps in the attainment of the organization's goals.

Management also needs to communicate with employees regularly to get feedback and offer suggestions to prevent confusion about future job assignments; this will help improve employee performance. Communication is suggested to be the glue that holds companies, teams, processes and systems together (Masanja *et al*, 2020).

1.1.4 Commercial Banks in Tanzania

The stability and development of an economy are dependent upon the performance of the financial sector. The banking sector is a vital part of a country's financial system, and thus, for sound economic growth and development, banks' efficiency is crucial (Kilala, 2023). Without a sound and efficiently functioning banking system, the economy cannot function smoothly and efficiently (Raymond, 2023). Commercial banks dominate the financial markets in most countries. They serve as key intermediaries that provide the necessary capital and financial infrastructure to support diverse economic activities. An efficient financial sector is significant to any economy since it ensures sustainable economic growth and economic development.

In Tanzania, banking sector reform was the outcome of the Presidential Commission of Enquiry of 1990. 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 their efficiency and identifying the sources of inefficiency is always a matter of serious interest (Chanai, 2024).

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.

It has been argued that team dynamics is one of the most important aspects that can support employees in achieving their goals (Kilala, 2023). Therefore, team dynamics is a better approach for competitive business in the modern world; moreover, this calls for organizations to adjust their management approach to facilitate the realization of employee goals. Commercial banks in Tanzania aim to improve employee performance by ensuring that the target level is well maintained, improved quality, and employee well-being to remain competitive in the industry (Linje, 2025).

Employee performance in commercial banks is important since the banking industry is a key provider of financial information to the economy. For sustainability, the performance of employees in commercial banks is important to ensure that the regulatory requirement of the Bank of Tanzania (BOT) is met (Kilala, 2023). Hence, this study seeks to investigate the influence of team dynamics on employee performance in commercial banks in Tanzania.

1.2 Statement of the Problem

Employee performance is critical for commercial banks since it directly drives efficiency, customer satisfaction, and profitability. High performance ensures the bank can adapt to a changing market, minimize operational risks like financial losses and compliance issues, and maintain customer trust (Nyaringita, 2025). Commercial banks in a competitive market focus on having team that will positively contribute to employee performance (Berber, Slavic, & Aleksić, 2020).

However, a great deal of commercial banks in Tanzania have struggled with poor employee performance because of management that is not inclusive, making 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.

According to the Tanzania Banking Sector Report (2021) market share for Commercial Banks has declined from 24.9% in 2020 to 23.7% in 2021. This has been due to difficulties for employees in assessing creditworthiness, meaning that banks and financial institutions continue to incorporate high-risk premiums to compensate for the uncertainties. According to the Directorate of Banking Supervision, Bank of Tanzania (BOT) annual report (2016), during the year ended 31st December 2016, the Commercial Banking sector recorded a profit before tax of TZS 570.84 billion as compared to TZS 676.01 billion recorded in the previous year, which was a decline by TZS 105.17 billion or 5.56 percent.

The overall decline in profitability was driven by problems in operational efficiency, since employees are an asset; it is a decline in employee performance that, in turn, led to overall poor performance of Commercial banks. Poor team dynamics have been one of the internal factors that hinder employee performance in commercial banks (Chanai, 2024). Team dynamics have been identified to affect employee performance in the banking industry by various scholars (Ngonyani & Mageta, 2025). Rono and Yusuf (2023) noted that the commercial banks in Tanzania are making losses in their financial report, implying that this poor employee performance is due to improper management of team diversity.

Additionally, the Tanzania Banking Sector Report (2021) noted that internal factors, such as poor management 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 ineffective 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 have examined the influence of team dynamics on employee performance of work organizations, but few studies have been done in Tanzania focusing on Commercial banks.

This has been well evidenced in literature in different contexts. For example, in the Indian context, Machaule, Onyancha, and Komba (2024) argue that poor employee retention can lead to operational problems as well as low productivity, decreasing morale, and increasing costs to the organization. The study was done in India, thus showing a contextual gap. Edson, Tripathi, and Kasongwa (2023) concluded that team cohesion enhanced good employee performance in Commercial Banks in Somalia. The study, however, adopted a causal research design, thus showing a methodological gap.

Rono and Yusuf (2023) focused on team management dynamics and performance of water projects in Bomet County, Kenya. The study focused on the performance of water projects, thus showing a conceptual gap. It is against this background that this study will be undertaken to address the research gap and provide a better understanding through empirical evidence of the influence of team dynamics on employee performance in commercial banks in Tanzania.

1.3 Objectives of the Study

1.3.1 General Objective of the Study

To determine the influence of team dynamics on employee performance in commercial banks in Tanzania.

1.3.2 Specific Objectives of the Study

The specific objectives of the study included:

- i. To determine the influence of team communication strategies on employee performance in commercial banks in Tanzania

- ii. To assess the influence of team leadership styles on employee performance in commercial banks in Tanzania
- iii. To analyze the influence of team diversity dimensions on employee performance in commercial banks in Tanzania
- iv. To establish the influence of team size optimization on employee performance in commercial banks in Tanzania
- v. To examine the moderating effect of organizational culture on the relationship between team dynamics and employee performance in commercial banks in Tanzania.

1.4 Research Hypotheses

The study hypotheses were:

H₀₁: Team communication has no significant influence on employee performance in commercial banks in Tanzania.

H₀₂: Team leadership has no significant influence on employee performance in commercial banks in Tanzania.

H₀₃: Team diversity has no significant influence on employee performance in commercial banks in Tanzania.

H₀₄: Team size has no significant influence on employee performance in commercial banks in Tanzania.

H₀₅: Organization culture has no significant moderating influence on the relationship between team dynamics and employee performance in commercial banks in Tanzania.

1.5 Justification of the Study

Banks emphasize the use of teams as a human resource management strategy to minimize performance deficiencies and align employees with the ever-dynamic workplace demands. This trend has been adopted by commercial banks in Tanzania, which have resorted to spending amounts of money to ensure team empowerment of their employee to spearhead employee performance (BOT, 2021).

Commonly it is contended by both business experts and academicians that organizations or firms can improve and recover their employee performance by using and developing various work teams, the movement toward superior use of teams initiated in Japanese companies, and it is now extensively known that team dynamics is serious for achieving success of employee and organization as a whole (Njou, & Masui, 2024). Ngonyani and Mageta (2025) identify team dynamics as “one of the sixteen human resource management (HRM) practices that enhance competitive advantage and performance of employees in an organization”.

Team dynamics has been considered as one of the most desired attributes that an employer wishes to have in a modern-day organization. Team dynamics entails mutualism and collaborative engagement to achieve performance objectives amongst employees (Edson *et al.*, 2023). Team dynamics rely on diversity and collaboration to be effective. However, that has not been the case for commercial banks in Tanzania since the banks still exhibit characteristics that are indicative of poor job performance, such as poor quality of service delivery and low productivity, which ultimately affects the bank’s profitability level (URT, 2021).

This gives ground to our study being important to be done in Tanzania since it will help identify how team communication, team leadership, team diversity, and team size affect employee performance in commercial banks in Tanzania. Few studies have been done in the Tanzanian context examining how team dynamics affect employee performance in

these organizations. Several studies have been done in neighboring country Kenya (Machaule, Onyanha, & Komba, 2024) on the effect of team dynamics on employee performance, but few have been done in Tanzania.

This forms the importance of this study since it will add to the body of knowledge. The study also looks at how organizational culture affects the relationship between team dynamics and employee performance, forming a new aspect of this study. Furthermore, it bridges a critical gap in the literature by offering empirical evidence on how these interconnected factors specifically influence the operational efficiency of the Tanzanian banking sector. The findings of this research study are expected to benefit several stakeholders:

1.5.1 Banks in Tanzania

The result of the study will serve as input for the banks to re-examine the importance of team dynamics and how it can be improved to enhance employee performance within their organizations. As the evaluation of employees is mostly based on individual performance and thus the study will justify the need for team performance evaluation. The findings will be useful in improving team dynamics in the banking sector for organizations in the industry.

1.5.2 Bank Managers

This study will provide empirical knowledge to managers about the importance of team dynamics and how it can help increase employee performance in organizations. The growth in competition, liberalization of the economy, and environmental dynamics pose additional challenges to work organizations. Therefore, managers need to respond to greater market imperatives and challenges. The study will point out areas of importance that managers in banks can investigate in their respective banks.

This will call upon new perspectives in management and give the picture that the idea of two or more people holds a higher premium than the idea of one person; the result of a

team is much better than the sum of its parts (Dean Septiani *et al*, 2017). The study will help managers to identify strategic areas in teams that need improvement to ensure employee performance.

1.5.3 Researchers and Scholars

It serves as a secondary source of data for those who want to conduct further investigation in this area of team dynamics. The findings of this study may be useful to scholars and researchers in providing more knowledge and understanding of the contributions of team dynamics to employee performance. Team dynamics are mostly generated relying on Western organizations, but not in all parts of the world (Grant, 2008).

It is, therefore, important to extend research to different parts of the world. This study would provide an opportunity for empirically testing the theories in developing countries, especially in Africa. The study will also be useful as reference materials for further researchers on issues regarding team dynamics and employee performance in the banking industry, both locally and globally.

1.6 Scope of the Study

The current study sought to establish the influence of team dynamics on employee performance in commercial banks in Tanzania. The study specifically sought to establish the influence of team communication, team leadership, team size, team diversity, and the moderating influence of organizational culture on the relationship between team dynamics and employee performance in commercial banks. The target population of the study comprised 39 commercial banks licensed by the Bank of Tanzania and operating in Tanzania.

The study was done in Tanzania since few studies have been done in the Tanzanian context, focusing on employee performance in commercial banks, particularly in examining the influence of team dynamics on employee performance in these organizations. The unit of observation comprised four employees in each of the

commercial banks, comprising a senior manager, a manager, a supervisor, and a lower-level employee in the human resources department.

Therefore, a total of 445 respondents were selected to participate in the study. The human resource department was selected as it has the primary responsibility of enhancing the relationship between employees by creating proper environment to enable teams to realize set performance goals. The study was carried out in the head offices of commercial banks and took 12 months. The study was conducted in the year 2024/2025.

1.7 Limitations of the Study

During the study, there were some challenges including the reluctance of some respondents to provide information. This was mitigated by the provision of the authorization letter from the University (JKUAT) and assurance of confidentiality and non-disclosure that data was only to be used for academic purposes. Some respondents did not fill out the questionnaires within the agreed period, and some of them were on leave or official duties, which affected the response rate.

However, this challenge was overcome through constant reminders to the respondents once the questionnaire had been dropped off to them. It was difficult to administer hard-copy questionnaires to some respondents due to COVID-19 Pandemic restrictions, which minimized physical interaction with the respondents, and this affected the response rate. However, the study used the drop-and-pick up questionnaires at an agreed time to minimize interactions with all respondents and ensure compliance with health protocols while maintaining the required data collection standards.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter systematically reviews the relevant body of literature. This will be done to establish the relevant past studies and theories that will inform the study. The literature review will be guided by the study variables, including team communication, team leadership, team diversity, and team size, and their relationship with performance. This chapter also presents the conceptual framework, a critique of the literature reviewed, and the research gaps. Finally, a summary of the chapter is presented.

2.2 Theoretical Review

Theories are formulated to explain, predict, and understand phenomena and, in many cases, to challenge and extend existing knowledge, within the limits of the critical binding assumptions (Kivunja, 2018). A theory explains why the research problem under study exists. It is a set of principles and concepts that provides a systematic framework for a study, explaining and predicting phenomena by organizing facts and guiding research design. It serves as the foundation for a research project, helping study develop hypotheses and research questions, collect and analyze data, and interpret findings within a larger body of knowledge.

A model is the theoretical image of the object of study. This image can be mental, physical, and/or verbal. A model can be considered a useful way of describing or explaining interrelationships with ideas (Van der Waldt, 2024). It helps organize thoughts, define variables, and specify how they interact, serving as a roadmap for data collection and analysis to answer research questions systematically. A theory is a comprehensive framework for explaining and predicting phenomena, while a model is a focused and practical tool that represents parts of a theory, helping to visualize or analyze specific aspects (Rousseau, 2026). It informs practice in terms of the how of things (Lee, 2025).

This study will be anchored on the following theories and models: Katzenbach and Smith model, Contingency theory, Resource-based Theory of Diversity Management, Ringelmann effect theory, and System theory.

2.2.1 Katzenbach and Smith Model

Developed by Jon Katzenbach and Douglas Smith (1993), this model is strategically selected as a primary theoretical framework for this research. It offers a robust, mechanism-based explanation for the relationship between team dynamics and employee performance, which are central variables under investigation. This influential framework posits that a team's effectiveness is determined by the convergence of a small group size, complementary skills, and a shared commitment to a common purpose (Katzenbach & Smith, 2023).

The model's continued use in contemporary organizational environments confirms its applicability, as demonstrated by rigorous testing; it moves beyond individual performance by facilitating the analysis of collective work products and mutual accountability (Nesterchuk, Akimova, and Akimov, 2023). The model's proven ability to integrate team-level characteristics with performance outcomes validates its ongoing efficacy for understanding team dynamics in modern contexts (Uche, Onuoha, and Anyanwu, 2024).

It is built upon six distinct components, and the necessity of its inclusion is reinforced by its ability to disaggregate the factors that lead to a high-performance team. The first components assert that performance is limited by the availability of complementary skills and appropriate team size, addressing the technical and structural dimensions of the team (Wageman & Senior, 2022). These essential elements ensure that members possess the problem-solving, interpersonal, and technical proficiencies required to achieve collective goals (Katzenbach & Smith, 2023).

Another core component justifying the model's relevance is the 'common purpose and clear goals,' which dictate the motivational and strategic direction of the team (Uche, Onuoha, and Anyanwu, 2024). This cluster includes ensuring that team-oriented goals are realistic, measurable, and truly understood by all members (Nesterchuk, Akimova, and Akimov, 2023). Clear communication of these goals is a crucial prerequisite for transforming a simple working group into a real team capable of delivering superior results (Wageman & Senior, 2022). Furthermore, the model acknowledges the structural importance of a "well-thought-out working approach," which serves as the roadmap for how members interact and execute tasks (Katzenbach & Smith, 2023).

In the context of this study, the Katzenbach and Smith Model provides the necessary theoretical architecture to link team communication and leadership to actual performance outcomes. Specifically, the model frames the effectiveness of team dynamics as conditional on the presence of mutual accountability, where members hold themselves and each other responsible for the team's success (Uche *et al.*, 2024). The theory allows this research to test whether effective communication of the team's purpose and the articulation of a shared working approach have leveraged team diversity and size to achieve high performance.

This model directly supports the independent variables of Team Communication, Team Leadership, Team Diversity, and Team Size by framing the effectiveness of team dynamics as conditional on the presence of mutual accountability (Uche *et al.*, 2024). The theory allows this research to test whether effective communication of the team's purpose and the articulation of a shared working approach have leveraged team diversity and size to achieve high performance (Lee, 2025). Finally, the model provides the basis for evaluating how leadership and communication interact to influence team success (Nesterchuk *et al.*, 2023).

2.2.2 Contingency Theory

Originated by Fred Fiedler (1964), Contingency Theory is strategically selected as a pivotal second theoretical framework for this research. It offers a robust, mechanism-based explanation for the relationship between leadership adaptability and employee performance, which are central variables under investigation. This influence, rooted in the understanding that there is no single best way to lead, posits that a leader's effectiveness is determined by the convergence of leadership styles, individual traits, and the specific situational context (Nesterchuk, Akimova, and Akimov, 2023)

The theory's continued use in contemporary organizational environments confirms its applicability, as demonstrated by rigorous testing; it moves beyond rigid leadership models by facilitating the analysis of how situational factors, such as task structure and leader-member relations, dictate performance outcomes (Cote, 2022). The theory's proven ability to integrate leadership characteristics with salient contextual factors validates its ongoing efficacy for understanding team dynamics in modern contexts (Wageman & Senior, 2022).

It is built upon the premise that performance is contingent upon the alignment between a leader's preferred style—whether task-oriented or relationship-oriented—and the degree of control and influence the situation provides. The necessity of its inclusion is reinforced by its ability to disaggregate the factors that constrain or enhance leadership impact within a team. The first component asserts that leadership capacity is limited by the fixed traits and preferred styles of the leader, addressing the dimension of who the leader is and their natural inclinations in managing diverse team members (Lee, 2025).

Another core component justifying the theory's relevance is situational favorableness, which dictates the motivational and operational success of leadership actions (Nesterchuk *et al.*, 2023). This cluster includes the quality of support from followers, the power of delegation, and the complexity of the task at hand. High levels of situational control are crucial prerequisites for transforming leadership efforts into measurable employee

performance gains, especially in high-pressure environments like commercial banking (Uche *et al.*, 2024).

Furthermore, the theory acknowledges the structural importance of adapting to team diversity, as leaders must navigate the diverse cognitive experiences and resource bases owned by individual team members to reach collective goals (Wageman & Senior, 2022). In the context of this study, the Contingency Theory provides the necessary theoretical architecture to link team leadership to actual performance outcomes within the banking sector.

Specifically, the theory frames the effectiveness of leadership as conditional on the leader's ability to match their traits and delegation strategies to the specific needs of the team and the organizational climate (Cote, 2022). The theory allows this research to test whether the leadership styles adopted within teams have effectively leveraged situational factors to improve performance, or if a mismatch between leadership approach and team dynamics has hindered employee productivity. To this end, this model directly supports the independent variable team leadership.

This theory directly supports the independent variable, Team Leadership, by framing the effectiveness of leadership as conditional on the leader's ability to match their traits and delegation strategies to the specific needs of the team and the organizational climate (Cote, 2022). This theory allows this research to test whether the leadership styles adopted within teams have effectively leveraged situational factors to improve performance, or if a mismatch between leadership approach and team dynamics has hindered employee productivity (Nesterchuk *et al.*, 2023).

2.2.3 Resource-Based Theory of Diversity Management

Originated by Birger Wernerfelt (1984) and significantly advanced by Jay Barney (1991), the Resource-Based View is strategically selected as an essential theoretical basis for this research. While established decades ago, recent scholars affirm that this academic

framework offers a robust, mechanism-based explanation for how team diversity functions as a source of competitive edge and superior performance (Assensoh-Kodua, 2019). It posits that an organization's success is determined by the convergence of resources—specifically human capital—that are valuable, rare, inimitable, and non-substitutable (Barney & Hesterly, 2020).

The application of this theory to diversity management moves beyond mere demographic representation by facilitating the analysis of cognitive resources and diverse perspectives as strategic assets (Nesterchuk *et al.*, 2023). Its efficacy in modern contexts is validated by its ability to integrate individual-level diversity characteristics with organizational outcomes (Cote, 2022). This construct is built upon the premise that diversity is not just a social obligation but a performance-enhancing resource, and its inclusion is justified by its capacity to disaggregate the factors that transform a heterogeneous group into a high-performing unit (Lee, 2025).

The first component of this theory asserts that team capacity is expanded by the availability of diverse human capital, addressing the dimension of unique skills, ages, and educational backgrounds which are requisite for complex problem-solving in competitive sectors (Wageman & Senior, 2022). Another core component is the innovation-and-growth outlook, which dictates the motivational and operational success of diversity management practices (Uche *et al.*, 2024).

This suggests that different backgrounds foster innovation through a wider pool of knowledge that is difficult for competitors to imitate (Barney & Hesterly, 2020). High levels of inclusion and the effective management of these diverse resources are vital prerequisites for transforming potential turnover into measurable productivity gains (Lee, 2025). Furthermore, the theory acknowledges the structural importance of strategic alignment, ensuring that the unique mix of skills is channelled toward the organization's growth strategy (Wageman & Senior, 2022). In this study, the Resource-Based View provides the necessary theoretical architecture to link team diversity to actual employee performance (Cote, 2022).

This theory directly supports the independent variable, Team Diversity, by framing the unique backgrounds and skills of members as strategic assets (Barney & Hesterly, 2020). It allows the research to test whether diversity effectively serves as a resource to improve Employee Performance, or if a lack of management leads to the underutilization of these valuable human capital assets (Nesterchuk *et al.*, 2023).

2.2.4 Ringelmann Effect Theory

Introduced by Maximilien Ringelmann (1913), this theory is strategically selected as an essential fourth theoretical framework for this research. It offers a robust, mechanism-based explanation for the inverse relationship between team size and individual productivity, which is a central variable under investigation. This influential academic construct posits that an individual's performance is determined by the convergence of group size and the potential for motivation loss or coordination decrements (Lee, 2025).

It is built upon the premise that diversity is not just a social obligation but a performance-enhancing resource. The necessity of its inclusion is reinforced by its ability to disaggregate the factors that transform a heterogeneous group into a high-performing unit. The first component asserts that team capacity is expanded by the availability of diverse human capital, addressing the dimension of what unique skills, ages, and educational backgrounds each member brings, which is crucial for complex problem-solving in competitive sectors (Wageman & Senior, 2022).

Another core component justifying the theory's relevance is the innovation-and-growth perspective, which dictates the motivational and operational success of diversity management practices (Uche, Okpala, Onyeka, and Eze, 2024). The necessity of its inclusion is reinforced by its ability to disaggregate the factors that constrain efficiency within larger units. The first component asserts that participation capacity is limited by coordination problems, addressing the dimension of how large groups struggle to synchronize efforts effectively, which is a critical consideration for specialized sectors like banking (Uche, Okpala, Onyeka, and Eze, 2024).

Another core component justifying the theory's relevance is the motivation loss factor, which dictates the psychological and operational success of individual contributions (Cote, 2022). This cluster includes the tendency for members to exert less effort when they perceive their specific input is less visible or less essential to the collective outcome. High levels of individual visibility and the maintenance of ideal team sizes are crucial prerequisites for transforming a group's potential into maximum actual performance (Wageman and Senior, 2022).

Furthermore, the theory acknowledges the structural importance of defining the ideal size relative to the task, ensuring that the team remains large enough to possess necessary skills but small enough to maintain high individual engagement (Lee, 2025). In the context of this study, the Ringelmann Effect Theory provides the necessary theoretical architecture to link team size to actual employee performance outcomes.

Specifically, the theory frames the effectiveness of team structures as conditional on the avoidance of coordination gaps and motivation losses that naturally occur in larger groups (Nesterchuk *et al.*, 2023). The theory allows this research to test whether the team sizes adopted within commercial banks have effectively optimized individual output, or if the expansion of teams has inadvertently led to productivity declines due to the Ringelmann effect. To this end, this model directly supports the independent variable team size.

This theory directly supports the independent variable, Team Size, by explaining how the number of members within a unit can negatively impact Individual Performance (Lee, 2025). It provides theoretical architecture to test whether larger teams in the study experience the coordination losses predicted by the original model or if leadership strategies mitigate these effects (Nesterchuk *et al.*, 2023). Additionally, linking these dynamics to the research variables ensures the study evaluates the practical limits of human capital scaling (Wageman & Senior, 2022).

2.2.5 Systems Theory

Established by Ludwig von Bertalanffy (1968), Systems Theory is included in this research to provide a comprehensive explanation for the interdependence between team components and overall organizational performance (Lee, 2025). This holistic approach asserts that an individual's productivity and a team's success are determined by the synergy of various subsystems working in unison rather than in isolation (Assensoh-Kodua, 2019). This academic perspective suggests that any modification in one part of the team inevitably impacts the stability and output of the entire organizational unit (Nesterchuk *et al.*, 2023).

The theory's proven ability to integrate structural arrangements with collective outcomes validates its ongoing efficacy for understanding team dynamics in modern contexts (Wageman and Senior, 2022). It is built upon the premise of synergy, where collaborative efforts within a team lead to superior performance compared to independent individual work. The necessity of its inclusion is reinforced by its ability to disaggregate the factors that facilitate or hinder flow between organizational sub-units.

The first component asserts that participation capacity is enhanced by the interconnectedness of departments, addressing the dimension of how specialized functions like finance and personnel must be linked to production and marketing to ensure systemic efficiency (Uche, Okpala, Onyeka, and Eze, 2024). Another core component justifying the theory's relevance is the "process of collaboration," which dictates the motivational and operational success of team-based models (Cote, 2022).

This cluster includes the requirement for members to cooperate using complementary skills and constructive feedback, despite personal differences, to achieve common goals. High levels of internal coordination and the alignment of sub-systems are crucial prerequisites for transforming individual inputs into high-performing organizational outputs (Wageman & Senior, 2022). Furthermore, the theory acknowledges the structural

importance of leadership in understanding these systemic attributes, ensuring that the team functions as a cohesive unit rather than a collection of separate parts (Lee, 2025).

In the context of this study, Systems Theory provides the necessary theoretical architecture to link team communication and diversity to actual employee performance outcomes within the banking sector. Specifically, the theory frames the effectiveness of team dynamics as conditional on the harmonious arrangement and interaction of all team members (Nesterchuk *et al.*, 2023). The theory allows this research to test whether the coordination mechanisms adopted within commercial banks have effectively leveraged systemic synergy to improve performance, or if fragmented sub-systems have hindered the achievement of organizational goals.

To this end, this model directly supports the independent variables of team communication, team leadership, and team diversity. This theory directly supports the dependent variable, Organizational Performance, by explaining how the synergy between various team-level factors creates a collective impact (Nesterchuk *et al.*, 2023). It provides logical architecture to test how the integration of team size, diversity, and dynamics contributes to the overall stability and productivity of the firm as a single functional unit (Wageman & Senior, 2022).

2.3 Conceptual Framework

According to Sekaran and Bougie (2020), a conceptual framework is a systematically organized and detailed model that enables the conceptualization of the relationship between the variables identified in a study. This framework serves as a research blueprint, illustrating the direction and proposed nature of the influence between the study variables, which is essential for maintaining study coherence (Paperpal, 2025).

It is a diagrammatic representation of the relationships that exist between variables, logically arranged to provide a visual display of how ideas in a study relate to one another within the theoretical framework (Grant & Osanloo, 2018). The conceptual framework

also allows the researcher to specify and define concepts within the problem, providing a clear structure for data collection and analysis (ATLAS.ti, 2025).

The study's independent variables determined were team communication, team diversity, team leadership, and team size, while the study's moderating variable was organizational culture (Nesterchuk *et al.*, 2023). The dependent variable was employee performance, which is analyzed through the lens of how these team dynamics interact to drive productivity (Uche *et al.*, 2024). This framework facilitates the understanding of how specific team dynamics, when moderated by the existing organizational culture, ultimately influence the effectiveness and productivity of individual employees within the banking sector (Wageman & Senior, 2022).

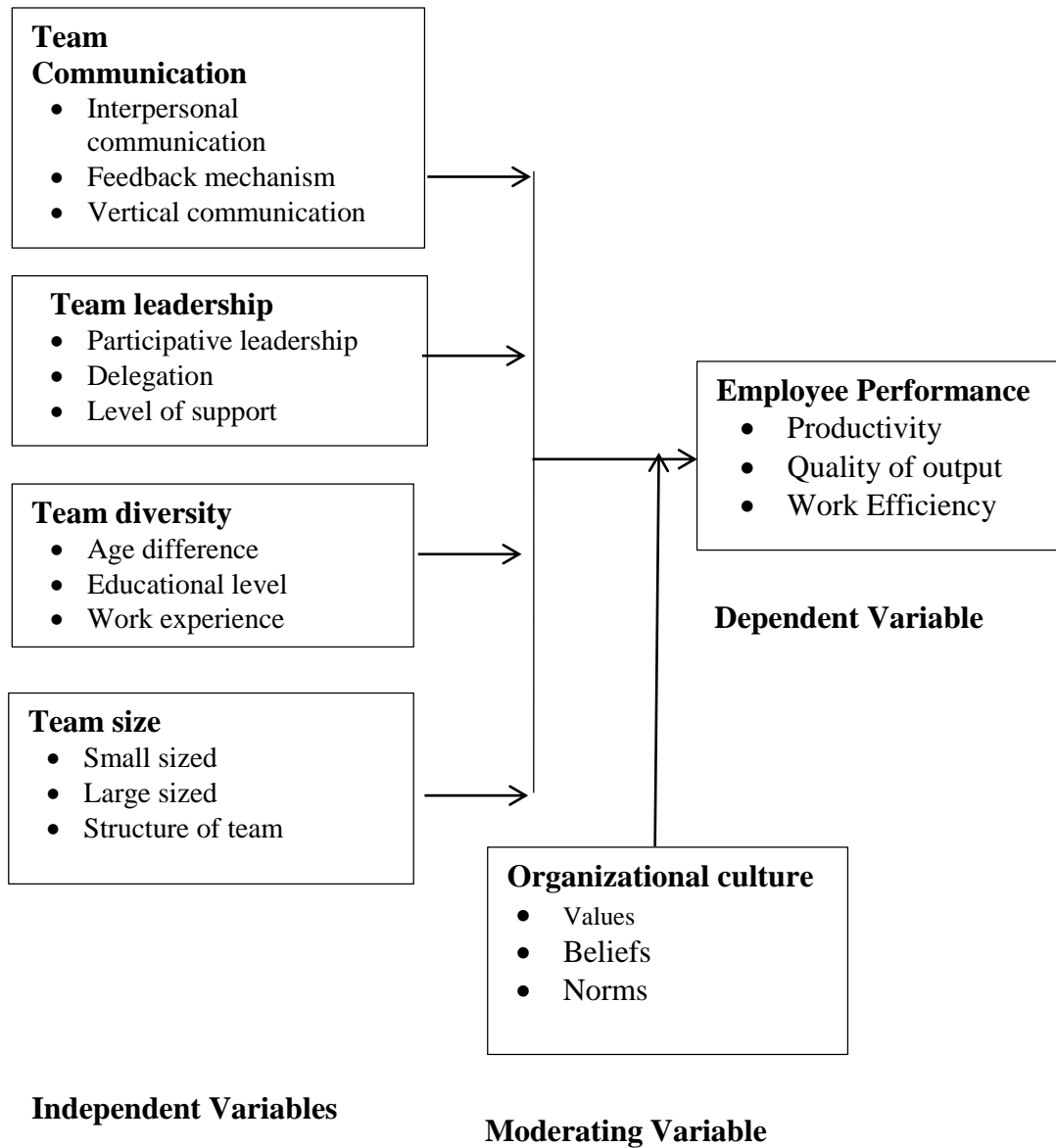


Figure 2.1: Conceptual Framework

2.3.1 Team Communication

Team communication is the systematic exchange of thoughts, messages, and information through speech, signals, writing, or behavior, serving as the essential link between

individual effort and collective organizational success. It implies a willingness to share relevant knowledge, discuss performance issues, and develop solutions to complex problems within a structured environment. Communication is about ensuring clarity—whether in instructions or feedback—and facing the associated operational challenges. Multiple channels can facilitate this flow, but effective communication usually rests on a designated two-way process that engages all organizational levels (Sutrisno & Jaya, 2023).

True team communication requires transparency and active listening. It involves making goals and their expected outcomes visible to all members at every stage of the professional interaction. A crucial element of this exchange is the existence of a robust feedback mechanism that allows for the validation of understood instructions and the correction of misconceptions. Without a functional feedback loop, communication can become a "one-way instructional exercise" that fails to engage the workforce (Wijayanti, 2021).

The specific meaning and mechanisms of communication can vary greatly depending on the organizational structure, such as: In vertical systems: Information flows between superiors and subordinates to provide necessary instructions and ensure duties are performed thoroughly, often enforced through formal reporting lines and meetings; while in horizontal systems: Team members at the same level exchange ideas and coordinate actions to foster inter-professional synergy and cultural sensitivity (Bartels *et al.*, 2020).

In essence, team communication means that individuals are connected through their interactions, fostering trust and ensuring efficient operations in various aspects of professional work. It involves holding members responsible for sharing information accurately, particularly concerning the completion of subtasks and the fulfillment of team mandates (Foundation Coalition, 2024). It establishes a clear chain of information from the upper-level management down to the lower-level employees. Effective communication channels act as a check against information silos and coordination failures. The implementation of communication requires clear protocols and diverse

channels, which can be digital, face-to-face, or written documentation (Andrapuri *et al.*, 2023).

When team members are consistently required to coordinate their actions, the incentive structure shifts toward achieving stated performance goals efficiently and collaboratively (Sutrisno & Jaya, 2023). Therefore, robust communication is a cornerstone of effective team dynamics and a prerequisite for high-quality employee performance. For this study, the variable "team communication" will be measured using specific, quantifiable indicators across commercial banks in Tanzania, focusing on clarity, frequency, and feedback quality.

Modern organizational standards explicitly identify communication as a core principle of high-performance teams, making it a functional prerequisite for successful operations, particularly concerning task execution and strategic alignment. Robust communication mechanisms act as a vital feedback loop, empowering employees while simultaneously compelling team leaders to be held accountable for the clarity of their directives (Wijayanti, 2021).

From a practical standpoint in the banking context, enhanced communication serves as a critical deterrent to employee frustration and the duplication of efforts, issues that have historically plagued rigid corporate hierarchies. When formal systems require consistent information sharing and the justification of workflows, they introduce a reliable layer of coordination that supplements individual technical skills (Andrapuri *et al.*, 2023).

This mandatory exchange transforms isolated tasks into integrated systems, directly contributing to improved team dynamics and the successful achievement of performance targets mandated by the organization. The effectiveness of adhering to these communicative standards is a strong indicator of how well banking teams are embracing the spirit of collaborative excellence, making it an essential variable for understanding the overall success and sustainability of employee performance in Tanzania (Sutrisno & Jaya, 2023).

2.3.2 Team Leadership

Team leadership is the systematic process of facilitating individual and collective efforts to accomplish shared objectives, serving as the essential link between management intent and operational employee performance. It implies a willingness to enact affective, cognitive, and behavioral processes that ensure team goals are met and development is sustained. Leadership is about guiding a work cycle—whether in periods of transition or action—and facing the associated coordination challenges. Multiple leadership styles can exist within a hierarchy, but effective team leadership usually rests on a designated leader responsible for defining goals and organizing the group for execution (Suprayitno, 2024).

True team leadership requires adaptability and clear mission alignment. It involves making task requirements and potential solutions visible to all members to ensure they understand the actions required for plan execution. A crucial element of this leadership is the existence of a robust coordination mechanism that allows for the evaluation of performance and the implementation of chosen solutions. Without functional guidance, team leadership can become a passive oversight exercise that fails to reduce performance barriers (Iskamto *et al.*, 2021).

The specific meaning and mechanisms of leadership can vary greatly depending on the organizational context, such as: Participative leadership, where leaders involve team members in decision-making to develop a deep understanding of the team's direction, often enforced through collaborative goal-setting and shared accountability; while in situational systems, leaders adapt their traits and delegation strategies to match the specific complexity and social dynamics of the work environment (Gerras & Clark, 2021).

In essence, team leadership means that individuals in influential positions are answerable for characterizing group responses and fostering an environment of happiness and social well-being. It involves holding leaders responsible for identifying task needs, particularly concerning the regulation of goal-directed behavior and the fulfillment of organizational mandates (Magasi, 2021). It establishes a clear chain of guidance from the mission

establishment down to the execution phases. Effective leadership attributes act as a check against team fragmentation and mission drift. The implementation of leadership requires clear communication of intent and a high level of support, which can be based on Maslow's hierarchy of needs or transformational styles (Iskamto, 2020).

When leaders are consistently required to coordinate their teammates' activities, the incentive structure shifts toward achieving stated productivity goals through unified effort (Rozi, Sunarsi, and Digidowiseiso, 2020). Therefore, robust team leadership is a cornerstone of business success and a prerequisite for high-quality employee performance. For this study, the variable team leadership will be measured using specific, quantifiable indicators across commercial banks in Tanzania, focusing on participative leadership, delegation, and level of support.

Modern organizational standards explicitly identify supportive leadership as a core principle of team dynamics, making it a functional prerequisite for increasing productivity and quality as per organizational objectives. Robust leadership mechanisms act as a vital feedback loop, empowering team members while simultaneously compelling leaders to activate positive interactions among employees (Taberna *et al.*, 2020). From a practical standpoint in the banking context, enhanced leadership serves as a critical deterrent to goal-directed failures and the erosion of team viability, issues that arise from complex and dynamic work conditions.

When formal systems require consistent planning and the justification of leadership approaches, they introduce a reliable layer of stability that supplements the individual skills of team members (Magasi, 2021). This proactive guidance transforms individual efforts into integrated performance, directly contributing to improved social well-being and the successful achievement of organizational goals. The effectiveness of adhering to these leadership standards is a strong indicator of how well banking teams are navigating their environmental contexts, making it an essential variable for understanding the overall success of employee performance in Tanzania (Suprayitno, 2024).

2.3.3 Team Diversity

Team diversity is the systematic integration of varied individual attributes, including work experience, age, and educational backgrounds, serving as a strategic resource for enhancing collective employee performance. It implies a willingness to uphold diversity policies and practices that transform a multi-generational and ethnically diverse workforce into a high-performing unit. Diversity is about leveraging unique perspectives—whether based on gender, lifestyle, or functional skills—and facing the associated coordination challenges. Multiple demographic clusters can exist within a team, but effective diversity usually rests on a designated commitment to inclusion and the appropriate combination of member attributes (Ekot, 2021).

True team diversity requires continuous training and the mitigation of unconscious bias. It involves making the benefits of diverse ethnic backgrounds and intergenerational differences visible to all members to ensure they can adjust and coordinate their efforts meaningfully. A crucial element of this diversity is the existence of a robust integration and learning mechanism that allows for the exchange of different opinions to improve decision-making. Without functional inclusion practices, team diversity can become a demographic exercise that fails to stimulate innovation or productivity (Abudaqqa, 2024).

The specific meaning and mechanisms of diversity can vary greatly depending on the organizational framework, such as: Demographic diversity, which includes measurable indicators like age, gender, and educational background, often enforced through formal hiring policies and intergenerational mentoring; while in cognitive diversity, teams focus on varied task-related knowledge, values, and problem-solving styles to adapt to complex and variable production processes (Etalong *et al.*, 2024).

In essence, team diversity means that individuals from worldwide backgrounds are answerable for their contributions to the global framework of the organization. It involves holding management responsible for providing diversity training, particularly concerning the handling of alternative lifestyles and the fulfillment of inclusion mandates (Olu-

Ogunleye & Akanji, 2025). It establishes a clear chain of representation from the entry-level staff up to the organizational rank. Effective diversity attributes act as a check against insular environments and groupthink. The implementation of diversity requires clear attributes like functional skills and interpersonal affect, which can be categorized into five clusters including task-related abilities and cognitive styles (Etalong *et al.*, 2024).

When team members are consistently required to interact with people from diverse backgrounds, the incentive structure shifts toward achieving stated organizational outcomes through mutual adjustment (Krishnan *et al.*, 2021). Therefore, robust team diversity is a cornerstone of globalization and a prerequisite for high-quality employee performance. For this study, the variable "team diversity" will be measured using specific, quantifiable indicators across commercial banks in Tanzania, focusing on age, gender, and educational background.

Modern organizational standards explicitly identify workforce diversity as a core principle of team dynamics, making it a functional prerequisite for increasing an organization's ability to adapt to dynamic environments. Robust diversity mechanisms act as a vital feedback loop, empowering workers while simultaneously compelling management to activate interactions among employees from different social and professional clusters (Abudaqqa, 2024).

From a practical standpoint in the banking context, enhanced diversity serves as a critical deterrent to stagnation and the lack of innovation, issues that arise when teams operate in a homogenous manner. When formal systems require consistent reporting on diversity metrics and the justification of team composition, they introduce a reliable layer of cognitive complexity that supplements individual technical expertise (Ekot, 2021).

This inclusive approach transforms diverse human capital into integrated performance, directly contributing to improved organizational outcomes and the successful achievement of complex goals. The effectiveness of adhering to these diversity standards is a strong indicator of how well banking teams are navigating the global economy, making it an

essential variable for understanding the overall success of employee performance in Tanzania (Olu-Ogunleye & Akanji, 2025).

2.3.4 Team Size

Team size is the structural determination of the number of individuals within a work unit, serving as a critical boundary condition for the optimization of collective and individual employee performance. It implies a strategic balance between having enough members to provide diverse skills and maintaining a group small enough to facilitate active involvement. Team size is about managing the Team Performance Curve—ensuring that as members are added, the gains in output do not vanish due to coordination waste (Jaiswal and Dyaram, 2020).

Multiple scales of operation can exist, but effective team size usually rests on the premise that smaller groups of two to ten members offer more ample opportunities for meaningful participation and engagement (Yuan and Van Knippenberg, 2022). True management of team size requires a vigilant mitigation of the Ringelmann effect, or social loafing. It involves making individual efforts visible to the entire group to ensure that productivity does not decrease as the number of colleagues increases.

A crucial element of this variable is the existence of an optimal number mechanism, as research suggests that beyond twelve members, satisfaction and interaction quality begin to diminish. Without functional size management, teams become inefficient systems where it is increasingly difficult for members to identify with one another or experience high performance (Edmondson and Nembhard, 2021).

The specific meaning and mechanisms of team size can vary greatly depending on the organizational task, such as: Small-scale teams (3-7 members), which often exhibit better collaboration, faster decision-making, and higher levels of satisfaction; while in Large-scale units (8-12 members), teams are often beneficial for processing large volumes of

information and handling complex, interrelated tasks like problem-solving and client administration (Li, Huang, & Liu, 2020).

In essence, team size means that social frameworks are embedded within an association where members see themselves as a distinct identity working together on a common task. It involves holding management responsible for preventing the sharing of specialized data from becoming increasingly troublesome as the number of colleagues grows (Jaiswal & Dyaram, 2020). It establishes a clear chain of cooperation from the initial task assignment to the final errand fruition. Effective size attributes act as a check against coordination gaps and the tendency for individuals to "hide" in larger groups. The implementation of optimal size requires clear structural characteristics that allow a firm to achieve superior member outcomes (Yuan & Van Knippenberg, 2022).

When team sizes are consistently aligned with task requirements, the incentive structure shifts toward achieving high-performance states through streamlined interpersonal coordination (Cherian *et al.*, 2020). Therefore, robust team size management is a cornerstone of hierarchical efficiency and a prerequisite for high-quality employee performance. For this study, the variable "team size" will be measured using specific, quantifiable indicators across commercial banks in Tanzania, focusing on optimal numbers, coordination efficiency, and individual visibility.

Modern organizational standards explicitly identify group estimates as a core principle of team dynamics, making it a functional prerequisite for avoiding the "process loss" trap. Robust size mechanisms act as a vital control loop, empowering individual members while simultaneously compelling leaders to maintain manageable spans of control in complex environments (Taberna *et al.*, 2020). From a practical standpoint in the banking context, enhanced size management serves as a critical deterrent to social loafing, which is present even in high-tech global firms.

When formal systems require a justification for team scaling and the monitoring of individual participation, they introduce a reliable layer of accountability that supplements

technical banking expertise (Yuan & Van Knippenberg, 2022). This structural optimization transforms a simple collection of employees into a focused, integrated unit, directly contributing to improved productivity and the successful achievement of organizational mandates. The effectiveness of adhering to these size standards is a strong indicator of how well banking units are balancing the need for diverse inputs with the requirement for operational speed, making it an essential variable for understanding the overall success of employee performance in Tanzania (Jaiswal & Dyaram, 2020).

2.3.5 Organizational Culture

Organizational culture is the systematic integration of shared values, beliefs, and perceptions held by employees, serving as the essential social glue that holds an organization together and determines the effectiveness of collective employee performance. It implies a willingness to adhere to pre-existing factors that regulate the relationships between various variables and influence the treatment of outcomes. Culture is about providing the explanatory context for behavior—whether in goal accomplishment or task execution—and facing the associated environmental challenges.

Multiple cultural layers can exist within a firm, but an effective organizational culture usually rests on a strong foundation that helps employees be satisfied and productive in their jobs (Mohsen, Neyazi, and Ebtekar, 2020). True management of organizational culture requires a vigilant alignment of internal environments with set performance objectives. It involves making the institutional values visible to all members to ensure they can effectively manipulate resources toward realizing organizational goals. A crucial element of this variable is its role as a moderating mechanism that provides the essential context for how teamwork translates into tangible results.

Without a functional and supportive culture, team dynamics can become hindered by a rigid environment that fails to reinforce positive group behaviors (Katou, 2022). The specific meaning and mechanisms of culture can vary greatly depending on the organizational environment, such as: Clan or supportive cultures, which emphasize

teamwork and open communication, often enforced through psychological safety and collaborative initiatives; while in market or hierarchy cultures, the focus shifts to internal efficiency and performance objectives to ensure the organization does not operate in a vacuum but responds to external pressures (Galbraith, 2022).

In essence, organizational culture means that individuals are embedded in a distinct social framework that contributes significantly to general employee performance. It involves holding management responsible for implementing interventions that improve quality and patient safety, particularly concerning the achievement of service-oriented goals (Mohsen *et al.*, 2020). It establishes a clear chain of influence from the institutional beliefs down to the individual's daily behavior. Effective cultural attributes act as a check against stagnant performance and poor innovation. The implementation of a strong culture requires a focus on shared perceptions and the regulation of interpersonal relationships (Katou, 2022).

When organizational cultures are consistently aligned with team dynamics, the incentive structure shifts toward achieving high-performance states through reinforced trust and clear roles (Mohsen *et al.*, 2020). Therefore, robust cultural management is a cornerstone of workplace behavior and a prerequisite for high-quality employee performance. For this study, the variable "organizational culture" will be measured as a moderating variable across commercial banks in Tanzania, focusing on shared values, supportive environments, and institutional beliefs.

Modern organizational standards explicitly identify culture as a core predictor of job performance, making it a functional prerequisite for successful quality improvement. Robust cultural mechanisms act as a vital boundary condition, empowering team members while simultaneously compelling organizations to foster an environment where employees feel safe to share ideas and take initiative (Galbraith, 2022).

From a practical standpoint in the banking context, an enhanced culture serves as a critical deterrent to the negative effects of poor coordination and low morale, issues that arise when values are misaligned with performance goals. When formal systems require a

consistent focus on institutional culture and the justification of management styles, they introduce a reliable layer of social stability that supplements the individual skills of the workforce (Katou, 2022).

This contextual optimization transforms strong team dynamics into integrated performance, directly contributing to improved innovation and the successful achievement of banking mandates. The effectiveness of adhering to these cultural standards is a strong indicator of how well banking institutions are embracing supportive environments, making it an essential variable for understanding the overall success of employee performance in Tanzania (Mohsen *et al.*, 2020).

2.3.6 Employee Performance

Employee performance is the multidimensional building block of an organization, serving as the essential link between collective efforts and the achievement of strategic organizational goals. It implies a willingness of all members to contribute to a working team that facilitates high-performance outcomes and facing the associated operational challenges. Performance is about achieving results—whether through individual productivity or group synergy—and is a major spoke phenomenon for stakeholders. Multiple measurement methods can exist within a firm, but effective employee performance usually rests on a collective effort to realize set performance objectives rather than isolated individual actions (Abbas & Yaqoob, 2021).

True management of employee performance requires a vigilant focus on objective indicators and multidimensional assessments. It involves making the quality-of-service output and productivity visible to all shareholders to ensure that business growth is effectively realized. A crucial element of this variable is the existence of a robust "measurement mechanism" that considers the overall health of the organization and the job satisfaction of the workforce. Without functional performance monitoring, organizations can fail to progress despite having strong technical resources (Wall *et al.*, 2024).

The specific meaning and mechanisms of performance can vary greatly depending on the sector, such as: In the service industry, performance focuses on how a service was delivered and the degree of impact on the customer experience, often measured through friendliness, courtesy, and the number of satisfied clients; while in public service delivery, the focus is founded on quality principles like openness, transparency, and consultation to ensure the best possible value for money (Gogoi & Baruah, 2021).

In essence, employee performance means that individuals are answerable for their conduct and the accuracy of their work output. It involves holding managers responsible for creating teams that improve well-being, particularly concerning the bodily, mental, and relational functioning of the workforce (Buzzell, Gale & Sultan, 2025). It establishes a clear chain of accountability from the daily task completion up to the organizational development goals. Effective performance attributes act as a check against random errors and low engagement. The implementation of performance measurement requires diverse methods such as behaviorally anchored rating scales (BARS) or automated performance monitoring (APM) to ensure a high intensity of output (Tracey, Vonderembse, & Lim, 2021).

When organizations consistently measure their competitive capabilities, the incentive structure shifts toward achieving unique service standards that distinguish them from competitors (Tracey *et al.*, 2021). Therefore, robust performance assessment is a cornerstone of organizational resilience and a prerequisite for sustained business success. For this study, the dependent variable employee performance will be assessed using multiple items across commercial banks in Tanzania, focusing on productivity, quality of output, and well-being.

Modern organizational standards explicitly identify wellness and engagement as core predictors of resilience, making them functional prerequisites for avoiding burnout and high turnover. Robust performance mechanisms act as a vital feedback loop, empowering employees while simultaneously compelling organizations to align productivity metrics with overall business objectives (Buzzell *et al.*, 2025).

From a practical standpoint in the banking context, enhanced performance measurement serves as a critical deterrent to accuracy errors and service failures, issues that arise in high-pressure financial environments. When formal systems require a consistent evaluation of both the quantity of work and the effectiveness of the output, they introduce a reliable layer of quality control that supplements the technical skills of the banking staff (Wright, 2022).

This multidimensional optimization transforms team dynamics into measurable success, directly contributing to improved well-being and the successful achievement of banking mandates. The effectiveness of adhering to these performance standards is a strong indicator of how well banking institutions are balancing productivity with employee happiness, making it an essential variable for understanding the overall success of the workforce in Tanzania (Abbas & Yaqoob, 2021).

2.4 Empirical Literature Review

This section presents a review of empirical studies related to the research title. The review focuses specifically on literature from the recent past as guided by the study variables: team communication, team leadership, team diversity, team size, and employee performance within the context of commercial banks. Relevant studies are discussed in terms of context, methodology, research results, justification for their inclusion, and their eventual operationalization within this study's framework.

2.4.1 Team Communication

Empirical literature identifies the precision and transparency of information exchange as a primary determinant of group output in the modern financial landscape. This relationship is anchored in the necessity of reducing operational uncertainty, where seamless information flow minimizes the cognitive load on employees and allows for higher task precision. Edinburg (2024) established this link in an analysis of commercial banks in Tanzania, finding that team communication is a significant driver of employee

performance. The study concluded that transitioning to team-based performance evaluations is effective only when supported by inclusive communication mechanisms that align individual efforts with institutional goals.

The shift toward digitalized communication has further redefined these performance boundaries. Aman et al. (2024) found that information richness—the capacity of a medium to resolve ambiguity—was the most significant predictor of task accuracy among financial service employees. This suggests that communication is not merely an administrative tool but a fundamental cognitive resource that enables employees to process complex financial data accurately. Similarly, Annisa et al. (2024) demonstrated through PLS-SEM analysis that a robust digital communication culture enhances organizational competitiveness by improving the speed and reliability of internal information flows.

The role of structured feedback is further validated by regional data from Mbeke (2024), who noted that effective downward communication in Kenyan banks significantly reduces transaction processing times. Collectively, these findings illustrate that communication serves as the essential linkage between organizational strategy and individual execution. By facilitating the rapid exchange of technical knowledge and feedback, communication functions as the primary mechanism through which team dynamics are converted into measurable performance outcomes in the banking sector.

2.4.2 Team Leadership

The impact of leadership on employee performance is increasingly analyzed as a functional process of facilitation rather than a static administrative role. This shift is grounded in the contingency perspective, where a leader's effectiveness is dictated by the ability to synchronize team efforts with environmental demands. Suprayitno (2024) conducted an extensive study using multiple linear regression to determine the specific drivers of productivity within modern work units. The study utilized Cronbach's Alpha to ensure the reliability of the instruments and factor analysis to validate the question items. The findings indicated that while work environment and motivation are primary drivers

of output, the leadership variable requires a highly supportive climate to become statistically significant.

This suggests that in the commercial banking sector, a leader's effectiveness is not inherent but is contingent upon the level of support provided to team members during complex financial work cycles. Furthermore, the specific sub-variable of participative leadership accounts for a significant portion of performance variance in emerging markets. Abbas and Yaqoob (2021) investigated the effect of leadership delegation tools on employee performance in Pakistan, considering five distinct factors of development: delegation, empowerment, and participation.

The study established that the combined effect of these factors influences performance by approximately 50%, with the remaining variance attributed to individual commitment and organizational trust. This finding is corroborated by Iskamto et al. (2021), whose analysis of operational teams in Tanzania confirmed that participative styles lead to superior goal alignment and higher job satisfaction compared to rigid, autocratic methods that stifle employee initiative.

Delegation remains a primary indicator of structural efficiency and trust within banking teams, serving as the practical mechanism for distributing cognitive and operational workloads.

Maru *et al.* (2023) established that empowering team leadership, which includes the strategic transfer of authority, is significantly and positively correlated with team effectiveness in international research organizations. The correlational data demonstrated that as leaders empower subordinates through clear delegation, the overall efficacy of the partnership increases. This is supported by the work of Mrongo *et al.* (2024), who examined road projects in Kenya and noted that while visionary leadership qualities improve project outcomes, a lack of delegation—often associated with laissez-faire tendencies—can lead to staff resistance and significant delays in meeting organizational objectives.

The level of support acts as a foundational element for sustaining team viability during high-intensity work cycles by buffering employees against workplace stress. Haldal and Antonsen (2024) conducted a mixed-method single-case study in a high-risk organization, utilizing 22 in-depth interviews and extensive observational data. The results highlighted an essential gap: operators consistently desired more empathy and support from leaders than what was currently being provided. Similarly, Taberna *et al.* (2020) argue that supportive leadership transforms organizations by increasing both the quality and productivity of service delivery.

To further bridge these findings to the specific banking environment in Tanzania, Naikuru *et al.* (2026) conducted a recent study on the nexus between team leadership and employee performance in commercial banks. The results, derived through PLS-SEM analysis, confirmed that leadership support and delegation are not merely peripheral traits but are central determinants of staff productivity and well-being. Additionally, Semvua *et al.* (2024) emphasized that in Tanzanian banks, the shift toward team-based performance requires leaders to move from traditional supervision to a more facilitative role to ensure goal congruence. Collectively, these studies illustrate that leadership functions as the vital conduit for resource allocation and psychological safety, providing the necessary logical basis for its inclusion as a core predictor of employee performance in this research model.

2.4.3 Team Diversity

Team diversity is recognized as a strategic resource that allows organizations to navigate global competition and complex production processes. Ekot (2021) discovered that age, work experience, and educational diversity have a strong, positive influence on employee performance, particularly when supported by inclusive management training designed to mitigate unconscious bias. In the 21st-century workforce, Abudaqqa (2024) argues that the blend of intergenerational differences and diverse backgrounds requires banks to shift from insular work environments to more interactive, globalized frameworks.

This is further validated by Olu-Ogunleye and Akanji (2025), who found that diverse teams are more adaptable to dynamic environments and better equipped to handle variable production processes through mutual adjustment and high-level coordination. The impact of demographic attributes, such as age and gender, is often moderated by the organizational culture and the complexity of the task. Etalong *et al.* (2024) identified that while educational diversity provides a wider range of functional skills, unmanaged age gaps can sometimes lead to communication friction if not addressed through team-building interventions.

Their study on workforce clusters found that demographic attributes are most effective when they are assigned into specific clusters, such as task-related knowledge and cognitive styles. This is supported by Krishnan *et al.* (2021), who suggest that cognitive diversity—derived from varied educational backgrounds—is most effective in technical environments like banking where complex problem-solving is the primary daily task.

Gender diversity and its relationship with performance remain central themes in recent performance evaluation literature. Abudaqqa (2024) establishes that the combination of gender, experience, and functional skills is widely considered a determinant of success in modern work organizations. Research by Ehilebo *et al.* (2022) found that firms with robust workforce diversity management practices experienced significantly lower levels of turnover. They observed that when diversity management interacts positively with an innovation strategy, it results in higher productivity and better organizational performance.

This aligns with the views of Olu-Ogunleye and Akanji (2025), who emphasize that team diversity is a primary means of both improving organizational outcomes and enhancing individual workers' performance by increasing the variety of opinions in the workplace. The role of educational background is cited as the most significant "deep-level" diversity indicator for service-oriented performance. Mande *et al.* (2020) identified that work group characteristics and technology often moderate the relationship between educational diversity and performance.

Furthermore, Krishnan *et al.* (2021) argue that diversity in goal orientation—classified as deep-level diversity—is essential for transforming potential friction into measurable performance gains. To strengthen the local context, Semvua *et al.* (2024) investigated the impact of workforce diversity on the performance of commercial banks in Tanzania. Their findings, analyzed through PLS-SEM, demonstrated that educational and gender diversity are significantly and positively related to employee productivity when mediated by an inclusive organizational climate.

Additionally, Naikuru *et al.* (2026) confirmed that for banking institutions in East Africa, age diversity serves as a double-edged sword; while it brings a wealth of experience, it requires active leadership facilitation to prevent intergenerational silos from hindering team cohesion. These empirical findings collectively suggest that for commercial banks in Tanzania, managing team diversity through the lenses of age, gender, and education is not merely a social requirement but a fundamental prerequisite for achieving a competitive advantage and superior employee output.

2.4.4 Team Size

Empirical literature identifies team size as a primary structural determinant of group dynamics and individual productivity. Jaiswal and Dyaram (2020) conducted an extensive study on the relationship between team size and coordination, concluding that structural characteristics have a direct and observed effect on a firm's ability to achieve high member performance. Their findings suggest that while larger teams may be beneficial for management settings requiring massive information processing, the sharing of specialized and coordinative data becomes increasingly difficult as the number of colleagues grows.

In the banking context, this implies that an optimal team size is not just a matter of headcount, but a strategic balance required to maintain a high intensity of cooperation and identity among members. The phenomenon of the Ringelmann effect, or social loafing, remains a central theme in recent research regarding group efficiency. Yuan and Van

Knippenberg (2022) investigated this tendency for individual productivity to decrease as team size increases, noting that it remains prevalent in modern global corporations.

Their research established that as a group expands, it becomes harder for management to evaluate individual performance objectively, leading to a diffusion of responsibility. The study argues that when an individual's specific contribution is no longer visible, the incentive to maintain peak performance drops, a challenge that is highly relevant to the departmental structures of commercial banks in Tanzania where task interdependence is high.

Determining the ideal size for a team is a persistent challenge that varies based on task complexity and functional requirements. Cherian *et al.* (2020) suggested that work teams are most effective when they contain approximately a dozen members, whereas Li *et al.* (2020) argued that seven is the optimal number for maximizing collaboration. These researchers found that smaller groups exhibit significantly better collaboration and lower process loss. Jaiswal and Dyaram (2020) further categorized team sizes, defining small teams as three to five members and big teams as eight to twelve.

Their data indicates that beyond the twelve-member threshold, teams experience a measurable decrease in satisfaction, quality of output, and the frequency of meaningful interactions. Furthermore, the impact of team size extends beyond productivity to include employee job satisfaction and social well-being. Taberna *et al.* (2020) conducted a longitudinal study which found that in larger project teams, the lack of individual recognition can lead to a complexity trap, where the time wasted on deciding processes outweighs the benefits of the collective effort.

Conversely, Edmondson and Nembhard (2021) emphasize that in today's business world, innovative work is executed by teams that are small enough to ensure psychological safety but large enough to encompass diverse perspectives. To strengthen the local empirical evidence, Semvua *et al.* (2024) explored the structural dynamics of Tanzanian

commercial banks and found that team size significantly moderates the relationship between communication and performance.

Their findings suggest that as bank departments exceed ten members, the quality of information sharing diminishes, leading to operational bottlenecks. Similarly, Naikuru *et al.* (2026) observed that in East African financial institutions, smaller credit and risk assessment teams demonstrate higher accuracy and faster decision-making cycles compared to larger, more bureaucratic units. Collectively, these studies suggest that for commercial banks in Tanzania, a team size that prioritizes individual visibility and coordination efficiency is a foundational prerequisite for high-quality employee performance and organizational health.

2.4.5 Employee Performance

Employee performance in the banking sector is defined as the measurable contribution of an individual toward the achievement of institutional goals. While employee wellness is a vital state of being, empirical literature treats performance as the functional output resulting from such states. Semvua *et al.* (2024) conducted a quantitative analysis of commercial banks in Tanzania, identifying that employee output is best measured through productivity and the quality-of-service delivery. Their research utilized PLS-SEM to demonstrate that high-performance work systems, characterized by clear expectations, account for a substantial variance in customer satisfaction levels.

The relationship between digital competency and output has become a primary focal point in recent years. Annisa *et al.* (2024) investigated the drivers of performance among bank staff, finding that work efficiency—the ability to complete tasks accurately within set timelines—is a leading indicator of productivity. Their study established that when employees are supported by streamlined digital workflows, their error rates decrease while their transaction processing speed increases significantly.

This is supported by the findings of Mbeke (2024), who noted that in East African commercial banks, performance metrics have shifted toward measuring agility and problem-solving rather than traditional attendance-based indicators. Furthermore, the impact of the internal work environment on performance remains a foundational theme. Naikuru *et al.* (2026) examined the nexus between team-level variables and individual output in the Tanzanian banking context.

Their findings revealed that while employee well-being is a significant predictor of performance, the actual performance outcomes are measured by the consistency of output and the attainment of targets. The study concluded that performance is a derivative of both effort and alignment, where alignment is maintained through consistent feedback and the strategic management of team diversity.

Finally, the sustainability of performance during high-intensity financial cycles is linked to the quality of output. Ndung'u (2023) established that information sharing acts as a catalyst for high-standard performance, showing that a lack of transparency leads to "performance friction" and reduced accuracy. Collectively, these empirical findings suggest that for commercial banks in Tanzania, employee performance is a result of a synchronized interaction between team dynamics, resulting in high productivity, quality of output, and operational efficiency.

2.4.6 Organizational Culture

Organizational culture is increasingly recognized as the underlying values and beliefs that shape employee behaviour and institutional performance within the financial sector. Semvua *et al.* (2024) conducted a study on commercial banks in Tanzania, establishing that a strong, performance-oriented culture is a primary driver of employee output. Their findings, analysed through PLS-SEM, demonstrated that when a bank's culture emphasizes innovation and adaptability, employees are more likely to align their individual goals with the strategic objectives of the institution.

This suggests that culture acts as a foundational element that moderates how team dynamics, such as communication and leadership, translate into measurable results. The role of an inclusive culture in managing workforce differences is further highlighted in recent regional research. Naikuru *et al.* (2026) investigated the impact of corporate values on team effectiveness in East African banks, noting that a culture of "psychological safety" is an essential prerequisite for high performance. Their research established that in environments where employees feel safe to voice concerns and share ideas, the negative effects of team diversity—such as communication friction—are significantly reduced.

This is supported by Mbeke (2024), who found that in Kenyan commercial banks, a transparent organizational culture directly correlates with higher levels of staff engagement and lower turnover rates. Furthermore, the alignment between leadership styles and organizational culture remains a central theme in performance literature. Suprayitno (2024) argued that leadership effectiveness is often contingent upon the existing cultural climate of the work unit.

The study found that in highly bureaucratic cultures, even supportive leadership may struggle to drive significant performance gains unless the underlying cultural norms shift toward empowerment and delegation. This implies that for commercial banks in Tanzania, fostering a culture that rewards merit and encourages open information flow is as important as the structural design of the teams themselves.

Finally, the impact of digital culture on modern banking operations is a primary focus of contemporary research. Annisa *et al.* (2024) found that a "digital-first" organizational culture significantly enhances the speed at which teams adopt new technologies, thereby improving overall transaction accuracy and customer service quality. Collectively, these studies suggest that for commercial banks in Tanzania, organizational culture serves as the glue that holds team communication, leadership, and diversity together, ultimately determining the level of employee performance achieved

2.5 Critique of Literature

Existing literature on the influence of team dynamics on employee performance in the corporate sector has extensively examined the theoretical linkages between components like communication, leadership, and overall productivity (Abbas & Yaqoob, 2021; Suprayitno, 2024; Nesterchuk, Akimova, & Akimov, 2023). Researchers have established a robust theoretical foundation, arguing that strong group interactions are crucial for achieving effective organizational output (Katzenbach & Smith, 2023). These theoretical models posit a clear, positive relationship, yet often overlook the intricate practical barriers faced during real-world application in the high-pressure financial environments of developing economies (Heldal & Antonsen, 2024).

However, a significant limitation in the existing empirical literature is its heavy skew towards the general formation of teams rather than the complex implementation of specific dynamics like participative leadership and delegation (Iskamto, Srimulatsih, & Anantadjaya, 2021; Suprayitno, 2024). While many studies rigorously address team building and goal setting, fewer provide substantial, recent evidence on how the specific variables of team communication and level of support translate into tangible success during the actual execution of daily financial tasks within dynamic and complex banking environments (Chanai, 2024).

This leaves a notable contextual gap in understanding the practical application of leadership principles in a commercial banking system facing unique technological, competitive, and resource challenges (Ngonyani & Mageta, 2025). A key limitation also arises from the methodological approach to the independent variables themselves. Many older studies tend to treat concepts like team diversity and team size as binary measures—merely present or absent—rather than assessing the quality, depth, and effectiveness of the interaction (Jaiswal & Dyaram, 2020; Abudaqqa, 2024).

This methodological inadequacy fails to capture the nuance required for effective member involvement in complex problem-solving processes. Furthermore, the literature often

studies diversity in isolation from leadership, frequently neglecting the potential for synergy between these variables and providing an incomplete picture of a holistic performance framework (Olu-Ogunleye & Akanji, 2025). The temporal relevance of much of the existing knowledge is also a concern. A substantial portion of the foundational research was conducted before major global disruptions like the COVID-19 pandemic and the subsequent shifts in digital banking and hybrid work models (Wageman & Senior, 2022).

This prior work often fails to provide sufficient evidence on how banking teams successfully adjust their communication and implementation strategies to mitigate external shocks, such as rapid technological adoption challenges and shifting customer service demands (Yuan & Van Knippenberg, 2022). This gap underscores the need for contemporary research to examine the effectiveness of team mechanisms specifically under the heightened uncertainty and economic recovery environment of the current post-pandemic era (Lee, 2025).

Finally, a notable geographical and contextual gap exists, as much of the extensive literature on team dynamics originates from Western developed economies with mature corporate institutions (Wageman & Senior, 2022). While significant discourse comes from varied global markets, these studies often fail to provide sufficient evidence on how international team standards are adapted and applied within the unique regulatory environment of the Tanzanian banking sector, where factors such as organizational culture, capacity gaps, and staff turnover significantly moderate performance outcomes (Magasi, 2021).

This study seeks to address these deficiencies by using a multi-dimensional performance measure—including productivity, quality of output, and well-being—and testing a cohesive team dynamics framework within the contemporary Tanzanian commercial banking sector. By integrating these metrics, the research aims to provide a holistic evaluation of how interpersonal synergy and leadership styles directly influence organizational resilience in an increasingly competitive financial landscape, aligning with

recent evidence that team leadership practices significantly impact employee productivity and service quality in Tanzanian banks (Assenga, 2026).

2.6 Research Gaps

The systematic review of the theoretical and empirical literature reveals several significant inconsistencies and gaps that the current study seeks to address concerning the relationship between team dynamics and employee performance in the Tanzanian banking sector. A major gap arises from the contextual and geographical skew of existing research. Most literature has focused heavily on the private sector or generalized public administration in Western, developed economies (Wageman and Senior, 2022; Katzenbach and Smith, 2023).

This leaves a considerable gap in understanding how team dynamics (team communication, team leadership, team diversity, and team size) are uniquely applied within the commercial banking system of Tanzania. The study bridges these geographical and contextual gaps by focusing specifically on the nuanced environment of commercial banks in Tanzania, a setting characterized by unique legislative requirements, capacity constraints, and competitive dynamics that remain largely unexplored by international literature (Suprayitno, 2024; Ngonyani and Mageta, 2025).

A considerable portion of the empirical research was conducted before major global disruptive events, most notably the post-COVID-19 pandemic period and subsequent economic recovery phases (Yuan and Van Knippenberg, 2022; Heldal and Antonsen, 2024). Studies that predate 2020 do not fully account for the dramatic shifts in service delivery methods, the rapid acceleration of digital banking, and extreme volatility experienced in resource allocation during and after the pandemic. This study addresses this gap by focusing on the contemporary (post-2020) implementation environment, which is characterized by heightened uncertainty and changing employee expectations regarding team communication and level of support.

Furthermore, a significant gap exists in how the variables themselves have been operationalized in past studies. Many previous studies have examined team mechanisms in isolation—for example, focusing solely on participative leadership or single aspects of team diversity—rather than the synergistic effect of a holistic team dynamics framework (Abbas and Yaqoob, 2021; Iskanto, Srimulatsih, and Anantadjaya, 2021). This study addresses this deficiency by integrating all four independent variables (team communication, team leadership, team diversity, and team size) into a single, comprehensive framework to assess their collective impact on performance outcomes.

Most of the previous studies relied predominantly on quantitative survey methods using simple regression analysis among limited respondents (Sutrisno and Jaya, 2023; Abbas and Yaqoob, 2021). On the other hand, this study will employ a more robust approach, adopting a positivist research philosophy with a descriptive research design, while utilizing both quantitative data collection via structured questionnaires and qualitative insights from open-ended statements. This methodological triangulation strengthens the quality of the research data and results, providing a more robust understanding of the complex relationship between team dynamics and the achievement of high-quality employee performance (Lee, 2025; Uche, Onuoha, and Anyanwu, 2024).

2.7 Summary of the Chapter

The chapter reviewed the existing literature as guided by the study variables: team communication, team leadership, team diversity, team size, and employee performance. This was done by presenting relevant theories and models that were then linked to each variable. The chapter presented a conceptual framework and discussed how the study variables will be applied in a measurable context. Empirical literature has been reviewed; a critique of the literature was done, and research gaps were established. Finally, the summary of the literature has been done.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presented the methodology employed for data gathering as well as the relevant statistical analytical tools that were used for analyzing the survey results gathered during the study. This chapter also explained the framework for this study, specifying the underlying hypotheses. The study explains the research design for this study. In that connection, relevant methodological literature to position this study in the philosophy of research was also presented. The purpose of this section was to describe the study area, research design, the study population, sample size, and sampling techniques. The chapter also outlined the data sources and instruments, data collection procedures, and analysis.

3.2 Research Philosophy

A research philosophy is a belief about how data about a phenomenon should be gathered, analyzed, and used. The positivist paradigm of exploring social reality is based on the philosophical ideas of the French Philosopher August Comte. A positive approach assumes that science can be conducted objectively and emphasizes observable facts in research. A positivist approach focuses on observable data and does not allow for the collection of unobservable data (Maksimovic & Evtimov, 2023). Positivism also emphasizes that research should be conducted in a value-free way. Positivism is concerned with uncovering truth and presenting it by empirical means (English & Nielsen, 2023).

The study selecting the positivist paradigm sees the social and natural worlds alike as being governed by the sequence of cause and effect and fixed rules. The study used a positivist paradigm as the research philosophy. This is because 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 (English & Nielsen, 2023).

3.2.1 Research Design

Research design is a comprehensive plan of a sequence of operations that the study intends to carry out to achieve the objectives of a research study (Chowdu *et al.*, 2022). The study adopted a descriptive research design, using a survey method. This is because it allows a large amount of data to be obtained by use of a questionnaire, which was administered to a sample. Survey design allows the collection of quantitative data, which will be analyzed quantitatively using descriptive and inferential statistics. The design is also a popular research tool to collect feedback from the respondent (Siedlecki, 2020).

Descriptive research is conducted to describe the present situation, what people currently believe, what people are doing now, and so forth (Turale, 2020). The major purpose of descriptive survey research design is a description of the situation as it exists at present (Turale, 2020). The choice of the research design was the need to describe the present situation regarding team dynamics as an influencer of employee performance amongst commercial banks in Tanzania.

A descriptive survey research design enabled the collection of quantitative data through formulated questionnaires. The questionnaires were used to test hypotheses as a requirement of positivist research philosophy. The use of a descriptive research design was also justified because its primary purpose is to provide a detailed and accurate profile of existing phenomena in their natural setting. This study aims to understand the current state and characteristics of team dynamics within commercial banks in Tanzania and how they relate to employee performance, making a descriptive design highly suitable.

3.3 Target Population

Willie (2024) highlights the target population as several individuals about which the study is interested in describing or making a statistical inference. It is thus the entire group of individuals, events, or objects having a common observable characteristic. A population is a complete set of individual cases or objects with some common observable

characteristics. The target population for this study comprised commercial banks operating in Tanzania and licensed by the Bank of Tanzania. Therefore, the unit of analysis was 39 operational commercial banks in Tanzania (Bank of Tanzania, 2018).

All the commercial banks formed the target population. The study was conducted in all 39 commercial banks' head offices due to the following reasons: they are the central source of information, and they have substantial numbers of employees to sustain the study. In addition, a study is conducted at the head offices of all commercial banks for several key reasons, primarily to capture a comprehensive and representative view of the entire banking sector.

Targeting employees is justified because they are the primary source of information on team dynamics and performance, offering first-hand accounts of how factors like communication, collaboration, and conflict influence their work and bank objectives. Employee perspectives are crucial for understanding how team dynamics translate into measurable outcomes, providing insights that cannot be fully obtained from management or a secondary source. The population in the study area was stratified into various categories to enable the gathering of data.

The observation unit comprised four employees in each of the commercial banks, comprising a senior manager, a manager, a supervisor, and a lower-level employee in the human resource department. The human resource department was selected as it is bestowed with the responsibility of enhancing the relationships between employees by creating a dynamic environment to realize set performance goals. The research respondents were from all of the bank's headquarters. Therefore, a total of 1480 respondents were involved in the study, as Appendix (vi) examined.

Table 3.1: Target Population

Respondent	Population (N)	Percent
Senior Manager	132	100%
Manager	196	100%
Supervisor	345	100%
Employee	807	100%
Total	1480	100%

3.4 Sampling Frame

The sampling frame serves as the specific, exhaustive list of the units within the defined target population from which the final sample for the study is drawn (Creswell & Creswell, 2018). It is the operational tool that links the abstract population of interest—commercial bank employees in Tanzania—to the physically identifiable elements necessary for data collection, thus forming the foundational prerequisite for any sound probability sampling design (Acharya *et al.*, 2018). A register of the bank staff within the human resource departments serves as a sampling frame with clear units to be studied (Creswell *et al.*, 2018).

A robust sampling frame is vital as it guarantees that every element has an identifiable and known chance of selection, minimizing the critical risk of coverage bias and enhancing the generalizability of the findings (Despoudi, Papaioannou, Saridakis, & Hann, 2018). Given the target population spread across 39 commercial banks licensed by the Bank of Tanzania, the study will utilize a multi-stage sampling technique compiled from several authoritative, official registers and internal bank directories.

These sources ensure comprehensive and current coverage of all relevant actors within the banking sector. The specific sampling frames used will include the official list of licensed commercial banks maintained by the Bank of Tanzania, which identifies the operational entities as the primary units of analysis. Furthermore, the study will rely on internal organizational charts and employee payroll registers maintained by the respective Human

Resource Departments of the 39 banks' headquarters for current Senior Managers, Managers, Supervisors, and lower-level employees.

Finally, these internal directories will be used to identify and contact the individual respondents categorized under the human resource function. These combined lists provide a verified sampling frame for identifying and contacting the 1,480 individuals in the target population, which is instrumental in analyzing the influence of team dynamics on employee performance within the commercial banking sector in Tanzania.

3.5 Sample Size and Sampling Technique

A sample size is a smaller set of the larger population used to make inferences about the whole (Cooper & Schindler, 2017). The determination of an adequate sample size is a critical step in a quantitative survey design to ensure the findings are reliable and representative. According to Mugenda and Mugenda (2003), a sample size of between 10-30% of the population can be considered representative if selected objectively, especially when the total number of elements exceeds thirty. A sample that provides error limits of less than 5% and confidence levels higher than 95% is generally regarded as acceptable for robust analysis (Saunders *et al.*, 2019).

To ensure the study findings are statistically reliable and representative of the total target population (N=1480), the study adopted a proportionate sampling approach. Following the guidance of Siedlecki (2020), a sample of 30% was obtained from the population, as this proportion is appropriate for ensuring the research is sufficiently powered to detect relationships between variables. The total sample size for this study is therefore 445 respondents, which aligns with the recommendation that sample sizes between 10-30% are adequate for descriptive research (Mugenda, 2018).

Using proportionate statistics

$$(n/N) X 1$$

Where:

n: The total sample size (445).

N: The total population (1480).

X1: The population of a specific group (for example, the 132 Senior Managers)

The sample size distribution is as presented in Table 3.2. The study adopted stratified random sampling and simple random sampling techniques to ensure that the sample size was representative of the population. The population was stratified based on the four categories of bank personnel: Senior Managers, Managers, Supervisors, and lower-level employees. Stratified random sampling is justified for its ability to ensure a representative and diverse sample, reduce sampling error, and allow for detailed analysis of subgroups (Ward, 2022).

This two-step process—stratification by job level followed by simple random sampling within each of the 39 commercial banks—guarantees that the sample is structured to meet the study's analytical needs. This approach is statistically representative of the banking landscape in Tanzania, minimizing bias and enhancing the generalizability of the findings regarding the influence of team dynamics on employee performance.

This is shown in Table 3.2 below.

Table 3.2: Sample Size

Respondent	Population (N)	Sample (n)	Percent
Senior Manager	132	40	9.0%
Manager	196	59	13.2%
Supervisor	345	104	23.4%
Employee	807	242	54.4%
Total	1480	445	100%

3.6 Data Collection Instruments

Sharma (2022) is concerned that data can be collected through several different methods, including questionnaires. The main research instrument used was questionnaires. According to Sharma (2022), a questionnaire is a general term to include all techniques of data collection in which each person is asked to respond to the same set of questions in a predetermined order. There are two types of questionnaires: self-administered questionnaires, which are administered electronically through the internet or intranet, posted to respondents, or delivered by hand to each respondent and collected later; and interviewer-administered, recorded based on each respondent's answer (Dhlakama & Murairwa, 2024).

The study considered questionnaires that were both open-ended (unstructured) and closed-ended (structured). Dhlakama and Murairwa (2024) identify two main types of data that emerge in a research project, which are primary data and secondary data. Structured questionnaires will be organized on a five-point Likert scale to collect data from the respondents on various issues surrounding team dynamics on employee performance. On the other hand, open-ended questionnaires were used in this study because they allowed in-depth collection of information from the respondents. With an open-ended questionnaire, the respondents may give more information on the subject matter, and they activate individuals to think deeply about the study (Siedlecki, 2020).

In this research, structured questionnaires were administered personally to the target respondents to gather the relevant data. Questionnaires can be administered by mail, telephone, online, or in person, and can be completed by either the one doing the study or the respondent. Each of these options has its advantages and disadvantages, but the self-administered questionnaire will be considered the most appropriate in this case because it can be collected within a short period. Any sensitive or complex questions can be clarified on the spot, ensuring a higher response rate. The questionnaire was used since it addresses the specific objectives of the study appropriately (Siedlecki, 2020).

3.7 Data Collection Procedure

The data collection process adopted a systematic, multi-stage approach to ensure accuracy, validity, and reliability of the information obtained. The process commenced with obtaining formal research authorization from the Commission for Science and Technology. This step ensures legal compliance and enhances the credibility of the study. The researcher self-administered the questionnaire. Subsequently, the researcher scheduled appointments with employees of the commercial banks to seek informed consent and coordinate the logistics of data collection. The purpose, objectives, and confidentiality measures of the study were clearly explained to all participants before any data were gathered.

This participatory approach fostered cooperation and openness among respondents (Ali, 2023). The drop-and-pick method was adopted for the data collection procedure. Drop and pick involves dropping off and picking up surveys in person and can yield high participation because personal interactions have been shown to stimulate norms of reciprocity (Ali, 2023). Participants were given a two-week window to complete the questionnaires, with reminder calls and follow-up visits conducted to improve the response rate

3.8 Pilot Testing

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 (Lowe, 2021). According to Gill and Johnson (2020), a pilot study in advance of the main study allows any potential problems in the form of the interview to be identified and corrected. The questionnaire for this study was pilot tested to ensure that the wording, language, and general content were suitable. A pilot study was carried out on 7% of the target population (Lewis, Saunders & Thornhill, 2021).

This represented 31 respondents, which is 7% of the 445-study sample size. Weisburd, Wilson, Wooditch, and Britt (2021) argue that the respondents in a pilot test do not have to be statistically selected. A 5-10% of the population is within the range of acceptable for a pilot test (Aziz & Khan, 2020). In line with this argument, a pilot test on 31 respondents from commercial banks (7% of the target population) was sufficient for this study. The 31 respondents were randomly selected and involved in the piloting. They comprised employees of commercial banks in Tanzania and were not included in the final study.

3.8.1 Reliability of the Instruments

Reliability is the degree to which measures are free from error and therefore yield consistent results (Aziz & Khan, 2020). Three factors are considered when assessing a measure's reliability: stability, internal reliability, and inter-observer consistency (Maksimovic & Evtimov, 2023). Reliability is the extent to which research findings would be the same if the research were to be repeated (Weisburd, Wilson, Wooditch, & Britt, 2021). There are several different reliability coefficients.

The study used Cronbach's Alpha to test reliability (Weisburd, Wilson, Wooditch, & Britt, 2021). Cronbach's Alpha is a widely used measurement of the internal consistency of a multi-item scale in which the average of all possible split-half coefficients is taken (Hair *et al.*, 2021). Normally, values of Cronbach's Alpha above .70 are considered to represent "acceptable" reliability, above .80 "good" reliability, and above .90 "excellent" reliability. The lower limit for acceptable reliability may be reduced to .60 in exploratory research (Weisburd, Wilson, Wooditch, & Britt, 2021).

3.8.2 Validity of Instruments

Validity is the extent to which the data collected truly reflects the phenomenon being studied (Veal, 2020). Validity is the ability of the measuring instrument to measure what is to be measured (Aziz & Khan, 2020). Validity is measured by several indicators,

including face validity, concurrent validity, internal validity, and ecological validity (Maksimovic & Evtimov, 2023).

To scientifically address measurement validity in the study, the study used established methods, controlled extraneous variables, and statistical analysis. Content validity relates to the extent to which the instrument completely measures the construction of interest (Aziz & Khan, 2020). In this study, the questionnaire's validity was assessed using content and construct validity.

Content Validity

The study sought consultants from experienced experts in the area under study, which helped to improve the content validity of the instruments (Kothari, 2014). Content validity was achieved by subjecting the questionnaires to 3 human resource experts (10% of 31) who made their comments on the relevance of each item. The results of their response were analysed to establish the percentage representation using the content validity formula:

Content Validity Index = (Agreed items) / (total number of items).

If the overall Content Validity Index (CVI) of the instrument was equal to the average acceptable Index of 0.7 or above, then the instrument was accepted as valid (Amin 2005).

Construct Validity

Factor analysis was used in this report to minimize the number of factors. The factor loadings were defined as follows by Hair et al. (2021) and Tabachnick and Fidell (2007): 0.32 (poor), 0.45 (fair), 0.55 (good), 0.63 (very good), or 0.71 (excellent). However, the study considers a level of 0.4 or 0.5 to be strong for explanatory purposes (Rahim and Magner, 2005). All the indicators of the various constructs were subjected to confirmatory factor loading analysis using SPSS version 26.

3.9 Data Analysis and Presentation

According to Weisburd, Wilson, Wooditch, and Britt (2021), data analysis comprises systematic manipulation of data, arrangement, processing, and organization of collected data, aiming at producing meaningful and conclusive information related to the topic of the study. Both descriptive and inferential statistics were computed. Statistical Package for Social Scientists (SPSS) version 21 was used to compute both inferential and descriptive statistics.

The characteristics of variables under study were captured through descriptive statistics such as standard deviation and mean. Weisburd, Wilson, Wooditch, and Britt (2021) define descriptive analysis as statistical procedures and processes used by the study in describing the population under study. The scholars further contend that descriptive statistics also apply both numerical and graphical summaries in giving a view of a data set. The study also applied inferential statistics in establishing the relationships between the study variables. The data was put in common themes which were analyzed Quantitatively.

3.9.1 Diagnostic Tests

The means for each of the four independent variables, team communication, team leadership, team diversity, and team size, as well as the moderating variable and the dependent variable, employee performance, were computed. The variables were subjected to tests of normality, multicollinearity, and heteroscedasticity during the pilot data test.

Normality Test

There is a significant amount of normality tests available in the literature to probe normal distribution as the Shapiro-Wilk test, the Kolmogorov-Smirnov (KS) test, Skewness, Kurtosis, and normal Q-Q plot. The Kolmogorov-Smirnov Test and the Shapiro-Wilk Test were used. Shapiro-Wilk's is recommended for small and medium sample sizes $n= 2000$,

whereas for the larger sample Kolmogorov-Smirnov (K-S) test is recommended. With a sample size of 31, the Shapiro-Wilk Test was considered more appropriate for the small sample size (< 50 samples) (Lund Research, 2022). When the significant (p) value of the KS-SW Test is greater than 0.05, the data is normal; otherwise, the data significantly deviates from a normal distribution.

Linearity

To satisfy the assumptions of multiple linear regression, a linearity test is required to ensure that the relationship between the independent and dependent variables follows a straight-line trend. If this assumption is violated, the regression model may provide biased or inaccurate estimates of the relationships (Field, 2018). The study adopted a graphical approach to assess linearity. Specifically, scatter plots were generated to visually inspect the data distribution for a linear pattern. This diagnostic step ensures that the data is suitable for inferential statistical analysis before the final regression model is executed.

Multicollinearity Test

Multicollinearity occurs when independent variables exhibit a high degree of inter-correlation, which can artificially inflate standard errors and render truly significant variables statistically insignificant (Robinson, 2018). To ensure the stability of the regression coefficients, this study utilized Variance Inflation Factor (VIF) and Tolerance levels as diagnostic metrics. A VIF value of less than 10 and a Tolerance value greater than 0.10 was used as the threshold to confirm that no serious multicollinearity exists within the dataset.

Heteroscedasticity

Heteroscedasticity occurs when the variance of the residuals is not constant across the range of predicted values. In a multiple regression model, the Ordinary Least Squares (OLS) method assumes homoscedasticity, meaning the error terms have a uniform

variance (Field, 2018). If this assumption is violated, the resulting standard errors may be invalid, leading to unreliable significance tests and potentially biased conclusions regarding the relationships between team dynamics and performance (Hair et al., 2019).

To ensure the robustness of the regression model, the study performed a formal diagnostic check for heteroscedasticity. While visual inspections of residual plots (looking for "cone-shaped" patterns) provide an initial assessment, the study primarily relied on the Breusch-Pagan test for a more objective statistical evaluation. A non-significant p-value ($p > 0.05$) in this test indicates that the assumption of homoscedasticity has been met, confirming that the data is suitable for the final regression analysis.

3.9.2 Descriptive Statistics

Descriptive statistics and frequencies were estimated for all variables, and information was presented in the form of frequency tables. Means as a measure of central tendency and 'Standard Deviation' as a measure of dispersion were generated from the data. Descriptive statistics were used because they enable the study to meaningfully describe the distribution of scores or measurements using a few indices (Mugenda & Mugenda, 2019).

3.9.3 Correlation Analysis

A correlation analysis was carried out to identify the correlation between two random variables. Pearson's Product-Moment Correlation Coefficient (PMCC) is a measure of linear association between two variables (Pallant, 2010). Correlation coefficients can range from -1 to +1. -1 indicates that there is a strong negative relationship between the variables, whereas +1 indicates that there is a strong positive relationship between the variables.

It is used in a study to explore the strength of the relationship between two continuous variables (Pallant, 2010). Pearson’s Product-Moment Correlation Coefficient (PMCC) was used to determine the strength and the direction of the relationship between the dependent variable and the respective independent variables, which are Team dynamics and employee performance. It was used to determine if both variables are related, without inferring a cause-and-effect association (Choudhury, 2009).

3.9.4 Regression Analysis

Regression analysis is a data analysis technique that examines relationships between variables. This study employed both linear and multiple regression techniques.

Linear Regression

Linear regression analysis is a quantitative research method that is used when the study involves modeling and analyzing several variables, where the relationship includes a dependent variable and one or more independent variables (Kothari, 2008). For this study, the following linear regression model was applied for the individual predictors; that is, for each of the independent variables, on the dependent variable:

$$Y = \beta_0 + \beta_1 X_i + \varepsilon \dots\dots\dots (i)$$

Where:

- Y = is the dependent variable
- β_0 = is the constant
- X_i = Predictor 1, 2, 3, 4
- β_1 = regression coefficients
- ε = error term

Multiple Regression

Multiple regression is a statistical tool that uses two or more independent variables to predict a dependent variable. Multiple regression attempts to determine whether a group of variables together predicts a given dependent variable (Mugenda & Mugenda, 2019). For this study, multiple regression analysis was used to establish the relations between independent variables, dependent variables, and moderating variables. The multiple linear regression model was used because it helped to inferentially compare coefficients across outcomes by testing whether the variable coefficient is significantly different from the other variable outcomes. A multiple regression model was used, as shown in the statistical model below:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon \dots\dots\dots (ii)$$

Where;

Y = Employee performance

X₁ = Team Communication

X₂ = Team Leadership

X₃ = Team Diversity

X₄ = Team Size

ε = Error term

β₀ = the constant term

β_i = 1...4 represents the coefficients that were used in measuring the sensitivity of the dependent variable (Y) to a unit change in the predictor variables, while ε Is the error term captures the unexplained variations in the model. The significance of the study variable was investigated through hypothesis testing on coefficients,

where:

H₀: β_i = 0

Vs H_i: β_i ≠ 0

If the null hypothesis is rejected at $p > 0.05$, the conclusion is that $X_1 - X_4$ significantly influences Y , and is done at the $\alpha = 0.05$ level of significance. Results are presented in the form of tables and figures.

Moderated Multiple Regression

The study adopted a Moderated Multiple Linear Regression model to test the moderating influence of organizational culture on the relationship between team dynamics and employee performance. The hierarchical regression models that were established are listed below.

$$Y = \beta_0 + \beta_1 X + \varepsilon \dots\dots\dots (i)$$

$$Y = \beta_0 + \beta_2 X + \beta_3 Z + \varepsilon \dots\dots\dots (ii)$$

$$Y = \beta_0 + \beta_4 X + \beta_5 Z + \beta_6 X.Z + \varepsilon \dots\dots\dots (iii)$$

Where ;

Y = Employee Performance in Commercial Banks

X = Team dynamics (Joint)

Z = Moderating variable (organizational culture)

X.Z = Interaction of institution factors and Team dynamics

ε = Error term and α = constant

β_1 to β_6 = coefficient of independent variables

According to Evans (2011), the application of the Moderated Multiple Linear Regression model in assessing the influence of moderator variables is evident from the fact that the model has been used by researchers extensively. The moderating influence of organizational culture from the formulated model was said to be significant if the beta coefficient of the interacting term (β_3) has a p-value of less than 0.05. The significance of

the coefficients of the model was examined through a T-test and an F-statistic at a 5% level of significance.

3.9.5 F-Test

The F-test is a statistical test used to determine whether two populations having normal distribution have the same variance or standard deviation. The F-test was used in hypothesis testing to provide evidence that the analytical techniques used to answer the hypotheses being examined concerning congruence and accuracy. Congruence involves providing a rationale that shows how the data analysis method for both quantitative and qualitative research fits the hypotheses being examined.

Accuracy involves providing evidence that analytical techniques provide correct answers to the research questions (Sampson, 2012). Hypothesis testing was done with respect to the objectives of the study to determine the influence of team dynamics on employee performance in commercial banks in Tanzania. The null hypothesis is retained if a test of significance shows that, if the research is repeated, similar results can be obtained in at least 95 out of 100 repetitions. The statistical significance was 5% ($p \leq 0.05$) (Mugenda & Mugenda, 2019).

3.9.6 Analysis of Variance (ANOVA)

Analysis of Variance (ANOVA) was employed to determine the statistical significance of the research results. This was to help determine whether the null hypothesis would be rejected or accepted. The null hypothesis for an ANOVA is that there is no significant difference among the variable groups and vice versa. If there is a significant difference, it is an indication that the 'means of the variable groups are not equal, and therefore a need to examine where the group differences lie using other statistical techniques (Kothari, 2008).

3.9.7 Operationalization of Study Variables

The operationalization of variables was done with respect to the independent and dependent variables of the study. This has been elaborated in Table 3.10.

Table 3.3: Operationalization of Variables

Dependent Variable	Operational Indicators	Literature source	Measurement Scale	Questionnaire Section
Employee performance in commercial Banks in Tanzania	<ul style="list-style-type: none"> • Productivity • Quality of output • Employee wellness 	Wall <i>et al.</i> (2024); Buzzell <i>et al.</i> (2025)	Five-Point Likert Scale Open-ended questions	SECTION G
Independent Variable	Operational Indicators		Measurement Scale	Questionnaire Section
Team Communication	<ul style="list-style-type: none"> • Inter-personal communication • Feedback mechanism • Vertical communication 	Andrapuri <i>et al.</i> (2023); Wijayanti (2021)	Five-Point Likert Scale Open-ended questions	SECTION B
Team leadership	<ul style="list-style-type: none"> • Leadership style • Delegation • Level of support 	Suprayitno (2024); Taberna <i>et al.</i> (2020)	Five-Point Likert Scale Open-ended questions	SECTION C
Team diversity	<ul style="list-style-type: none"> • Professional experience • Age difference • Educational level 	Abudaqqa (2024). Krishnan <i>et al.</i> , (2021) Mande <i>et al.</i> (2020)	Five-Point Likert Scale Open-ended questions	SECTION D
Organizational Culture		Ibua <i>et al.</i> (2021); Katou, (2022)	Five-Point Likert Scale Open-ended questions	SECTION F

Note: Table showing operationalization of Variables used in the study.

3.10 Hypothesis Testing

The study conducted hypothesis testing to determine the statistical significance of the relationships between team dynamics and employee performance. In alignment with the

positivist research philosophy and the quantitative nature of the descriptive survey design, inferential statistics were employed to test the null hypotheses against the alternative hypotheses. This process involved the use of multiple linear regression analysis to evaluate how the independent variables, representing various facets of team dynamics, influenced the dependent variable of employee performance.

As noted by Ranganathan and Pramesh (2019), hypothesis testing provides a systematic framework for studies to rigorously evaluate such claims and draw meaningful conclusions based on statistical evidence. To make statistical inferences, the study adopted the p-value approach based on a ninety-five percent confidence level, which is a standard threshold in social science research for minimizing Type I errors (NCBI, 2023). This means that a significance level of 0.05 was used as the threshold for decision-making.

Consequently, where the calculated p-value was less than or equal to 0.05, the null hypothesis was rejected, indicating a statistically significant relationship between the variables. Conversely, if the p-value exceeded 0.05, the study failed to reject the null hypothesis, suggesting that the observed relationship was not statistically significant (Wang & Zhou, 2024). The empirical model for this study is defined by the equation $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$, which measures the impact of key factors on performance.

Within this framework, Y signifies employee performance, X_1 through X_4 represent communication, leadership, collaboration, and conflict management, while β_1 - β_4 denote their coefficients, and ε signifies the error term. This mathematical framework provided the basis for interpreting the data gathered from the 445 respondents across the selected commercial banks.

All quantitative data analysis was performed using the IBM SPSS Statistics (Version 29) software package. This software facilitated the processing of survey results, including the generation of descriptive statistics and the execution of the regression model required for hypothesis testing. Using specialized predictive analytics software ensures accuracy in the

calculation of p-values and regression coefficients, thereby enhancing the reliability of the study's final findings.

CHAPTER FOUR

RESEARCH FINDINGS, ANALYSIS AND DISCUSSION

4.1 Introduction

The chapter presents a report on the results of the findings of the survey as well as the discussions concerning each of the findings. It starts by showing the response rate, diagnostic tests, descriptive statistics, correlation analysis, and inferential statistics, capped with a summary of the data. Presentation of the study findings, analysis and discussion of the results is done. Finally testing of the research hypotheses is done and the results presented. The study objectives guided the study. Additionally, the sub-variables for both the criterion variable and predictor variable have been captured in the analysis.

4.2 Response Rate

The expected sample size was 445 respondents, with each senior manager, manager, supervisor, and lower-level employee contributing 30% of the total sample size. A total of 344 responses were obtained which represents 77.3% response rate. This agrees with Sataloff and Vontela (2021), who asserted that response rates of 50% are acceptable to analyze and publish, 60% is good, and 70% is very good. Based on these assertions, 77.3% response rate was considered very good for the study. This is shown in Table 4.1.

Table 4.1: Response Rate

Questionnaires	Frequency	Percent
Responded	344	77.3
Un-responded	101	22.7
Total	445	100.0

4.3 Pilot Test Results

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 (Lowe,

2021). According to Gill and Johnson (2020), a pilot study before the main study allows any potential problems with the instruments to be identified and corrected. The questionnaire for this study was pilot tested to ensure that the wording, language, and general content were suitable. A pilot study was conducted on 7% of the target population (Lewis, Saunders & Thornhill, 2021). This represented 31 respondents, which is 7% of the 445-study sample size.

Weisburd, Wilson, Wooditch, and Britt (2021) argue that the respondents in a pilot test do not have to be statistically selected. A 5-10% of the population is within the range of acceptable for a pilot test (Aziz & Khan, 2020). In line with this argument, a pilot test on 31 respondents from commercial banks (7% of the target population) was sufficient for this study. The 31 respondents were randomly selected. They comprised employees of commercial banks in Tanzania and were not included in the final study. All 31 questionnaires were filled out and collected from the respondents for the pilot test analysis.

4.3.1 Reliability of the Instruments

The study used Cronbach's Alpha to test reliability (Weisburd, Wilson, Wooditch, & Britt, 2021). Cronbach's Alpha is a widely used measurement of the internal consistency of a multi-item scale in which the average of all possible split-half coefficients is taken (Hair *et al.*, 2021). Normally, values of Cronbach's Alpha of 0.7 and above are considered to represent "acceptable" reliability, above .80 "good" reliability, and above .90 "excellent" reliability. The lower limit for acceptable reliability may be reduced to .60 in exploratory research (Weisburd, Wilson, Wooditch, & Britt, 2021).

As shown in Table 4.2, the reliability findings of the variable team communication showed that the Cronbach's Alpha coefficient was 0.833. Team leadership Cronbach's Alpha coefficient was 0.816. Team diversity Cronbach's Alpha coefficient was 0.772. Team size Cronbach's Alpha coefficient was 0.858; moderating variable, organizational culture, Cronbach's Alpha coefficient was 0.719. The dependent variable performance Cronbach's Alpha coefficient was 0.862. All the six variables exceeded the minimum

threshold of 0.7, which is an acceptable level of internal reliability necessary for the study (Manning *et al.*, 2011).

In the final data reliability test was done, and all the other variables had a Cronbach's Alpha value greater than 0.7 except team communication and team diversity. Team communication had a Cronbach's Alpha of 0.462 with nine items. Removal of item five yielded 0.706 with eight items. Team diversity had a Cronbach's Alpha of 0.601 with eight items. Removal of item five yielded 0.812 at seven items. Based on the above context, the predictor and criterion variables are thus retained for the study. The commercial banks involved in this pilot test were excluded during the final study.

Table 4.2: Reliability of the Findings

Variables	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items	Remarks
Team Communication	0.863	0.865	9	Reliable
Team leadership	0.816	0.861	8	Reliable
Team diversity	0.772	0.782	8	Reliable
Team size	0.858	0.867	8	Reliable
Organizational Culture	0.719	0.735	5	Reliable
Performance	0.862	0.871	10	Reliable

4.3.2 Validity of the Instruments

Validity is the extent to which the data collected truly reflects the phenomenon being studied (Veal, 2020). Validity is the ability of the measuring instrument to measure what is to be measured (Aziz & Khan, 2020). Validity is measured by several indicators, including face validity, concurrent validity, internal validity, and ecological validity (Maksimovic & Evtimov, 2023). Content validity relates to the extent to which the instrument completely measures the construct of interest (Aziz & Khan, 2020). In this study, the questionnaire's validity was assessed using content and construct validity.

i. Content Validity

Content validity was checked by the research instruments being subjected to various subject matter experts including the lecturers and industry experts. Content validity was achieved by subjecting the questionnaires to 3 human resource experts (10% of 31) who made their comments on the relevance of each item. They evaluated the statements critically and made the necessary adjustments. This helped the statements in the questionnaire to become clearer and easily understood by the respondents (Kothari, 2014).

The results of their response were analyzed to establish the percentage representation using the content validity formula:

Content Validity Index = (Agreed items) / (total number of items).

If the overall Content Validity Index (CVI) of the instrument was equal to the average acceptable Index of 0.7 or above, then the instrument was accepted as valid (Amin 2005). Table 3.4 shows results that the test yielded an average index score of 98% before making corrections on the following statements to enhance their objectivity “In our bank, my age determines the level of performance in my team; My level of education determines the level of performance in my bank; Working in a small sized team (5-10 persons) has increased my productivity in our bank and Working in a large sized team (12 persons and above) has increased my productivity in our bank”. This shows that the instrument was valid and therefore suitable for actual data collection. This is shown in Table 4.3

Table 4.3: Content Validity Index

Rater	Clarity	Relevance	Objective	Simplicity	Total Items	Average	Percentage
1	48	48	48	48	48	48	100.0
2	48	48	44	48	48	47	97.9
3	48	48	44	48	48	47	97.9
Average	48	48	45.3	48	48	47.3	98.6

Note: The test yielded an average index score of 98% making the instrument valid.

ii. Construct Validity

Factor analysis was used to assess for construct validity. The aim was to minimize the number of factors. The factor loadings were defined as guided by (Hair *et al.* 2021) and Tabachnick and Fidell (2007): 0.32 (poor), 0.45 (fair), 0.55 (good), 0.63 (very good), or 0.71 (excellent). However, researchers consider a level of 0.4 or 0.5 to be strong for explanatory purposes (Rahim and Magner, 2005). All the indicators of the various constructs were subjected to confirmatory factor loading analysis using SPSS version 26. According to the findings, all the indicators of various constructs were retained as shown in Table 4.4. This is because they had factor loadings of over 0.5, the minimum for this study.

Table 4.4: Summary of Factor Analysis

Factors	Number of Items	Overall Factor Loading	Remark
Team Communication	9	0.706	Retained
Team Leadership	8	0.722	Retained
Team Diversity	8	0.784	Retained
Team size	8	0.823	Retained
Organizational culture	5	0.837	Retained
Employee performance	10	0.856	Retained
Total/Overall	48	0.788	

4.4 Demographic Characteristics

The study sought to establish the demographic characteristics of the respondents. This section presents the demographic characteristics of the respondents. The characteristics of the respondents covered in the study included gender, age, managerial position, level of education, and work experience. The results are presented and discussed in the subsections that follow.

4.4.1 Gender of the Respondents

The study sought to establish the gender of the respondents of this study. The data findings as shown in Table 4.5 indicate that 66.9% of the participants were male, while 32.6% were female, with 0.6% not declaring gender. Being a random sample, this indicates that two-thirds of the employees sampled in categories of senior managers, managers, supervisors, and lower-level employees are male, while a minority were female. This implies that the commercial banks in Tanzania had both male and female employees even though the male gender was dominant.

Table 4.5: Response Rate by Gender

Gender	Frequency	Percent	Valid Percent
n/a	2	0.6	0.6
Female	112	32.6	32.6
Male	230	66.9	66.9
Total	344	100.0	100.0

4.4.2 Age Bracket of the Respondents

The data findings in Table 4.6 indicate that 38.7 percent of the respondents were in the 36-40 years age bracket, followed by 31-35 age brackets at 22.1 percent, 41-50 age brackets at 18.9 percent, with the 26-30 age bracket contributing 14.5 percent of the sample. This indicates that most of the sampled bank employees are aged between 26 to 50 years old, which covers the most productive employment age. It emerges that there are no employees below the age of 20 in the sample. This implies that majority of the respondents were within a proper age bracket to offer services to the banks.

Table 4.6: Response Rate by Age

Age	Frequency	Percent	Valid Percent
20-25	14	4.1	4.1
26-30	50	14.5	14.6
31-35	76	22.1	22.2
36-40	133	38.7	38.9
41-50	65	18.9	19
50 years and above	4	1.2	1.2
N/A	2	0.6	
Total	342	100	

4.4.3 Managerial Position

The study findings in Table 4.7 indicate that the response rate by managerial position yielded 52 percent lower-level employees, 24.1 percent supervisors, 12.8 percent managers, and 9.3 percent senior managers. The response rate by strata shows that 80 percent of the expected senior managers were realized, followed by 74.58 percent for managers, 79.81 percent for supervisors, and 73.97 percent for lower-level employees. The findings indicate that the respondents came from different levels within the banks, hence a uniform level of participation by different strata.

Table 4.7: Response Rate by Managerial Position

Category	Expected Frequency	Realized Frequency	Percent	Realized/Expected Percent
Senior managers	40	32	9.3	80
Managers	59	44	12.8	74.58
Supervisors	104	83	24.1	79.81
Lower-level employees	242	179	52.0	73.97
Total	445	344	98.3	

4.4.4 Level of Education

The response rate by education indicates that a simple majority of 56.1 percent of the employees in the sample hold an undergraduate degree. Another 31.1 percent have a

postgraduate qualification, while 11.3 percent have a post-secondary certificate/diploma. A small 0.9 percent have a secondary school certificate. There is no employee with a primary school certificate. This is shown in Table 4.8.

Table 4.8: Response Rate by Level of Education

Education level	Frequency	Percent	Valid Percent	cumulative percentage
secondary school	3	0.9	0.9	0.9
post-secondary certificate/diploma	39	11.3	11.4	12.3
undergraduate	193	56.1	56.4	68.7
postgraduate qualification	107	31.1	31.3	100
N/A	2	0.6		
Total	344	100		

4.4.5 Work Experience

As shown in Table 4.9, a simple majority of 40.4 percent of the employees sampled have 6 to 10 years of experience. This is followed by 11 to 15 years of experience at 33.2 percent and 3 to 5 years at 13.1 percent in that order. A noteworthy 9.3 percent are at the entry-level of zero to 3 years of experience, and 3.8 percent are those with above 15 years of experience. This indicates that the sampled population is served by a well-experienced workforce with between 6 and 15 years of experience, with 73.5 percent of the employees falling in the experience range.

Table 4.9: Work Experience

Years	Frequency	Percent	Valid Percent	cumulative percentage
0 to 3 years	32	9.3	9.3	9.3
3 to 5 years	45	13.1	13.1	22.4
6 to 10 years	139	40.4	40.5	63
11 to 15 years	114	33.1	33.2	96.2
above 15 years	13	3.8	3.8	100
System	1	0.3		
Total	344	100		

4.5 Descriptive Statistics

The predictor, the criterion, and the moderating variables were each computed using descriptive statistics. The findings were summarized in Table 4.10 below. Further, each of the items used to estimate the respective predictors and the predicted variables was also computed. The descriptive statistics are presented in the following sections. The means of the dependent and independent variables were computed based on the number of items in the reliability table. The means for each of the variables are shown in Table 4.10.

The mean, Standard deviation, variance, skewness, and kurtosis of each of the items used to measure each variable were also computed. The mean values for the criterion and predictor variables ranged from 4.27 to 4.40. Indicating that team dynamics are important for employee performance in commercial banks in Tanzania. The mean for the moderating variable is 4.36, indicating that most respondents do attach organization culture to employee performance in commercial banks in Tanzania.

Table 4.10: Descriptive Statistics for Study Variables

	N	Mean	Std. Deviation	Variance	Skewness	Kurtosis		
	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Team Communication	344	4.31	0.42	0.18	-0.44	0.13	-0.14	0.26
Team Leadership	344	4.40	0.50	0.25	-1.71	0.13	5.00	0.26
Team Diversity	343	4.27	0.64	0.41	1.62	0.13	23.62	0.26
Team Size	342	4.32	0.51	0.26	-1.24	0.13	1.39	0.26
Moderating Influence	342	4.36	0.50	0.25	-1.65	0.13	7.18	0.26
Employee Performance	343	4.36	0.44	0.20	-1.89	0.13	9.04	0.26
Valid N (listwise)	340							

4.5.1 Team Communication

The respondents were required to indicate their level of agreement or disagreement with the statements provided on indicators of team communication. This was done on a Likert Scale ranging from scale 1 to 5 where 1 represented strongly disagree, 2 represented

disagree, 3 represented neutral, 4 represented agree and 5 strongly agree, respectively. The data findings are shown in Table 4.11.

According to the study findings, all the indicators of team communication have means ranging from 4.01 to 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 an individual employees in a team, moreover, members' interaction through interpersonal communication with each other improves performance, and thus organizations need to spearhead one-on-one interaction within their workplace environment for better performance.

However also, information flows between or among the subordinates and superiors is a fundamental aspect for employee performance improvements, this mean organization that practices 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 that are the most cost-effective in increasing employee performance.

The results of the study justify the position that communication should be a step-by-step process that involves the exchange of information between two or more individuals at all individuals in organizational levels (Sutrisno & Jaya, 2023). The findings are also consistent with Semvua, Naikuru, and Maina (2024) 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 corporate plans in line with what is expected of them and the organization to keep receiving feedback from team members for goal achievement.

Table 4.11: Descriptive Statistics for Team Communication

	N	Mean	Std. Dev.	Var.	Skewness	Kurtosis		
	Stat.	Stat.	Stat.	Stat.	Stat.	Std. Error	Stat	Std. Error
Our bank has created effective feedback channels which are the most cost-effective in increasing productivity.	344	4.01	0.64	0.41	-1.23	0.13	4.69	0.26
Our bank has less complex interpersonal communication that influences employee well-being	341	4.05	0.80	0.64	-1.02	0.13	1.68	0.26
Our bank encourages top-down-bottom-up communication and offers suggestions for improved quality of our services	343	4.34	0.70	0.49	-1.09	0.13	1.93	0.26
In our bank, team members communicate one-on-one about what they don't know and ask for help to improve the quality of services	343	4.33	0.83	0.69	-1.35	0.13	1.62	0.26
In our bank, team members' interaction with each other improves the quality of service they perform	343	4.45	0.73	0.53	-1.34	0.13	1.64	0.26
One-on-one interaction between team members in our bank has improved the social well-being of employees	343	4.39	0.79	0.62	-1.35	0.13	1.76	0.26
Feedback mechanisms in our team increase employee performance	343	4.5	0.63	0.40	-1.31	0.13	2.93	0.26
Information or messages flow between or among the subordinates and superiors of our bank influences employee performance	344	4.43	0.70	0.49	-1.19	0.13	1.37	0.26
Valid N (listwise)	338							

Qualitative Data

The influence of information flow on performance is supported further by the results of the open-ended question. Asked, “How does information flow between or among the subordinates and superiors influence employee performance?” the responses indicated 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 4.1.

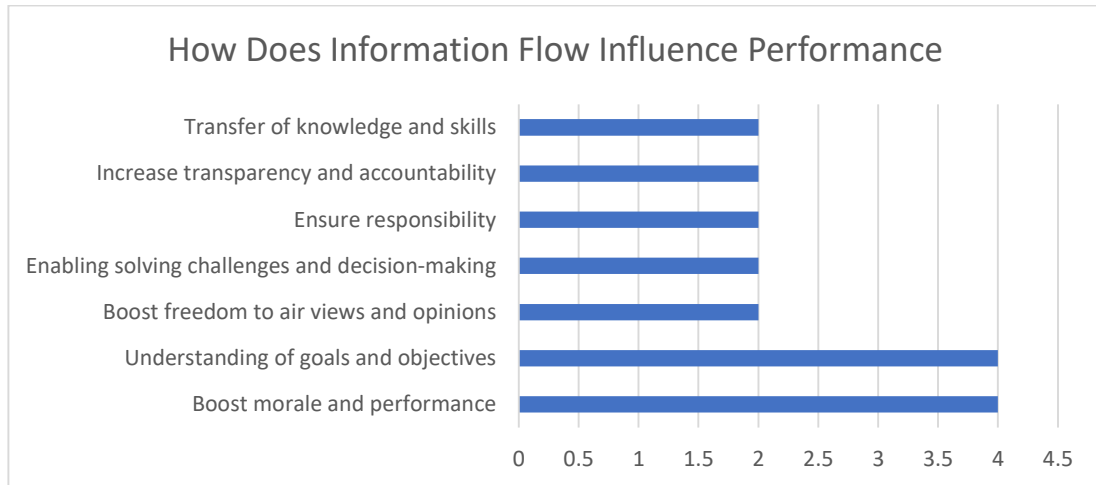


Figure 4.1: Influence of Information Flow on Performance

Qualitative Data

The respondents also gave their opinions 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 4.2.

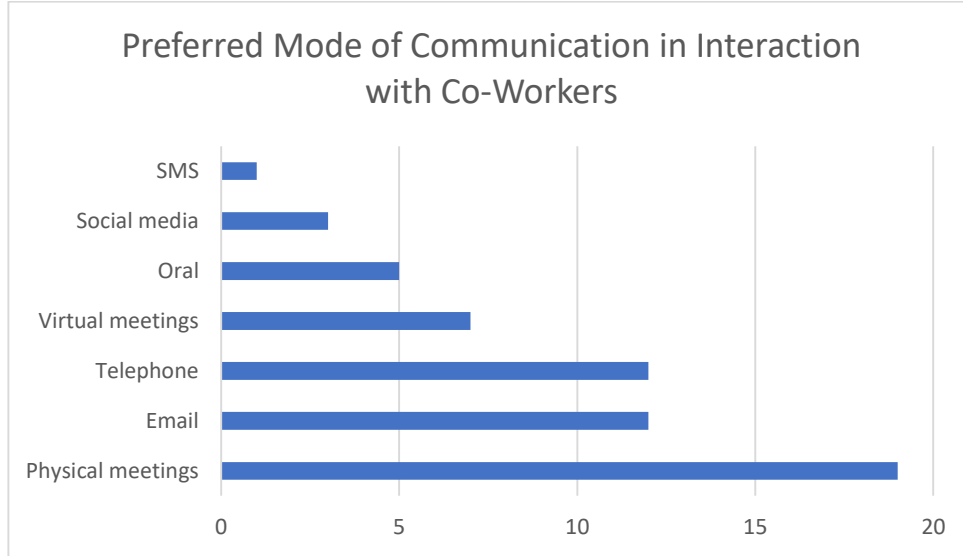


Figure 4.2: Preferred Mode of Communication

4.5.2 Team Leadership

The respondents were required to indicate their level of agreement or disagreement with the statements provided on the indicators of team communication. This was done on a Likert Scale ranging from scale 1 to 5 where 1 represented strongly disagree, 2 represented disagree, 3 represented neutral, 4 represented agree and 5 strongly agree, respectively. The results of the findings are shown in Table 4.12. According to the study findings, all the indicators of team leadership have means ranging from 4.13 to 4.53.

The majority of the respondents were in agreement that team leadership is of fundamental importance in team members' performance. A participative leadership style in teamwork is needed for organizations to stimulate performance improvement amongst team members, leadership styles connect workers towards achieving employee satisfaction, and leadership styles increase productivity when team members just do what they are told.

When employees are given a chance to share their ideas, suggestions, and critiques about the work to be performed by them, it tends to improve their morale toward task accomplishment. The finding is in line with the findings of Yukl (2023) that a leader may

accomplish shared objectives through the facilitation of both individual and collective efforts. Thus, organizations need to incorporate this leadership practice in their high-performance work systems.

Table 4.12: Descriptive Statistics for Team Leadership

	N	Mean	Std. Dev.	Var.	Skewness		Kurtosis	
	Stat.	Stat.	Stat.	Stat.	Stat.	Std. Error	Stat.	Stat.
Our team leader has been successful in supporting employees to demonstrate good performance	343	4.22	0.68	0.47	-1.20	0.13	3.94	0.26
An autocratic leadership style increases productivity when team members just do what they are told	343	4.13	0.93	0.86	-1.42	0.13	2.27	0.26
Our team leader delegates decision-making to increase productivity amongst team members	343	4.44	0.76	0.58	-1.66	0.13	3.66	0.26
Participative leadership style increases productivity when team members do more than they are asked	343	4.53	0.70	0.49	-1.85	0.13	4.61	0.26
Our team leader is interested in supporting employee health and safety systems to improve well-being	343	4.50	0.71	0.51	-1.65	0.13	3.62	0.26
Our team leader uses delegation as a tool for increasing employee quality of services	343	4.45	0.76	0.57	-1.54	0.13	2.56	0.26
A team leader's style lets members be free to do what they find right and increases productivity in a bank	343	4.36	0.90	0.81	-1.46	0.13	1.54	0.26
It is believed that leadership styles connect workers towards achieving employee satisfaction and well-being	343	4.52	0.70	0.50	-1.79	0.13	4.32	0.26
Valid N (listwise)	338							

Qualitative Data

The open-ended questionnaires show that leadership support influences employee support through directing or appropriating resources for achieving goals, building confidence among employees, ensuring fair treatment and teamwork, fostering delegation of authority to subordinates, providing an environment that facilitates the airing of views and opinions, ensuring the welfare of every individual, promoting awareness and understanding and providing proper directives while leading by example as shown in Figure 4.3.



Figure 4.3: Influence of Leadership Support

Qualitative Data

On the choice of the best leadership style, a simple majority aligned with the participative leadership style. This was closely followed by democratic leadership and transactional leadership. The nexus of authoritative, bottom-up, supportive, and compassionate leadership styles was at par. A diversity of fourteen leadership styles emerged from the survey, as shown in Figure 4.4.



Figure 4.4: Influence of Leadership Support

4.5.3 Team Diversity

Further, the study sought to determine the influence of team diversity 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 diversity. This was done on a Likert Scale ranging from scale 1 to 5 where 1 represented strongly disagree, 2 represented disagree, 3 represented neutral, 4 represented agree and 5 strongly agree, respectively. The results of the findings are shown in Table 4.13.

The study findings show all the indicators on team diversity had a mean ranging from 3.91 to 4.51. The results revealed that most of the respondents agreed that team diversity is beneficial to organizations that need to improve their employee performance through the use of team dynamics. Banks should therefore appreciate work experience gained by diverse teams for improving performance, build up work experience amongst employees, as it is valued to increase team members' productivity, and appreciate the uniqueness among the ages in teams, as it tends to improve employee performance.

Work organizations should emphasize the use of diverse work teams that will enhance the realization of both individual and organizational goals. Furthermore, the findings show that the majority of respondents agree that work experience, age difference, as well as educational background are the key factors in improving the performance of teams within a work setting. This is in line with the findings of Ekot (2021) that work experiences, age, and educational diversity have a strong influence on employee performance.

Table 4.13: Descriptive Statistics for Team Diversity

	N	Mean	Std. Dev.	Var.	Skewness		Kurtosis	
	Stat.	Stat.	Stat.	Stat.	Stat.	Std. Error	Stat.	Stat.
The uniqueness of the age diversity in our teams improves employee performance	342	4.00	0.71	0.51	-0.87	0.13	1.99	0.26
In our bank, my age determines the level of performance in my team	341	3.91	0.99	0.97	-1.27	0.13	1.57	0.26
My level of education determines the level of performance in my bank	341	4.09	1.01	1.01	-1.27	0.13	1.28	0.26
Social well-being in our bank has been improved due to team members' interaction despite their age differences	341	4.47	2.27	5.16	15.55	0.13	272.17	0.26
Work experience amongst employees is valued equally to increase team members' productivity in our bank	342	4.49	0.66	0.44	-1.59	0.13	4.50	0.26
Our bank appreciates work experience, diverse teams for improving the quality of services	342	4.51	0.68	0.47	-1.72	0.13	4.46	0.26
Team diversity in our bank is a tool for improving employee performance	343	4.45	0.81	0.66	-1.62	0.13	2.73	0.26

Qualitative Data

On the open-ended question of the influence of team diversity on employee performance, it emerged by a simple majority that diversity of ideas, skills, and experience was the most notable benefit of team diversity, followed by improved teamwork and productivity.

Improved management and skills/knowledge were also noteworthy as shown in Figure 4.5.



Figure 4.5: Influence of Team Diversity on Employee Performance

Qualitative Data

Posed with the question of any other ways of improving team diversity, targeted recruitment and selection, as well as encouraging teamwork, emerged as the most prevalent proposals. Employee rotation followed next with two: targeted training and promotion, and creating more inclusive workspaces, coming out in that order as shown in Figure 4.6.

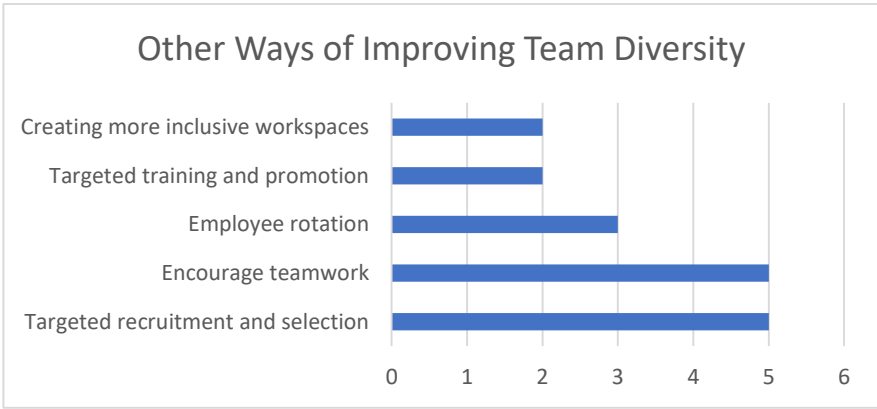


Figure 4.6: Other Ways of Improving Team Diversity

4.5.4 Team Size

The respondents were requested to indicate their level of agreement or disagreement with the statements provided on indicators of team size. This was done on a Likert Scale ranging from scale 1 to 5 where 1 represented strongly disagree, 2 represented disagree, 3 represented neutral, 4 represented agree and 5 strongly agree, respectively. The results of the findings are shown in Table 4.14.

According to the study findings, all the indicators on team size have means ranging from 3.99 to 4.54. This shows that most of the respondents agreed with the argument that the size of the team is important for the performance of individual members within a team. An organized team structure improves the quality of services within an organization. Team size influences employee performance in an organization. Work organizations should think of the right size of the team in terms of several members belonging to a particular team, as it relates to individual employee performance. In addition, managers require effective team planning programs prior to assignment of duties or tasks for the accomplishment of a particular goal.

Table 4.14: Descriptive Statistics for Team Size

	N	Mean	Std. Dev.	Var.	Skewness		Kurtosis	
	Stat.	Stat.	Stat.	Stat.	Stat.	Std. Error	Stat.	Stat.
As the team becomes small, the members' high interaction improves employees' social well-being	336	4.10	0.69	0.48	-0.99	0.13	2.73	0.27
In our bank, the large-sized team will perform less than a small-sized team in employee productivity	339	3.99	0.94	0.89	-1.31	0.13	1.95	0.26
Working in a small team (5-10 people) has increased my productivity in our bank	337	4.21	0.87	0.76	-1.48	0.13	2.79	0.27
Working in a large team (12 persons and above people) has increased my productivity in our bank	339	4.29	0.85	0.72	-1.35	0.13	1.78	0.26
Team size influences employee performance in bank operations	341	4.48	0.77	0.59	-1.85	0.13	4.25	0.26
An organized team structure improves the quality of services in our bank	339	4.54	0.62	0.39	-1.17	0.13	1.01	0.26
Our bank improves the quality of output by establishing reasonable team sizes	340	4.46	0.72	0.52	-1.44	0.13	2.45	0.26
The structure of teams in our bank determines the level of employees' performance	341	4.46	0.72	0.51	-1.48	0.13	2.97	0.26
Valid N (listwise)	324							

Qualitative Data

Posed with the open-ended question on the role of team size in employee performance, it emerged that efficiency and effectiveness are the most outstanding by a simple majority. They are followed by ease of team management, ease of communication, and sharing of ideas and innovation in that order, as shown in Figure 4.7.

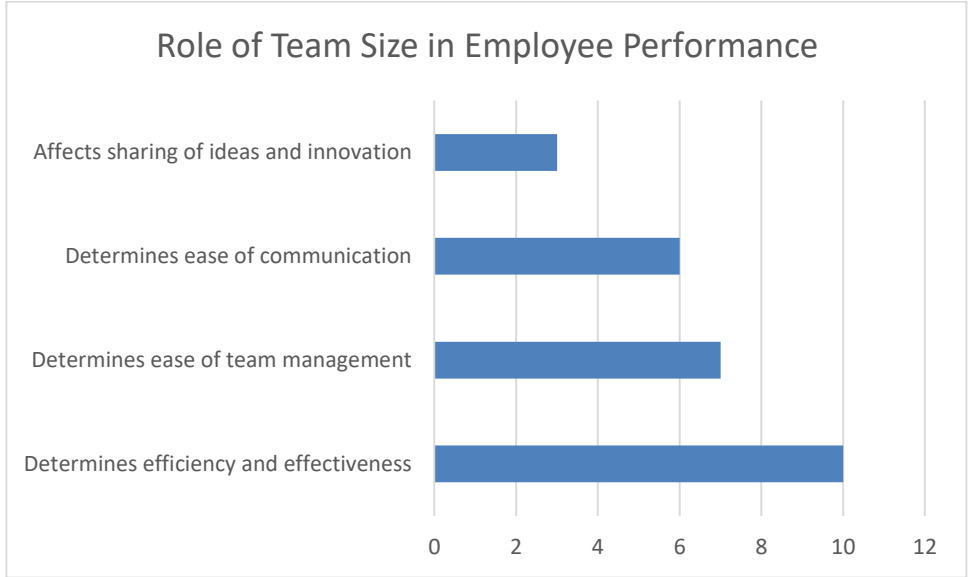


Figure 4.7: Role of Team Size on Employee Performance

Qualitative Data

When asked about the preferred team structure, it emerged by a simple majority that small team sizes were the most preferred team structures, followed by functional team structure. The bottom-heavy, moderate/medium-size teams, workload-based structure, and organized team structures came out at par as shown in Figure 4.8.

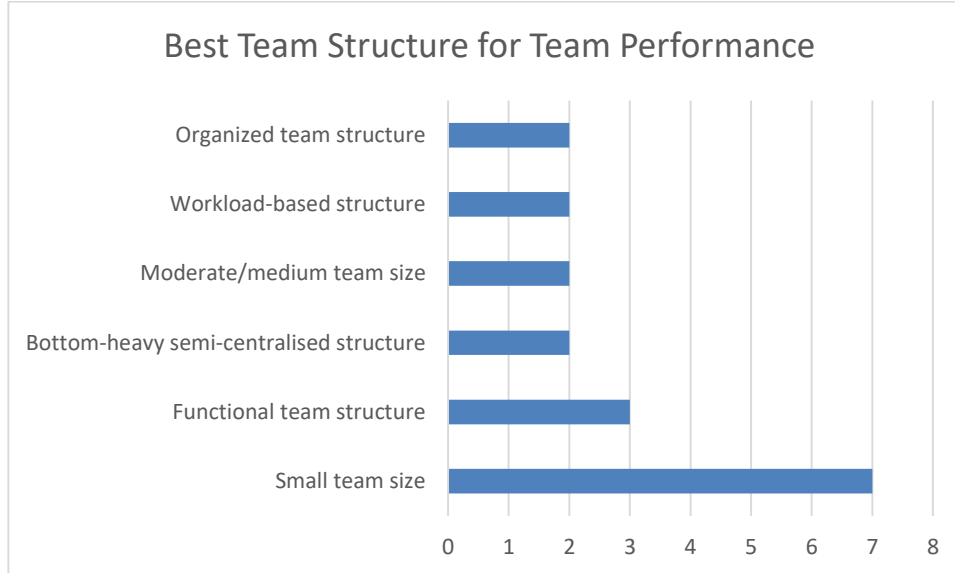


Figure 4.8: Best Team Structure for Employee Performance

4.5.5 Organizational Culture

The respondents were requested to indicate their level of agreement or disagreement with the statements/indicators provided on organizational culture. This was done on a Likert Scale ranging from scale 1 to 5 where 1 represented strongly disagree, 2 represented disagree, 3 represented neutral, 4 represented agree and 5 strongly agree, respectively. The results of the findings are shown in Table 4.15.

The study findings show that most of the indicators on the moderating variable organizational culture had means ranging between 4.26 and 4.47. This indicates that most respondents agree that organizational culture has a significant role in employee performance in commercial banks in Tanzania. This is an indication of a positive relationship between organizational culture and employee performance in commercial banks in Tanzania. This position consents with other studies that posit that organizational culture is prevalent in many organizations and its association with employee performance is strong. The findings of the study conducted by Mohsen, Neyazi, and Ebtekar (2020)

established that organizational culture predicts job performance. In addition, existing studies have focused on the impact of organizational culture on employee performance.

Table 4.15: Descriptive Statistics for Organizational Culture - Moderating Influence

	N	Mean	Std. Dev.	Var.	Skewness	Kurtosis		
	Stat.	Stat.	Stat.	Stat.	Stat.	Std. Error	Stat.	Stat.
	341	4.26	0.63	0.39	-1.05	0.13	4.23	0.26
It is the banks' culture to ensure that all employees are properly trained as it helps to improve their performance								
Our bank has established norms that tell team members what is expected of them to improve their performance	342	4.29	0.65	0.42	-0.89	0.13	2.30	0.26
The values in our bank determine the level of employees' performance	341	4.37	0.68	0.46	-1.41	0.13	4.37	0.26
The culture in our bank encourages cooperation between employees and leads to improved well-being	341	4.42	0.68	0.46	-1.44	0.13	3.94	0.26
The code of conduct in our bank regulates the behavior of employees to improve performance	342	4.47	0.68	0.46	-1.37	0.13	2.61	0.26
Valid N (listwise)	339							

Qualitative Data

Organizational culture was considered a key driver of performance by a simple majority. It was noted as the determinant of team spirit, proper behavior/conduct, the flow of information, and delegation of duty as shown in Figure 4.9.

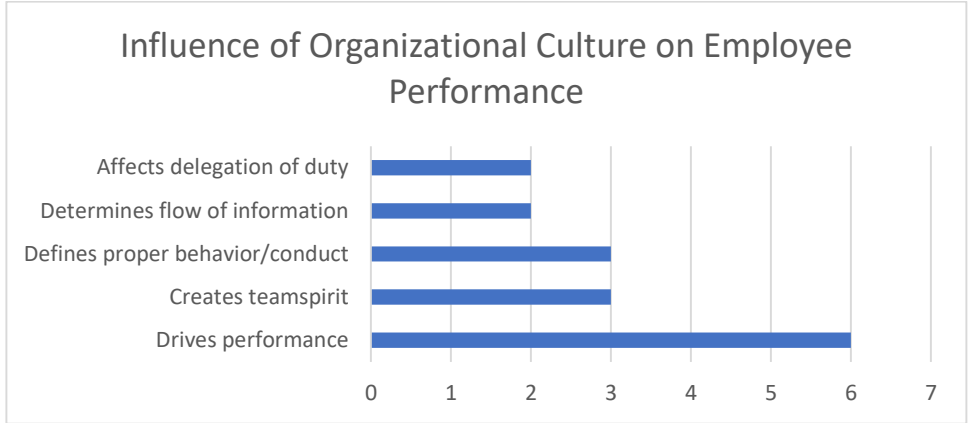


Figure 4.9: Influence of Organizational Culture on Employee Performance

Qualitative Data

Posed with the open-ended question of what the best culture for team performance would be, it emerged that team spirit and participation, by a simple majority, were most prevalent. It was followed by interactive and interpersonal culture, customer focus, performance-based, clan culture, and bottom-up in the order as shown in Figure 4.10.

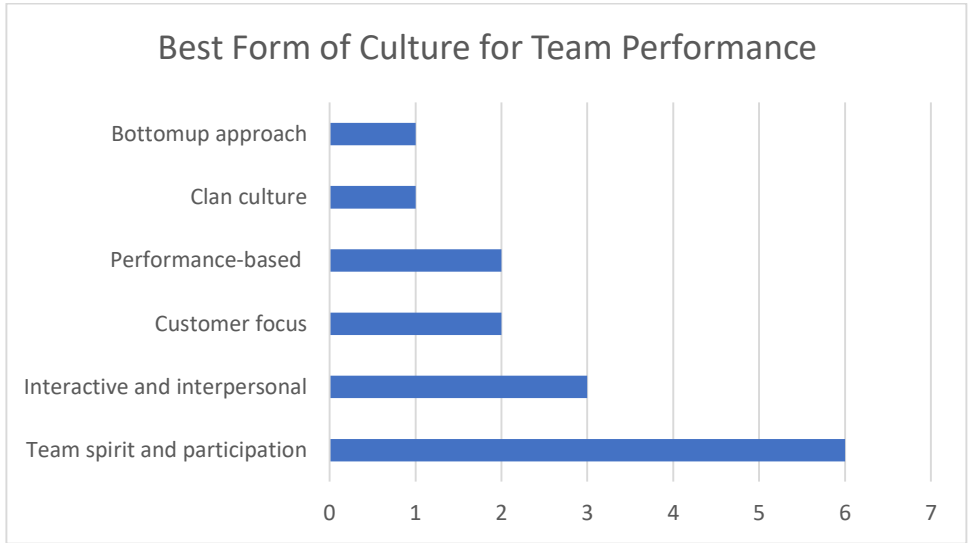


Figure 4.10: Best Organizational Culture for Employee Performance

4.5.6 Employee Performance

Concerning the criterion variable employee performance, the respondents were asked to indicate their level of agreement or disagreement with the statements provided on indicators of employee performance on a Likert scale of 1 to 5, where 1 was strongly disagree, 2 was disagree, 3 was neutral, 4 represented agree and 5 strongly agree respectively. The results of the findings are shown in Table 4.16. According to the study findings, all the indicators of employee performance have means ranging from 4.20 to 4.51. Generally, most of the respondents indicated that employee performance has improved over the period covered by the study.

Employee productivity is improved, employees can deliver the promised service consistently and accurately through teams, and there is improved quality of output offered to clients by employees during a workday. Overall, the study findings reveal that the employee performance in commercial banks in Tanzania is just fair and not excellent. The findings corroborate the submissions that, although commercial banks in Tanzania have been restructured to enhance performance through introduced regulatory reforms to their financial services sector since 1991, the expected result of these changes in financial reforms is 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).

Table 4.16: Descriptive Statistics for Employee Performance

	N	Mean	Std. Dev.	Var.	Skewness	Kurtosis		
	Stat	Stat.	Stat.	Stat.	Stat.	Std. Error	Stat.	Stat.
In our bank, there is an improved quality of output offered to our clients by employees in the course of a workday	341	4.20	0.58	0.34	-0.50	0.13	2.54	0.26
In our bank, employee's health and safety systems are well-improved	341	4.30	0.57	0.32	-0.58	0.13	2.86	0.26
In our bank, employees' task completion and dependability are improved	341	4.29	0.66	0.44	-0.82	0.13	1.64	0.26
Improved well-being has made our employees more committed to their work	340	4.42	0.66	0.44	-1.57	0.13	5.38	0.26
Improved quality of our service attracts a large number of clients to our bank	342	4.36	0.69	0.47	-1.70	0.13	6.09	0.26
Our employees have achieved a sense of job satisfaction due to team dynamics	341	4.26	0.71	0.50	-1.36	0.13	3.98	0.26
Our employees often achieve the performance objectives of an increased number of clients served	341	4.35	0.67	0.45	-1.08	0.13	2.41	0.26
Our employees can deliver the promised service consistently and accurately through teams	340	4.46	0.64	0.40	-1.26	0.13	3.02	0.26
In their working teams, our employees offer a speedy service to our clients	341	4.43	0.73	0.53	-1.47	0.13	3.02	0.26
Employees' productivity in our bank has improved.								
Valid N (listwise)	336							

Qualitative Data

The open-ended question on the role of team dynamics in 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 increase in proportion to an increase in credibility and extra knowledge, as shown in Figure 4.11.

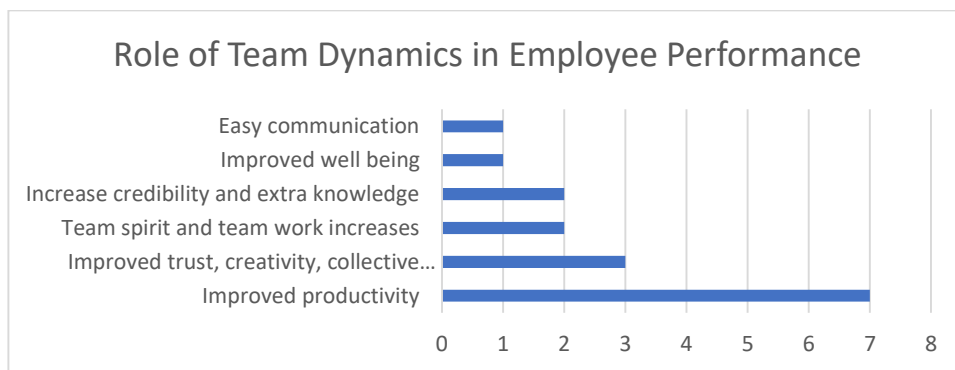


Figure 4.11: Role of Team Dynamics on Employee Performance

Qualitative Data

On the ways of team dynamics for better employee performance, a simple majority agreed that transfer of knowledge and skills prevailed followed closely by providing support and cooperation. This was then followed by diagnosis to understand teams and solving problems. Strong communication mechanisms, training and coaching, and rewarding best performers (including bonuses) followed as shown in Figure 4.12.

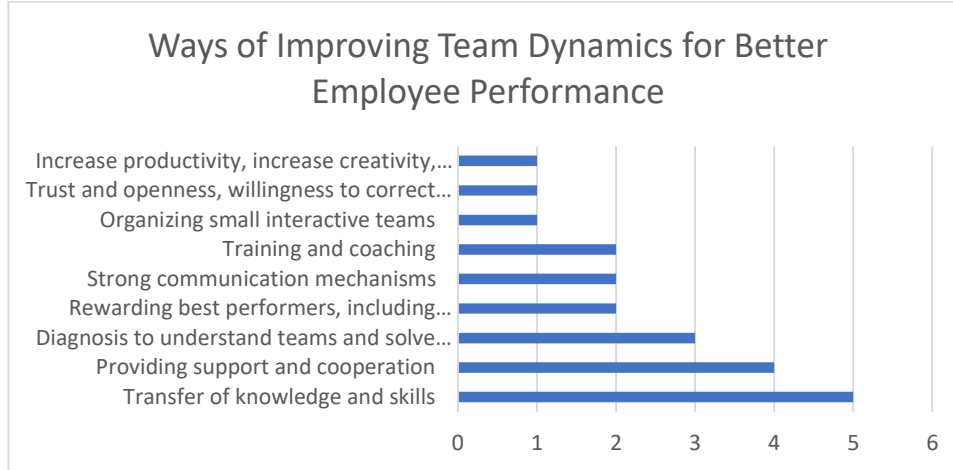


Figure 4.12: Ways of Improving Team Dynamics for Employee Performance

4.6 Diagnostic Tests

Tests of assumptions were carried out to check on the quality and quantity of the data to establish whether the data was suitable for further statistical tests (Robinson, 2018). It is essential to ensure non-violations of the assumptions of the classical linear regression model (CLRM) before attempting to analyze the data and estimate equation or research model. Estimating these equations when the assumptions of the linear regression are violated runs the risk of obtaining biased, inefficient, and inconsistent parameter estimates (Robinson, 2018). Consequently, normality, linearity, multicollinearity, and heteroscedasticity tests were conducted to ensure proper specification of equations and suitability of statistical modeling. Various diagnostic tests were carried out. The findings are discussed below.

4.6.1 Normality Test

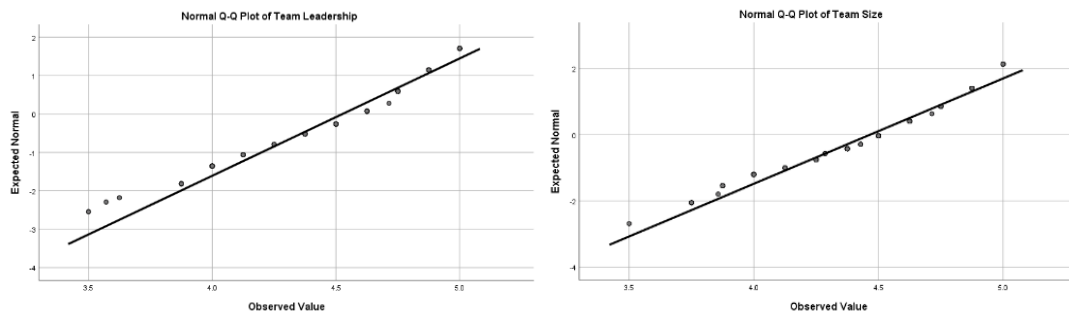
Parametric tests require that data meets tests of assumptions before further statistical modeling. Hence the test for normality was carried out using Kolmogorov-Smirnov and Shapiro-Wilk tests. In the first instance, the data for all the variables returned showed significant Kolmogorov-Smirnov and Shapiro-Wilk tests. The null hypothesis, that the data were normally distributed, was rejected, and the conclusion was made that the data

did not tend towards normal distribution. The normality test results are shown in Table 4.17. Scatter plots were used to identify and eliminate outliers (NIST, 2022). Normal distribution was thus assumed for the variables Team Leadership, Team Size, Team Communication, Team Diversity, Moderating Influence and Employee Performance.

Table 4.17: Tests of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Team Leadership	0.17	273	0.00	0.94	273	0.00
Team Size	0.15	273	0.00	0.95	273	0.00
Moderating Influence	0.14	273	0.00	0.93	273	0.00
Employee Performance	0.13	273	0.00	0.95	273	0.00
Team Communication	0.10	273	0.00	0.97	273	0.00
Team Diversity	0.15	273	0.00	0.95	273	0.00

Using the classical Q-Q Plots, the data generally exhibited normal distribution as seen on the plots in Figure. On a Q-Q Plot, data is normally distributed if the points fall on the 45-degree reference line (Esri, 2021).



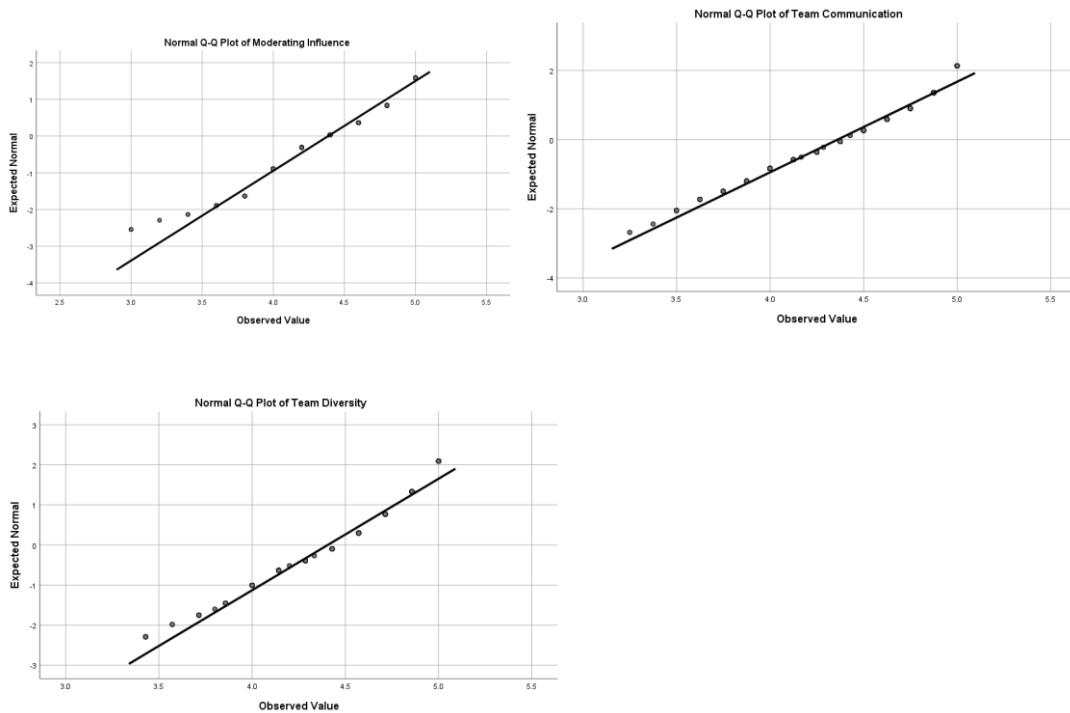


Figure 4.13: Q-Q Plot for Normal Distribution

4.6.2 Test for Linearity

Linearity means that two variables, "x" and "y," are related by a mathematical equation " $y = cx$," where "c" is a constant number. The importance of testing for linearity lies in the fact that many statistical methods require an assumption of linearity of data. This occurs when data is sampled from a population that relates the variables of interest in a linear fashion. This means that before using common methods like linear regression, tests for linearity must be performed (Sheskin, 2003).

A linearity test was conducted for the variables. A scatter plot graphical method was used to observe with ease the possibility of the data arriving from a linear population. The scatter graph in figure 4.14 show that the data used was linear.

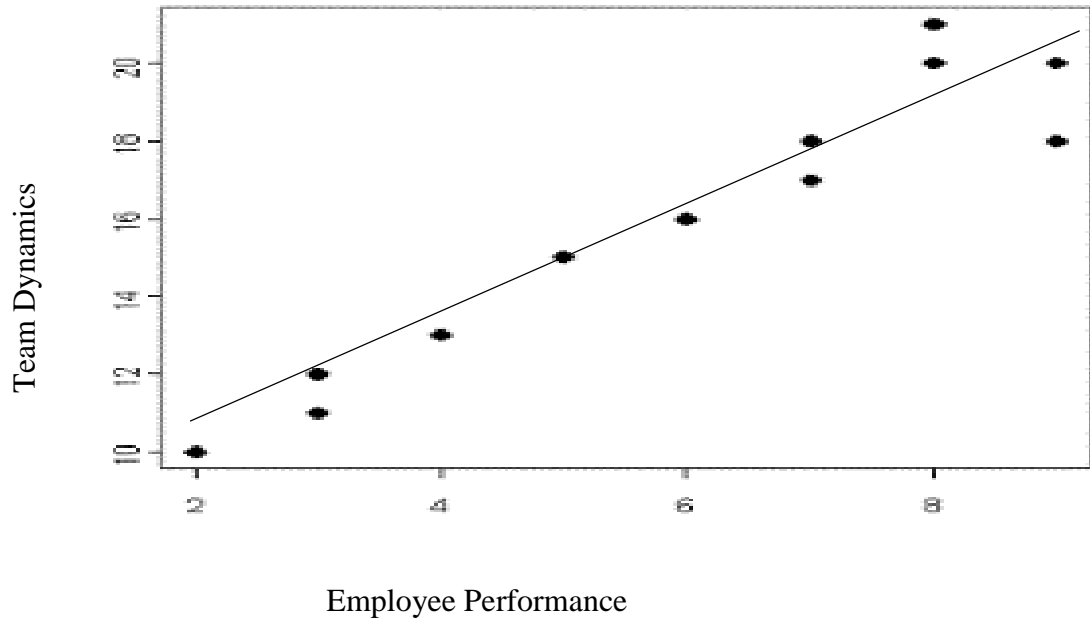


Figure 4.14: Scatter Plot for Linearity

4.6.3 Multicollinearity Test

Multicollinearity is whereby the independent variables have a high degree of association between themselves. Presence of multicollinearity in a data result to increase in the standard errors which could make the variables insignificant when they really are significant (Robinson, 2018). Variance Inflation Factor (VIF) and Tolerance were used to measure multicollinearity.

According to Mugenda (2018) if the VIF value is greater than 10, and Tolerance values less than 0.01, this indicates presence of multicollinearity which may call for further investigations. From the findings presented in Table 4.18, the VIF values for all the variables were less than 5, while the Tolerance values were all greater than 0.01. This indicated that multicollinearity did not exist between the study variables, hence the data was found suitable for statistical modeling tests.

Table 4.18: Multicollinearity Test Statistics

	Tolerance	VIF
Team Communication	.778	3.286
Team Leadership	.685	1.459
Team Diversity	.671	2.491
Team Size	.554	1.784
Organizational Culture	.602	2.541

4.6.4 Tests for Heteroscedasticity

Heteroscedasticity is the circumstance in which the variability of a variable is unequal across the range of values of a second variable that predicts it. It is the opposite of homoscedasticity. Homoscedasticity is where the residuals have the same variance. This is a condition that has to be met before linear and multiple regression is carried out. This study used the Breuch-Pagan / Cook-Weisberg test to check for Heteroscedasticity. The null hypothesis for this test is that the variances of error terms are equal (Kothari, 2019).

If “Prob > Chi-squared” is greater than 0.05 it suggests existence of homoscedasticity (Saunders *et al*, 2011). The findings presented in Table 4.19 shows Chi -squared = 1.563 has p-value P (0. 218) greater than 0.05. This suggests lack of significance and therefore we accept the null hypothesis that the error terms are equal and therefore the data shows lack of heteroscedasticity and the presence of homoscedasticity is assumed. This implies that the data has met the heteroscedasticity assumption and is therefore suitable for linear and multiple regression analysis.

Table 4.19: Breusch-Pagan / Cook-Weisberg test for Heteroscedasticity

Ho: Constant variance			
Statistics	Df	Stat value	p-value
Chi-squared	343	1.563	0.218

a. Dependent variable: Employee Performance

b. Tests the null hypothesis that the variance of the errors does not depend on the values of the independent variables.

c. Predicted values from design: Intercept + TL + TS + TC + TD + MI

4.7 Inferential Statistics

The data collected was analyzed using inferential statistics. This was carried out to help show the relationships that existed between the variables. The aim of statistical modeling was also to establish the level of significance and goodness of fit of the models fitted for the study. The tests computed include correlation using (Pearson's Product-Moment Correlation Coefficient (PMCC)) represented by r . Regression including both linear and multiple regression were computed with and without the moderating variable. Findings are presented below.

4.7.1 Correlation Analysis

The degree of relationship between the dependent variable, employee performance, and team dynamics, namely team leadership, team size, team communication, and team diversity, as independent variables, as well as the moderating variable, was estimated. Pearson's Product-Moment Correlation Coefficient (PMCC) was used to determine the strength and the direction of the relationship between the dependent variable and the respective independent variables.

The correlation coefficient (r) was used to indicate the strength and direction of the relationship between the variables, with r towards -1 or $+1$ depicting near-perfect correlation or r towards zero showing low or no correlation. The analysis was based on perfect correlation, $r=\pm 1$, high degree correlation, $r\pm 0.5$ to ± 1 , moderate degree correlation, $r\pm 0.3$ to ± 0.49 , low degree of correlation, or below $r\pm 0.29$ and no linear correlation, $r=0$ (Statistics Solutions, 2021).

Team leadership, communication, diversity, and the moderating variable were seen to have a significant and positive correlation with employee performance. Team size was seen to have no significant degree of correlation with employee performance at $r=-0.03$, $p>0.05$. At $r=0.19$, $p<0.05$, and $r=0.23$, $p<0.05$, team leadership and team communication, respectively, were evaluated to have a low degree of positive correlation with employee

performance. On the other hand, team diversity at $r=0.34$, $p<0.05$, and the moderation influence at $r=0.32$, $p<0.05$ were observed to have a significant positive moderate degree of correlation with employee performance.

According to the findings of the study, it is therefore concluded that three of the predictor variables, team leadership, communication, diversity, and the moderating variable, were seen to have significant and positive correlations with employee performance. A significant and positive correlation between team leadership, communication, and diversity and employee performance means that as these factors improve, employee performance also tends to improve. It indicates that they are linked and favorably influence one another. This relationship can lead to enhanced creativity, innovation, and overall organizational success.

Team size was seen to have no significant degree of correlation with employee performance. The findings of this study corroborate the submissions that team dynamics is part of the entire human resource management approach which results in employees being motivated to perform. Team have positive and significant impact on employee performance and this brings benefits in terms of higher productivity, better employee performance, competitive advantages, and increased product quality and quantity (Suprayitno, 2024).

Work organizations should encourage an outlook and attitude of team dynamics to gain its benefits. Team dynamics play a critical role in firms and one of the reasons for working as a team is to promote employee performance to mention a few (Masanja & Chambi, 2020). Therefore, there exists a statistical association between team leadership, communication, diversity, and the moderating variable. However, there is no statistical association between team size and employee performance.

Table 4.20: Correlation of the Study Variables

		TL	TS	TC	TD	EP	MI
Team Leadership	Pearson						
	Correlation	1					
	Sig. (2-tailed)						
Team Size	N	338	302				
	Pearson						
	Correlation	0.40**	1				
Team Communication	Sig. (2-tailed)	0.000					
	N	302	304				
	Pearson						
Team Diversity	Correlation	0.41**	0.26**	1			
	Sig. (2-tailed)	0.00	0.000				
	N	337	304	343			
Employee Performance	Pearson						
	Correlation	0.58**	0.19**	0.30**	1		
	Sig. (2-tailed)	0.000	0.000	0.000			
Moderating Influence	N	316	294	320	320		
	Pearson						
	Correlation	0.19**	-0.03	0.23**	0.34**	1	
Team Diversity	Sig. (2-tailed)	0.000	0.63	0.000	0.000		
	N	305	281	310	294	311	
	Pearson						
Employee Performance	Correlation	0.441**	0.08	0.33**	0.39**	0.32**	1
	Sig. (2-tailed)	0.00	0.18	0.000	0.000	0.000	
	N	336	303	341	319	311	

4.7.2 Linear Regression Analysis and Hypothesis Testing

The main objective of this study was to determine the influence of team dynamics on employee performance in commercial banks in Tanzania. This study was guided by the hypotheses that team communication has no significant influence on employee performance, team leadership has no significant influence on employee performance, team diversity has no significant influence on employee performance, team size has no significant influence on employee performance, and organization culture has no

significant moderating influence on employee performance in commercial banks in Tanzania. The influence is tested in linear and multiple regression.

i. Team Communication

The first specific objective 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 4.21 shows that the R was 0.23. This implies that team communication had a weak association with employee performance of commercial banks in Tanzania. In addition, the R-squared was 0.055. This implies that team communication explains 5.50% of the variations in employee performance of commercial banks in Tanzania. According to the findings of the study, it is established that team communication complements employee performance.

The findings are in line with a study by Andrapuri, Karyatun, and Digdowiseiso (2023) 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 meaningful 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 findings also agreed with the findings of Sutrisno and Jaya (2023) that some advantages of a vertical communication system are to provide necessary instructions that are sent to subordinates, and they perform their duties and

responsibilities accordingly. That helps to increase productivity for both superior and subordinate; without vertical communication, an organization ceases to exist.

Table 4.21: Team Communication and Employee Performance Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics			Sig. F Change
					R Square Change	F Change	df1 df2	
1	0.23 ^a	0.055	0.05	0.30	0.06	17.90	1 308	0.000

a. Predictors: (Constant), Team Communication

b. Dependent Variable: Employee Performance

Analysis of Variance

The ANOVA results in Table 4.22 show that the model was found to be statistically significant ($F(1, 308) = 17.90$, $p\text{-value} < 0.001$). 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 4.22: Team Communication and Employee Performance ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.54	1	1.54	17.90	0.000 ^b
	Residual	26.57	342	0.09		
	Total	28.11	343			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Team Communication

Beta Coefficients

Given the statistical model $Y = \alpha + \beta_1 X_1 + \epsilon$, the beta coefficients of team communication in Table 4.18 show that $\beta_1 = 0.234$, $t = 4.231$, $p\text{-value} < 0.001$, indicating that a unit improvement in team communication contributes to a 0.234 improvement in employee performance. This is an indication that team communication predicts employee performance well in commercial banks in Tanzania. The results are in agreement with a study by Semvua, Naikuru, and Maina, (2024) 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.

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 4.23, which is larger than the critical t-statistic of 1.96. The null hypothesis, H_{01} , 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. This means that how employees communicate with each other and their managers directly impacts their job performance.

Good communication leads to clarity, better teamwork, higher engagement, and increased productivity, while poor communication can cause confusion, errors, and a decline in performance. The study findings agreed with Sutrisno and Jaya (2023), who found that teamwork has a significant effect on the performance of employees, with the count as big. The communication team is influential in the performance of employees. Teamwork and communication are influential and significant in a manner simultaneous to the performance of employees.

Table 4.23: Team Communication and Employee Performance Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.59	0.19		19.15	0.00
	Team Communication	0.18	0.04	0.23	4.23	0.00

a. Dependent Variable: Employee Performance

Optimal model

$$Y = 3.59 + 0.23X + \varepsilon$$

Where

Y is employee performance

X is team communication

H₀₁: Team communication has no significant influence on employee performance in commercial banks in Tanzania.

Linear Regression with Moderation

The moderating effect of organizational culture was tested as shown in Table 4.24. The model was seen to be significant with $F(1, 308) = 17.90, p < 0.001$. It was also significant with the moderating variable, with $F(2, 307) = 22.55, p < 0.001$.

Table 4.24: Moderating Effect of Organizational Culture ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.54	1	1.54	17.90	0.00 ^b
	Residual	26.57	342	0.09		
	Total	28.11	343			
2	Regression	3.60	2	1.80	22.55	0.00 ^c
	Residual	24.51	341	0.08		
	Total	28.11	343			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Team Communication

c. Predictors: (Constant), Team communication, Moderating Influence

The model with the moderating term accounted for more variance than just team communication, with R Square Change = 0.073, $p < 0.001$. This indicates that there is significant moderation between team communication and organizational culture on employee performance. The results are in agreement with a study by Katou (2022) noted that organizations do not operate in a vacuum but operate in an environment surrounded by pre-existing factors that regulate the relationships between various variables. The variables are at the organization's liberty to manipulate, aiming at realizing the set performance objectives.

Table 4.25: Model Summary for Team Communication and Organization Culture, Moderating Influence

Model	R	Change Statistics							
		R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change
1	0.234 ^a	0.055	0.052	0.29370	0.055	17.898	1	308	0.000
2	0.358 ^b	0.128	0.122	0.28256	0.073	25.767	1	307	0.000

a. Predictors: (Constant), Team Communication

b. Predictors: (Constant), Team communication, Moderating Influence

Optimal model

ii. Team Leadership

The second specific objective was to determine the influence of team leadership on employee performance in commercial banks in Tanzania. The statistical model $Y = \alpha + \beta_2 X_2 + \varepsilon$, where Y = Employee Performance, α = constant, β_2 = Coefficient of X_2 , X_2 = Team Leadership, ε = Error term, was used to explore the relationship. Table 4.26 shows that the R was 0.19. This implies that team leadership had a weak correlation with employee performance of commercial banks in Tanzania. In addition, the R-squared was 0.031. This infers that team leadership explains 3.1% of the variations in the dependent variable, which is employee performance of commercial banks in Tanzania.

The study findings show that team leadership, which is the process of facilitating individual and collective efforts to accomplish shared objectives (Yukl, 2023), is linked with employee performance. The findings support the position that team leadership is connected to the organization's employee performance, and thus, it is team leadership support focused on developing the most superior workforce so that the organization can accomplish its work goals and facilitate team members' performance. The results of these findings were echoed by the findings of Masanja and Chambi (2020), that participative team leaders undertake actions to ensure the needs and goals of a team are met by allowing each team member to develop a deep understanding of the direction of the team, which is likely to enhance employee performance.

Table 4.26: Team Leadership and Employee Performance Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	0.19 ^a	0.03	0.03	0.30	0.03	10.74	1	303	0.001

a. Predictors: (Constant), Team Leadership

b. Dependent Variable: Employee Performance

Analysis of Variance

The ANOVA results in Table 4.27 show that the model was found to be statistically significant ($F(1, 308) = 10.74$, $p\text{-value} < 0.001$). This implies that there was a goodness of fit of the model and that team leadership is a good predictor of employee performance.

Table 4.27: Team Leadership and Employee Performance ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0.94	1	0.94	10.74	0.00
	Residual	26.45	342	0.09		
	Total	27.39	343			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Team Leadership

Beta Coefficients

Given the statistical model $Y = \alpha + \beta_2 X_2 + \varepsilon$, the beta coefficients of team leadership in Table 4.28 show that $\beta_2 = 0.185$, $t = 3.278$, $p\text{-value} < 0.001$, indicating that a unit improvement in the team leadership contributes to a 0.185 improvement in employee performance. This implies that there was a goodness of fit of the model. It is therefore concluded that team leadership is a good predictor of employee performance in commercial banks in Tanzania. These findings match the findings of a study by Gupta *et al.* (2010) that confirmed the positive and significant relationship between team leadership and employee performance.

The criterion for acceptance was to reject if the p-value was less than 0.05; otherwise, the null hypothesis is accepted. The results indicate a p-value < 0.001 with a t-statistic of 3.278, which is larger than the critical t-statistic of 1.96. The null hypothesis, H_{02} , that team leadership does not have a significant influence on employee performance, is rejected. The study, therefore, concludes that team leadership has a significant influence on employee performance.

Team leadership has a significant influence on employee performance because a leader's actions, communication, and management style directly impact the team's motivation, productivity, and morale. The study findings agreed with Gerras and Clark (2021), who indicated that team leadership (Magasi, 2021) has been linked to better team performance for some time. Findings also agreed with Omama Koranteng et al. (2022), who found that organizational culture moderates the relationship between organizational leadership and organizational efficiency in the banking sector.

Table 4.28: Team Leadership and Employee Performance Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.73	0.20		18.63	0.00
	Team Leadership	0.15	0.05	0.19	3.28	0.00

a. Dependent Variable: Employee Performance

Optimal model

$$Y = 3.73 + 0.19X + \varepsilon$$

Where Y is employee performance

X is team leadership

H₀₂: Team leadership has no significant influence on employee performance in commercial banks in Tanzania.

Linear Regression with Moderation

The moderating effect of organizational culture was tested as shown in Table 4.29. The model was seen to be significant with $F(1, 303) = 10.74, p=0.001$. It was also significant with the moderating variable, with $F(2, 302) = 19.34, p<0.001$.

Table 4.29: Moderating Effect of Organization Culture ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0.94	1	0.94	10.74	0.001
	Residual	26.45	342	0.09		
	Total	27.39	343			
2	Regression	3.11	2	1.55	19.34	0.000
	Residual	24.28	341	0.08		
	Total	27.39	343			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Team Leadership

c. Predictors: (Constant), Team leadership, Moderating Influence

The model with the moderating term accounted for more variance than just team leadership, with R Square Change = 0.079, $p < 0.001$. This indicates that there is significant moderation between team leadership and organizational culture on employee performance. These findings match the findings of a study by Galbraith (2022), which asserts that the variables of organizational culture in work organizations have in their possession distinct external and internal environments where the culture contributes significantly to the general employee performance.

Table 4.30: Model Summary for Team Leadership and Organization Culture, Moderating Influence

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	0.19	0.03	0.03	0.30	0.03	10.74	1	303	0.00
2	0.34	0.11	0.11	0.28	0.08	27.01	1	302	0.00

a. Predictors: (Constant), Team Leadership

b. Predictors: (Constant), Team leadership, Moderating Influence

iii. Team Diversity

The third specific objective was to determine the influence of team diversity on employee performance in commercial banks in Tanzania. The statistical model $Y = \alpha + \beta_3 X_3 + \varepsilon$, where Y = Employee Performance, α = constant, β_3 = Coefficient of X_3 , X_3 = Team

Diversity, ε = Error term, was used to explore the relationship. Table 4.26 shows that the R was 0.34. This implies that team diversity had a weak correlation with employee performance of commercial banks in Tanzania. In addition, the R-squared was 0.109. This implies that team diversity explains 10.9% of the variation in the dependent variable, which is employee performance of commercial banks in Tanzania.

Table 4.31: Team Diversity and Employee Performance Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics			Sig. F Change
						F Change	df1	df2	
1	0.34	0.109	0.11	0.28	0.11	36.84	1	292	0.00

a. Predictors: (Constant), Team Diversity

b. Dependent Variable: Employee Performance

Analysis of Variance

The ANOVA results in Table 4.32 show that the model was found to be statistically significant ($F(1, 292) = 36.84$, $p\text{-value} < 0.001$). This implies that there was a goodness of fit of the model and that team diversity is a good predictor of employee performance.

Table 4.32: Team Diversity and Employee Performance ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2.98	1	2.98	36.84	0.00
	Residual	23.64	342	0.08		
	Total	26.62	343			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Team Diversity

Beta Coefficient

Given the statistical model $Y = \alpha + \beta_3 X_3 + \varepsilon$, the beta coefficients of team diversity in Table 4.33 show that $\beta_3 = 0.335$, $t = 6.069$, $p\text{-value} < 0.001$, indicating that a unit improvement in the team diversity contributes to a 0.335 improvement in employee performance.

Table 4.33: Team Diversity and Employee Performance Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.340	0.175		19.129	0.000
	Team Diversity	0.242	0.040	0.335	6.069	0.000

a. Dependent Variable: Employee Performance

Optimal model

$$Y = 3.340 + 0.335X + \varepsilon$$

Where Y is employee performance

X is team diversity

H₀₃: Team diversity 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 6.07, which is larger than the critical t-statistic of 1.96. The null hypothesis, H₀₃, that team diversity does not have a significant influence on employee performance, is rejected. The study, therefore, concludes that team diversity has a significant influence on employee performance.

These findings agree with the view that diversity has become a fact of life for many organizations, changing the nature of the workforce and the popularity of work teams, for instance, bringing more people to work with others who differ in their demographic backgrounds as age, education (Yuan & Van Knippenberg, 2022). The moderating effect of organizational culture was tested as shown in Table 4.34. The model was seen to be significant with $F(1, 292) = 36.84, p < 0.001$. It was also significant with the moderating variable, with $F(2, 291) = 28.62, p < 0.001$.

Table 4.34: Moderating effect of Organization Culture ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.98	1	2.98	36.84	0.00
	Residual	23.64	342	0.08		
	Total	26.62	343			
2	Regression	4.38	2	2.19	28.62	0.00
	Residual	22.25	341	0.08		
	Total	26.62	343			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Team Diversity

c. Predictors: (Constant), Team Diversity, Moderating Influence

The model with the moderating term accounted for more variance than just team diversity, with R Square Change = 0.05, $p < 0.001$. This indicates that there is significant moderation effect of organizational culture between team diversity and employee performance.

The findings of the study agree with the evidence in studies that indicate that organizational culture is prevalent in organizations, and its association with employee performance is not negligible (Ibua *et al.*, 2016). In addition, a study established how organizational culture moderates the relationship between employee empowerment and performance, and the results of the study revealed that there was a strong relationship between employee empowerment and performance, where organizational culture was found to have a strong moderating effect. The study concludes that there is a need for commercial banks to strengthen their empowerment programs and policies by incorporating organizational culture, as it plays a key role in the general performance of employees.

Table 4.35: Model Summary for Team Diversity and Organization Culture, Moderating Influence

Model	R	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
				R Square Change	F Change	Sig. F Change
1	0.34	0.11	0.11	0.11	36.84	0.000
2	0.41	0.16	0.16	0.05	18.23	0.000

a. Predictors: (Constant), Team Diversity

b. Predictors: (Constant), Team Diversity, Moderating Influence

iv. Team Size

The specific objective of the team study was to determine the influence of team size on employee performance in commercial banks in Tanzania. The statistical model $Y = \alpha + \beta_4 X_4 + \varepsilon$, where Y = Employee Performance, α = constant, β_4 = Coefficient of X_4 , X_4 = Team size, ε = Error term, was used to explore the relationship. Table 4.36 shows that the R was 0.03. This implies that team size had a weak correlation with employee performance of commercial banks in Tanzania. In addition, the R-squared was 0.003. This infers that team size explains 0.3% of the variation in the dependent variable, which is employee performance of commercial banks in Tanzania.

The findings of the study are contrary to the evidence in studies that indicate that team size is prevalent in work organizations and its association with employee performance is positive (Katzenbach & Smith, 1993). However, some scholars discovered that it is difficult to respond to the ideal size for your particular team, and these are questions that have been asked by millions of companies around the world (Kerr & Bruun, 1981). Unfortunately, there is no one answer that applies to all companies, as the size of the team might be completely relative to the task that must be performed by the team. Therefore, this study concludes that a direct relationship between team sizes and employee performance depends on the nature of a particular organization and that no one best size of the team applies to all organizations.

Table 4.36: Team Size and Employee Performance Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	0.03	0.003	0.00	30.30	0.00	0.24	1.00	279.00	0.63

a. Predictors: (Constant), Team Size

b. Dependent Variable: Employee Performance

Analysis of Variance

The ANOVA results in Table 4.37 show that the model was not found to be statistically significant ($F(1, 279) = 0.24$, $p\text{-value} > 0.05$). This implies that there was no goodness of fit of the model and that team size is not a good predictor of employee performance.

Table 4.37: Team Size and Employee Performance ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0.02	1	0.02	0.24	0.63
	Residual	24.47	342	0.09		
	Total	24.49	343			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Team Size

Given the statistical model $Y = \alpha + \beta_4 X_4 + \epsilon$, the beta coefficients of team size in Table 4.38 show that $\beta_4 = -0.029$, $t = -0.487$, $p\text{-value} > 0.05$, indicating that a unit improvement in the team size does not contribute to improvement in employee performance. In this view, factors other than team size are considered more important determinants of an employee's effectiveness, productivity, and overall output. The study findings were, however, not in agreement with Taberna et al. (2020), who indicated that larger teams are also seen to be beneficial for project teams and management settings.

Table 4.38: Team Size and Employee Performance Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.53	0.25		18.08	0.00
	Team Size	-0.03	0.06	-0.03	-0.49	0.63

a. Dependent Variable: Employee Performance

Optimal model

$$Y = 4.53 - 0.03X + \epsilon$$

Where Y is employee performance

X is the team size

Ho4: Team size 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, the null hypothesis was accepted. The results indicate a p-value > 0.05 with a t-statistic of -0.487, which is less than the critical t-statistic of 1.96. The null hypothesis, H₀₄, that team size does not have a significant influence on employee performance, is accepted. The study, therefore, concludes that team size has no significant influence on employee performance. The study findings were, however, not in agreement with Taberna (*et al.*, 2020), who indicated that larger teams are also seen to be beneficial for project teams and management settings.

The moderating effect of organizational culture was tested as shown in Table 4.39. The model was seen to fail the significance test with F (1, 279) = 0.24, p>0.05. It was significant with the moderating variable, with F (2, 278) = 13.88, p<0.001.

Table 4.39: Moderating Effect of Organization Culture ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0.02	1	0.02	0.24	0.63
	Residual	24.47	342	0.09		
	Total	24.49	343			
2	Regression	2.22	2	1.11	13.88	0.00
	Residual	22.26	341	0.08		
	Total	24.49	343			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Team Size

c. Predictors: (Constant), Team size, Moderating Influence

The model with the moderating term accounted for more variance than just team size, with R Square Change = 0.09, $p < 0.001$. This indicates that there is significant moderation between team size and organizational culture on employee performance. And indeed, this is corroborated by the finding of the study done by Katou (2022) that organizations do not operate in a vacuum but operate in an environment surrounded by pre-existing factors that regulate the relationships between various variables.

This means variables are at the organization's liberty to manipulate, aiming at realizing the set performance objectives. Indeed, this study concludes that it is organizational culture that has a positive, significant, moderate relationship between team size and employee performance. The results of the study are in corroboration with the fact that the size of the team has a significant impact on work execution and affects the performance of the employee. When managers set appropriate team sizes in line with tasks or goals to be executed, employees tend to improve their performance and meet the targeted goal (Weiss & Hoegl, 2022).

Table 4.40: Model Summary for Team Size and Organization Culture, Moderating Influence

Model	R	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
				R Square Change	F Change	df1	df2	Sig. F Change
1	0.03	0.00	0.00	0.00	0.24	1.00	279	0.63
2	0.30	0.09	0.08	0.09	27.50	1.00	278	0.00

a. Predictors: (Constant), Team Size

b. Predictors: (Constant), Team Size, Moderating Influence

i. Moderating Influence of Organizational Culture

The influence of organizational culture on employee performance in commercial banks in Tanzania was also evaluated. The statistical model $Y = \alpha + \beta_5 X_5 + \varepsilon$, where Y = Employee Performance, α = constant, β_5 = Coefficient of X_5 , X_5 = Organizational Culture, and ε = Error term, was used to explore the relationship. Table 4.36 shows that the results for R were 0.32, which means that organizational culture had a weak correlation with employee performance. Results also yield an R Square value of 0.1. This means that 10 percent of the variation in employee performance can be explained by organizational culture.

The findings of the study are in line with the evidence in the study, indicating that organizational culture is prevalent in many work organizations, and this has drawn the attention of many scholars to focus their existing studies on the impact of organizational culture on performance (Mohsen, Neyazi, & Ebtakar, 2020). Therefore, this study substantiates that organizational culture has a significant contribution to employee performance.

Table 4.41: Organization Culture and Employee Performance Model Summary

Model	R	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
				R Square Change	F Change	df1	df2	Sig. F Change
1	0.32	0.10	0.29	0.10	35.58	1	309	0.00

a. Predictors: (Constant), Moderating Influence

b. Dependent Variable: Employee Performance

Analysis of Variance

The ANOVA results in Table 4.42 show that the model was statistically significant ($F(1, 309) = 35.579, p\text{-value} < 0.001$). This implies that there was a goodness of fit of the model and that organizational culture is a good predictor of employee performance.

Table 4.42: Organization Culture and Employee Performance ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.92	1	2.92	35.58	0.000 ^b
	Residual	25.34	342	0.08		
	Total	28.26	343			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Moderating Influence

Hypothesis Testing for Organizational Culture

Given the statistical model $Y = \alpha + \beta_5 X_5 + \epsilon$, the beta coefficients of team size in Table 4.43 show that $\beta_5 = 0.224, t = 5.965, p\text{-value} < 0.001$, indicating that a unit improvement in the organization culture contributes to improvement in employee performance.

Table 4.43: Organization Culture and Employee Performance Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.40	0.17		20.62	0.000
	Moderating Influence	0.22	0.04	0.32	5.97	0.000

a. Dependent Variable: Employee Performance

Optimal model

$$Y = 3.340 + 0.32 X.M + \varepsilon$$

Where Y is employee performance

X is team dynamics*organizational culture

H₀₅: Organization culture has no significant moderating influence on the relationship between team dynamics and 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 < 0.05 with a t-statistic of 5.97, which is more than the critical t-statistic of 1.96. The null hypothesis, H₀₅, that organization culture does not have a significant influence on the relationship between team dynamics and employee performance, is rejected. The study, therefore, concludes that organizational culture has a significant influence on employee performance in commercial banks in Tanzania.

4.7.3 Multiple Linear Regression

To determine the influence of team dynamics on employee performance in commercial banks in Tanzania. The statistical model $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$ where Y = Performance of Commercial Banks, X₁ = Team Communication, X₂= Team Leadership, X₃ = Team Diversity, X₄= Team Size, ε = error term. Table 4.44 shows that the R was 0.33. This implies that team dynamics had a weak correlation with employee performance of commercial banks in Tanzania. In addition, the R-squared was 0.11. This

infers that team dynamics explain 11.0% of the variations in the dependent variable, which is employee performance of commercial banks in Tanzania.

Table 4.44: Team Dynamics and Employee Performance Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	0.33 ^a	0.11	0.097	0.28	0.11	8.29	4	268	0.00

a. Predictors: (Constant), Team Diversity, Team Size, Team Communication, Team Leadership

b. Dependent Variable: Employee Performance

Analysis of Variance

The ANOVA results in Table 4.45 show that the model was found to be statistically significant ($F(4, 268) = 8.29$, $p\text{-value} < 0.001$). This implies that there was a goodness of fit of the model and that team dynamics is a good predictor of employee performance. This means that the quality of the team's interactions and relationships affects not only the collective output but also each member's productivity, engagement, and overall job satisfaction. The study findings agreed with Rono and Yusuf (2023), who found that team management dynamics have a significant effect on the performance of water projects in Bomet County, Kenya.

Table 4.45: Team Dynamics and Employee Performance ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.63	4	0.66	8.29	0.00
	Residual	21.26	339	0.08		
	Total	23.89	343			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Team Diversity, Team Size, Team Communication, Team Leadership

Given the statistical model $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$, the beta coefficients of team dynamics in Table 4.41 show that $\beta_1 = 0.12$, $t = 2.44$, $p\text{-value} = 0.02$ (team

communication) and $\beta_3 = 0.24$, $t = 4.57$, $p\text{-value} < 0.001$ (team diversity) indicating that a unit improvement in the two elements of team dynamics contributes to improvement in employee performance. At $p > 0.05$, team leadership and team size fail in the multiple regressions. The study findings agree with Edson, Tripathi, and Kasongwa (2023), who concluded that team cohesion enhanced good employee performance in Commercial Banks in Somalia.

Table 4.46: Team Dynamics and Employee Performance Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	3.406	0.336		10.144	0.000
	Team Leadership	-0.021	0.062	-0.023	-0.344	0.731
	Team Size	-0.099	0.059	-0.105	-1.694	0.091
	Team Communication	0.115	0.047	0.148	2.440	0.015
	Team Diversity	0.236	0.052	0.287	4.569	0.000

a. Dependent Variable: Employee Performance

Optimal model

$$Y = 3.406 - 0.023X_1 - 0.105 X_2 - 0.148X_3 + 0.287X_4 + \epsilon$$

Where Y is employee performance

X_1 is team leadership, X_2 is team size, X_3 is team communication and X_4 is team diversity

The moderating effect of organizational culture was tested as shown in Table 4.47. The model was seen to be significant with $F(4, 268) = 8.291$, $p < 0.001$. It was significant with the moderating variable with $F(5, 267) = 9.959$, $p < 0.001$. The study findings agreed with (Mohsen *et al.*, 2020), who indicated that organizational culture has a moderating effect on team dynamics and employee performance in commercial banks.

Table 4.47: Moderating Influence of Organizational Culture on both Predictor and Criterion Variables ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.63	4	0.66	8.29	0.000 ^b
	Residual	21.26	339	0.08		
	Total	23.89	343			
2	Regression	3.76	5	0.75	9.96	0.000 ^c
	Residual	20.14	338	0.08		
	Total	23.89	343			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Team Diversity, Team Size, Team Communication, Team Leadership

c. Predictors: (Constant), Team Diversity, Team Size, Team Communication, Team Leadership, Moderating Influence

The model with the moderating term accounted for more variance than just team dynamics, with R Square Change = 0.047, $p < 0.001$. This indicates that there is significant moderation between team dynamics and organizational culture on employee performance. The study findings agreed with (Mohsen *et al.*, 2020), who indicated that organizational culture has a moderating effect on team dynamics and employee performance in commercial banks.

Table 4.48: Team Dynamics and Organization Culture on Employee Performance Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F	Change	df1	df2
1	0.33	0.11	0.10	0.28	0.11	8.29	4	268	0.00
2	0.40	0.16	0.14	0.27	0.05	14.91	1	267	0.00

a. Predictors: (Constant), Team Diversity, Team Size, Team Communication, Team Leadership

b. Predictors: (Constant), Team Diversity, Team Size, Team Communication, Team Leadership, Moderating Influence

Table 4.49: Hypotheses Testing Summary

Null Hypothesis (H0)	Statistical Test	Decision rule
Team communication has no significant influence on employee performance in commercial banks in Tanzania.	Using Pearson's coefficient of correlation F-test (ANOVA) T-test	H ₀ rejected P- value was ≤ 0.05 & H ₁ accepted
Team leadership has no significant influence on employee performance in commercial banks in Tanzania.	Using Pearson's coefficient of correlation F-test (ANOVA) T-test	H ₀ rejected P- value was ≤ 0.05 & H ₁ accepted
Team diversity has no significant influence on employee performance in commercial banks in Tanzania.	Using Pearson's coefficient of correlation F-test (ANOVA) T-test	H ₀ rejected P- value was ≤ 0.05 & H ₁ accepted
Team size has no significant influence on employee performance in commercial banks in Tanzania.	Using Pearson's coefficient of correlation F-test (ANOVA) T-test	H ₀ rejected P- value was ≤ 0.05 & H ₁ accepted
Organizational culture has no significant moderating influence on employee performance of commercial banks in Tanzania.	Moderated Multiple Regression Model	H ₀ rejected since the beta coefficient of the interacting term (β_3) has a p-value of less than 0.05; & H ₁ accepted

Note: ANOVA table to determine the statistical significance of the research results.

CHAPTER FIVE

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

5.1 Introduction

This chapter provides the summary, conclusions, and recommendations based on the objectives and rationale for the study. The study sought to determine the influence of team dynamics on employee performance in commercial banks in Tanzania. The discussion is done with reference to the specific research objectives and assesses the meaning of the results by evaluating and interpreting them. The study conclusion relates directly to the specific research objectives. The recommendations were also made in line with the study's specific objectives. Suggestion for further research is incorporated, based on the results of this study.

5.2 Summary of Findings

The overall objective of this study was to determine the influence of team dynamics on employee performance in commercial banks in Tanzania. In particular, the study sought to determine the influence of team communication, team leadership, team diversity, and team size on employee performance and establish the moderating influence of organizational culture on the relationship between team dynamics and employee performance in commercial banks in Tanzania.

The study revealed that all the independent variables, Team communication, Team leadership, and Team diversity, contribute a significant role in the performance of employees in commercial banks in Tanzania, except Team size, which was seen to have no significant contribution to employee performance in commercial banks in Tanzania. Furthermore, the moderating variable, organizational culture, was seen to contribute to improvement in employee performance in commercial banks in Tanzania.

5.2.1 Team Communication

This study attempted to find out whether the team communication means adopted by commercial banks in Tanzania were influencing employee performance. Team communication in this study was examined in terms of interpersonal communication, feedback mechanisms, and vertical communication. From the findings, it was evident that there is a positive correlation between team communication and employee performance, with goodness of fit. A unit improvement in team communication contributes to an improvement in employee performance.

This means that 5.5 percent of the variation in employee performance can be explained by team communication. Hypothesis results showed that team communication has a significant influence on employee performance in commercial banks in Tanzania. Organizational culture was seen to have a moderating effect on the influence of team communication on employee performance. The study, therefore, established that organizations need to have effective communication structured for performance improvement within a team.

5.2.2 Team Leadership

This study examined to find out whether team leadership adopted by commercial banks in Tanzania was influencing employee performance. Team leadership in this study was examined in terms of leadership style, delegation, and level of support. From the findings, it was revealed that there is a positive correlation between team leadership and employee performance, with goodness of fit. A unit improvement in team leadership contributes to improvement in employee performance.

This means that 3.1 percent of the variation in employee performance can be explained by team leadership. Hypothesis results showed that team leadership has a significant influence on employee performance in commercial banks in Tanzania. Organizational culture was seen to have a moderating effect on the influence of team leadership on

employee performance. The study confirmed that allowing participative leadership practice in organizations led to an increase in employee performance. Thus, commercial banks need to take advantage of such leadership practices to improve their performance.

5.2.3 Team Diversity

This study attempted to find out whether team diversity adopted by commercial banks in Tanzania was influencing employee performance. Team diversity in this study was examined in terms of age difference, educational level, and working experience. Team diversity and employee performance were seen to be correlated with goodness of fit. A unit improvement in team diversity contributes to an improvement in employee performance. This means that 10.9 percent of the variation in employee performance can be explained by team diversity.

Hypothesis results showed that team diversity has a significant influence on employee performance in commercial banks in Tanzania. Organizational culture was seen to have a moderating effect on the influence of team diversity on employee performance. Hence, based on findings, management upholding its diversity policies and practices will lead to increasing the benefits of diversity, which is employee performance. This is in line with the findings of Ekot (2021) that work experiences, age, and educational diversity have a strong influence on employee performance.

5.2.4 Team Size

This study attempted to find out whether the team size adopted by commercial banks in Tanzania influences employee performance. Team size in this study was examined in terms of small size, large size, and the structure of the team. In this study, team size and employee performance were seen to be correlated. However, with goodness of fit failed. Team size has no significant influence on employee performance.

This means that -0.3 percent of the variation in employee performance can be explained by team size. Hypothesis results showed that team size has an insignificant influence on

employee performance in commercial banks in Tanzania. Organizational culture was seen to have a moderating effect on the influence of team size on employee performance.

5.2.5 Moderating Effect-Organizational Culture

Organizational culture is “an important explanatory variable for behavior and performance in the workplace” and influences teamwork and treatment outcomes. Moreover, organizational culture predicts job performance. The current study found that organizational culture and employee performance were seen to be correlated with goodness of fit. A unit improvement in organizational culture contributes to improvement in employee performance. This means that 10 percent of the variation in employee performance can be explained by organizational culture.

5.3 Conclusion

Based on the results of the research into the influence of team dynamics on employee performance, the following conclusions were drawn:

5.3.1 Team Communication

Based on the findings of this study on the use of team communication, efficient interpersonal communication, feedback mechanisms, as well as vertical communication had a positive and significant linear relationship on the various measures of employee performance used in this study, which are productivity, quality of services, and wellness of employees. 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.

5.3.2 Team Leadership

Based on the findings of this study on the use of team leadership, as agreed by the majority of respondents in commercial banks in Tanzania can be concluded that these practices influence employee performance. Leadership practices such as delegation, level of support, and styles of leading had a positive and significant linear relationship with the various measures of employee performance used in this study, which are productivity, quality of services, and wellness of employees.

5.3.3 Team Diversity

Based on the findings of this study on the use of team diversity, as agreed by the majority of respondents in commercial banks in Tanzania can be concluded that these practices influence employee performance. Diversification practices of work teams, such as age, education, and work experience level, had a positive and significant linear relationship with the various measures of employee performance used in this study, which are productivity, quality of services, and wellness of employees. Therefore, the wise use of a diversified team makes a significant contribution to employee performance.

5.3.4 Team Size

The findings showed that many of the respondents disagreed that team size influences employee performance in their banks. In this study, team size and employee performance were seen to be correlated. However, with goodness of fit failed. Therefore, the use of team size measures, such as those used in this study large, large-sized teams, small-sized teams, and the structure of the team, had a negative linear relationship on the various measures of employee performance used in this particular study, which are productivity, quality of services, and wellness of employees. Eventually, the study concluded that team size has no significant influence on employee performance.

5.3.5 Organizational Culture-Moderating Variable

Based on the findings of this study, therefore, concludes that organizational culture has a significant influence on the relationship between team dynamics and employee performance in commercial banks in Tanzania. Organizational culture is often considered the precondition of teamwork in the organization. It is defined as the shared values, beliefs, or perceptions held by employees within an organization, and “is the social glue holding an organization together”.

An organization with a strong culture helps an employee to accomplish their goals and tasks and be satisfied in their job. Moreover, organizational culture predicts job performance. Existing studies focus on the impact of organizational culture on implementing interventions, quality improvement, patient safety, or performance. Generally, it is concluded that improvement in each of acting unilaterally, team communication, team leadership, and team diversity leads to improvement in employee performance. Applied together, only the joint team dynamics of team communication and team diversity lead to improvement in employee performance.

5.4 Recommendations

5.4.1 Recommendations- Banks

To improve employee performance, bank managers should focus on fostering a culture of open communication by providing regular and constructive feedback, implementing transparent systems for team performance evaluation, and strengthening communication channels to ensure employees are informed about organizational changes and objectives. Managers should also create platforms for employee involvement, recognize collaborative achievements, and support employee motivation through clear communication and strong relationships.

Bank managers should focus on developing their leadership skills through training, empowering their teams by delegating tasks, and fostering a collaborative environment

that encourages open communication and shared goals. This includes providing clear objectives, offering support, and ensuring a strong link between individual and team efforts and the bank's strategic goals. To leverage team diversity for improved employee performance, bank managers should implement inclusive hiring and promotion policies based on skills, not subjective characteristics; foster a culture that values diverse perspectives through training; and design customized programs that support a positive work environment.

These actions are crucial for boosting creativity, problem-solving, and competitiveness. Bank managers can optimize performance by ensuring team sizes are aligned with specific tasks, fostering collaboration, and investing in team competence and leadership.

5.4.2 Managerial 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 environmental dynamics, there are additional challenges for 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 investigate 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 tends better than the idea of one person; the result of a team is much better than the sum of its parts. Team dynamics practices: team communication, team leadership, team diversity, and organizational culture influence employee performance. This is considered 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 the firm's human capital performance contributes to achieving the firm's 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 their mission.

5.4.3 Policy Recommendations

The underlying assumption of a high-performance work system is that firm performance is influenced by a set of HR practices, and for a firm to compete effectively, it must constantly improve its performance through good organization of its team communication, leadership, and diversity that enhances the productivity, quality, and well-being of its employees. 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, policymakers in organizations to 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 improvement of employee performance.

5.5 Study's Contribution to Theory

Based on the findings of the study, team dynamics (Team Communication, Team Leadership, and Team Diversity) indeed enhance employee performance, and they underlie a single main factor, which was Team Dynamics, the independent variable of this study. The moderating variables of this study, organizational culture converged to the hypothesized model and, therefore team dynamics is the key to improving employee

performance in all kinds of organizations, could now be used to measure employee performance of commercial banks in Tanzania. The model can therefore be adopted in the Tanzanian context to enhance employee performance.

5.6 Suggestions for Further Research

The study investigated team dynamics in terms of team communication, team leadership, team diversity, team size, and organizational culture as influencing employee performance. Further research is, therefore, recommended on the influence of other unexplored factors for team dynamics, such as team cognition and team cohesion, focusing and further clarifying the determinants of employee performance that have not been addressed in this study. Such clarification would add a valuable contribution to HR professionals and organizations in particular.

In-depth analysis of more public and private organizations should be carried out to obtain more diverse groups of people that will yield more significant results. Other research areas include investigating the relationship between team dynamics and specific performance metrics, conducting a comparative study across different types of banks (e.g., state-owned vs. private), or exploring the influence of external factors like market changes on team effectiveness. The study was cross-sectional in nature, and thus, further study should investigate using a longitudinal study design to track how team dynamics and performance change over time, as opposed to a cross-sectional one.

REFERENCES

- Abbas, Q. and Yaqoob, S. (2021). Effect of leadership development on employee performance in Pakistan. *Pakistan Economic and Social Review*, 3(2), 269-292.
- Abudaqqa, H. (2024). The impact of employee diversity on project management work Performance: A Case Study. *International Journal of Business Analytics and Security (IJBAS)*, 4(1), 95-103.
- Akparep, J., Jengre, E. & Mogre, A. (2021). The Influence of Leadership Style on Organizational Performance at TumaKavi Development Association, Tamale, Northern Region of Ghana. *Open Journal of Leadership*, 8, 1-22. doi: 10.4236/ojl.2019.81001.
- Ali, M. (2023). Data Collection Procedures for Contemporary IS Research. In *Information Systems Research: Foundations, Design and Theory* (pp. 121-135). Cham: Springer International Publishing.
- Amalia, N. R., Karuppaiah, S., Hassan, Z., & Patak, A. A. (2023). The impact of interpersonal communication on employee performance during work from home. *International Journal of Humanities and Innovation (IJHI)*, 6(1), 15-19.
- Andrapuri, S. M., Karyatun, S., & Digdowniseiso, K. (2023). Influence of Personality Type, Teamwork, and Communication on Employee Performance at PT. General Takaful Insurance. *Journal of Syntax Admiration*, 4(5), 799-809.
- Anu, J, & Gireesh, K. (2021). Impact of Job Stress on Employee Performance: A Study of Software Professionals in Kerala. *IJRAR*, Volume 5, Issue 4.
- Aziz, A., & Khan, N. (2020). The potential uses of a pilot study in qualitative research. *Journal of Research & Reviews in Social Sciences Pakistan*, 3(1), 750-767.

- B.O.T. (2015). *Banking Supervision Bank of Tanzania (19th Ed.)*. Annual Report. 2
Mirambo Street 11884 Dar Es Salaam.
- B.O.T. (2016). *Banking Supervision Bank of Tanzania (20th Ed.)*. Annual Report. 2
Mirambo Street 11884 Dar Es Salaam.
- Baharom, G. K., Stoverink, T. G., & Kalogiannidis, O. S. (2022). Effect of Team Building on Employee Productivity: A Case Study of Eastpharma Company in Turkey. *Journal of Human Resource & Leadership*, 6(4), 11-20.
- Baker, A. W., Salman, R. Y., Zaur, E. S., & Fahmi, A. M. (2024). The impact of remote work on team dynamics and management strategies. *Journal of Ecohumanism*, 3(5), 963-983.
- Bartels, J., Peters, O., de Jong, M., Pruyn, A., & van der Molen, M. (2020). Horizontal and vertical communication as determinants of professional and organizational identification; *Personnel Review*, 34(10),1322–1328.
- Berber, N., Slavic, A., & Aleksić, M. (2020). Relationship between Perceived Teamwork Effectiveness and Team Performance in the Banking Sector of Serbia. Sustainability. 12. 8753. 10.3390/su12208753.
- Berraies, S., & Chouiref, A. (2023). Exploring the effect of team climate on knowledge management in teams through teamwork engagement: evidence from knowledge-intensive firms. *Journal of Knowledge Management*, 27(3), 842-869.
- Bertalanffy, L.V. (1954). *System theory of management*. Oxford University Press
- Bhatia, R. & Baruah, P.(2020). Exclusive talent management and its consequences: a review of literature. *Asian Journal of Business Ethics*, 9(4).
- Bovee, C.L., &Thill, J.V. (2016). *Business Communication Essentials (7th Ed.)*. Prentice Hall.

- Buzzell, R. D., Gale, B. T., & Sultan, R. G. (2025). Market share-a key to profitability: *Harvard Business Review*, 53(1), 97-106.
- Cameron, K., & Quinn, R. (2011). *Diagnosing and changing organizational culture: Based on the competing values framework* (3rd ed.). San Francisco, CA: Jossey-Bass.
- Chanai, K. (2024). *Effect of Employee Relations on the Performance of Private Organizations in Tanzania: A Case Study of Jordan University College*. Unpublished PhD Thesis, The Open University of Tanzania: Dar es Salaam.
- Cherian, J., Gaikar, V., & Raj, P. (2020). The role of cultural diversity and how it impacts work team performance. *International Journal of Mechanical Engineering and Technology (IJMET)*, 11(9), 11-22.
- Chowdu, A., Nesbitt, P., Brickey, A., & Newman, A. M. (2022). Operations research in underground mine planning: A review. *INFORMS Journal on Applied Analytics*, 52(2), 109-132.
- Chung, H., van der Horst, M. 2020. Flexible Working and Unpaid Overtime in the UK: The Role of Gender, Parental and Occupational Status. *Soc Indic Res* 151, 495–520
- Daft, R. (2014). *The Leadership Experience*: Cengage Learning.
- Dastane, D. O. (2020). Impact of leadership styles on employee performance: A moderating role of gender. *Australian Journal of Business and Management Research*, 5(12), 27-52.
- Daudi, J. M. (2021). *Performance-based rewards as a determinant of employee retention among tier-one commercial banks in Kenya*. Unpublished PhD Thesis, Strathmore University: Nairobi.

- De Vries, R. E., Van den Hooff, B., & De Ridder, J. A. (2022). Explaining knowledge sharing: The role of team communication styles, job satisfaction, and performance beliefs. *Communication research*, 33(2), 115-135.
- Dettling, R. N. (2023). *How Organizational Culture Affects Team Dynamics: An Empirical Investigation*.
- Devaraj, S., & Jiang, K. (2021). It's about time – A longitudinal adaptation model of high-performance work teams. *J. Appl. Psychol.* 104, 433–447. doi: 10.1037/apl0000372.
- Dhlakama, L., & Murairwa, S. (2024). A literature survey: Data gathering instrument and method selection framework. *International Journal of Research and Innovation in Social Science*, 8(10), 1078-1091.
- Edmondson, A. C., & Nembhard, I. M. (2021). Product development and learning in project teams: the challenges are the benefits: *Journal of Product Innovation Management*, 26(2), 123-138.
- Edson, M., Tripathi, S. K., & Kasongwa, L. (2023). Assessing Team-Culture Dynamics in a Tanzanian Hospital: A Pilot Study in a Selected Multi-Specialty Hospital in Dar Es Salaam. *Amity Global HRM Review*, 22.
- Ehilebo, J. E., Lamido-Abubakar, H., & Cross, D. O. (2022). Effect of workplace diversity on employee performance in DSIBS in Nigeria. *WSEAS Transactions on Environment and Development*, 18, 908-917.
- English, J., & Nielsen, R. A. (2023). *Combining interpretivist and positivist approaches in social science research*.

- Esan, O., Ajayi, F. A., & Olawale, O. (2024). Managing global supply chain teams: human resource strategies for effective collaboration and performance. *GSC Advanced Research and Reviews*, 19(2), 013-031.
- Etalong, T. A., Chikeleze, F. O., & Okwueze, F. O. (2024). Effect of Workforce Diversity on Employee Responsiveness: A Study of Selected Public Organizations in Southeast Nigeria. *Global Journal of Human Resource Management*, 12(6), 1-13.
- Galbraith, J. R. (2022). *Designing Organizations: An Executive Guide to Strategy, Structure, and Process*. San Francisco: Jossey-Bass, 23(10), 36-42
- Gerras, S.J., & Clark, C.M. (2021). Effective Team Leadership: A Competitive Advantage. *Annual Review of Psychology*, 56(6), 519.
- Godbles, E. E., & Amaluwa, N. L. (2022). Managing group dynamics and effectiveness of university staff: evidence from Nigeria. *Int J Organ Leadership*, 11(2), 164.
- Gogoi, K. & Baruah, P. (2021). Goal Setting: Its Impact on Employee Outcome. *SCMS Journal of Indian Management*, 18 (1).
- Hair, J. F., Black, W. C., Babin, B. J., Anderson, R. E., & Tatham, R. L. (2021). *Multivariate data analysis* (6th Ed.). Upper Saddle River, N.J: Pearson Prentice-Hall
- Hakanen, M., & Soudunsaari, A. (2022). Building trust in high-performing teams. *Technology Innovation Management Review*, 2.6.
- Hakiki, M. S., Anggraini, D. A., Fahmi, N. F., Putra, R. S., & Adinugroho, M. (2023). Individual, group dynamics, and organizational processes in the workplace: Factors for better performance and organizational success. *Journal on Education*, 6(1), 3401-3430.

- Heldal, F., & Antonsen, S. (2024). Team Leadership in a High-Risk Organization: *The Role of Contextual Factors*. *Small Group Research*, 45(4) 376–399.
- Huang, C. C., & Chen, P. K. (2020). Exploring the antecedents and consequences of the transactive memory system: an empirical analysis. *J. Knowl. Manag.* 22, 92–118. doi: 10.1108/jkm-03-2017-0092.
- Ibua, M., K'obonyo, P., & Ogutu, M. (2021). The moderating effect of institutional factors on the relationship between employee empowerment and performance of public universities in Kenya. *Strategic Journal of Business and Change Management*, 3(4), 83-106.
- Ingham, A. G., Levinger, G., Graves, J., & Peckham, V. (1974). The Ringelmann effect theory: Studies of group size and group performance. *Journal of Experimental Social Psychology*, 10(4), 371-384.
- Iskamto, D. (2020). The role of leadership and influence on employee performance in the digital era. *Jurnal Manajemen Bisnis*, 17(4), 470-484.
- Iskamto, D., Srimulatsih, M., Ansori, P. B., Ghazali, P. L., Foziah, N. H. M., Arifin, J., & Bon, A. T. (2021, March). Analysis of the Relationship between Leadership and Employee Performance at Manufacturing Company in Indonesia. In *Proceedings of the 11th Annual International Conference on Industrial Engineering and Operations Management*. Singapore: IEOM Society International (Vol. 8, pp. 3262-3269).
- Jaiswal, A., & Dyaram, L. (2020). Perceived diversity and employee well-being: mediating role of inclusion. *Personnel Review*, 49(5), 1121-1139.
- Jayashankar, R., & Balan, M. (2024). Unveiling the Dynamics of Employee Behavior through Wolframs Cellular Automata. arXiv preprint arXiv:2407.09581.

- Kateeba, N. E., Kitata, P. W., & Rukanyangira, N. (2023). *Team-building activities and employee performance in government organisations of Uganda*.
- Katou, A. A. (2022). Investigating reverse causality between human resource management policies and organizational performance in small firms. *Management Research Review*, 35(2), 134-156.
- Katzenbach, J. R., & Smith, D. K. (2015). *The wisdom of teams: Creating the high-performance organization*. Harvard Business Review Press.
- Kerr, N., & Bruun, S. (1981). Ringelmann theory Revisited. *Personality and Social Psychology Bulletin*, 7(2), 224-231.
- Kilala, L. C. (2023). *Effect of Employees' Teamwork on Job Satisfaction: A Case of High Court of Tanzania, Temeke Registry*. Unpublished PhD Thesis, The Open University of Tanzania; Dar es Salaam.
- Kleingeld, A., Van Mierlo, H., & Arends, L. (2011). The Effect of Goal Setting on Group Performance: A Meta-Analysis. *Journal of Applied Psychology*. 33 (6), 56-62
- Kramer, W. S, Shuffler, M. L., Burke, C. S., & Salas, E. (2013). Leading teams: Past, present, and future perspectives. In M. Rumsey (Ed.), *The Oxford Handbook of Leadership* pp. 144-166). New York, NY: Oxford University Press.
- Kreps G. L. (2016). Communication and Effective Inter-professional Health Care Teams. Center for Health and Risk Communication, George Mason University, Fairfax, USA Kreps. *Int Arch Nurse Health Care*, 2469-5823.
- Krishnan, S. Gokula, Gowrishankar, K.L. & Kanagaraj, N. (2021). “Age Diversity of the Workforce and Employees’ Performance – A Descriptive Study”. *International Journal of Marketing & Financial Management*, 57(4), 15-21

- Kushner, M. (2020). *Performance Appraisals: Understanding What Makes Feedback Meaningful for the Recipient*. Unpublished PhD Thesis Columbia University: Columbia.
- Li, H., Huang, S., & Liu, L. (2020). Why group size makes a difference for leader--member exchange quality. *Social Behavior and Personality: an international journal*, 48(12), 1c-1c.
- Linje, A. P. (2025). Influence of Workplace Culture on Organisational Performance: Experience from Tanzanian Public Sectors. *Journal of Research and Academic Writing*, 2(2), 196-206.
- Lowe, N. K. (2021). What is a pilot study?. *Journal of Obstetric, Gynecologic & Neonatal Nursing*, 48(2), 117-118.
- Lu, Y., Zhang, M. M., Yang, M. M., & Li, T. (2025). Enhancing employee outcomes through common good human resource management: exploring the role of meaningfulness and thriving. *Human Resource Management*, 64(2), 485-502.
- Luse, A., Mennecke, B., & Townsend, A. (2022). Selecting a research topic: A framework for doctoral students. *International Journal of Doctoral Studies*, 7, 143-152.
- Machaule, H., Onyancha, H., & Komba, L. (2024). Influence of Employees' Involvement in the Selection Methods on Organization Performance: A Case of Tanzania Police School, Moshi. *Journal of Human Resource and Sustainability Studies*, 12(3), 421-438.
- Magasi, C. (2021). The role of transformational leadership on employee performance: A perspective of employee empowerment. *European Journal of Business and Management Research*, 6(6), 21-28.

- Magpili, S., Nina, C, & Pazos, P. (2021). Self-Managing Team Performance: A Systematic Review of Multilevel Input Factors. *Small Group Research*. 49. pp. 3-33. 10.1177/1046496417710500.
- Maina R.W. (2024). *Effect of Transformational Stewardship on Service Delivery by County Governments in Kenya*. Unpublished PhD Thesis, Jomo Kenyatta University of Agriculture and Technology: Juja
- Maingi, J. K., Awino, Z. B., K'Obonyo, P. O., & Pokhariyal, G. P. (2020). *The Role of Employee Behaviour and Organizational Structure in the Relationship between Strategic Planning and Competitive Advantage of Large Manufacturing Firms in Kenya*. Unpublished PhD Thesis.
- Maksimovic, J., & Evtimov, J. (2023). Positivism and post-positivism as the basis of quantitative research in pedagogy. *Research in Pedagogy*, 13(1), 208-218.
- Mande, W., Imbambi, R. M., Ng'ong'a, E. A., Awiti, L., Machuki, V. N., Okumu, M., & Rambo, C. M. (2020). Relationship between ethnic diversity and employee performance in public universities in Western Kenya. *International Journal of Business Management and Economic Review*, 3(03), 68-82.
- Maru, J. M., Linge, T. K., & Ouma, C. (2023). Influence of Empowerment of Team Leadership on Team Effectiveness of Collaborative Partnerships in International Research Organizations in Kenya. *Journal of Human Resource & Leadership*, 7(2), 86-105.
- Marx, B., Pons, V & Suri, T. (2021). Diversity and team performance in a Kenyan organization. *Journal of Public Economics*. 197. 104332. 10.1016/j.jpubeco.2020.104332.
- Masanja, N. M., & Chambi, W. (2020). An assessment of team building activities for sustainable organizational growth at selected private and public entities in Arusha,

- Tanzania. *International Journal of Innovation in Education and Business*, 2(2), 94-105.
- Masanja, N. M., & Chambi, W. (2020). The effects of team building process on organizational performance: A case of Northern Tanzania Union conference. *Contemporary Journal of Education and Business (CJEB)*, 1(1), 25-42.
- Mata, N., Khan, F., Khan, K., Martins, J., Rita, J & Dantas, R. (2021). Team diversity and project performance: Role of trust and absorptive capacity in it industry. *Academy of Strategic Management Journal*. 20, 1-20.
- Mitchell, R., Boyle, B., & Von Stieglitz, S. (2021). Professional commitment and team effectiveness: a moderated mediation investigation of cognitive diversity and task conflict. *J. Bus. Psychol.* 1–13. doi: 10.1007/s10869-018-9550-0.
- Moheriono. (2012). Performance Measurement Based Competency. *American Sociological Review*, 41(2), 322–338.
- Mohsen, A., Neyazi, N., & Ebtekar, S. (2020). The impact of organizational culture on employees performance: an overview. *International Journal of Management (IJM)*, 11(8), 879-888.
- Morrison-Smith, S & Ruiz, J. (2020). Challenges and barriers in virtual teams: a literature review. *SN Appl. Sci.* 2, 1096 <https://doi.org/10.1007/s42452-020-2801-5>.
- Mrongo, L. O., Kihara, P., Cheron, V., & Thiankolu, E. G. (2024). Leadership Styles and Performance of Road Projects under Kenya Rural Roads Authority In Kenya.
- Mugenda, O. M., & Mugenda, A. G. (2019). *Research Methods: Quantitative, Qualitative and Mixed Methods Approaches* (3rd ed.). Centre for Innovation Leadership and Governance

- Mushtaque, T., Jadoon, I. A., Idrees, R. N., Imran, A., & Rehman, Z. (2021). Workforce Diversity And Employee Performance: A Case Of Commercial Banks In Pakistan. *Humanities & Social Sciences Reviews*, 9(3), 09-15.
- Ndung'u, J. K. (2023). *The Influence of Organisational Communication on Employee Performance at County Governments in Kenya: a Case Study of the County Government of Laikipia*. Unpublished PhD Thesis, University of Nairobi: Nairobi.
- Ngonyani, D., & Mageta, L. (2025). Influence of Employees on Job Training Programs towards Organization Performance in Tanzania, a Case of Fire and Rescue Force Department–Dodoma, Tanzania. *African Journal of Commercial Studies*, 6(5), 37-45.
- Njou, J. C., & Masui, L. S. (2024). Influence of Teamwork Dynamics on Employees' Performance: A Case Study of a Private Education Institution in Mwanza, Tanzania.
- Nyaringita, V. M. (2025). *Corporate Culture and Performance of Commercial Banks: A Case of Equity Bank Kenya*. Unpublished PhD Thesis, Kenyatta University: Nairobi.
- Nzewi, H.N., Chiekezie, O.M, & Nnesochi, I.M. (2023). Teamwork and Performance of Selected Transport Companies in Anambra State. *International Journal of Managerial Studies and Research (IJMSR)*, 3(9), 124-132 Oaks, Calif.: Sage. Ohio.
- Olu-Ogunleye, I., & Akanji, B. (2025). Impact of Workplace Diversity on Employee Performance. *Organization and Human Capital Development*, 4(1).
- Oluwadiya, K. (2010). *Getting to know SPSS: A Step-by-Step Guide*. (2nd Ed) and Kehind

- Omama Koranteng, F., Iddris, F., Dwomoh, G., & Kofi Dogbe, C. S. (2022). Assessing the moderating role of organizational culture in the relationship between organizational leadership and organizational efficiency in the banking sector. In *Evidence-based HRM: a Global Forum for Empirical Scholarship* (Vol. 10, No. 3, 330-346). Emerald Publishing Limited.
- Organizations: Applying a New Goal Ambiguity Taxonomy. Retrieved from: <http://www.union.wisc.edu/>.
- Owens, T. S. (2024). *The Impact of Team Success and Team Dynamics on Employee Effort*. Unpublished PhD Thesis, The University of Mississippi: Mississippi.
- Oyefusi, F. (2022). Team and group dynamics in organizations: Effect on productivity and performance. *Journal of Human Resource and Sustainability Studies*, 10(1), 111-122.
- Pacanowsky, M.E., & O'Donnell-Trujillo, N. (1982). Communication and organizational cultures. *Western Journal of Speech Communication*, 46, 115-130.
- Pacanowsky, M.E., & O'Donnell-Trujillo, N. (1983). Organizational communication as cultural performance. *Communication Monographs*, 50, 126-47
- Pallangyo, W. (2020). The Contribution of Compensation in the Employee Retention of the Banking Institutions In Dar Es Salaam, Tanzania. *European Journal of International Management*, 5, 1-7. 10.24018/ejbmr.2020.5.4.223.
- Pallangyo, W. A., & Hanai, A. E. (2020). The Influence of Training and Development on Employee Retention: Empirical Evidence from the Banking Industry in Tanzania. *International Journal of Political Science (IJPS)*, 11.
- Pallant, J. (2010). *SPSS survival manual: a step-by-step guide to data analysis using SPSS*. Maidenhead: Open University Press/McGraw-Hill.

- Patrick, P., & Mazhar, S. (2021). Core Functions of Human Resource Management and Its Effectiveness on Organization: A Study. *International Journal of Social Economics*, 9, 257-266.
- Rahmatullah, R., Wibowo, A. H. E., & Mustaqim, M. (2024). Team Dynamics in a Hybrid Work Environment: Effective Strategies for Enhancing Employee Performance and Well-being. *Jurnal Informatika Ekonomi Bisnis*, 100-105.
- Rao, Deepukumar. (2020). Workforce Diversity and Its Influence on Employees' Performance in Commercial Banks in Mysore District. 10.24327/ijrsr.. 2018.0910.2795.
- Ray, D., & Sahoo, A. (2021). Practical in Organizational and Management Research. *Management Journal for Advanced Research*, 1, 19-23. 10.54741/mjar 1.1.4.
- Raymond, S. (2023). *Impact of Team-Building Activities on Employee Motivation in Tanzania Renewable Energy Companies*. Unpublished PhD Thesis, Institute of Accountancy Arusha: Arusha
- Regorz, A. (2020). How to interpret a Collinearity Diagnostics table in SPSS. http://www.regorz-statistik.de/inhalte/intern/impressum_en.html
- Rono, G. K., & Yusuf, M. (2023). Team Management Dynamics and Performance of Water Projects in Bomet County, Kenya. *International Journal of Business Management*, 3(1), 67-71.
- Rozi, A., Agustin, F., Hindriari, R., Rostikawati, D., & Akbar, I. R. (2020). The effect of leadership on employee performance at PT. Stella Satindo in Jakarta. *Humanities, Management and Science Proceedings*, 1(1), 55-61.
- Rukmana, D. (2024). Sample Frame. In *Encyclopedia of quality of life and well-being research* (pp. 6105-6106). Cham: Springer International Publishing.

- Sataloff, R. T., & Vontela, S. (2021). Response rates in survey research. *Journal of Voice*, 35(5), 683-684.
- Semvua, Y. S., Naikuru, S., & Maina, R. (2024). Team Communication and Employee Performance in Commercial Banks in Tanzania. *Human Resource and Leadership*, 4(1), 1-15.
- Shah, W., Hao, G., Yan, H., & Yasmeen, R. (2022). Efficiency evaluation of commercial banks in Pakistan: A slacks-based measure Super-SBM approach with bad output (non-performing loans). *PLoS One*, 17(7).
- Sharma, D. N. K. (2022). Instruments used in the collection of data in research. *Available at SSRN 4138751*.
- Sharp, J. M., Hides, M. T., Bamber, C. J., & Castka, P. (2000). Continuous Organizational Learning through the Development of High-Performance Teams. In ICSTM.
- Shrestha, P., & Parajuli, D. (2021). Impact of workforce diversity on employee performance. *International Journal of Management*, 12(2), 86-95.
- Siedlecki, S. L. (2020). Understanding descriptive research designs and methods. *Clinical Nurse Specialist*, 34(1), 8-12.
- Sun H., Teh P. L., Ho K., & Lin B. (2017). Team Diversity, Learning, and Innovation: A Mediation Model. *Journal of Computer Information Systems*, 57(1), 22-30.
- Suprayitno, D. (2024). The Influence of Leadership on Employee Performance. *Journal of Law, Social Science and Humanities*, 1(2), 87-91.
- Sutrisno, S., & Jaya, F. P. (2023). Analysis of the roles of teamwork and team communications on employee performance of futures trading brokerage companies. *Jurnal Ekonomi*, 12(01), 84-90.

- Taberna, M., Moncayo, F. G., Jané-Salas, E., Antonio, M., Arribas, L., Vilajosana, E., ... & Mesía, R. (2020). The multidisciplinary team (MDT) approach and quality of care. *Frontiers in Oncology, 10*, 85.
- Tago, G., & Mwita, B. (2025). The Influence of Teamwork Dynamics on Manufacturing Firms' Employee Performance. *Journal of Policy and Development Studies (JPDS), 4(1)*, 60-76.
- Tarricone, P., & Luca, J. (2002). Employees, teamwork, and social interdependence—a formula for a successful business? *Team Performance Management: An International Journal, 8(3/4)*, 54-59.
- Tekleab, A. G., Karaca, A., Quigley, N. R., & Tsang, E. W. (2021). Re-examining the Functional.
- Thompson, L.L. (2019). Shared cognition in organizations: *the management of knowledge, Mahwah: Routledge*.
- Tiitu, T. (2017). *Finnish Teamwork in World-Class Team Sports and What It Might Imply for Interdependent Workplace Teams*. Unpublished MSc Thesis, Aalto University: Espoo
- Timmerman, T. A. (2019). Racial diversity, age diversity, interdependence, and team performance. *Small Group Research, 31(5)*, 592-606.
- Tracey, M., Vonderembse, M. A., & Lim, J. S. (2021). Manufacturing technology and strategy formulation: keys to enhancing competitiveness and improving performance. *Journal of Operations Management, 17(4)*, 411-428.
- Turale, S. (2020). A brief introduction to qualitative description: A research design worth using. *Pacific Rim International Journal of Nursing Research, 24(3)*, 289-291.

- URT. (2017). *Directory of Banks and Financial Institutions operating in Tanzania*. Report. Dar Es Salaam.
- URT. (2018). *Directory of Banks and Financial Institutions operating in Tanzania*. Report. Dar Es Salaam.
- Van Haute, E. (2021). Sampling techniques. *Research Methods in the Social Sciences: An AZ of Key Concepts; Oxford University Press: Oxford, UK*, 247.
- Veena, P., & Vemuri, V. (2022). Current Scenario of Employee Performance Management System in Banking Sector-A Study. *International Journal of Management and Business*, 11(1):81-96.
- Wall, T. D., Michie, J., Patterson, M., Wood, S. J., Sheehan, M., Clegg, C. W., & West, M. (2024). On the validity of subjective measures of company performance. *Personnel Psychology*, 57(1), 95-118.
- Ward, B. (2022). Resolving the raven paradox: simple random sampling, stratified random sampling, and inference to best explanation. *Philosophy of Science*, 89(2), 360-377.
- Weisburd, D., Wilson, D. B., Wooditch, A., & Britt, C. (2021). Multiple regression. In *Advanced statistics in criminology and criminal justice* (pp. 15-72). Cham: Springer International Publishing.
- Weiss M., & Hoegl, M. (2022). Effects of relative team size on teams with innovative tasks: An understaffing theory perspective. *Organizational Psychology Review*, 6(4) 324–351.
- Wijayanti, T. C. (2021). Influence of interpersonal communication and teamwork on organization to enhance employee performance: a case study. In *1st UMGESHIC*

International Seminar on Health, Social Science and Humanities (UMGESHIC-ISHSSH 2020) (pp. 425-431). Atlantis Press.

Willie, M. M. (2024). Population and target population in research methodology. *Golden Ratio of Social Science and Education*, 4(1), 75-79.

Wright J, (2022) 'Proven Strategy for Measuring Employee Productivity in the *Service Industry*'.

Yang, C.C. (2011). An enhanced DEA model for decomposition of technical efficiency in banking. *Annals of Operations Research journal*, 214(5), 169-185.

Yang, Y., & Konrad, A. M. (2011). Understanding diversity management practices: Implications of institutional theory and resource-based theory. *Group & Organization Management*, 36(1), 6-38.

Yuan, Y., & Van Knippenberg, D. (2022). Leader network centrality and team performance: Team size as moderator and collaboration as mediator. *Journal of Business and Psychology*, 37(2), 283-296.

Yukl, G. (2010). *Leadership in Organizations* (7th Ed). New Jersey: Prentice Hall

Yukl, G. (2023). Leading organizational learning: Reflections on theory and research. *The Leadership Quarterly*, 20(1), 49-53.

APPENDICES

Appendix I: Survey Questionnaire

The purpose of the questionnaire is to determine the influence of team dynamics on employee performance in commercial banks in Tanzania. Kindly answer the questions by ticking or explaining briefly in the blank spaces provided.

NB: This information will be used strictly for academic purposes only and will be treated with utmost confidence.

SECTION A: RESPONDENT BIODATA

1. What is your gender?
 - i. Male ()
 - ii. Female ()

2. What age bracket do you belong to?
 - i. Below 20 years ()
 - ii. 20-25 years ()
 - iii. 26 – 30 years ()
 - iv. 31 – 35 years ()
 - v. 36 – 40 years ()
 - vi. 41 – 50 years ()
 - vii. Over 50 years ()

3. Respondent managerial position
 - i. Senior Manager ()
 - ii. Manager ()
 - iii. Supervisor ()

iv. Lower Level Employee ()

4. Highest level of education

i. Primary ()

ii. Secondary ()

iii. Certificate/Diploma ()

iv. Undergraduate ()

v. Postgraduate ()

5. Kindly indicate your work experience in this bank.

i. Below 3 years ()

ii. 3 to 5 years ()

iii. 6 to 10 years ()

iv. 11 to 15 years ()

v. Above 15 years ()

SECTION B: Team Communication on Employee Performance

1) Kindly indicate your level of agreement with statements on team communication related questions with regard to employee performance using a scale of 1-5 where 1=strongly disagree, 2=disagree, 3=do not know, 4=agree and 5=strongly agree.

Statement	1	2	3	4	5
Our bank has created effective feedback channels which are the most cost effective in increasing productivity.					
Our bank has less complex interpersonal communication that influence employee well-being					
Our bank encourages top down- bottom-up communication and offering suggestions for improved quality of our services					
In our bank team members communicate one-on-one for what they don't know and ask for help to improve quality of services					
Our bank makes sure its decisions are well understood by all team members to increase productivity					
In our bank team members' interaction with each other improve the quality of service they perform					

One on one interaction between team members in our bank has improved social well-being to employees					
Feedback mechanism in our team increases employee performance					
Information or messages flows between or among the subordinates and superiors of in our bank influence employee performance					

2) In your opinion, how does information flows between or among the subordinates and superiors influence employee performance?

.....
.....
.....
.....

3) What mode of communication do you prefer during interaction with your fellow co-workers in the bank?

.....
.....
.....

SECTION C: Team Leadership on Employee Performance

Kindly indicate your level of agreement with statements on team leadership related questions with regard to employee performance using a scale of 1-5 where 1=strongly disagree, 2=disagree, 3= do not know, 4=agree and 5=strongly agree.

Statement	1	2	3	4	5
Our team leader has been successful in supporting employees to demonstrate good performance					
An autocratic leadership style increase productivity when team members just do what they are told					
Our team leader delegate in decision making to increase productivity amongst team members					
Participative leadership style increase productivity when team members to do more than they are asked					
Our team leader is interested in supporting employee health and safety systems to improve well-being					
Our team leader use delegation as a tool for increasing employee quality of services					

A team leader style to let members be free to do what they find it right increase productivity in bank					
It is believed that leadership styles connect workers towards achieving employee satisfaction well-being					

1) In your opinion how does leadership support influence performance of employee in your team?

.....
.....
.....

2) Give your opinion on the best leadership style in your bank for employee performance.

.....
.....
.....

SECTION D: Team Diversity on Employee Performance

1) Kindly indicate your level of agreement with statements on team diversity related questions with regard to Employee performance. Using a scale of 1-5 where 1=strongly disagree, 2=disagree, 3= do not know, 4=agree and 5=strongly agree.

Statement	1	2	3	4	5
The uniqueness among the age diversity in our teams improve employee performance					
In our bank, my age determines the level of performance in my team					
My level of education determines the level of performance in my bank					
Social well- being in our bank has been improved due to team members interaction despite their ages difference					
Work experience amongst employee is valued equally to increase team members productivity in our bank					

Our bank appreciates work experience diverse teams for improving quality of services					
Team diversity in our bank is a tool for improving employee performance					
Our team has a pool of diverse education level which influence satisfaction well- being					

2) In your opinion how does team diversity influence employee performance?

.....

.....

.....

3) Suggest other ways that your bank can employ to improve diversity of teams.

.....

.....

SECTION E: Team Size on Employee Performance

1. Kindly indicate your level of agreement with statements on team size related questions with regard to employee performance using a scale of 1-5 where 1=strongly disagree, 2=disagree, 3= do not know, 4=agree and 5=strongly agree.

Statement	1	2	3	4	5
As the team become small sized the members high interaction improves employee social well-being					
In our bank large sized team will perform less than small sized team in employee productivity					

Working in a small sized team (5-10 persons) has increased my productivity in our bank					
Working in a large sized team (12 persons and above) has increased my productivity in our bank					
Team size influences the employee performance in bank operations					
Organized team structure improves quality of services in our bank					
Our bank improves quality of output through establishing reasonable team sizes					
Structure of teams in our bank determines the level of employee performance					

2. In your opinion how does the team size matter in improving employee performance?

.....
.
.....
.....
.

3. Suggest what team structure is the best for team performance in your bank?

.....
.....

SECTION F: Moderating influence of Organizational Culture

1) Kindly provide your level of agreement with statements on organizational culture using a scale of 1-5 where 1=strongly disagree, 2=disagree, 3= do not know, 4=agree and 5=strongly agree.

Statement	1	2	3	4	5
-----------	---	---	---	---	---

It is the banks culture to ensure that all employee is properly trained as it helps to improve their performance					
Our bank has established norms that tell team members what is expected of them to improving their performance					
The values in our bank determines the level of employee performance					
The culture in our bank encourages cooperation between employee and leads to improved well-being					
The code of conducts in our bank regulates the behavior of employee to improve performance					

2) In your opinion how does organizational culture influence employee performance in your bank?

.....

.....

.....

3) Suggest which form of culture is best for team performance in your bank.

.....

.....

.....

Section G: Employee Performance

1) Kindly provide your level of agreement with statements on Employee Performance using a scale of 1-5 where 1=strongly disagree, 2=disagree, 3= do not know, 4=agree and 5=strongly agree.

Statement	1	2	3	4	5
In our bank there is improved quality of output offered to our clients by employees in the course of a workday					
In our bank employee’s health and safety systems are well improved					
In our bank employees’ tasks completion and dependability are improved					
Improved well-being has made our employees more committed to their work					
Improved quality of our service attracts large number of clients in our bank					
Our employees have achieved the sense of job satisfaction due to team dynamics					
Our employees often achieve the performance objectives of increased number of clients served					
Our employees are able to deliver the promised service in a consistent and accurate manner through teams					
In their working teams our employees offer a speedy service to our clients					
Employee productivity in our bank is improved					

2) In your opinion how is team dynamics instrumental for employee performance in your bank?

.....

3) Suggest ways in which team dynamics can be enhanced to improve employee performance in your bank.

.....
.....
.....

THANK YOU FOR YOUR SUPPORT AND COOPERATION!

END OF QUESTIONNAIRE

Appendix II: List of Commercial Banks in Tanzania

S/N	NAME OF COMMERCIAL BANK	NUMBER OF EMPLOYEES (in total)	NUMBER OF SENIOR MANAGERS	NUMBER OF MANAGERS	NUMBER OF SUPERVISORS	Total
1.	Diamond Trust Bank Tanzania ltd	29	3	5	10	47
2	Eco Bank	19	2	5	9	35
3	Equity bank Tanzania ltd	22	2	4	10	38
4	Exim bank Tanzania ltd	30	3	8	14	55
5	FINCA Microfinance bank Tanzania ltd	24	2	7	12	45
6	First National Bank Tanzania ltd	15	2	6	9	32
7	Habib African Bank	18	2	4	5	29
8	I& M Bank Tanzania ltd	20	3	5	9	37
9	International commercial bank (ICB) bank	10	2	3	5	20
10	Kenya Commercial bank (KCB) Tanzania ltd	20	3	5	10	38
11	Mkombozi Commercial Bank	18	2	4	5	29
12	National Bank of Commerce (NBC ltd)	55	4	14	25	98
13	National Mircro Fincance Bank Tanzania ltd	50	5	10	21	86
14	Access bank Tanzania	20	3	9	10	42
15	Letshego Bank Tanzania	15	2	4	6	27

16	Akiba Commercial bank (ACB) Bank	22	3	5	10	40
17	Amana Bank Tanzania ltd	15	12	4	7	28
18	Azania Bank ltd	20	2	6	9	37
19	Bank of Africa Tanzania (BOA BANK)	24	2	3	8	37
20	Bank of Baroda (Tanzania)	15	2	4	6	27
21	Bank of India (Tanzania)	10	1	2	5	18
22	Absa bank of Tanzania	16	13	5	8	32
23	Commercial bank of Africa (Tanzania)	10	2	3	5	20
24	CRDB bank	80	10	10	25	120
25	DCB Commercial bank	22	2	6	8	38
26	Stanbic bank Tanzania ltd	19	2	5	8	34
27	Standard Chartered bank	15	3	6	9	33
28	United Bank for Africa (UBA Bank)	14	1	3	5	23
29	Mwalimu Commercial Bank	18	1	4	8	31
30	Canara Bank	15	1	4	5	25
31	China Commercial Bank	12	1	2	5	20
32	Tanzania Postal Bank(Now Tanzania Commercial Bank ltd)	20	3	5	7	35
33	TiBCorporat (Now Tanzania Commercial Bank ltd)	20	4	6	10	40
34	NIC bank Tanzania	15	11	3	7	26

35	Guaranty Trust Bank Tanzania ltd	10	1	2	5	18
36	First Housing Finance Tanzania ltd	12	11	2	5	20
37	Banc ABC Tanzania ltd	14	2	4	6	26
38	Peoples' Bank of Zanzibar	13	1	6	8	28
39	Citi Bank ltd	11	1	3	6	21
	Total	807	132	196	345	1480
