

# THE PROFILE OF HIGH PERFORMING EMPLOYEES IN CYPRUS

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*Cyprus, an island in the Eastern Mediterranean, is one of the ten newest members of the EU, which joined in May 2004. Having great potential for high growth, Cyprus promises a bright economic future. Productivity is a performance measure encompassing both efficiency and effectiveness. It is important, therefore, to know who the productive workers are. This paper attempts to derive and identify from primary data the characteristics of the most productive Cypriot employees, as seen by their managers. The findings show that Cypriot managers agree that high performers are satisfied with their jobs and are highly motivated to work. Factor analysis indicates that, in Cyprus, workers considered high performers have high self-efficacy, are good communicators, prefer working in groups, have an internal locus of control, and have low organizational commitment.*

Cyprus is one of the ten countries that signed the 2003 Treaty of Athens with the countries of the European Union, becoming the EU's newest members on May 1, 2004. It is an island situated in the eastern part of the Mediterranean Basin. Cyprus's economy has been experiencing very low inflation and unemployment rates. Having great potential for high growth, Cyprus promises a bright economic future.

Productivity is a performance measure encompassing both efficiency and effectiveness. [Sherman, Bohlander & Snell \(1998\)](#) suggest that the more productive the employees are, the better the performance of their organizations, assuming environmental factors (organization policies and practices, job concerns, personal problem and other external factors) are effective. Locus of control,

Machiavellianism, values and attitudes predict job satisfaction, which in turn, influences the motivation levels of employees and are all direct or moderating variables related to individual job performance (Robbins 2003).

This study attempts to identify the characteristics of the most productive Cypriot employees, as seen by their managers/employers. Questionnaires were distributed to managers of large organizations. Questions regarding the characteristics of their most productive employee were included, using a Likert scale. Primary data were analyzed using SPSS statistical package. Frequency distributions, cross tabulations and factor analysis were used to analyze the primary data collected.

Cypriot managers agree that high performers in Cyprus are satisfied with their jobs and are highly motivated to work. Based on the managers' perception, factor analysis indicates that high performers assess highly their self worth and ability, are good communicators, prefer working in groups, have an internal locus of control, and have low organizational commitment.

It should be noted, however, that this study is limited to and discusses the manager's perception of their most productive employees' job related characteristics and not the actual employees' evaluative statements. Employees' attitudes and characteristics will be studied in future research and the two will be compared.

## LITERATURE REVIEW

### a. *Variables influencing employee productivity*

Productivity is a performance measure including effectiveness and efficiency. Effectiveness refers to the ability to achieve the goals, while efficiency refers to the ability to achieve these goals using the minimum resources and getting the maximum

output. Productivity can be studied for the organization as a whole, its groups or individual workers (Robbins 2003).

Productivity is an essential variable contributing to an organization's survival and competitiveness. Assuming both are effective, non-productive organizations are quickly kicked out of the market, while highly productive organizations are copied by competitors. High performing organizations are those that combine human resource practices, work structures, and processes that maximize employee knowledge, skill, commitment, and flexibility. Employees experience growth and satisfaction and become valuable contributors, thus form high performing systems, which are made up of many interrelated parts that complement one another to reach the goals of an organization. High employee involvement and competencies (productivity and innovation) are essential for these systems. Teams within these systems are trained in technical, problem solving and interpersonal skills and benefit both the employees and the organization (Sherman, Bohlander & Snell 1998). High performing, effective organizations have a culture that encourages employee empowerment. Therefore, employees are more willing to get involved in decision-making, goal setting or problem solving activities, which subsequently result in higher employee and organizational performance (Hellriegel, Slocum & Woodman 1998). In the banking sector, high performing organizations are found to receive much higher profit margins than their competitors; they experience higher returns on equity as well as higher revenues on assets. High performing banks are focused not on reducing costs, but rather on increasing revenues from fee generating services. In fact, employee compensation is higher in high performing banks (DePrince, Ford & Strickland 1999).

Many studies have attempted to identify the variables that predict employee performance. Starting at the individual level, personality attributes, such as locus of control, Machiavellianism,

self-esteem and self-efficacy, influence employee productivity. Employee values and attitudes as well as cultural values, such as power distance and collectivism, also affect employee performance. Job satisfaction, a job related attitude, is a moderating variable predicting employee productivity. Individual ability by definition directly foretells performance. Hence, the ability, personality as well as individual and cultural values and attitudes of an employee impact his or her motivation level, which in turn acts as a moderating variable, leading to higher performance. At the group level, the communication levels are positively related to job performance; while at the organization systems level, organizational culture plays a role in how activities are structured and designed and hence hinder or promote employee performance (Robbins 2003). More specifically:

Locus of control refers to the degree to which people believe they control their destiny and what happens to them. People with internal locus of control are those who believe they control their future. It is up to their behavior and actions whether events will unfold one way or another. Externals believe that fate, chance, or luck plays the main role in what life unfolds for them. On the job, externals are less satisfied, more often absent and less job involved. They perceive themselves as having little control over the organizational outcomes that are important to them. Internals, on the other hand, are more productive. They desire empowerment, because they see organizational outcomes as results of their own actions; they perform better in managerial and professional jobs. However, internals' higher performance is not to be considered as based solely on the locus of control, but as moderated to reflect differences in jobs (Robbins 2003; Hellriegel, Slocum & Woodman 1998). Internals perform better when jobs require information processing, initiative and independence of action and require high levels of motivation and effort (Miner 1992, p. 151).

“Machiavellianism is the degree to which an individual is pragmatic, maintains emotional distance and believes that ends can justify the means.” (Robbins 2003.) High-Machs manipulate more, win more, are persuaded less and persuade others more than do low-Machs (Ramanaiah, Byravan & Detwiller 1994). High-Machs perform better in jobs where there are ethical dilemmas. They are good labor negotiators and salespeople.

Self-esteem is the opinion one has, positive or negative, about him- or herself. People who have high self-esteem like themselves. High self-esteem people experience higher levels of job satisfaction (Robbins 2003). Self-esteem influences the choice of occupation. Low self-esteem people are influenced by what others think of them. Self-esteem is positively related to achievement and motivation (Pierce *et al.* 1993).

Self-efficacy is the individual's belief that he or she is capable of performing a task (Robbins 2003). Employees who believe in their abilities exhibit high levels of self-confidence. In strenuous and challenging situations, employees who highly assess their self worth work very hard in order to overcome the obstacles. In addition, these people respond positively to negative feedback by increasing their effort and motivation (Stajkovic & Luthans 1998).

Job satisfaction is not a single variable to be measured. There are five aspects that make up an individuals' level of job satisfaction: pay, promotion, supervision, the work itself and co-workers (Hanisch 1992). Each person has different reasons for liking or disliking a jobs. Job satisfaction is an evaluative statement of how one feels about his or her job (Robbins 2003). Some aspects of the job that may increase or decrease satisfaction are the degree of challenge of the job, how interesting it is, the extent of required physical demands, working conditions, types of rewards available, extent of support one receives from colleagues, etc. Taken on an individual basis, satisfaction is a moderating

variable related to productivity; however, organizations with more satisfied employees tend to be more effective than organizations with less satisfied employees (Ostroff 1992). When employees are satisfied, they have fewer absences and there is less turnover (Robbins 2003; Hellriegel, Slocum & Woodman 1998).

Ability is an individual's capacity to perform the various tasks in a job. Ability can be divided into intellectual and physical. Intellectual is the capacity to perform mental activities, while physical is the capacity to do tasks demanding stamina, strength etc. Jobs require different ability levels and people have different abilities. The importance of this variable in relation to productivity depends on how successful the employer is in matching the right employee with the right job.

Motivated individuals are those who stay with a task long enough to achieve their goal. Motivation encompasses the intensity, direction and persistence of the effort towards achieving that goal (Robbins 2003). Performance is influenced not only by the degree of motivation one exerts, but rather is a function of motivation, ability and the opportunity given to perform. An individual can be both able and willing but not receive the opportunities to achieve goals (Blumberg & Pringle 1982). Sethi & Pinzon (1998) suggest that high performing employees should get a chance to solve problems, receive recognition and rewards in the organization and grow in their career while assisting the company. When an able individual feels that he or she is treated fairly within the organization, he or she will exert more effort and that leads to higher performance. So, as a moderating variable, motivation can lead to higher performance (Blumberg & Pringle 1982).

Researchers as well as professionals need to understand the behavior of people in different cultures. Collectivism is a national culture characteristic where people expect others in the group to look after and protect them; it explains the value system of the employees and their behavior. Collectivism involves putting the

group above one's own personal interests and choices. People whose collectivism is high show deep concern for the welfare of the group and feel emotional ties with the group (Hofstede 1993; Hellriegel, Slocum & Woodman 1998). They also prefer to work in groups. A group however, is just a subsystem within a bigger system – the organization. For a group to be performing at high standards, trust, strong norms, high levels of cohesiveness and status equalities are necessary factors that increase performance. When employees within a group have the same status, communication is higher. When employees feel they deal with higher or similar status employees, job satisfaction increases. Smaller groups tend to be more satisfied. Power distance, another value differing across cultures, is the degree to which people in a country accept that power in institutions and organizations is distributed unequally. People accepting that power is relatively equal have a low power distance, while people accepting extremely unequal power distribution exhibit high power distance (Robbins 2003). Within the organization, supervisory style is relevant, in that it affects worker perception of the appropriate use of authority (Page & Wiseman 1993). The authors found that employee empowerment leads to employee satisfaction in all countries tested. However, friendly supervisory styles were accepted in the U.S. and Spain, while Mexican workers favored more authoritarian management style.

High levels of communication are positively related to job satisfaction. Clear communication is also positively related to job performance. When distortion, ambiguities, incongruities and uncertainty hinder effective communication, the message intended is not received, so employees do not receive clear instructions, objectives or even feedback. Effective communication, therefore, increases worker productivity (Robbins 2003).

Organizational commitment is the strength of an employee's involvement in and identification with the

organization. Employees with high organizational commitment in strong culture organizations accept the goals and values of the organization, are motivated and desire to maintain organizational membership. Organizational culture goes beyond loyalty to active contribution; it is more stable than satisfaction (Robbins 2003).

Organizational culture is a result of many factors operating within the organization: personality and values, how work experiences match with the employee expectations, relations with the supervisors and coworkers, working conditions, opportunities for advancement. Organizational culture strengthens with time. It is inversely related to turnover and absenteeism and positively related to high productivity. In organizations with developed organizational cultures, people are more goal directed, more efficient and trust more (Hellreigel, Slocum & Woodman 1998). Culture, however, can be a liability when it does not coincide with the environment. If the environment of the organization requires processes to be carried out in contrast to the processes the culture encourages, then culture becomes a liability. For example, in dynamic and complex environments, decentralization and empowerment may be required. If the culture is centralized, with authority kept at the top then, the culture will have an inverse influence on the organizational and individual productivity levels (Grensing-Pophal 1999). Organizational culture can act as a barrier to change (Moore 2001), as a barrier to diversity (Lindsay 1990) and as a barrier to mergers and acquisitions (Krell 2001).

All of the above variables are found to increase, directly or indirectly, organizational and individual performance. The focus of this study is to identify the characteristics of high performing Cypriot employees who are able to contribute to the organization's increased performance, as perceived by their managers.

b. *Description of the Cypriot Labor Force*

Cyprus had a population of around 793,000 people in 2002. (<http://www.cyprus.gov.cy/cyphome/govhome.nsf/Main?OpenFrameSet>)

It is an international center of tourism and services, which remains the primary source of income and employment. The tertiary or services sector is the fastest growing area, contributing 75.4% of the GDP and occupying 69% of the gainfully employed population. This sector includes tourism, transport and communications, trade, banking, insurance, accounting, real estate, catering, public administration and business and legal services (<http://www.pio.gov.cy/cyprus/economy/labour.htm>). Cyprus takes pride in its high standards of transportation and telecommunication and the excellent living conditions.

The literacy rate is 99%, one of the highest in the world. In addition, Cyprus is characterized by high rates in the provision of tertiary education in relation to European countries. Despite the highly skilled labor force, the labor costs are held at very low levels compared to those of other European countries.

Approximately 30% of employed women have received higher education and about 42% have completed secondary education, as compared to 21% and 46%, respectively, for men. Women's representation in high administrative and managerial positions is about 12%, whereas their share in the professional occupations is as high as 46% (Shambos 1999). The participation rate of Cypriot women in the labor force is marginally lower than that of women in the EU, whereas the male labor market participation is higher in Cyprus than in the EU (Malaos 2001).

In the past, the low pace of introduction of modern technologies caused the productivity of the Cypriot worker to be as low as 55% of the EU average. In both the public and private sectors, there is less training, less upgrading of programs, lower adoption of flexible reward-incentive schemes and lower productivity in general (Malaos 2001). In a current study, labor productivity was found to be relatively high in Cyprus. Cypriot labor productivity showed an increase from 81% of the EU average in 1997 to 89% in 2001. Research and development, however, are

low, producing only 0.25% of GDP (European Commission 2002), and can still be improved. The participation of Cyprus in European programs such as Leonardo da Vinci and Socrates aims at promoting knowledge in innovative and high tech areas and improving the overall productivity of the Cypriot worker. (<http://europa.eu.int/scadplus/printversion/es/cha/c11011.htm>).

Cyprus faces many challenges stemming from globalization, the liberalization of trade, the rapid technological changes, and the accession of Cyprus to the EU. For this, a four-year plan was formed to speed up the development of Cyprus's economy. The plan's aims are: 1) to achieve the highest possible rate of growth, while keeping macroeconomic stability, 2) restructuring of all sectors of the economy to adopt modernization and technological upgrading of the productive units, 3) exploiting the economy's comparative advantages and generally upgrading Cyprus as an international high quality business and service center, and 4) improvement of the quality of life and the modernization of the public sector. Press and Information Office (2003).

Organizations are managed using outdated managerial processes. Companies are centralized; authority and decision making are kept at the top. Consumer service and protection are still in infancy stages and, finally, performance appraisal systems in Cyprus are used for promotion and compensation and not as a tool for planning and developing human resources. Performance appraisal is used as a control tool (Artemiou 2001).

## METHODOLOGY

### *Data Collection*

Surveys were mailed to 300 large organizations in cities across Cyprus during summer 2000. Organizations were selected from the *Directory of Businesses* that is developed by the Department of Statistics and Research of the Ministry of

Economics. Large organizations are defined as those employing at least 30 workers ([Department of Statistics and Research 1995](#)).

Surveys were mailed to 300 large organizations in cities across Cyprus during summer 2000. Organizations were selected from the *Cypriot Companies List* that was developed *Employers and Industrialists Federation* ([www.industry.cy.net/oeb](http://www.industry.cy.net/oeb)). Large organizations are defined as those employing at least 30 workers ([Department of Statistics and Research 1995](#)). Organizations included in the survey represent several different industries, including banking, shipping, insurance, accounting, medical operations, tourism, import/export, retail, and wholesale trade. Some companies are privately owned and others are government owned. Approximately one-third of the surveys returned were returned by mail. In an attempt to increase the response rate, the author visited the businesses and asked managers to complete the surveys. A total of 72 useable surveys were returned. This represents a response rate of 22 percent.

#### *Data Analysis*

The data are summarized using frequency percentages for each item on the questionnaire. Cross-tabulations are calculated for the managers' perception of their most productive Cypriot worker and several of the managers' demographic factors (gender, age, and public sector/private sector). Chi square tests are used to determine whether significant differences existed for the cross-tabulations. The accepted level of significance for statistical tests is set at 0.10. Finally, for the reliable grouping of the 21 questions and an easier drawing of conclusions, a Principal Component Factor Analysis is conducted. Cronbach's Alpha reliability test is used.

## RESEARCH RESULTS

### *Profile of Managers and Industry*

Of the 72 replies, 71 are useable for this section, of which 61.8 percent are male and 38.2 percent are female. Age ranges represented include 20-39 years (35.3%), 40-49 years (29.4%), and 50+ (35.3%). The majority of the respondents are in the service industries, such as shipping, accounting, tourism, and medical practices (80%). The remainder (20%) is from import/export, retail, and wholesale trade businesses. Interestingly, this reflects industry levels. Twenty-nine percent of the businesses represented are public sector businesses, while 71 percent are private sector.

When Cypriot employers were asked to determine what strategy they would adopt in an effort to retain their good workers, the most important response (89.7%) was to provide authority. The second most common strategy was to increase remuneration (79%), followed by promoting them to higher levels (72%), and, finally, providing employees with a long term contract (36.8%). Cypriot employers give less emphasis to offering more vacations or more days off. As to what action they would take to make workers feel secure about their jobs, very few managers replied (29%). Offering a career plan was the most common way by which these managers offered security to the employees. Providing a vision of the company was another way, followed by praise.

Finally, when asked what factors would contribute to the termination of an employee, the main reason is the employee's inability to learn the job (72%). Absenteeism rated second (39.7%). Fewer than 10% would fire an employee in an effort to deal with low productivity, reduction of costs, bad behavior or competitive pressures.

*Managers' Perceptions of the Most Productive Workers*

Table 1 reports the responses of managers/employers to questions about the characteristics of the most productive workers. The respondents do not consider the years of experience and productivity of employees to be related. In addition, managers do not seem to consider gender to be influential for productivity; just as many males as females are considered highly productive.

The most dominant characteristic managers perceive their most productive workers to have is their assessment of their self worth. Ninety-six percent of the managers believe that their most productive employees believe in their own abilities. The second most common characteristic of the high performers in Cyprus is perceived by the managers to be high levels of satisfaction. Almost 90% of the managers see the most productive workers as having an internal locus of control. Eighty-four percent of the managers consider their most productive employees to be good communicators. Almost 80% of the managers view their most productive employees as highly motivated and almost 78% see them as pleasant and easily liked by others.

*Table 1: Frequency Responses – Most Productive Cypriot Worker Statements of Employers/Managers*

		Strongly Agree		Neutral		Strongly Disagree	
		5	4	3	2	1	
1	He/she controls the environment around him/her	42.3	42.3	12.7	2.8	0.0	
2	He/she is satisfied with the job	45.1	46.5	7.0	1.4	0.0	
3	He/she prefers participative management styles	38.8	31.3	19.4	7.5	1.5	
4	He/she is highly motivated to work	43.3	35.8	11.9	7.5	1.5	

5	He/she has strengths as well as weaknesses	46.4	40.6	10.1	2.9	0.0
6	He/she is affected by what other people are thinking of him/her	23.5	33.8	20.6	10.3	11.8
7	He/she gives positive feedback to people that are complimentary	41.2	41.2	11.8	4.4	1.5
8	He/she believes that he/she has the ability to accomplish a specific task effectively	62.3	33.3	2.9	1.4	0.0
9	He/she believes that he/she can overcome obstacles	47.8	42.0	7.2	2.9	0.0
10	He/she believes the "ends can justify the means"	14.5	29.0	15.9	18.8	21.7
11	He/she readily gives opinions about work-related issues	64.3	21.4	8.6	2.9	2.9
12	He/she likes to be told what job activities should be completed	11.8	14.7	22.1	20.6	30.9
13	He/she is readily liked by other workers	42.3	35.2	16.9	2.8	2.8
14	He/she is most motivated with working with others in a group	24.5	29.0	29.0	4.3	10.1
15	He/she easily detaches himself/herself from feelings of workers when making decisions	17.4	34.8	31.9	10.1	5.8
16	He/she prefers to work independently	16.7	25.8	22.7	21.2	13.6
17	He/she is not readily liked by other workers	6.1	4.5	15.2	25.8	48.5
18	He/she is a good communicator	41.2	42.6	14.7	0.0	1.5

19	He/she gives opinions about work situations only when asked by others	16.9	13.8	18.5	29.2	21.5
20	He/she makes decisions based on emotions	1.5	19.4	26.9	20.9	31.3
21	He/she is motivated by money	8.8	11.8	26.5	23.5	29.4

*Note: Numbers are percentages*

*Employer age differences in perceiving the high performers*

Table 2 breaks down the managers' answers to some of the key questions about high performing employees according to the managers' ages. Sixty-seven percent of the managers over 40 years old believe their high performers are satisfied. Managers of all ages perceive their high performers to assess their self worth highly and to have pleasant personalities.

*Employer gender differences in perceiving the high performers*

As shown in Table 3, all but one male manager perceive their high performers to be satisfied. Female managers consider that their most productive workers share their opinion even when not asked.

*Employer industry sector differences in perceiving the high performers*

As shown in Table 4, all public sector managers view their most productive workers as internals. In the private sector, this number is almost 75%. Almost twice as many managers in the private as in the public sector consider that their most productive employees prefer participative management styles.

*Table 2: Differences in Employer Attitudes Toward Most Productive Employees Depending on the Manager's Age*

Manager's age	Agree or Strongly Agree	Neutral	Disagree or Strongly Disagree	Pearson Chi-Square P value*
<b>1 He/she is satisfied with the job</b>				
20-29	5 (83.3%)	1 (16.7%)	0 (00.0%)	0.062
30-39	15 (83.3%)	2 (11.1%)	1 (5.60%)	
40-49	19 (95.0%)	1 (5.0%)	0 (00.0%)	
50-59	18 (94.7%)	1 (5.3%)	0 (00.0%)	
60-69	3 (100%)	0 (00.0%)	0 (00.0%)	
70-79	1 (100%)	0 (00.0%)	0 (00.0%)	
<b>2 He/she is highly motivated to work</b>				
20-29	4 (66.7%)	2 (33.3%)	0 (00.0%)	0.086
30-39	13 (72.2%)	3 (16.7%)	2 (11.1%)	
40-49	17 (89.5%)	2 (10.5%)	0 (00.0%)	
50-59	15 (83.3%)	0 (00.0%)	3 (16.7%)	
60-69	1 (33.3%)	1 (33.3%)	1 (33.3%)	
70-79	1 (100%)	0 (00.0%)	0 (00.0%)	
<b>3 He/she believes that he/she has the ability to accomplish a specific task effectively</b>				
20-29	5 (83.3%)	1 (16.7%)	0 (00.0%)	0.006
30-39	18 (100%)	0 (00.0%)	0 (00.0%)	
40-49	18 (94.7%)	1 (5.3%)	0 (00.0%)	
50-59	19 (100%)	0 (00.0%)	0 (00.0%)	
60-69	2 (66.7%)	0 (00.0%)	1 (33.3%)	
70-79	1 (00.0%)	0 (00.0%)	0 (00.0%)	
<b>4 He/she is not readily liked by other workers</b>				
20-29	0 (00.0%)	0 (00.0%)	6 (100%)	0.040
30-39	2 (11.8%)	4 (23.5%)	11 (64.7%)	
40-49	1 (5.3%)	2 (10.5%)	16 (84.2%)	
50-59	3 (16.7%)	2 (11.1%)	13 (72.2%)	
60-69	0 (00.0%)	1 (33.3%)	2 (66.7%)	
70-79	1 (100%)	0 (00.0%)	0 (00.0%)	
<b>5 He/she gives opinions about work situations only when asked by others</b>				
20-29	1 (16.7%)	1 (16.7%)	4 (66.7%)	0.037
30-39	3 (17.6%)	6 (35.3%)	8 (47.1%)	
40-49	9 (47.4%)	2 (10.5%)	8 (42.1%)	
50-59	4 (23.5%)	3 (17.6%)	10 (58.8%)	
60-69	0 (00.0%)	0 (00.0%)	3 (100%)	
70-79	1 (100%)	0 (00.0%)	0 (00.0%)	

\* Variables are considered to be significant if their p-value is less than 0.10

*Table 3: Differences in Employer Attitudes toward Most Productive Employees Depending on the Manager's Gender*

	<b>Manager's Gender</b>	<b>Agree or Strongly Agree</b>	<b>Neutral</b>	<b>Disagree or Strongly Disagree</b>	<b>Pearson Chi-Square P value*</b>
1	He/she is satisfied with the job				
	Male	40 (97.6%)	1 (2.50%)	0 (0.0%)	0.055
	Female	21 (80.8%)	4 (15.4%)	1 (3.8%)	
2	He/she gives opinions about work situations only when asked by others				
	Male	14 (35.9%)	7 (17.9%)	18 (46.2%)	0.044
	Female	5 (20.8%)	5 (20.8%)	14 (58.3%)	

\* Variables are considered to be significant if their p-value is less than 0.10

*Table 4: Differences in Employer Attitudes toward Most Productive Employees Depending on the Manager's Industry*

	<b>Manager's Industry Sector</b>	<b>Agree or Strongly Agree</b>	<b>Neutral</b>	<b>Disagree or Strongly Disagree</b>	<b>Pearson Chi-Square P value*</b>
1	He/she controls the environment around him/her				
	Private	38 (77.60%)	9 (18.4%)	2 (4.1%)	0.003
	Public	20 (100.0%)	0 (0.00%)	0 (0.0%)	
2	He/she prefers participative management styles				
	Private	29 (60.4%)	13 (27.1%)	6 (12.5%)	0.049
	Public	17 (94.4%)	0 (0.00%)	1 (5.60%)	
3	He/she gives opinions about work situations only when asked by others				
	Private	16 (34.0%)	9 (19.1%)	22 (46.8%)	0.052
	Public	4 (23.5%)	3 (17.6%)	10 (58.8%)	

\* Variables are considered to be significant if their p-value is less than 0.10

### *Factor Analysis*

The seventy-two participants' descriptions of how they viewed the typical Cypriot worker were subjected to Principal Components Factor Analysis.

After several factor analysis models were evaluated (using extraction for Eigenvalues over 1 and various numbers of factors), the researcher determined that the most appropriate number of factors to represent the data was 5. So, the criterion used in the final factor analyses was to limit the factors to 5. No limit was placed on the loading of a factor. Varimax rotation was used and alpha reliability scores were calculated for the factors and the overall model. Variables 4, 5, 6, and 15 were found to increase the reliability of the factor when deleted, in their respective loading, and were removed from the final factor.

Factor analysis results are shown in [Table 5](#). The five factors identified by managers to describe the most productive Cypriot employees include High Assessment of Self Worth/Confidence, Group Oriented, Good Communicator, Internal Locus of Control and Low Organizational Commitment. These factors are mentioned in terms of highest explained variance. [Table 5](#) shows the individual items for each of the five factors, factor loadings, the amount of explained variance, Eigenvalues, and Cronbach's Alpha Reliability test.

## CONCLUSION

As stated in the introduction, this paper measures the managers' opinion of their most productive employees. Further research is needed to evaluate the Cypriot employees' attitudes toward work related issues. Cypriot managers, however, view their most productive workers as exhibiting many of the characteristics found in high performers as described in much of the research conducted worldwide.

First, managers believe their high performers prefer to work in groups. Groups are known to take decisions better than individuals. Groups generate more complete information and increased diversity in views, open up opportunities for more

*Table 5: Factor Analysis Characteristics of Most Productive Cypriot Employees as Perceived by Managers (Rotated Component Matrix)*

		<b>Factor 1</b>	<b>Factor 2</b>	<b>Factor 3</b>	<b>Factor 4</b>	<b>Factor 5</b>
		<b>High Assessment of Self Worth/ Confidence</b>	<b>Group Oriented</b>	<b>Good Communicator</b>	<b>Internal Locus of Control</b>	<b>Low Organizational commitment</b>
1	He/she controls the environment around him/her	.443	.005	.001	<b>.675</b>	-.187
2	He/she is satisfied with the job	.004	.174	.128	<b>.701</b>	.008
3	He/she prefers participative management styles	.343	.435	-.000	<b>.638</b>	.001
4	He/she is highly motivated to work	.440	.473	.287	.007	.195
5	He/she has strengths as well as weaknesses	.136	.194	.009	.452*	.138
6	He/she is affected by what other people are thinking of him/her	-.199	-.196	.568	.003	.189
7	He/she gives positive feedback to people that are complimentary	.008	.007	<b>.766</b>	-.000	-.131

8	He/she believes that he/she has the ability to accomplish a specific task effectively	<b>.760</b>	-.152	-.008	.000	-.001
9	He/she believes that he/she can overcome obstacles	<b>.715</b>	-.134	-.210	.171	-.005
10	He/she believes the "ends can justify the means"	-.197	-.005	.461	-.192	<b>.516</b>
11	He/she readily gives opinions about work-related issues	<b>.663</b>	.200	.483	-.003	-.003
12	He/she likes to be told what job activities should be completed	<b>.558*</b>	-.001	-.003	-.006	.458
13	He/she is readily liked by other workers	-.000	<b>.818</b>	.233	.003	-.188
14	He/she is most motivated with working with others in a group	-.150	<b>.625</b>	-.006	-.004	.254
15	He/she easily detaches himself/herself from feelings of workers when making decisions	.290	.003	.205	.002	.316
16	He/she prefers to work independently	-.004	-.467	-.009	.269	<b>504</b>
17	He/she is not readily liked by other workers	.130	<b>.732*</b>	.171	-.184	.255

18	He/she is a good communicator	.103	.296	<b>.652</b>	.317	-.006
19	He/she gives opinions about work situations only when asked by others	.001	.128	-.291	-.008	<b>.598</b>
20	He/she makes decisions based on emotions	-.266	-.131	.292	.371	<b>.504</b>
21	He/she is motivated by money	-.004	-.155	.007	-.381	<b>.572</b>
	Amount of Explained Variance:	17.906	12.270	10.710	8.186	6.775
	Eigenvalue:	3.76	2.577	2.249	1.719	1.423
	Cronbach's Alpha:	.6479	.6992	.5796	.6823	.5351

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*Note: Extraction Method: Principal Component Analysis  
 Rotation Method: Varimax with Kaiser Normalization  
 Variable in Italics where dropped for a higher Alpha Reliability Factor.  
 \* Factors are inversely calculated  
 N = 72*

approaches and alternatives and increase the acceptance of a solution by other employees. Decisions made by a group tend to be more accurate and more effective (Robbins 2003).

Second, Cypriot managers see their high performers as individuals who believe they control their environment. This may explain why they prefer to participate in brainstorming even when not asked. The managers' perception that their most productive employees are good communicators is interrelated to having internal locus of control. Those who believe they control what happens in their immediate environment control what they say and how specific they are in communicating with others.

Third, managers consider their most productive workers to require high levels of trust but to have low organizational commitment, which also requires trust. Managers suppose that productive employees in Cyprus trust their colleagues but not their organizations. Managers perceive that employees do not share the values of the organization nor accept their organization's goals. This may reflect a need for the organizations to review their values, processes, goals, etc., to match environmental conditions and be aligned to employee requirements. High organizational commitment, as stated earlier in the paper, is positively related to productivity. However, Cypriot high performers are seen to exhibit low organizational commitment. This contradiction can be explained by two reasons. One is that Cyprus is a relatively new country regarding the acquisition of wealth. In fact, the wealth of Cypriot residents has been accumulated after the late 70s, when the island was experiencing after-war economic and social shocks. People were forced to work very hard and the economy shifted from primarily agricultural in the 60s and early 70s to manufacturing in the 70s and 80s to service in the 90s to present.

Another reason for the low organizational commitment levels is that organizations in Cyprus are not taking care of and protecting their employees. The private sector specifically is considered to be a bad employer. The private sector offers relatively very low levels of compensation and very poor benefits. Most private organizations offer only the minimum benefits required by law. Therefore, if the Cypriot labor force's values were to be compared to the unique values of work cohorts or generations in the U.S. workforce (Robbins 2003), the author could assume that the Cypriot employees would be found to exhibit the work values of the baby boomers, who were loyal only to their careers, but not their organization. This explains why high performers in Cyprus experience low levels of organizational commitment.

The low organizational commitment is the one characteristic that managers should strive to increase. Organizational commitment is very positive to the success of the organizations. Cypriot employers should identify the source of the low organizational commitment levels they believe their most productive employees experience and do their utmost to increase them. One way is by aligning their managerial processes with current updated processes practiced in developed nations. In addition, performance appraisal should be used as a tool for planning and developing employees and not for controlling them. Performance appraisal should be used to accomplish the best employee-job fit.

Finally, employees are perceived as assessing highly their self worth, having confidence, and believing in their abilities. This factor may be related to internal locus of control. Believing one plays a role in how his or her destiny evolves requires the belief that one is able to influence what is required for success. This is also a characteristic of Cypriot employees. Literature shows that being internals, good communicators and confident are related to high levels of job satisfaction. Because Cypriot employees can be described by all the above variables, the author concludes that they are also satisfied with their jobs. This is also verified by the managers' opinion regarding this variable and shown in the findings of the frequency distributions ([Table 1](#)).

Organizations need to decentralize. Managers state that, in the public sector, which is very bureaucratic and centralized, most productive Cypriot employees are contributing even when they do not have the power to do so. Cypriot employees are motivated and capable to handle power (due to their high human capital), so management should allow discretion and enrich employees' job design. Employee empowerment seems to be demanded.

In addition to effective performance appraisal systems, decentralization and empowerment, other techniques by which

employees' organizational commitment can be increased are: total quality management, business process reengineering, compensation systems that encourage commitment, flexible benefits, etc.

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