ORGANIZATIONAL COMMITMENT: A STUDY OF EMPLOYEES IN LOCAL AUTHORITY ORGANIZATION IN SARAWAK

Nurnazirah Jamadin

Faculty of Business Administration, UniversitiTeknologi MARA (UiTM), Sarawak *nurnazirah293@gmail.com / nurnazirah@sarawak.uitm.edu.my*

> Mohd Khairul Azha Hj Azahari Pengurus, GIATMARA Sri Aman, Sarawak khairul@giatmara.edu.my

ABSTRACT

This study intends to identify the level of affective, continuance, and normative commitment of the employees in the Asian contexts. This study also intends to determine the influence of personal variables of employees of local authority organization to the organizational commitment. Survey data were obtained from 105 respondents. Data were collected using a questionnaire that was developed by Allen and Meyer (1990). This study applies western theories in non – western context environment. Results suggest that while organizational commitment of the employees can be conceptualized in term of affective, economic based, and moral attachment to the organization, normative commitment was found to have the most influential in the organizational commitment. The results of this study also found that the employee of the local authority organization who participates in this study shows that they have a weak affective commitment. Future research need to be conducted in order to investigate other facet of organizational constructs that influence the organizational commitment and also identifying factors that influence the organizational commitment as well its consequences to the organization as a whole.

Keywords – Affective commitment, Continuance Commitment, Normative commitments Organizational commitment,

INTRODUCTION

Commitment is identified as important construct in organization (Singh and Vinnicombe, 1998). Organizational commitment is part of attitudinal components that have influence on work performance (Daft and Marcic, 2009, p.443) and also affecting job behavior (Robbins, 1989, p.122). It is important for the managers to understand on the employees attitude because it will determine how people perceives the work environment, interact with others, and behave on the job (Daft and Marcic, 2009, p. 441).

Hence realizing the importance of employees' commitment to the organization, some organizations embark on many actions such as by providing various courses and training, as well as education to the employees. Organizations that select, develop, manage and motivate their workforce to produce outstanding business results have an extraordinary competitive advantage that others cannot copy (Nalbantian, Guzzo, Kieffer, Doherty, 2004). In order to stimulate employees' commitment, managers offers rewards' packages and fringe benefits in conjunction with the changes of quality of work commitment (Putterill and Rohrer, 1995). However, those investments made on the employees particularly on training and personnel development become costly when managers ultimatelyfind that the turnover rate is high in the organization (Stallworth, 2004).

According to Meyer and Allen (1991), high committed workers will demonstrate their loyalty to the organization while lower committed workers will indicate a sign of turnover intention to the organization and intention to quit among the workers. While Guest (1998) suggest that committed workers symbolizes compulsory presenteeism at workplace, good attendance record and work hard for organization (Mowday, Steers, and Porter (1982). Further committed workers would find their personal goals are align with organizational goals and this finally made the employees part of the organization (Allen and Meyer, 1990).

Nevertheless, to develop and maintain the level of commitment of employees to the organization were not an easy task. The level of commitment might varies from time to time due to the technological changes, demanded workload, quality improvement in organization, organizational changes (Lamsa and Savolainen, 2000), and also other variables that have influence the employees commitment directly and indirectly. This study intends to identify the distinct level of organizational commitment of the local - state authority organization in Sarawak.

ORGANIZATIONAL COMMITMENT

One of the major jobs – related attitude that receives high attention in academic research is organizational commitment (Robbins, 1989, p.122, Daft and Marcic, 2009, p.443). Throughout the 1980s and 1990s, the organization and management consultants have researched the concept of organizational commitment and report that highly committed employees are likely to be more effective, and be concerned with contributing to organization improvement (Metcalfe and Dick, 2001). The study of organizational commitment has generated much debate and extensive literature of late (Shepherd and Mathews, 2000). Many concepts and definitions have been developed in the literatures. There are different key characteristics that demonstrated by committed individuals which can be found in various conceptualization of commitment.

Robbins (1989, p.123) have defined organizational commitment as an individual's orientation toward the organization in terms of loyalty, identification, and involvement. Daft and Marcic (2009, p.444), have defined it as employees loyalty to and engagement with the organization. Noe, Hollenbeck, Gerhart and Wright (2008) defined organizational commitment as the degree to which an employee identifies with the organization and is willing to put forth effort on its behalf. Mowday, Steers and Porter (1979), defined the organizational commitment as the relative strength of an individual's identification and involvement in a particular organization. Allen and Meyer (1990) summarized the major definitions of organizational commitment provided by different theorist and categorized them under three broad themes. These include the affective orientation theme, the cost based theme, and the moral or obligation responsibility of commitment theme. Organizational commitment can be defined as a mind set or psychological state of feelings and/ or beliefs concerning the employees' relationship with an organization (Meyer and Allen, 1991, p. 62).

THE ORGANIZATIONAL COMMITMENT APPROACH

Based on the organizational commitment literature, Suliman and Iles (2000) have identified that there are four major approaches in conceptualizing the organizational commitment which namely attitudinal, the behavioral, the normative approach and the multidimensional approach.

The attitudinal approach is a type of commitment whereby the employees will specifically express their attitude to the organization. The attitudinal commitment is in line with the definition that was developed by Mowday et al. (1979). According Mowday, et al.(1979)they mentions that organizational commitment consists of three characteristics; a belief in and acceptance of the values of the organization, a strong willingness to put in effort for the organization, and lastly as the desire to remain with the organization. Furthermore, Mowday et al. (1982) explained that attitudinal commitment is also focuses on the process of people think their relationship with their organization. In this approach, factors that influence the attitudinal commitment is positive work experience, personal characteristics and job characteristics (Mangaleswaran and Srinivasan, 2012). However Meyer and Allen (1991) argue that the attitudinal approach is the behavioral consequences of commitment that are likely to have influence on the conditions that contribute to stability or change commitment.

The second approach as identified by Suliman and Iles (2000) is behavioral commitment. The employees continue to stay in organization because of personal investment made to the organization such as length of time spent in organization, friendship in the organization, pension benefits that bond the employees to the organization. Mangaleswaran and Srinivasan (2012) further explain that employees continue to commit because of the sunk cost that have to be forgotten which are too pricey. Behavioral commitment is also about a process of individual locked with the organization and deals with the problem (Mowday et al, 1982). However Meyer and Allen (1991) argue that behavioral approach is an attitude that result from expected behavior that have an effect the tendencies of behavior will be repeat in the future.

The third approach as identified by Suliman and Iles (2000) is normative commitment that suggests the employees feel obligated to stay in organization when the employees found their personal goals and values in line with organization. Wiener (1982) mentioned that normative commitment was form when the employees internalized the normative pressures in the organization.

The last approach is multidimensional commitment which suggests the combination of all the commitment mentioned above. The most popular and acceptable multidimensional approach that extensively used in previous organizational commitment studies is Allen and Meyer's model (1990). According to Meyer and Allen (1991, p.61), the development of the organizational commitment model is due to its diversity of the conceptualization and measurement that made difficult to interpret the results. They further explained that the development of this model is beyond the conceptualization of attitudinal commitment and behavioral commitment. Meyer and Allen (1991, p.62) argue with the concept introduced by Mowday et al. (1982) that the psychological state of organizational commitment should not be limit to the congruency of value and goals but it can create a desire, need and obligation to maintain membership in the organization. The three distinct components of organizational commitment are known as affective commitment (a desire to committed), continuance commitment (a need to committed), and normative commitment (an obligation).

Affective commitment

The first component of Allen and Meyer's model (1990) of commitment is affective commitment. Meyer and Allen (1991) defined affective commitment as emotional attachment to, identification with, and involvement in the organization. meyer and Allen (1991) further explained that employees with strong affective commitment continue to stay in the organization because of they 'want' to do so. According to Rohrer (1989), affective commitment represents the effort contributed by the employees to the organization whereby the composite state of affective influenced the employees' effort on the job on behalf of the organization.

Continuance Commitment

The second component of Allen and Meyer model is continuance commitment. Meyer and Allen (1991)defined continuance commitment as an awareness of the costs associated with leaving the organization. Meyer and Allen (1991) continue to explain that the employees that high in continuance commitment continue to stay because the employees 'need' to do so. Continuance commitment described as a composite affective state of the employees that influenced the employees' thoughts of quitting or leaving the organization (Rohrer, 1989). Allen and Meyer (1990), states that the employees have to make decision and careful evaluation in calculating the cost of leaving organization. Meyer and Allen (1991, p.71) explained that the most frequently studied in continuance commitment are side bets, investment, and the availability of alternatives.

Normative Commitment

The third component of organizational commitment is normative commitment whereby Meyer and Allen (1991) defined it as an obligation to remain with the organization. Allen and Meyer (1990) suggest that employee stay in organization because it is a proper way to behave. To understand clearly the concept of normative commitment, Meyer and Allen (1991, p.66) cited from the work of Marsh and Mannari (1977) whereby employees stay in organization because they consider it as morally right to stay regardless the status enhancement and satisfaction that they received from the organization over the years. From the definition of Allen and Meyer (1990), Shepherd and Mathews (2000) conclude that normative commitment is one of obligation. Meyer and Allen (1991, p.71) further mentioned that the employees that has high normative commitment continue to stay in organization because the employees feel that they are 'ought' to stay in the organization. Meyer and Allen (1991, p.72) further explain that the employees feel it is obligated to stay in organization due to imbalance relationship between individual and organization. The advance reward received by the employees such as cost associated with training, or scholarship has made the employees bonded and continues to stay until the debt is repaid.

PURPOSE OF STUDY

This study intends to identify the level of affective, continuance, and normative commitment of the employees in the Asian contexts particularly on Malaysian perspectives. Numerous studies on organizational commitment were massively found in Western countries (for example Singh and Vinnicombe, 2000; Shepherd and Mathews, 2000; Bennet and Durkin, 2000) and Middle East countries (For example Suliman and Iles, 2000) however limited study has been found in Asian context (McKenna, 2005). Therefore the aim of this study is to extent the literature from Malaysian context.

Therefore the main objective of this study is to determine the level of affective commitment, continuance commitment and normative commitment of the local authority employees to the organization. Besides that this study also wants to determine the overall organizational commitment of the respondents who participates in this study.

Apart from that, this study also intends to determine the influence of personal variables of public sector employees to the organizational commitment. The personal variables that were included in this study are gender and age, and length of service of employees of the local authority organization.

METHODS

Sample

This study was conducted in one of the local state authority organization in Sarawak. The main responsibilities of this organization are to promote the tourism industry of Sarawak at both domestic and international level. This organization currently has three main branches that functions differently at different area. To measure the employees' commitment a self administered has been distributed to collect data. For confidentiality reason the name of the organization studied are not disclosed in this paper. A total of 45.9 percents of the questionnaires have been returned to the researcher, representing 105 valid responses of the respondents that have been analyzed in this study. The respondents who participate from this study are top managers, middle managers, and administrative staffs of the organization.

Measures

The questionnaires designed are split into two parts. The first part of the questionnaires are began with some background items concerning the respondents personal variables that are consist of age, gender, and length of service of the employees in the organization. Results from previous studies of organizational commitment shows that the information of personal variables of employees has influence on their commitment to the organization.

The second part of the questionnaires consists of a set questionnaire which is Organizational Commitment Questionnaires (OCQ) that was developed by Allen and Meyer (1990). The questionnaires consist of three major components based on the different variables of commitment as suggest by Allen and Meyer model that namely affective commitment scale, continuance scale, and normative scale. Each of the components is consist of eight items which made up of twenty four items for overall. In order to avoid bias response from the respondents, all of the items were mixed up randomly. To measure each item, seven point measurement of Likert Scale has been used to measure the attitude of the respondents towards the statement of each items that ranging from strongly agree to strongly disagree. The mean scores are based on Nunnaly (1967) of four psychometric scales that varies from 1 to 7, where 1 to 2.99 indicates high negative, 3 to 3.99 indicates low negative, 4 to 4.99 indicates low positive, and 5 to 7 indicates high positive scale of commitment.

Data Analysis

For data analysis of this study, the data were analyzed by using the Statistical Package for Social Sciences (SPSS) version 12. To determine the reliability, each items and components of the Organizational Commitment Questionnaires (OCQ) was assessed by using Cronbach's Alpha Coefficient. To determine the level of affective commitment, continuance commitment, and normative commitment of the employees, therefore the items was assessed based on the mean score of each components of the organizational commitment.

RESULTS

Based on the total response of the returned questionnaires that have been analyzed, the highest participation of the respondents of this study is made up by male employees with a 50.5 percents while women employees contributed 49.5 percents to this study. In terms of age, the highest response rates are those who are at 36 to 45 years old, followed by those who are at 26 to 35 years of age. In terms of tenure, it is found that the longest lengths of service of the employees are those who have worked for more than 11 years.

To measure the consistency of the measurement, each items of organizational commitment scale were assessed by using Cronbach's alpha. The results show that the value for affective commitment is 0.64, continuance commitment is 0.69, and normative commitment is 0.76. The reliability value for overall items is 0.87. According to Sekaran and Bougie (2009, p. 325), the acceptable consistency value is above 0.6 and they further mentioned that the closer Cronbach's alpha value to 1, the higher the internal consistency reliability of the measurement (p.324). Therefore each of the components of the measurement used in this study is good and overall value of internal consistency for the whole components is high.

Based on the analyses that have been conducted, the mean result of affective commitment of the local authority of the organization is 4.4, whereas mean result of continuance commitment is 4.48, and normative commitment is 4.65. The overall average of the organizational commitment of this study is 4.51.

In terms of gender, it is found that male employees are more committed in all aspects of organizational commitment as compared with female respondents. The results indicate that men tend to have more emotional attachment to the organization as compared to women. Men also show that they are more satisfied with the benefits offered by the organization as compared to women. Moreover, men show high degree of loyalty to the organization as compared to women.

In terms of age, it is found that younger employees have higher organizational commitment in overall components of organizational commitment. Surprisingly, those employees who are aging in the organization shows the lowest level of commitment in all aspect of affective commitment, continuance commitment, and normative commitment. The lowest results havecontributed the lowest score for the senior employees in the organization.

In terms of the length of service, those who demonstrate highest organizational commitment are those who have work between 1 to 5 years of service. This group of employees also shows that they have high affective commitment and normative commitment as compared to those who have work for more than five years. However, continuance commitment is found to be high among those who have served the organization within 5 to 10 years period.

DISCUSSION AND CONCLUSION

The overall conclusion for affective commitment of the local authority employees in this organization shows that the employees have positive but at low level. This is because the score for overall items in measuring affective commitment is positive but at lower level. While for continuance commitment, the total average score is 4.48 which above average but higher than affective commitment. While results for normative commitment shows the highest mean value among the score but still not achieving moderate level. In sum, the overall score of commitment is 4.51 which are at positive but lower level.

In terms of gender, the result of this study was supported by previous research undertaken by Singh and Vinnicombe (2000), whereby female employees was found as a less committed as compared to men. Singh and Vinnicombe (2000) explained that men and women have different meaning of commitment which impact on how they view commitment at work. They further explain that women are burdened with family responsibilities and prefer to stress on the family needs rather than organizational needs. On the other hand, men is more committed to the organization because men view commitment to work as career and they are the breadwinner of the family thus men need to be committed more in their work. This study concludes that gender have impact o individual belief in the organizational goals as well as their willingness to exert additional effort on behalf of the organization.

In terms of age, younger employees were found to demonstrate more commitment as compared to senior employees. The results of this study were supported by Wim and Margriet (1998) that found junior employees are more committed than senior employees because they are very eager to start their career while at the same time there are so many things to be learn in organization. However, the employees who are at 46 to 55 years old also show high commitment particularly on normative commitment to the organization. According to Suliman an Iles (2000), they explained that age variables were found to have significant relationship with affective, continuance, normative commitment and organizational commitment. Aging employees shows high commitment because they are very excited to retire from the organization. Age is a reason for organizational commitment (Mangaleswaran and Srinivasan, 2012).

Lastly, length of service was found to have influence on the commitment of the employees to the organization. Those who have worked between 1 to 5 years in organization shows highest level of commitment whereas those employees who have work for more than 6 years and above shows less commitment. Allen and Meyer (1990) argue that the employees who stay longer in organization possess higher commitment because the number of years of experience has an impact on organizational commitment. Nonetheless, the result of this study is in line with Beck and Wilson (2000) who has found that commitment of employees is decreasing with tenure, and those who have served about 4 years shows high commitment (Mangaleswaran and Srinivasan, 2012). While Pete Naude, Janine Desai, and John Murphy's (2003) indicates that those individuals who have worked for the company for shorter time periods have more positive perception of organization commitment.

In conclusion, there is a need for the organization to look carefully at the climate of the organizational commitment of the employees in organization. Overall organizational commitment results point out that the level of affective, continuance and normative commitment is positive but at low level. This study suggests that managers need to make some improvements on the human resource related practices in order to improve the level of commitment of the employees. Managers also need to take into account the demographic profiles of the employees in order to design a program or other work related activities that can improve the level of commitment.

Apart from that, there is a need for future research to study the relationship of organizational commitment with other work related attitude that have influence on organizational performance such as the elements of job satisfaction in organizational. In reflection of the organizational commitment results of this study, Pence (1996) states that lower commitment is results from weak support systems that have failed to support the quality initiatives made by employees. Therefore Pence (1996) also explained that to encourage commitment among the employees, the managers and directors should improve the organizational support systems such as policies and procedures, rules and regulation, communication systems, training and reward systems, and as such that would influence the commitment level of the employees to the organization. Future research also needs to be conducted in order to

investigate other facet of organizational constructs that influence the organizational commitment and also identifying factors that influence the organizational commitment as well its consequences to the organization as a whole.

REFERENCES

- Allen, N.J. and Meyer, J.P., (1990), "The measurement and Antecedents of Affective, Continuance, and Normative Commitment", Journal of Occupational Psychology, 63, pp. 1 – 18
- Daft, R.L. and Marcic, D., (2009), "Management: The new workplace", Sixth edition, South Western, China.
 Lamsa, A.M. and Savolainen, T., (2000), "The nature of managerial commitment to strategic change", Leadership and Organizational Journal, 21/6, pp.297 306
- Mangaleswaran, T. and Srinivasan, P.T., (2012), "Organziational commitment in Public Sector banks: A comparative study of India and Sri Lanka", *International Journal of Marketing*, Vol.1, No.4, pp. 100 – 106
- Marsh, R.M. and Mannari, H., (1977), "Organizational commitment and turnover: A predictive study", *Administrative Science Quarterly*, 22, p. 57 – 75 Meyer, J.P. and Allen, N.J., (1991), "A three component of conceptualization of organizational commitment", *Human Resource Management Review*, Vol. 1, No. 1, pp. 61 – 89
- Mowday, R.T., Steers, R.M., and Porter, L.W., (1979), "The measurement of organizational commitment", *Journal of Vocational Behavior*, 14, p.224 247.
- Mowday, R.T., Steers, R.M., and Porter, L.W., (1982), *Employee Organization Linkages: The Psychology of Commitment, Absenteeism, and Turnover*, Academic Press, London. Nalbantian, R, Guzzo, R A, Kieffer, D and Doherty, J (2004) *"Play to Your Strengths: Managing your internal labour markets for lasting competitive advantage"*,McGraw-Hill, New York.
- Naude, P., Desai, J., and Murphy, J. (2003), "Identifying the determinants of internal marketing orientation", *European Journal of Marketing*, Vol. 37 No. 9, pp. 1205-1220
- Noe, R.A., Hollenbeck, J.R., Gerhart, B. and Wright, P.M. (2008), "Human Resource Management: Gaining a competitive advantage", Sixth edition, McGraw Hill, Singapore. Nunnaly,J.C. (1967), "Psychometric Theory.", *McGraw-Hill*, New York,355.
- Pence, P., (1996), "Is your organization really committed to teams? A self test for measuring your organizations' commitment", *Empowerment Organizations*, Vol. 4, No. 2, p. 22 -28
- Putterill, M.S. and Rohrer, T.C., (1995), "A causal model of employee commitment in a manufacturing setting", *International Journal of Manpower*, Vol. 16, No. 5/6, pp. 56 59
 Robbins, S.P. (1989), "Organizational Behavior: Concepts, Controversies, and Applications", Fourth Edition, Prentice Hall International, New Jersey.
- Rohrer, T.C., (1989), "Employee commitment to the organization: analysis of composition and effect on job performance behavior", PhD dissertation, University of Auckland, Auckland.

- Sekaran, U. and Bougie, R., (2009), "Research Methods for Business: A skill Building approach", Fifth edition, John Wiley and Sons Ltd, Great Britain.
- Shepherd, J. L. and Mathews, B.P., (2000), "Employee Commitment: academic vs. practitioner perspectives", *Employee Relations*, Vol. 22. No. 6, pp. 555 575.
 Singh, V. and Vinnicombe, S., (1998), "What does "commitment" really mean? Views of UK and Swedish engineering managers", *Personnel Review*, Vol. 29, No. 2, pp. 228 258
- Stallworth, L. (2004), "Antecedents and consequences of organizational commitment to accounting organizations", *Managerial Auditing Journal*, Vol. 19 No. 7, pp. 945-955
- Suliman, A. and Iles, P., (2000), "Is continuance commitment beneficial to organizations? Commitment – performance relationship: a new look", *Journal of Managerial Psychology*, Vol. 15, No. 5, pp. 407 – 426
- Suliman, A.M., and Iles, P. A. (2000), "The multi-dimensional nature of organization commitment in a non-western context", *Journal of Management Development*, Vol.19 No. 1, pp. 71-82
- Wiener, Y., (1982), "Commitment in Organization: A normative view", Academy of Management Review, 7, p. 418 428