

FACTORS AFFECTING ORGANIZATIONAL COMMITMENT

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Abstract

Organizational commitment is one of essential elements in achieving organization's goals. Highly committed employees contribute significant improvement in organization outcomes and goals. Studying what motivate employees to obtain strong commitment is important to enhance organizational performance. The aim of the study is to see what factors affecting organizational commitment using literature review method. Several essential factors are grouped into two perspectives, employers and employee's perspectives. In employer's stand point, role ambiguity, job control, job insecurity, career advancement, performance appraisal, and positive team experience have been claimed significantly affecting organizational commitment. In contrast, factors affecting employee's commitment are locus of control, age and tenure in organization, task self-efficacy, culture, job satisfaction, and employee engagement.

Keywords: *Organizational commitment, role ambiguity, job control, job insecurity, career advancement, performance appraisal, and positive team experience have been claimed significantly affecting organizational commitment, locus of control, age and tenure in organization, task self-efficacy, culture, job satisfaction, and employee engagement.*

INTRODUCTION

The concept of organizational commitment has become an essential aspect for organization to predict and expect employee's loyalty and behavior to the organization (Mathieu and Zajac, 1990; Morrow, 1993; Sinclair and Wright, (2005). Various research has been done to understand factors that trigger workers to stay longer in organization from Becker in 1960, Meyer and Allen in 1999, and Somers 2009. Commitment is vital because it ties workers with responsibilities and tasks given. High level of commitment helps

employees to complete tasks efficiently and further contribute to goals and outcomes intended by organizations. Furthermore, organizational effectiveness as well as employee's well-being (Meyer & Herscovitch, 2001) are determined by how much an individual committed to an organization. In fact, some surveys reveal that young people nowadays stay in organization shorter (Laurinolli, 2010). In some cases, it found out that millennial group of people normally have been in 4-5 different jobs before they turn 25. It shows that commitment becomes a concern for organization in order to

keep the worker stay longer in the organization.

For an organization, having employees with low commitment leads to higher expense in training and recruitment process (Loi et al, 2006). In fact, keeping the best employees to stay in the organization could be a challenge as well. Therefore, it is important to study what factors help workers and the organization boost commitment among the employees because committed employees have less intention to leave the organization (Wong et al, 1995). Previous studies have indicated the antecedents of commitment in an organization, however no study conducted to see the factors seen from both sides, which is factors affecting the commitment based on organization's and employees' stand point. Knowing what factors from each side could help organization to provide the best support to the employees as well as cut the number of intentional turnover rate (eg. Maertz and Campion, 1998) and how employees could help themselves to generate commitment in an organization. Therefore, this study is done to fill the gap in the literature by proposing a model of factors affecting commitment based on employee and employer's stand point.

LITERATURE REVIEW

1. Organizational Commitment

Research on organizational commitment was started by Becker who claimed commitment as "contract" (Becker, 1960). Later on, Meyer and Allen as well as O'Relley and Chatman expanded the study by acknowledging the single approach by Becker into multidimensional approach of commitment. Commitment is defined as "a psychological affiliation a person feels towards the organization manifested by the

extent to which an individual is able to adopt and adapt to the attributes and viewpoints of the organization". O'Reilley and Chatman (1986). Jokivuori (2002) indicated that organizational commitment have strong connection to some aspects such as turnover, sickness, job satisfaction, intention to leave current job, etc.

The three components model of commitment proposed by Allen and Meyer are affective, continuance, and normative. Affective component (emotional commitment) refers to situation where a worker shows commitment to an organization because they like doing it. The relationship between worker and organization is intimate and the worker has positive feeling about working for it. Besides having a deep connection with the organization, the workers are reluctant to leave the organization (Mowday et al. 1982) just because staying in the organization brings pleasant experience for the workers.

Continuance component (cost connected with abandoning the organization) refers to situation where a worker shows commitment to an organization because the worker is aware the cost and benefit if they leave the organization (Kanter, 1968). Considering the economic advantage to stay in the organization, workers realize that it will be better off if they keep their work in the organization than looking for other opportunities outside the organization (Becker, 1960; Meyer & Allen, 1984). In other words, workers aware that what they have and will possess in the organization such as education, salary, career advancement, perks, etc will not available if they find in other organization. Therefore, based on the economic value, the workers would consider there will be lack of benefit outside organization.

Normative component (moral duty to stay) refers to the situation where commitment is shown just because the worker has to do so. The commitment is part of being responsible of work given. Workers believes that their existence in the organization means that they are required to devote themselves to achieve organization's goals. Therefore, they intend to stay to fulfil the obligation or contract they have signed.

Different component of commitment shows different level of dedication where researchers believe that particular factors have played a major influence in affecting each component of commitment. A worker can show different level of commitment based on what he or she believes. By studying the factors as well as the link between the factors and the level of commitment could predict how a worker engage in organizational commitment. (Meyer & Herscovitz, 2001).

2. Factors Affecting Organizational Commitment

I. Factors from employers' stand point

a. Role ambiguity

Work role is important in an organization in order to have a clear view on who works on a specific task. This factor plays a strong factor in affective commitment. When a person has clear work role, the commitment that naturally comes from the person would be higher. Whereas when the work role is vague and conflicting, the commitment to the organization would be lower. A study done by Judeh (2011) stated that when an individual face situation where the role is ambiguous, this could act trigger lower commitment in an organization.

b. Job control

Job control one of crucial factors in order to improve the workers' health and comfort at work (Paul, 2002). Job control consists of the extent to which an individual participate in the work as well as how much autonomy given to the individual over process of decision making (Spector 1998). Prior research found that when a worker has broader autonomy and high participation during decision making process, it is likely that the level of commitment will be high. (e.g. Wasti & Can 2008). In 1988 Cotton et al indicated that when a worker actively participates in decision making, it will boost the level of job performance, employee motivation, as well as organizational commitment.

c. Job insecurity

Like job control, job insecurity would predict the level of commitment shown by a worker in an organization. Job insecurity is defined as the feeling that someone could loss the current job (De Witte 1999, 156). Ruokolainen (2005) indicated in the research that someone's would show lower commitment level if his fate in the organization is uncertain. When individuals believe that there is no guarantee over their path career in an organization, they normally try to seek other available job. In result, the workers would put less focus and commitment over work and task given. Nevertheless, a worker will be more committed to the organization when he or she believes that there is an opportunity to grow and learn in the organization they work for (Okpara, 2004).

d. Career advancement

Career advancement is important for employees to plan their career. Having a clear career advancement and full support from employers would help employees

reach their desire position. Research found that there is a correlation between career advancement and organizational commitment. When workers believe that they are able to plan their career in organization, they would form higher commitment. (Enache, Sallan, Simo & Fernandez 2013). In addition, when promotion is available for workers to advance their career, the level of commitment will get higher (Kanter, 1977).

e. Performance appraisal

Performance appraisal is one of human resource Management practices that evaluate employees' performance. Edgar and Geare (2005) found that performance appraisal using attitudinal surveys is important to evaluate employee's performance and to see whether they have complete the task efficiently or not. Previous study also indicated that from various human resource management practice, only performance appraisal has significant correlation with organizational commitment.

f. Positive team experience

Higher performance (Applebaum & Batt, 1994) as well as productivity (Glassop, 2002; Hamilton, Nickerson, & Owan, 2003) are the result of effective team. Previous research regarding benefit of team experience and commitment has found that there is a link between them (Mitchell, Holtom, Lee, Sablinski, & Erez, 2001; Osburn, Moran, Musselwhite, & Zenger, 1990; Wellins, Byham, & Wilson, 1991). Research done by Greenberg et al in 2009 concluded that team members feel attached and bonded into the team and prefer to stay longer in the organization if they feel positive about the team and experience good team work, therefore positive team experiences affects the level of commitment in organization. The research also pointed out that positive team

experience involves team social relations where members support each other, united, and respectful.

g. Management support and work atmosphere

Besides having a full support by management, work atmosphere could also potentially predict employee's commitment level through psychological climate perceived by worker as positive environment at work. Kahn (1990) found that there is a positive link between psychological climate and employee's commitment at work. Flexible and encouraging management, a well defined job description and work role, as well as ability to show self expression and share knowledge would give positive feeling to worker which further enhance his level of commitment. In other words, when a worker gets recognition over his or her achievement for giving contribution to the organization, he or she would perceive the positive work atmosphere thus results in higher level of engagement (Brown & Leigh, 1996).

II. Factors from employees' stand point

a. Locus of control

Locus of control is defined as when a person believes that he or she has control over what happens to his or her life. Locus of control is divided into external and internal. The external control means that what happens in a person's life is influenced by outside power, while the internal control means that he or she is the one who has control over events and the results. In terms of organizational commitment, research found that internal locus of control affects

commitment (cf. Spector, 1988; Csikszentmihalyi, 1990). People with high level of internal locus of control believe that their career advancement, perk, as well as salary rise are in their control. In addition, these people perceive that they can control their working environment (Lau & Woodman, 1995) which makes them feel more related to the organization, therefore it boosts the level of commitment. In the contrary, people with external locus of control also believe that by having less control over the environment, they have few opportunities to find new job, therefore they prefer to stay in their current job.

b. Age and tenure in organization

Previous research found that age and tenure could affect organizational commitment in the three component of commitment; which continuance component has the highest influence. The commitment is shown through their intention to sacrifice their current life to fit the work. It is also exhibited by staying in the organization due to difficulty in getting different job. Individuals who have been in an organization for certain years would voluntarily sacrifice their life to meet the organization's objective because the longer they stay the higher the sense of belonging they have. Meanwhile older people would prefer staying in the organization than moving to a new place due to the requirement in a new job normally asks for certain age limit.

c. Task self-efficacy

Task self-efficacy is described as a confidence shown by an individual in completing task given. This factor affects the commitment of an individual at work, especially the affective component. A person with high task self-efficacy would normally possess higher level of commitment which comes from within. The commitment comes from the true and good feeling of an individual in performing the task. The higher task self-efficacy, the higher level of commitment one person would have.

d. Culture

Culture also plays an important role in predicting the level of commitment an individual has toward the organization. People would differently perceive the organization they work for (Williamson et al. 2009, 29).

Meyer et al. 2002, 38 has studied numerous study of commitment and found culture has significant impact on commitment. The component of culture in the study is power distant and individualism vs collectivism. It is found that people come from country with individualism would have higher commitment toward normative component due to their responsibility to complete the duty assigned to them. By fulfilling the responsibility, they would feel joy and pleasure. Whereas culture of individualism also affects normative commitment through the equal distribution of power between supervisor and subordinates (Meyer et al. 2002, 238). Collectivism is high in normative commitment as well; however, it only exhibits in a country where man power is higher compare to woman and the group's goal is considered more than member's goals.

e. Job satisfaction

Job satisfaction has been one strong factor predicting commitment at work because it related to improve job performance, lower rates of absenteeism, and turnover. Job satisfaction is the good feeling an individual perceives toward his or her job (Luthans, 1998). Numerous studies have been done to see the link between job satisfaction and the level of organizational commitment (Currivan, 1999). Dubinsky et al in 1990 found a significant relationship between job satisfaction and organizational commitment, as well as Ayeni and Phopoola in 2007 indicated that job satisfaction strongly affects a worker's commitment at an organization. A study done by Coleman and Cooper (1997) also revealed that affective and normative aspects of commitment are influenced by job satisfaction. Moser (1997) identified that dissatisfied workers have lower level of commitment.

f. Employee engagement

Employee engagement is defined by Saks (2006) as how much attention an individual puts in the tasks given. Employee engagement consists of two components, they are job engagement and organization engagement. Various research has found the link between employee engagement and organizational commitment. A research done by Schaufeli and Salanova (2007) indicated that the more an individual engage into his or her work, the more they commit to the organization.

MANAGERIAL IMPLICATIONS

Organizational commitment is a vital factor to see how much a worker loyal to an organization. Studying this factor helps managers to understand employees' behavior toward the organization they work for. Higher level of commitment could predict behavior of an employee to complete or fulfil the responsibilities and task given by manager. Productive and committed employees relatively give more contribution to goal achievement in organization than those who are less committed. There are several factors lead to commitment that have been studies by previous research. This paper collected all the factors and break down into two perspectives, employees and manager's perspective. Knowing the factors based on these two perspectives could give a picture on how manager could provide human resource management practices as well as support to boost commitment among employees. Manager is highly recommended to provide support, access to knowledge sharing, performance appraisal that gives a clear expectation of work given, clear role among employees, flexibility of job control, building a good and positive team experience, as well as clear career advancement.

Meanwhile, from employee's stand point, managers learn some factors affecting commitment come from the employees. Knowing these factors helps manager to provide some assistance during work so employees would feel needed and satisfied. Working atmosphere should facilitate workers to have better task self-efficacy, deep work role, better education on work, and engagement.

Conclusion

From previous studies, it is concluded that organizational commitment is strongly affected by some factors. The factors could be grouped into two different perspectives namely managers and employees. From manager's stand point, commitment is affected by factors such as role ambiguity, job control, job insecurity, career

advancement, performance appraisal, and positive team experience have been claimed significantly affecting organizational commitment. In contrast, factors affect employee's commitment are locus of control, age and tenure in organization, task self-efficacy, culture, job satisfaction, and employee engagement.

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