A Research on Employees’ Organisational Commitment in Organisations: A Case of Smes in Malaysia

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Abstract: Organizational commitment is a psychological construction of responsibility that an employee has towards the mission and direction of an organization. This study is to identify the Malaysian private organizations employees’ perception of their jobs and how to improve their work commitment towards their organizations.

The problem of many organizations today is not just to have more skillful and intellectual employees in each and every department, but also to find the right talented employees with positive attitude and commitment to their work. The employees of private organizations today, in Malaysia, are not fully satisfied with their jobs. If employees do not sense engaged they can spiral down into distrustful which could bring down their work involvement. This observation has brought about the purpose and need for this study, which is to find the factors, job satisfaction, job involvement and perceived organizational support influence, and organizational commitment of their employees through affective, continuance and normative types of commitments.

This study also researches the relationship between organizational commitments of employees influenced by Job satisfaction, Job involvement, and perceived organizational support and affective or continuance or normative type commitments. The findings from the study confirms that job satisfaction, job involvement, and perceived organizational support influencing organizational commitment of employees by affective, continuance and normative type commitment are significantly positive and accepted. Normative and affective types of commitments have high influence in getting the employee’s job involvement, job satisfaction and perceived organizations support.

Keywords: Organizational Commitments, Affective, Continuance, Normative, Job Satisfaction and Job Involvement.

1. INTRODUCTION

Organizational commitment refers to employees’ psychological attachment towards their organisation. Commitment is a force that guides a course of action towards one or more targets (Meyer, 2002). It has been theorized that commitment is a multidimensional construct and that the antecedents, correlates, and consequences of commitment vary across many dimensions (Meyer, 2001). A widely used model of organizational commitment as a multidimensional construct is (Meyer J P and Allen N, 1997) ‘Three-Component Model of Commitment’. This model refers to the three forms of commitment that is affective, continuance, and normative commitment (Meyer J P and Allen N, 1997). Affective commitment is explained as an emotional attachment to the organization. Continuance commitment is the perceived costs associated with leaving the organization. Normative commitment refers to the perceived obligation to remain in the organization (Meyer, 2001).

It has been suggested that employees who exhibit both high organizational commitment and high job involvement would least likely to leave the organization while employees with low levels of organizational commitment and job involvement are the most likely to leave the organization voluntarily (Huselid, 1991). Organizational commitment is a leading factor impacting the level of achievement in many organizations. Studies have been conducted on the relationship of organizational...
commitment either towards job satisfaction, job involvement or perceived organizational support (Meyer J P and Allen N, 1997). However, only a few have been carried out on the collaboration of these three factors towards the organizational commitments.

The major problems that can be seen today are that the employees are not really satisfied with their job, salary, lack of commitment ownership, lazy at workplace, non-sync with organizational expectations which leads to poor organizational results. The following objects are structured on observations identifying the factors which have high influence in bringing out employees commitments towards their organizations. This study is focused on the private organizations in Penang, Malaysia namely:

- To identify, Organizational Commitment of employees influenced by Affective, Continuance and Normative type of commitments.
- To identify, Job satisfaction that influences organizational commitment of employees, either in affective, continuance or normative type of commitments.
- To identify, Job involvement influences in organizational commitment of employees, either in affective, continuance or normative type of commitments.
- To identify, Perceived organizational support influencing organizational commitment of employees, either in affective, continuance or normative type of commitments.

This study was conducted to confirm the relationships between factors impacting employees’ organizational commitments and could be generalized to private organizations in Penang and their restructuring efforts to improve their employee’s organizational commitments.

2. LITERATURE REVIEW


- Affective Commitment refers to the employee’s emotional behavior, identification, attachment and involvement with their organization.
- Continuance Commitment refers to the employee’s commitment based on the value associated their organization.
- Normative Commitment refers to the employee’s responsibility for the job and thus makes them stay with the same organization.

Affective commitment is an individual’s personal emotional connection with the organization and according to them the individual is a passionate person, responsible for the members as a body to continue working in the company (Meyer, J. P., & Allen, N. J., 1991). Employees who are committed on an emotional level to stay with the organization are doing so because of their personal working relationship as a consistent with the mission and ethics of the organization (Beck, N. & Wilson, J., 2000). Affective organizational commitment refers to being associated with positive emotions towards the working organization (Morrow, 1993). An individual’s identity and emotional commitment to a particular organization is the relative strength of that relationship (Mowday, R. T., Porter, L. W., & Steers, R. M., 1982). Affective organizational commitment refers to the strength of the organization’s unique needs and expectations of their actual experience fitted with impact to any size. (Meyer J P and Allen N, 1997), the company dedicated a sense of responsibility for tasks such as challenges, role clarity, goal clarity, and objective difficulties, management receptivity; with cohesion factors such as the impact that refers, stock, self-importance, comment, share, and reliability. Affective commitment analyzes the growth of identification and internalization (Beck, N. & Wilson, J., 2000). In general, affective organizational commitment is a unique system which identifies the extent an organization is associated with an employee (Allen N J and Meyer J P, 1990). Emotional connection with their companies is primarily found in individuals’ desire to establish a firm identity based on rewarding the relationship, next through internalization it refers to the same objectives and values of individuals and organizations.

Continuance commitment refers to the employee’s developed organizational commitment to an organization because of extrinsic rewards like the positive results obtained through the effort-free deal to identify with the goals and values of the organization. This differs from affective commitment, in
which individuals remain with an organization because they want to and because they are familiar with the organization and its principles. Continuance commitment can be considered as an attack instrumental to the organization, where the association of the person with the organization is based only on an assessment of the economic benefits obtained (Beck, N. & Wilson, J., 2000). Individuals with continuity commitment remain with a specific organization because of the money that employees earn as a result of time spent in the organization, and not because they want to. Individuals remain in the organization because they are attracted to other investments such as pension plans, retirement or the organization of specific skills (Allen N J and Meyer J P, 1990). The need to remain is ‘profit’ associated with continued participation and termination of service is a ‘cost’ associated with leaving. In order to keep employees who are committed to continuity, the organization needs to give more attention and recognition to those items that boost the morale of the employee to be emotionally engaged.

Normative commitment is the work ethics and implicit responsibilities of the employees in their organizations. This can be explained as a sense of responsibility to continue work with a specific organization (Meyer J P and Allen N, 1997). The idea, internalized responsibility and commitment, allows employees continued membership which is appreciated by a specific organization (Allen N J and Meyer J P, 1990). The normative element is seen as people who consider the moral commitment with the view of remaining within a specific organization, regardless of the amount of improvement in the state of completion the organization provides the individual over the years (March, R. & Mannari, H., 1997).

It was revealed that there were seven key factors which made an impact on an employee’s commitment levels. Trust and skills occupy top slots in this survey and were followed by job security and good pay package. The seven key factors (percent impact of each factor) are: Trust in senior leadership (14 percent); Chance to use skills on the job (14 percent); Job security (11 percent); Competitiveness of rewards (11 percent); Quality of company’s products/services (10 percent); Absence of work-related stress (7 percent); Honesty and integrity of company’s business conduct (7 percent); and all other factors put together accounted for the rest of 26 percent (Watson Wyatt Worldwide, 1999).

The above findings clearly demonstrate that trust in leadership occupies the top slot and lays the strong foundation for other factors. The leadership must first demonstrate its level of commitment to employees to win their trust if it wants their commitment, dedication and hard work in return. What the leadership gives to its employees, it receives in return. To achieve something, a person must have the requisite skills and knowledge, but more importantly is the willingness and positive attitude to accomplish the assigned job.

Employees feel encouraged and motivated when they perceive that their contributions are valued and their organization cares about their material, emotional and intellectual needs. They will be committed to their work if the organizational leadership creates more trust in the working climate. Trust works wonders for people at all levels and empowers them to do extraordinary things. It also helps them to release their blocked energies, intellects, capacities and creativities.

Management gurus, Robert M. Galford and Anne Seibold Drapeau (Drapeau, 2011), have identified three types of trust i.e. strategic trust, organizational trust and personal trust. Strategic trust is the faith people have in the organization’s ability to do things right, in terms of its goals and strategies. Organizational trust is people’s faith in the firm’s processes, including the decision-making process; while personal trust is an employee’s faith and confidence in the organizational leadership in the context of their integrity, confidence and vision. How employees feel makes an impact on their productivity levels. Personal trust is the trust employees have in their own managers.

The levels of an employee’s commitment have a direct bearing on the sustainability and profitability of any business firm. Pay and perks are just one dimension of the work place. The leadership must ensure that their employees are treated with kindness and fairness. Employers must have a lot of flexibility in their policies to ensure employee commitment (Vohra, 2003). Researches on this subject have shown that a number of factors can influence an employee’s feeling:

- Quality of immediate, middle and top leadership;
- Clarity in vision, mission and strategies of a firm;
- People’s trust in established systems and structures;
- Conducive and participatory work atmosphere;
- Good compensation package;
- Performance based promotions;
- Efficient communication systems;
- Good training and development facilities;
- A sense of involvement inviting the suggestions to improve the efficiency levels; and
- A good employee appraisal system.

Employers also need to understand that the level of employee involvement and commitment is not uniform all the time. There would be phases when a number of employees feel down which may impact their productivity, but that is natural. They also make trivial mistakes, but the leadership has to be considerate towards them if they are honest in acknowledgement and are willing to mend. Even machines do not perform with 100 percent efficiency all the time. This kind of vulnerability has to be accounted for in an organization. Employees need a caring leadership and work atmosphere to perform their best. High achievers are always groomed through a congenial work atmosphere and motivational leadership. One of the ways to generate the sincere commitment in employees is through an ideal leadership process, which is dependable, reliable, predictable, empathetic, courageous and full of character and integrity (Vohra, 2003). A committed employee is far better than the one who promises but never delivers because there is a huge difference between promise and commitment. A promise is a statement of intent whereas a commitment is a promise to be kept, no matter what. Committed employees always help to build a healthy corporate image. Commitment is a two way process, which goes hand-in-hand with trust and empowerment, and is one of the ways to achieve organizational excellence.

Individuals who display high involvement in their jobs consider their work to be an important part of their lives and whether or not they feel good about themselves is closely related to how they perform on their jobs. Job involvement and commitment have each received attention as work-related attitudes and subsequent predictors of work-related outcomes (Freund, A., 2005).

Perceived Organizational Support (POS) refers to employees’ perception concerning the extent to which the organization values their contribution and cares about their well-being. Perceived Organizational Support has been found to have important consequences on employee performance and well-being. Research on perceived organizational support (POS) began with the observation that if managers are concerned with their employees’ commitment to the organization, employees are focused on the organization’s commitment to them (Eisenberger, Huntington, Hutchison, & Sowa, 1986).

For employees, the organization serves as an important source of socio-emotional resources, such as respect and caring; and tangible benefits, such as wages and medical benefits. Positive valuation by the organization also provides an indication that increased effort will be noted and rewarded. Employees therefore take an active interest in regards with which they are held by their employer.

Organizational support theory (Eisenberger, Huntington, Hutchison, & Sowa, 1986) holds that in order to meet socio-emotional needs and to assess the benefits of increased work effort, employees form a general perception concerning the extent to which the organization values their contributions and cares about their well-being. Such perceived organizational support (POS) would increase employees’ ‘felt-obligation’ to help the organization reach its objectives, their affective commitment to the organization, and their expectation that improved performance would be rewarded.

Behavioral outcomes of Perceived Organizational Support would include increases in role and extra-role performance and decreases in withdrawal behaviors such as absenteeism and turnover. Although there were relatively few studies of Perceived Organizational Support until the mid-1990, research on the topic has burgeoned in the last few years.

Meta-analysis covered some 70 Perceived Organizational Support studies carried out through 1999, and over 250 studies have been performed since. The meta-analysis found clear and consistent relationships of Perceived Organizational Support with its predicted antecedents and consequences (Eisenberger, Huntington, Hutchison, & Sowa, 1986).

Money or compensation is important for building employee engagement as well, but the recognition, responsibility and pride are some other factors that can help cement the employee’s commitment to
the company. Employees need to feel a sense of belonging and, their job should provide a sense of excitement. They must have confidence in management if they are to remain committed to the organization.

3. CONCEPTUAL FRAMEWORK AND RESEARCH METHODOLOGY

This study was carried out through a survey method using questionnaires as the main instrument. The conceptual framework for this current study is suggested below:

This model proves that organizational commitment experienced by the employee as three simultaneous mindsets encompassing affective, normative, and continuance organizational commitment. These commitments are summarized below:

- Affective Commitment reflects a commitment based on emotional ties the employee develops with the organization primarily via positive work experiences.
- Normative Commitment reflects a commitment based on perceived obligation towards the organization, for example rooted in the norms of reciprocity.
- Continuance Commitment reflects a commitment based on the perceived costs, both economic and social, of leaving the organization.

This model of commitment has been used by researchers to predict important employee outcomes, including job satisfaction, job involvement and perceived organizational support (Meyer, 2002). Furthermore, this paper outlines some of the key measurement problems and challenges associated with this model, and presents recommendations for future research.

Specifically, this paper analyzes the degree to which the three Meyer and Allen scales, which are the Affective Commitment Scale (ACS), the Continuance Commitment Scale (CCS), and the Normative Commitment Scale (NCS), are structured in their item.

This conceptual framework explains that organizational commitment among employees is influenced by Job Satisfaction, Job Involvement and Perceived Organizational Support. The dependent variable in this research is the employee’s organizational commitment. This can be defined through the strength of the employee’s identification with, and involvement in an organization. The dependent variable was Organizational commitment with three subscales that are Affective, Continuance and Normative types of commitment.

The independent variables are job satisfaction, job involvement, and perceived organizational support. The questionnaires consist of six parts to measure the studied elements, where the independent variables are Job satisfaction (Spector, P., 1997), Job involvement (Kanungo, R. N., 1982) and Perceived Organizational support (Eisenberger, Huntington, Hutchison, & Sowa, 1986) with the sub-dependent variables being the affective, continuance and normative types. The method used to measure job satisfaction in this current study is Job Satisfaction Survey (JSS) (Spector, P., 1997). Minor modification was made on the current questionnaires.

This research uses an approach to the measurement of satisfaction in terms of specific identifiable characteristics related to the job (Luthans, Fred., 1998). It measures nine aspects of an employee’s satisfaction: Pay, Promotion, Supervision, Fringe Benefits, Contingent Rewards (performance based.
rewards), Operating Procedures (required rules and procedures), Coworkers, Nature of Work, and Communication (Spector, P., 1997). The JSS consist of 10 items, and there are 2 items for each fact.

To measure the job involvement, 10 items from the Job Involvement Questionnaire (JIQ) is used (Kanungo, R. N., 1982). However, modification was made by the current researcher due to a reliability test. Therefore, in the current study only 10 items were used. Perceived organizational support is measured by using survey of Perceived organizational support adapted (Eisenberger, Huntington, Hutchison, & Sowa, 1986). Modifications were made by the researchers in terms of rewording the construct in order to fit with a particular sample. The shorter version which consists of 10 items was used in the current study.

Organizational commitment survey is measured by using survey of organizational commitment adapted (Meyer J P and Allen N, 1997). Modifications in terms of the construct were also done by the researchers in terms of the construct in order to fit with a particular sample. It identifies 15 items that can be broken into 3 subscales based on the definition of organizational commitment that is affective commitment, continuance commitment and normative commitment. For the exploratory study conducted, a quantitative survey design was used to achieve the research objective (Shaughnessy & Zechmeister, 2008). Individuals were invited, by means of an e-mail meeting request, to participate in a session that would take approximately 30 minutes, during which the data would be collected. Participation was voluntary, based on the acceptance of the meeting request sent out. Anonymity and confidentiality of information supplied by all individuals participating in the study were maintained.

To examine the adopted research model, sample sizes of 189 respondents were used from 200 questionnaires distributed in 10 private organizations in Penang. Overall, there were more male (83 percent) than female (17 percent) participants in the sample. Most of the participants were employed at staff level (79 percent) and the others at supervisory level (21 percent). The overall findings of the study add to the retention literature by shedding new light on how the job satisfaction, job involvement and perceived organization support of individuals employed in levels of organizational commitment.

The hypothesis testing was done using Pearson correlation analysis to determine the relationship between the variables as well as using descriptive analysis to identify the importance level of each variable by each category.

**HYPOTHESIS 1:** Organizational Commitment of employees is influenced by Affective, Continence and Normative types of commitments.

**Table 1.1. Correlation analysis of organizational commitment**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Affective</th>
<th>Continence</th>
<th>Normative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational</td>
<td>Pearson Correlation</td>
<td>.389**</td>
<td>.611**</td>
</tr>
<tr>
<td>Commitment</td>
<td>Sig. (2-Tailed)</td>
<td>.002</td>
<td>.000</td>
</tr>
</tbody>
</table>

Organizational commitment of employees is influenced by affective (.389**), continuance (.611**) and normative (.470**) types of commitment. All these sub-dependent variables are correlated positively and significantly with each other. Hence, hypothesis 1 is tested and accepted positively.

**HYPOTHESIS 2:** Job satisfaction influences Organizational commitment of employees, either in affective or continence or normative types of commitments.

**Table 1.2. Correlation analysis of job satisfaction**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Affective</th>
<th>Continence</th>
<th>Normative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Satisfaction</td>
<td>Pearson Correlation</td>
<td>.552**</td>
<td>.504**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-Tailed)</td>
<td>.000</td>
<td>.000</td>
</tr>
</tbody>
</table>

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

Job satisfaction of employees is influenced by either affective (.552**), continuance (.504**) and normative (.762**). All these sub-dependent variables are correlated positively and significantly with independent variable, thus hypothesis 2 is tested and accepted positively.

**HYPOTHESIS 3:** Job involvement influences Organizational commitment of employees, either in affective or continence or normative types of commitments.
Job involvement of employees is influenced by either affective (.530**), continuance (.561**) and normative (.693**). All these sub-dependent variables are correlated positively and significantly with independent variable, thus hypothesis 3 is tested and accepted positively.

**HYPOTHESIS 4:** Perceived Organizational Support influences Organizational commitment of employees, either in affective or continuance or normative types of commitments.

**Job Satisfaction:** Organizational commitment is probably affected by factors such as the type and variety of work, the autonomy involved in the job, the level of responsibility associated with the job, the quality of the social relationship at work, rewards and remuneration, and the opportunities for promotion and career advancement in the company (Riggio, R.E., 2009).

There is a very close relationship between high job satisfaction and feelings of effectiveness on the job. Encouragement of self-confidence are probably the best way to achieve higher job satisfaction.

In view of job satisfaction and organizational commitment of the employees in Penang, either in affective, continuance or normative types of commitments is accepted.

**Job Involvement:** Organizational commitment is most probably affected by factors such as Employer engagement, Employee perceptions of job importance, Employee clarity of job expectations, Career advancement/improvement opportunities, Regular feedback and dialogue with superiors, Quality of working relationships with peers, superiors, and subordinates, Perceptions of the ethos and values of the organization, Effective internal employee communications, and Reward to engage.

Employees with high involvement also report higher sense of mission, vision and passion for their work which they feel is consistent with their values. They could not achieve that feeling if their employers did not enable them to get meaningful insight about the value they provide to customers.

In view of job involvement and organizational commitment of the employees in Penang, either in affective, continuance or normative types of commitments is accepted.

**Perceived Organizational Support:** Positive valuation by the organization also provides an indication that increased effort should be noted and rewarded.

Organizational commitment is most probably affected by factors such as attribution processes contributing to perceived organizational support, reciprocation of perceived organizational support, fulfillment of socio-emotional needs, and contribution of perceived organizational support to performance-reward expectancies. Organizations that are able to create commitment among their employees realize that commitment is ultimately personal (Global Report, 2007-2008). This is the difficult part of getting employees commitment. Continuance and consistent action is required to develop personal commitment and identifying the need for flexibility, decisions on employees’ readiness to do and not to do require tolerance and concerted attention by organizations.

Perceived Organizational Support is for both employees and organizations serve as important sources of socio-emotional resources, like respect and care, as well as tangible benefits like wages and medical benefits. Organization can help to meet employees’ need for approval, esteem, and affiliation. Positive evaluation by the organization can also provide an indication that increased effort will be noted and rewarded. Employees, therefore, would then take an active interest in this regard.

In view of perceived organizational support and organizational commitment of the employees in Penang, either in affective, continuance or normative types of commitment is accepted.
4. ANALYSIS OF FINDINGS

From the findings it is clear that the variable Job satisfaction of employees is positively related to affective and normative types of commitment. Job satisfaction is most probably affected by factors such as type and variety of work, the autonomy involved in the job, the level of responsibility associated with the job, the quality of the social relationship at work, rewards and remuneration, and the opportunities for promotion and career advancement in the organization. Job involvement of employees is positively related to affective and normative type commitment. Job involvement of employees is most probably affected by factors such as employer engagement, employee perceptions of job importance, employee clarity of job expectations, career advancement opportunities, regular feedback and dialogue with superiors, quality of working relationships with peers, superiors, and subordinates, perceptions of the culture and values of the organization, effective internal employee communications and rewards to engage them. Perceived Organizational Support (POS) is positively related to affective and normative types of commitment. Research results indicate that perceived organizational support began with the observation that if managers are concerned with their employees’ commitment to the organization, employees would then focus on the organization’s commitment to them.

For employees, their organization serves as an important source of socio-emotional resources, employees’ respect and caring, and tangible benefits, such as wages and medical benefits. A positive valuation by the organization also provides an indication that increased effort will be noted and rewarded.

From the study, negative feedback about tasks that were either delayed or non-existent increased the negative effect on commitment. Therefore, improving the “timeliness” of negative feedback about tasks might reduce the negative effect on affective and normative commitments.

The research also confirms that job satisfaction, job involvement and perceived organizational support can affect committed employees, which can be crucial for organizational success. These will normally apply to any business.

There is a need to build an employee's competence and self-confidence through training, feedback and recognition. The people who score in the top 10 percent of job satisfaction report they are also taking care of themselves in the mental, emotional, spiritual and physical realms,” says Dr. Jim Loehr, CEO of the Human Performance Institute in Orlando, FL. There is a very close relationship between high job satisfaction and feelings of effectiveness on the job, Dr. Jim Loehr said (Dr. Jim Loehr, 2006). Furthermore, people who report the highest job satisfaction are highly self-confident individuals, adds Loehr, who notes an 85 percent correlation between high job satisfaction and self-confidence. Employees are not only satisfied with their work; they also feel competent in work and personal life.

The top 10 percent of people said they “agree” or “strongly agree” with the statement, “I am happy and satisfied in my job.” They also exhibit positive energy management habits to a far greater degree than people in the bottom 10 percent of job satisfaction.

People with high job involvement also report higher sense of mission, vision and passion for their work. They feel their work is consistent with their values. They cannot achieve expected values, if their employers do not enable them to have meaningful insights.

People with high organizational support also score high on the desire to try novel approaches, face challenges and perform problem-solving tasks individually and in groups. They appear to have an appetite for mission-driven change, and also rate themselves high on perseverance.

Encourage positive workplace relations: People who are highly committed in their jobs report good feelings about their superiors, peers and coworkers. Their feelings of opportunity are elevated, and they perceive a low hassle-factor.

5. CONCLUSION

This study was conducted to identify the factors that influence the organizational commitment of employees in private organizations in Penang, Malaysia. From the results, job satisfaction, job involvement, and perceived organizational support have higher significant level of influencing organizational commitments, by affective and normative commitments compared with continuance commitment. This research shows that in order to improve an organization’s overall performance, it has to enhance in its employees the associative values in their commitment to the organization.
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