

## Chapter 5

# EMPLOYEE COMMITMENT

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### 5.1 INTRODUCTION

No organisation in today's competitive world can perform at peak levels unless each employee is committed to the organisation's objectives and works as an effective team member. It is no longer good enough to have employees who come to work faithfully everyday and do their jobs independently. Employees now have to think like entrepreneurs while working in teams, and have to prove their worth. However, they also want to be part of a successful organisation which provides a good income and the opportunity for development and secure employment.

In the past, organisations secured the loyalty of their employees by guaranteeing job security. However, many organisations have responded to competitive pressures by downsizing, restructuring and transformation and thus created a less secure organisational climate. A growing number of employees therefore feel that they are victims of broken promises. One of the challenges facing modern organisations involves maintaining employee commitment in the current business environment. This organisations can achieve by developing a new "work contract". In today's workplace, employees face more ambiguity in their daily activities and decreased job security (Bergmann, Lester, De Meuse & Grahn, 2000). With no assurance of continued employment, workers have now raised their expectations in other areas. For instance, employees expect employers to demonstrate their commitment in terms of pleasant working conditions, access to training and development, provision of a safe working environment and a balance between work and employees' commitments outside the workplace.

Organisations are faced with ever-increasing competition and as they prepare for new challenges, one of the key components of survival is maintaining and upgrading the organisation's ability to use human resources effectively and efficiently. According to Katz (1964), employee behaviour essential for organisational effectiveness includes employees (1) entering and remaining with the organisation, (2) carrying out specific role requirements, and (3) engaging in innovative and spontaneous activity that goes beyond role prescriptions. The appointment of good workers is thus critical, but of even greater significance is the organisation's ability to create a committed workforce. Hence the need for managers to understand the concept of commitment - what it is, how it operates, and most importantly, which behaviours are displayed by employees committed to the organisation.

The importance of employee commitment is quite evident if one considers prior research into the relationship between commitment and job satisfaction (Bateman & Organ, 1983), workplace justice

(Moorman, Niehoff & Organ, 1992), trust in and loyalty to the leader (Deluga, 1994) and perceptions of supervisor fairness (Niehoff & Moorman, 1993).

One of the aims of this study is to determine how employees' perceptions of AA fairness influence their commitment, and the meaning of the concept will therefore be explained with reference to Meyer and Allen's three-component conceptualisation of organisational commitment. The importance of employee commitment, the factors affecting it and how organisations should build employee commitment will also be discussed. A concept known as *organisational citizenship behaviours* is closely related to commitment and will also be discussed in order to link it to perceptions about AA fairness.

## 5.2 DEFINING COMMITMENT

Over the years, commitment has been defined and measured in many different ways. Indeed, this lack of consensus in the definition of the term has contributed greatly to its treatment as a multidimensional construct (Meyer & Allen, 1991). Even if multiple dimensions or forms of commitment exist, there has to be a core essence that characterises it. To establish what that core essence is, one has to look for commonality among the existing conceptualisations. Table 5.1 provides a set of definitions taken from the literature. As indicated by Meyer and Herscovitch (2001), all of these definitions refer to a *force* that directs a person's behaviour. There appears to be consensus that the force is experienced as a mind-set (ie a frame of mind or psychological state).

**TABLE 5.1: DEFINITIONS OF COMMITMENT**

- "... a stabilizing force that acts to maintain behavioural direction when expectancy/equity conditions are not met and do not function" (Scholl, 1981).  
"... a force that stabilizes individual behavior under circumstances where the individual would otherwise be tempted to change that behavior" (Brickman, 1987).
- "... an obliging force which requires that the person honor the commitment, even in the face of fluctuating attitudes and whims" (Brown, 1996).
- "... the relative strength of an individual's identification with and involvement in a particular organisation" (Mowday et al, 1979).
- "... the psychological attachment felt by the person for the organization; it will reflect the degree to which the individual internalizes or adopts characteristics or perspectives of the organization" (O'Reilly & Chatman, 1986).
- "... a psychological state that binds the individual to the organization" (Allen & Meyer, 1990).

**Source:** Adapted from Meyer & Herscovitch (2001:311)

The authors, however, disagree about the nature of the mind-set and therefore different types (dimensions) of commitment are therefore identified. Table 5.2 presents definitions of the different forms of commitment provided in several multidimensional models of organisational commitment. Differences between the multidimensional frameworks stem largely from the different motives and strategies involved in their development. The existence of so many different multidimensional frameworks poses a problem for the development of a general model of workplace commitment and makes it difficult to answer a simple question such as “What is commitment?”

**TABLE 5.2: ORGANISATIONAL COMMITMENT IN MULTIDIMENSIONAL MODELS**

<p><b>Angle and Perry (1981)</b></p> <p><i>Value commitment</i> <i>Commitment to stay</i></p>	<p>Commitment to support the goals of the organisation Commitment to retain their organisational membership</p>
<p><b>O’Reilly and Chatman (1986)</b></p> <p><i>Compliance</i> <i>Identification</i> <i>Internalization</i></p>	<p>Instrumental involvement for specific extrinsic rewards Attachment based on a desire for affiliation with the organisation Involvement predicated on congruence between individual and organisational values</p>
<p><b>Penley and Gould (1988)</b></p> <p><i>Moral</i> <i>Calculative</i> <i>Alienative</i></p>	<p>Acceptance of and identification with organisational goals A commitment to an organisation which is based on the employee’s receiving inducements to match contributions Organisational attachment which results when an employee no longer perceives that there are rewards commensurate with investments; yet he remains due to environmental pressures</p>
<p><b>Meyer and Allen (1991)</b></p> <p><i>Affective</i> <i>Continuance</i> <i>Normative</i></p>	<p>The employee’s emotional attachment to, identification with, and involvement in the organisation An awareness of the costs associated with leaving the organisation A feeling of obligation to continue employment</p>
<p><b>Mayer and Schoorman (1992)</b></p> <p><i>Value</i> <i>Continuance</i></p>	<p>A belief in and acceptance of organisational goals and values and a willingness to exert considerable effort on behalf of the organisation The desire to remain a member of the organisation</p>

TABLE 5.2 (continued)

5.4

<b>Jaros et al (1993)</b>	
<i>Affective</i>	The degree to which an individual is psychologically attached to an organisation through feelings such as loyalty, affection, warmth, belongingness, pleasure, etc.
<i>Continuance</i>	The degree to which an individual experiences a sense of being locked in place because of the high costs of leaving
<i>Moral</i>	The degree to which an individual is psychologically attached to an organisation through internalization of its goals, values and missions

**Source:** Adapted from Meyer & Herscovitch (2001:320)

Since it is not the purpose of this study to examine the dimensionality of commitment, only those models that have generated the most research and which best explain commitment in terms of organisational behaviour — the models developed by Meyer and Allen, and O'Reilly and Chatman — will be discussed.

### 5.3 A THREE-COMPONENT CONCEPTUALISATION OF ORGANISATIONAL COMMITMENT: MODEL DEVELOPED BY MEYER AND ALLEN

According to Meyer and Allen (1991), organisational commitment reflects at least three general themes: affective attachment to the organisation, the perceived costs associated with leaving it and the obligation to remain with it. These three approaches are referred to as *affective*, *continuance* and *normative* commitment. Common to these three approaches is the view that commitment is a psychological state that characterises the employee's relationship with the organisation and has implications for the decision to continue membership of it. These psychological states also have different implications for work-relevant behaviour.

#### 5.3.1 Affective commitment

Affective commitment refers to the employee's emotional attachment to, identification with, and involvement in the organisation. Employees with a strong affective commitment continue employment with the organisation because they *want to*. According to Mowday (1982), the antecedents of affective commitment generally fall into four categories: (1) *personal characteristics*, (2) *structural characteristics (organisational)*, (3) *job-related characteristics*, and (4) *work experiences*. Although various research studies have been conducted to link demographic characteristics such as age, tenure, gender and education to commitment, the relations were neither strong nor consistent, the reason being too many variables such as job status, work rewards and work values moderating the relationship. Relatively few studies have examined the relationship between organisational characteristics and commitment. However, research has proved that affective commitment is related to decentralisation of decision making and formalisation of policy and procedures. In contrast to personal and organisational characteristics, a considerable amount of research has been conducted into the relationship between work experience

variables and affective commitment. Work experience variables that have been found to correlate with affective commitment include equity in *reward distribution* (Rhodes & Steers, 1981), *role clarity* and *freedom from conflict* (Glisson & Durick, 1988), *supervisor consideration* (Glisson & Durick, 1988), *fairness of performance-based rewards* and *job challenge* (Meyer & Allen, 1987), *opportunity for advancement* (O'Reilly & Caldwell, 1980) and *participation in decision making* (Rhodes & Steers, 1981). Research to date suggests that work experiences play the largest role in employees' decisions to remain with an organisation.

### 5.3.2 Continuance commitment

Continuance commitment refers to an awareness of the costs associated with leaving the organisation. The potential costs of leaving an organisation include the threat of wasting the time and effort spent acquiring nontransferable skills, losing attractive benefits, giving up seniority-based privileges, or having to uproot family and disrupt personal relationships. Apart from the costs involved in leaving the organisation, continuance commitment will also develop as a function of a lack of alternative employment opportunities. Employees whose primary link to the organisation is based on continuance commitment remain because they *need to*.

### 5.3.3 Normative commitment

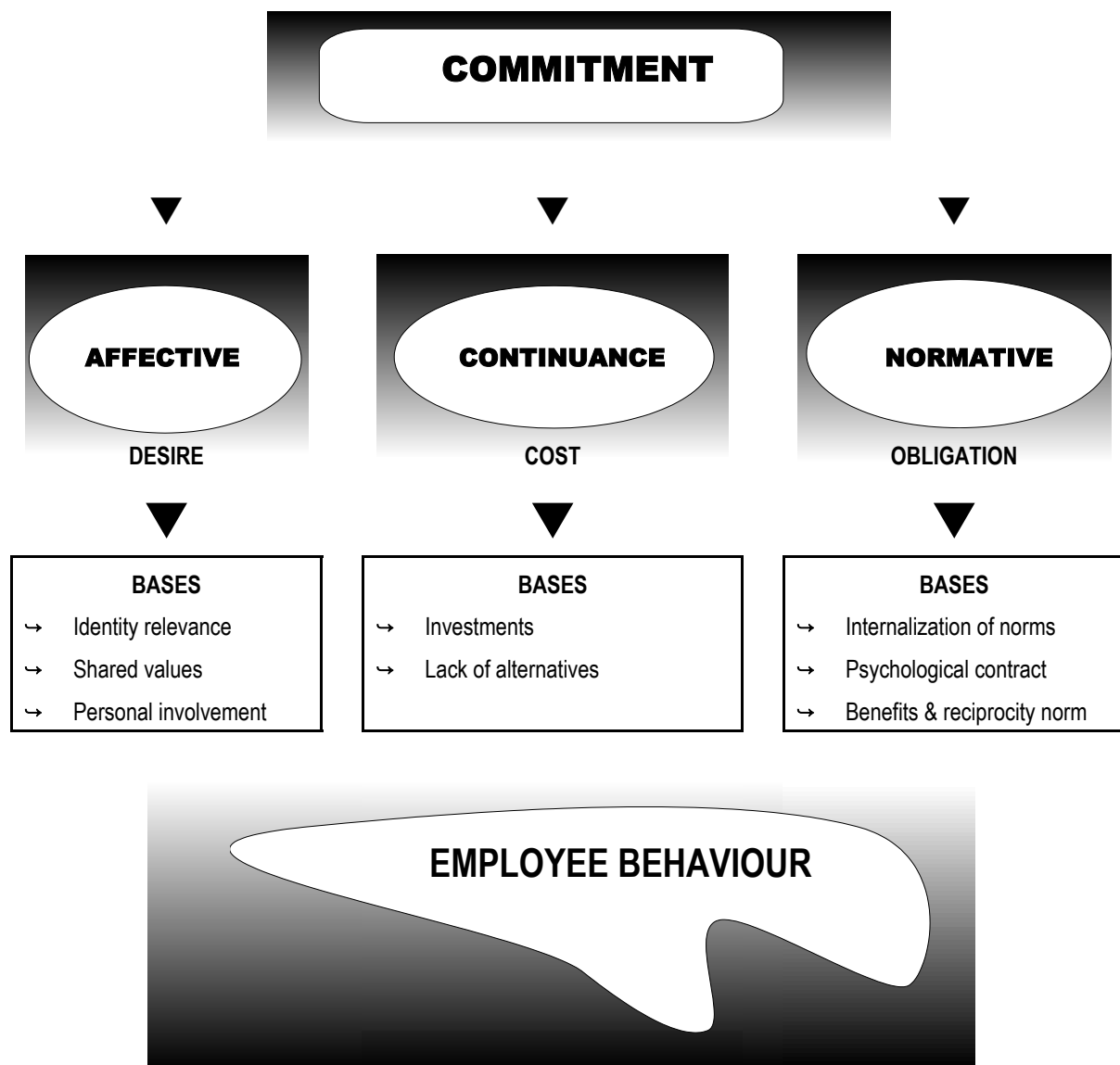
Normative commitment reflects a feeling of obligation to continue employment. Employees with a high level of normative commitment feel that they *ought to* remain with the organisation. Wiener (1982) suggests that the feeling of obligation to remain with an organisation may result from the internalisation of normative pressures exerted on an individual prior to entry into the organisation (family or cultural orientation), or following entry (organisational orientation). However, normative commitment may also develop when an organisation provides the employee with "rewards in advance" (eg paying college tuition), or incurs significant costs in providing employment (eg head-hunting fees or the costs associated with job training). Recognition of these investments causes employees to feel an obligation to reciprocate by committing themselves to the organisation until the debt has been repaid (Scholl, 1981).

## 5.4 CONCEPTUALISATION OF COMMITMENT: MODEL DEVELOPED BY O'REILLY AND CHATMAN

O'Reilly and Chatman (1986) developed their multidimensional framework on basis of the assumption that commitment represents an attitude towards the organisation. According to these authors, commitment takes on three distinct forms, which they labelled *compliance*, *identification* and *internalisation*.

*Compliance* occurs when attitudes, and corresponding behaviours are adopted in order to gain specific rewards. *Identification* occurs when an individual accepts influence to establish or maintain a satisfying relationship. Finally, *internalisation* occurs when influence is accepted because the attitudes and behaviours one is being encouraged to adopt are congruent with existing values. Employees thus become committed to organisations with which they share values. Figure 5.1 provides a schematic representation of a general model of workplace commitment.

**FIGURE 5.1: GENERAL MODEL OF WORKPLACE COMMITMENT**



**Source:** Adapted from Meyer & Herscovitch (2001:320)

In conclusion, employee commitment is defined as an individual's identification with and involvement in a particular organisation. It is characterised by a strong belief in and acceptance of the organisation's goals and values, a willingness to exert considerable effort on its behalf, and a strong desire to maintain membership of it.

## **5.5 COMMITMENT AND WORK BEHAVIOUR**

The meaning of employee commitment can best be explained by employing the social exchange theory. The social exchange theory is grounded in an economic model of human behaviour whereby interactional processes between individuals are motivated by a desire to maximise rewards and minimise losses. The basic premise of social exchange theory is that relationships providing more rewards than costs will yield enduring mutual trust and attraction (Blau, 1964). Furthermore, these social transactions incorporate both material benefits and psychological rewards including status, loyalty and approval. For example, in the workplace, the supervisor provides a subordinate with support and monetary rewards while in exchange, the subordinate contributes personal devotions and expertise.

The most widely studied behavioural correlate of commitment has been turnover in the organisation. However, this focus on turnover may be shortsighted. Organisational effectiveness depends on more than simply maintaining a stable workforce; employees must perform assigned duties dependably and be willing to engage in activities that go beyond role requirements (Organ, 1988). It thus seems reasonable to assume that employee willingness to contribute to organisational effectiveness will be influenced by the nature of the commitment they experience. Employees who want to belong to the organisation (affective commitment) might be more likely than those who need to belong (continuance commitment) or feel obliged to belong (normative commitment) to make an effort on behalf of the organisation. It is interesting to note that, of the studies that have reported positive correlations between commitment and performance, most have used measures of affective commitment. It is possible that an obligation to remain will carry with it an obligation to contribute, in which case normative commitment would also correlate positively with effort and performance. Continuance commitment is perhaps least likely to correlate positively with performance. Employees whose tenure in the organisation is based primarily on need may see little reason to do more than is required to maintain their membership of the organisation.

Organisations need employees who are willing to go beyond the call of duty and engage in extra-role behaviours. For this reason, research continued to examine the link between the three components of commitment and a multidimensional measure of work behaviour. Allen and Smith (1987) and Meyer and Allen (1984) found that measures of work behaviour correlated positively with measures of affective and normative commitment but not with continuance commitment. Research by Randall, Fedor and Longenecker (1990) revealed that affective commitment contributed significantly to the prediction of concern for quality, sacrifice orientation and willingness to share knowledge. Normative commitment contributed only to the prediction of sacrifice orientation, and continuance commitment did not add

significantly to the prediction of any of these behaviours. These findings thus provide support for the proposition that the three components of commitment have different implications for work-related behaviour other than turnover.

A term closely related to commitment is *organisational citizenship*. According to Graham (1991), it can be conceptualised as a global concept that includes all positive organisationally relevant behaviours of individual organisation members. It thus includes traditional in-role job performance behaviours, organisationally functional extra-role behaviours and political behaviours, such as full and responsible organisational participation, that have typically been omitted previous studies of citizenship. In order to understand how employees' perceptions and attitudes affect their commitment, and hence their work behaviour, it is necessary to take a brief look at the precise meaning of organisational citizenship behaviour.

## **5.6 ORGANISATIONAL CITIZENSHIP BEHAVIOUR**

Work behaviour that is in some way beyond the reach of traditional measures of job performance but holds out the promise of long-term organisational success is receiving increasing attention as the challenge of global competition highlights the importance of organisational innovation, flexibility, productive and responsiveness to changing external conditions. The terms that are generally used to describe such behaviour include organisational citizenship behaviour (Graham, 1991) and extra-role behaviour (Van Dyne & Cummings, 1990). According to Organ (1988), as quoted by Becker and Randall (1994), organisational citizenship behaviour represents individual behaviour that is discretionary, not directly or explicitly recognised by the formal reward system, and promotes the effective functioning of the organisation. He further states that it can be conceptualised as a subtle dimension of job performance composed of extra-role behaviours. Organisational citizenship behaviours are vital for productivity because organisations cannot forecast through stated job descriptions the entire spectrum of subordinate behaviours needed for achieving goals. An organisation's success is thus dependent on employees' willingness to do more than what their official job descriptions outline.

A common theme of these conceptualisations is an attempt to identify work behaviour that contributes to organisational effectiveness, but which is often not used to assess job performance. This means that job performance is assessed by referring to in-role behaviour, whereas organisational citizenship behaviour refers to both in-role and extra-role behaviour. A critical difference between these two kinds of behaviour is the extent to which others reward the behaviour and impose sanctions if it is absent. Both in-role and extra-role behaviours may be intrinsically rewarding. However, the former is more likely to be linked to extrinsic rewards and sanctions (Morrison, 1994).



It is well recognised that organisations reap significant benefits from having employees who are willing to go above and beyond the required role behaviour. There may be situations, however, in which it is desirable to have employees conceptualise their jobs broadly so that they engage in certain organisationally functional behaviours without feeling that they are doing something extra. For example, when employees' helping others is critical to getting a job done effectively, it might be problematic if supervisors have to depend on employees' willingness to engage in extra-role behaviour. In such situations, managers might want to encourage employees to see helping others as in-role in order to ensure more consistent performance. It might be valuable therefore for managers to understand the subtle social and psychological factors that influence employees' perceptions of their job responsibilities.

According to Morrison (1994), an important management function may be to reduce the perception "that's not my job" with respect to activities that are critical but not formally enforced. However, this is no easy task since employees and their managers have different ideas on defining various behaviours as in-role or extra-role, and consequently how broadly they define the employees' job responsibilities. Morrison (1994), states that one determinant of how broadly employees define their jobs is affective commitment. High affective commitment means that an employee perceives his or her employment as being based on a relational exchange. He or she will thus tend to define his or her job obligations in a broad and flexible manner, indicating high perceived job breadth. This viewpoint is quite different from what is traditionally regarded as organisational citizenship behaviour and commitment relationship. Instead of believing that commitment leads employees to exceed their job requirements, Morrison (1994) proposes that commitment changes the way in which employees define job requirements. Extra-role behaviour is more likely to be seen as in-role behaviour and part of one's job.

According to Inkeles (1969), as quoted by Van Dyne and Graham (1994), the organisational citizenship behaviour construct consists of three categories, namely (1) *obedience*, (2) *loyalty*, and (3) *participation*. *Obedience* involves respect for orderly structures and processes. It reflects employees' acceptance of the necessity for and desirability of rational rules and regulations governing organisational structure, job descriptions and personnel policies. *Loyalty* includes serving the interests of the community as a whole and the values it embodies. In an organisation, loyalty is identification with and allegiance to an organisation's leaders and the organisation as a whole, transcending the interests of individuals, work groups and departments. It also includes defending the organisation against threats, contributing to its good reputation, and cooperating with others to serve the interests of the whole. *Participation* entails active and responsible involvement in community self-governance and keeping oneself well informed about issues affecting the community as well as exchanging information and ideas with other people. In an organisational context, it refers to interest in organisational affairs and taking responsibility for organisational governance. It also includes attending nonobligatory meetings, sharing informed opinions and new ideas with others and being willing to combat groupthink.

When an employee engages in obedience, loyalty and participation activities as outlined above, he or she displays commitment to the organisation. Not only does such a person do more than what is expected of him or her, but does not expect to be rewarded for it.

The relationship between commitment and organisational citizenship behaviour can best be explained by stating that organisational citizenship behaviours are displayed by employees to demonstrate their level of commitment to the organisation. Commitment should thus be seen as a certain state of mind which leads to the display of certain behaviours. A number of researchers have investigated the concept of employee commitment, the definition being that it is an individual's belief in and acceptance of the goals and values of an organisation, a willingness to work hard on its behalf, and a strong desire to remain in it (Leong, Furnham & Cooper, 1996; Levy & Williams, 1998; Mayer & Schoorman, 1998). According to Moorman (1991), organisational citizenship behaviour is defined as work-related behaviours that are discretionary, not related to the formal organisational reward system, and promote the effective functioning of the organisation (Organ, 1988). The above definitions of commitment and organisational citizenship behaviour, both refer to internal forces driving work-related behaviour that contributes to the success of the organisation. For the purposes of this study, commitment, more specifically affective commitment, and organisational citizenship behaviour will be regarded as one and the same thing.

Because organisational citizenship behaviours include such a wide variety of behaviours, Podsakoff and MacKenzie (1989) grouped them into the following five categories:

- (1) *altruism*: the extent to which an employee is prepared to help co-workers with their workload and work-related problems
- (2) *courtesy*: the extent to which an employee helps to prevent others' problems by advance consultation, information and respect for others' needs
- (3) *sportsmanship*: a willingness to accept minor frustrations and inconveniences without fuss or complaint
- (4) *conscientiousness*: the extent to which an employee obeys organisational rules, regulations and procedures
- (5) *civic virtue*: responsible and constructive involvement and participation in issues confronting the group and organisation

The extent to which these behaviours are displayed will thus indicate the degree of an employee's commitment. The next section will briefly discuss the factors that influence employees' commitment and thus behaviour.

## **5.7 PREDICTORS OF EMPLOYEE COMMITMENT BEHAVIOUR**

The workplace is changing dramatically and demands for the highest quality of product and service are increasing. To remain competitive in the face of these pressures, employee commitment is crucial. The benefits of having the best trained workers using the most advanced technology can be nullified by employees who do not *want to* use their energy and skills for the benefit of the organisation. Without employee commitment, there can be no improvement in any area of business activity. Employees will simply treat their work as a "9-to-5" job without any burning desire to accomplish any more than is necessary to remain employed. It does not take many uncommitted employees to prevent a business from prospering and thereby ceding a huge advantage to its competitors.

In many organisations there is a growing gap between the expectations of employers and what they are prepared to do. There are a number of reasons for this erosion of employee commitment, the most common one being a failure on the part of management in some or other way. To succeed in the face of increasing competition, organisations need improved productivity at all levels. This requires commitment on the part of all employees which can only be achieved through better management practices. Poor supervision and failure on the part of managers and supervisors to create a committed workforce can lead to the loss of valued employees. According to Madigan and Dorrell (2000), 41 percent of employees feel that their organisation is not developing effective managers and supervisors.

Van Dyne and Graham (1994) contend that various personal, situational and positional factors can affect the commitment of employees and consequently their attitudes and behaviour. The discussion below briefly highlights the principal personal, situational and positional factors that influence employees' commitment.

### **5.7.1 Personal factors**

A great deal of research has sought to determine whether certain types of employees are more likely to be committed to their employer. According to the results, some employees may simply be more predisposed to engage in citizenship behaviours than others. In particular, employees who are highly conscientious, outgoing (extroverted) and generally have a positive outlook on life (optimistic) are often more inclined to be more committed. Employees who are team oriented and tend to place the goals and concerns of the group above their own, typically also engage in more citizenship behaviours. Likewise, employees who are empathetic and value helping others (altruistic) may also be more inclined to display citizenship behaviours at work. Finally, certain employees tend to define their jobs more broadly than others. Thus for these employees, engaging in citizenship behaviours is simply seen as an integral aspect of their jobs (Bolino & Turnley, 2003).

## 5.7.2 Situational factors

### 5.7.2.1 *Workplace values*

Shared values are a critical component of any covenantal relationship. Values that are noncontroversial (eg quality, innovation, cooperation and participation) are easy to share and can forge close relationships. If employees believe that their organisation values quality products, they will engage in behaviours that will contribute to high quality. If employees are convinced that their organisation values participation, they will be more likely to feel as though their participation will make a difference. Consequently, they will be more willing to seek solutions and make suggestions to contribute to the organisation's success.

### 5.7.2.2 *Subordinate-supervisor interpersonal relationship*

As mentioned previously, the social exchange theory employs an interactionist approach to workplace relationships where subordinates and supervisors engage in mutually beneficial transactions. Social exchange implies an informal contract between an employee and the organisation, and because the supervisor largely represents the organisation to the employee, trust in the supervisor is seen as pivotal to leader effectiveness and work unit productivity. Moreover, the supervisor's behaviour is fundamental in determining the level of interpersonal trust in a work unit. Supervisor behaviours include sharing appropriate information, allowing mutuality of influence, recognising and rewarding good performance and not abusing the vulnerability of others. Butler (1991) identified 11 supervisor behaviours as facilitating interpersonal trust, namely supervisor availability, competence, consistency, discreetness, fairness, integrity, loyalty, openness, promise fulfilment, receptivity and overall trust. The extent to which the supervisor displays these behaviours will thus largely determine subordinates' commitment level. It is interesting to note that only the perceptions of interactional fairness influence actual citizenship behaviours, although distributive, formal procedural, and interactional justice are related to organisational citizenship behaviours. According to Moorman (Williams, Pitre & Zainuba, 2002), personal fair treatment by supervisors conveys more fairness information to employees than a more general assessment of the fairness of overall procedures. Perceived interactional fairness demonstrates to employees that the supervisor considers them valuable and important as individuals, whereas perceived formal procedural fairness focuses on the organisation as a whole. Fair procedures may be in place, but the practice of fairness by supervisors demonstrates that justice actually occurs.

### 5.7.2.3 *Job characteristics*

To the extent that a job is structured to provide regular feedback and autonomy as well as a sense of task completion, employees can monitor their own behaviour and gain an increased sense of personal control (Greenberger & Strasser, 1986). Personal control is an individual's belief that he or she can effect a change in a desired direction. According to Lawler (1992), an increase in perceived control strengthens emotional bonds with an organisation. A heightened sense of personal control thus has positive consequences for employee attitudes and behaviours at work.

Research has shown that employees engage in higher levels of citizenship behaviour when they have the opportunity to work on intrinsically satisfying tasks. However, citizenship levels (commitment) are likely to be markedly lower when employees are given repetitive, highly routinised tasks to complete. In addition, bureaucratic rules and procedures that overly constrain workers may serve to inhibit acts of citizenship (Bolino & Turnley, 2003).

Motivating job characteristics such as meaningful work, autonomy and feedback maximise the possibility for internal motivation. According to Jernigan, Beggs and Kohut (2002), satisfaction with autonomy (perceived independence), status (sense of importance) and policies (satisfaction with organisational demands) are all significant predictors of commitment. Thus, specific characteristics of a job can increase an employee's sense of felt responsibility, and subsequently, the sense of attachment to the organisation. Understanding how one's job contributes to interdependent outcomes enhances feelings of embeddedness and accountability. Similarly, awareness of outcomes (feedback) can lead to a strong feeling of mutual responsibility. A job that allows a high degree of autonomy and the absence of close supervision suggests a situation characterised by trust. Hence the freedom associated with autonomy and low monitoring is balanced by the reciprocal response of responsibility and commitment.

#### *5.7.2.4 Organisational support*

There is a significant association between employee commitment and the extent to which employees believe their organisation has their interests at heart. Organisations that are able to provide work-life benefits and other types of employee support are likely to elicit citizenship behaviour. According to research results, employees were more willing to go beyond the call of duty when they worked for organisations that offered support which enabled them to balance their work and family responsibilities more easily, assisted them through difficult times, provide them with benefits they could not afford, and helped their children do things they would otherwise not have been able to do (bursaries) (Bolino & Turnley, 2003).

### **5.7.3 Positional factors**

#### *5.7.3.1 Organisational tenure*

Various researchers have studied the relationship between job tenure and employees' relationships with organisations. The studies have shown that employees who have been with their employing organisations for a long time are more likely to have embedded relationships and strong organisational ties (Rousseau & Parks, 1993). Meyer, Allen and Gellatly (1990) supported this research finding and proved that continuance commitment (the costs of leaving the organisation) had a positive effect on the affective commitment of employees.

### 5.7.3.2 Hierarchical job level

Studies have consistently found socioeconomic status to be the single strongest predictor of commitment because high status tends to increase both the motivation and ability to be actively involved. In organisations, employees at high job levels generally have higher levels of organisational commitment than those at low levels. This is because positions of power allow people to influence organisational decision making, indicate high status, recognise formal authority and possibly competence, and show that the organisation recognises their competence and values their contributions. Employees in high level jobs have more freedom and choices in their behaviour on the job, and these choices enhance their sense of control and thus lead to increased affective commitment to the organisation.

Managers are often not in a position to influence employees' commitment because they do not have control over employees' *positional* or *personal* situations. A manager can, however, manage the work *situation* in such a way that employee commitment is enhanced.

## 5.8 ORGANISATIONAL CHANGE

Organisations tend to be extremely good at planning and orchestrating the technical and structural aspects of change, but poor at guiding and supporting the human side - the personal reorientation associated with change. This is one of the reasons why AA is met with distrust and resistance.

According to Smither (1994), five typical barriers to change associated with various sources include the following: disruption of personal relationships, perceived threat to status, preference for the status quo, economic factors and problems associated with organisation development specialists. Similarly, techniques to help overcome these barriers have been discussed at length (Smither, 1994, Leck, Saunders & Charbonneau, 1996), and include involving managers and employees in the change process, the use of informal leaders, the use of organisation development specialists and the creation of a new vision for the workplace. What these techniques all have in common is that they either rely for their success on employee commitment, or are aimed at maintaining commitment per se. Many of the techniques applied to ensure continued employee commitment in the face of change do not address the fundamental nature of problems concerning employee commitment. For example, increased employee involvement in the change process may increase understanding and lessen uncertainty, but if employees' personally held values do not concur with the new value system in the organisation, then such approaches will do little or nothing to restore internalised commitment. Similarly, the use of informal leaders and methods aimed at convincing employees of the need for change should address the core issue of ensuring value congruence between employees and the organisation. However, such techniques may be successful where change affects the level of work practices, but does not disturb underlying organisational values. In such instances, to ensure continued commitment, logic and understanding of the need for change are required. However, when the change occurs at the level of values, more fundamental approaches are required. The aim of these must be the re-establishment of internalised commitment, not

its continuance. It remains distinctly possible that some employees will find that the mismatch between their own personal values and the new organisational values is an unbridgeable gap. For such employees, future commitment will be based on compliance and identification, which have their own implications for future employee performance. One can therefore argue that the role of employee commitment in the management of AA is a central one, both from the perspective of consolidating AA and from that of the likely future success of ongoing change programmes.

## **5.9 ORGANISATIONAL ACTIONS THAT ENCOURAGE COMMITMENT**

In business, as in personal relationships, commitment is a two-way street. If employers want committed employees, they need to be committed employers. Committed employees do better work than uncommitted ones and organisations with committed workers do better financially than organisations with uncommitted ones. Yet, fewer than half the employees in today's workforce feel committed to their employer (Bragg, 2002).

Employers need to determine what is responsible for this disparity. According to employees, employers do not value loyalty and are willing to sacrifice workers to maintain the financial bottom line. Employees point to decades of downsizing, rightsizing and re-engineering as evidence that employers treat them as expendable commodities when times get tough (Bragg, 2002). While organisations still want their workers to be productive, to be proud of their organisations and to remain with them for a reasonable period of time, they need to acknowledge that employees also have needs — both as workers and individuals. The relationship between employers and employees has evolved significantly, but unfortunately organisation practices have not kept pace with the changing needs of employees.

A study by Aon Consulting in Canada in 2000, which looked at the effectiveness of various organisational practices in building employee commitment, identified five key areas, namely (1) safety and security, (2) rewards, (3) affiliation, (4) growth and (5) work/life harmony (Madigan & Dorrell, 2000). According to the results of the study, 60 percent of employees reported that their co-workers improved their skills to make a better contribution to the organisation. Furthermore, 78 percent were satisfied with the training provided on the job. One of the major areas that needed attention, however, was work/life harmony. While over 70 percent of the employees felt their organisation had demonstrated an increased effort over the past year to support its employees' needs in this area, few workers reported that they were actually receiving help in child- and elder care — the two areas most often cited as being essential to work/life balance. While a great deal of attention has been focused on the concept of work/life harmony and employers generally recognise its importance, they need to review and adjust all practices in such a way that they accommodate their employees' personal needs. Employers will benefit by doing so, considering the fact that 29 percent of employees rank work/life harmony as being either the most or second-most important factor in taking a job (Madigan & Dorrell, 2000).

### **5.9.1 Drivers of employee commitment**

Bragg (2002) identified the following three drivers as the key factors influencing an employee's commitment.

#### *5.9.1.1 Fairness*

Fairness implies the elimination of one's feelings, prejudices and desires to achieve a proper balance between conflicting interests. The problem with fairness is that it is subjective. Again, perception is reality. To create a perception of fairness, employers should pay competitive wages, create and administer policies that are unbiased, offer competitive benefits, provide timely, accurate and useful performance appraisals, promote the most qualified employees and develop employees by providing opportunities for growth. Affording employees the opportunity to voice their concerns, play a vital role in ensuring interactional justice. Various research studies (Bies & Shapiro, 1988; Shapiro, 1991; Shapiro, Buttner & Barry, 1994) demonstrated that an unfavourable outcome, such as not receiving a promotion because of AA measures, is better received by a receiver when he or she is treated in an interpersonally fair manner such as being given an explanation for a decision. In such instances, although the employee might feel that the decision is not distributively fair, he or she will remain committed to the organisation because he or she was treated with respect and fairly.

#### *5.9.1.2 Trust*

To nurture commitment, employers must create an environment of trust. If employers wish to develop and maintain trust, they should do what they say they will do, be consistent, maintain confidences, be a role model of behaviour, encourage employee involvement, allow people to make decisions that affect their work, allow people to make mistakes without fear or ridicule, learn from mistakes and not crucify scapegoats, explain reasons for major decisions and act on employee suggestions.

It is interesting to note that research by Mathieu and Zajac (1990), concluded that the link between commitment and performance was largely nonexistent and commitment to supervisors was more strongly linked to performance than commitment to organisations. One implication of these results is that human resource professionals concerned with employee performance should focus their efforts on commitment to supervisors rather than commitment to organisations. Supervisors play a crucial role in the perceptions employees form about the organisation's supportiveness and the extent to which it can be trusted to look after their interests. Lanphear (2001) concurs with the important role supervisors and managers play in building employee commitment. According to the author, high-quality managers are one of the principal factors in retaining high-quality employees — hence the need for organisations to ensure that they select, train, evaluate and reward managers for trustworthy behaviour. Effective managers inspire loyalty, trust and admiration.



### 5.9.1.3 Concern for employees

Employees should be regarded as people, not factors of production. Employers should provide job security as far as possible, train and develop employees, be flexible to accommodate employee issues, be open and honest and allow employees to have a life outside work. According to Madigan and Dorrell (2000), 15 percent of employees feel that their organisation performs below expectation in providing a safe and secure workplace. This could be attributed to the fact that organisations have emerged from an era of tremendous change in the work world and an economic downturn, which has evidently left many employees feeling uncertain about the stability of their jobs. Another disappointing fact is that 34 percent of employees believe that their organisation does not demonstrate the importance of retaining employees and only 48 percent would recommend their organisation as a place to work (Madigan & Dorrell, 2000). In a survey of over 7 500 US workers, Watson Wyatt International found that human resource practices and trust in management had the strongest impact on building commitment (Whitener, 2001).

Whitener (2001) conducted a research exploring the relationships between human resource practices and organisational commitment. The results indicated that human resource practices affect the relationship between perceived organisational support and organisational commitment. By relying on the social exchange theory, the study has shown that employees' commitment to the organisation derives from their perceptions of the employers' commitment to and support of them. Recognising this tendency to personify the organisation, researchers predicted that positive, beneficial actions directed at employees by the organisation contribute to the establishment of high-quality exchange relationships which create obligations for employees to reciprocate in positive, beneficial ways. Employees interpret organisational actions such as human resource practices and the trustworthiness of management as being indicative of the personified organisation's commitment to them. They reciprocate their perceptions accordingly in their own commitment to the organisation.

Human resource practices can be classified as "*control*" or "*commitment*" practices (Wood & De Menezes, 1998). The aim of control approaches is to increase efficiency, reduce direct labour costs, rely on strict work rules and procedures, and base rewards on outputs (Arthur, 1994). Rules, sanctions, rewards and monitoring thus regulate employee behaviour. In contrast, commitment approaches aim to increase effectiveness and productivity and rely on conditions that encourage employees to identify with the organisation's goals and work hard to accomplish such goals. The practices that represent a high commitment strategy include selective staffing, developmental appraisal, competitive and equitable compensation, and comprehensive training and development activities (MacDuffie, 1995; Snell & Dean, 1992).

Overall, today's employees have a strong sense of self-worth — they recognise their value, and want their employers to as well. In the years ahead, businesses will discover that their greatest returns will be earned by making strategic investments in their human capital. Organisations that listen to their employees and build a committed workforce will have a distinct competitive advantage.

### 5.10 THE RELATIONSHIP BETWEEN JUSTICE PERCEPTIONS AND COMMITMENT

The concern for fairness is reinforced by the presence of a fairness heuristic at work in persons' cognitions regarding their relationships to organisations. People need to make decisions about the extent to which they will constrain their own interests for the sake of the organisation's interests and welfare. Exhaustive consideration of all relevant information is impossible in the contexts of real-world relationships between individuals and organisations. Thus, people inevitably rely on judgmental heuristics to determine whether to entrust their interests and identity to the organisation and align their goals and behaviour with the organisation. Among the factors affecting this decision, fairness concerns appear to function pre-eminently. Fairness suggests to people that their membership of the organisation is valued and that the organisation respects them, thereby making commitment to the organisation a viable way of maintaining one's identity and fulfilling one's interests. Fair treatment indicates to people that they are being respected as ends in themselves, and not merely as a means to achieving the ends set by others. Fairness judgments are formed quickly, easily become entrenched, and constitute a key heuristic basis on which decisions are made about an individual's cooperation with and support for an organisation, a basis more powerful, for example, than economic concerns (Van den Bos, Lind & Wilke, 2001).

According to a study conducted by Moorman (1991), which examined the relationship between perceptions of fairness and commitment, it is interesting to note that interactional justice was the only source of justice found to relate to commitment. One possible reason for this is that distributive and procedural justice referred to the organisation as a whole while interactional justice focuses on the degree to which the behaviour of the supervisor enacted the formal procedures in a fair manner. Employees' impressions of the fairness of their interactions with their supervisors communicated more information to them about trust and equity than the presence or absence of fair procedures. The actions of the supervisor are probably the most effective and compelling communicator of an employee's value. Folger and Konovsky (1989) also reported that procedural justice better predicted organisational commitment and trust in supervision than distributive justice. The main implication of these studies is that supervisors can directly influence employees' commitment. The perception of fairness that originated from interactional justice was based on whether the supervisor correctly used the procedures that were designed to promote fairness correctly and on the nature of the supervisor's behaviour while enacting those procedures. If managers thus want to increase employee commitment, they should work to increase the fairness of their interactions with employees.

### 5.11 SUMMARY

Commitment has been defined and measured in many different ways and is regarded as a multidimensional construct. The model developed by Meyer and Allen (1991) is one of the most widely used models and explains commitment the best in terms of organisational behaviour. According to these researchers, organisational commitment can be classified into *affective commitment* (emotional

attachment), *continuance commitment* (costs associated with leaving the organisation) and *normative commitment* (moral obligation to remain with the organisation). Research indicates that employees who are willing to exceed their job requirements are committed to the organisation in an affective way most of the time. Such employees also engage in organisational citizenship behaviour such as obedience, loyalty and participation.

Although employee commitment can be approached from a number of perspectives, the psychological attachment of employees is a central theme in the various approaches to commitment. According to O'Reilly and Chatman (1986), an employee's psychological attachment to the organisation is based on *identification, internalisation and compliance*. Attempts to enhance employee commitment should thus focus on having employees who can identify with the organisation, internalise its values and comply with requirements.

Various personal, situational and positional factors affect the commitment and hence the work behaviour of employees of which supervisor-subordinate relationships and the characteristics of the job are the principal factors.

According to Bragg (2002), employee commitment is dependent on three drivers, namely (1) fairness, (2) trust, and (3) concern for employees. If employers wish to build commitment, they should create an environment of fairness, trust, care and concern by acting consistently in ways that employees perceive as fair, trusting and caring.

In this chapter the meaning of commitment was explained by discussing the various approaches to commitment. Since Meyer and Allen's (1991) three-component conceptualisation of organisational commitment is one of the most widely accepted conceptualisations of commitment, it was covered in detail. The importance of employee commitment, the factors affecting commitment, the way in which organisations should build employee commitment and the relationship between justice and commitment were also discussed.

The discussion on AA, organisational justice and employee commitment concludes the theoretical part of the study. Since this study examines the treatment of AA employees and the influence perceptions of AA fairness have on their commitment in the bank, the next chapter will provide a brief overview of the bank. Thereafter the research and statistical methodology used to conduct the research will be dealt with.