

Employees' organizational commitment



**ASSIGN
BUSTER**

Effect of Career Training and Development on Employees' Organizational Commitment

Introduction

Although considerable research has been conducted over the last two decades to determine how employees' commitment to an organization develops (see Meyer & Allen, 1997, for a review), the potential impact of human resource management (HRM) practices on commitment has received far less attention than it deserves. The results of those studies that have been conducted, however, do provide some evidence to suggest that organizations can influence employees' commitment through their HRM practices. Perhaps more importantly, the findings suggest that the nature and strength of the influence might be determined by how employees perceive these practices. The effective use of HRM practices to foster employee commitment, therefore, requires an understanding of the mechanisms by which these practices exert their influence on employee commitment.

The purpose of the present research was to test the hypothesis that relations between HRM practices and commitment are mediated, at least in part, by employees' perceptions of procedural justice and organizational support. To provide a rationale for this hypothesis, we first review existing evidence linking HRM practices to commitment. We then discuss recent developments in the conceptualization and measurement of commitment and their implications for our study. Finally, we describe the concepts of procedural justice and organizational support and outline the reasons why we expected them to mediate the relations between HRM practices and commitment.

Literature review

Evidence for Relations between HRM Practices and Commitment

Although limited, there is some empirical evidence linking employee commitment to actual and perceived FIRM practices. Ogilvie (1986), for example, found that, even with personal and work characteristics controlled, employees' perceptions of two characteristics of HRM practices-accuracy of the merit rating system and fairness of promotions-contributed to the prediction of commitment. Gaertner and Nollen (1989) found that employees' commitment was related to both actual and perceived HRM practices, including internal promotion, training opportunities, and employment security. Kinicki, Carson, and Bohlander (1992) found differences in the commitment-related work attitudes of employees in two organizations that were judged by the authors to differ in the quality of their HRM practices. In addition to the aforementioned studies, which took a fairly broad-based approach to the investigation of HRM practices and commitment, commitment has been examined as a potential outcome variable in studies focusing on specific HRM practices. The results of this research have demonstrated links between commitment and practices pertaining to recruitment, socialization, training, assessment, promotion, and employee ownership.

Although the findings of these studies suggest that HRM practices are related to employee commitment, some investigators have noted that these relations are not necessarily direct or unconditional. For example, Kinicki et al. (1992) found that the links between actual HRM practices and work attitudes (including pride in working for the organization) were mediated by perceptions of the organization's commitment to HRM activities that benefit

<https://assignbuster.com/employees-organizational-commitment/>

employees (e. g., training, promotion). Likewise, Koys (1991) found that organizational commitment of employees was correlated with their perception that the organization's HRM practices were fair and in the best interests of the employees. In contrast, commitment was unrelated to perceptions that HRM practices were motivated by a desire to increase productivity or to comply with employment laws. In light of these findings, it cannot be assumed that the implementation of a particular practice (e. g., training) will necessarily enhance commitment. Rather, the implementation of training might induce employees to consider the organization's motivation; whether commitment is influenced or not might depend, in turn, on the results of this attribution analysis. That is, commitment might be influenced more by the message that FIRM practices convey to employees than by the practices themselves (Guzzo & Noonan, 1994; Iles, Mabey, & Robertson, 1990). It is however important to consider that commitment can take different forms and that the mechanisms through which FIRM practices influence the various forms of commitment might also be different.

The nature and measurement of commitment

Employees' organizational commitment is of various types, and the circumstances and effects of each can differ from the others (Meyer & Allen, 1997). Scholars such as Meyer, Allen, and Smith (1993) have developed instruments to measure commitment as a multi-dimensional measurement. These scholars agree that organizational commitment is mainly of three types: affective, continuance, and normative commitment. " Affective commitment refers to an emotional attachment to, identification with, and involvement in the organization. Continuance commitment is based on the

perceived costs associated with discontinuing employment with the organization. Normative commitment reflects a sense of obligation on the part of the employee to maintain membership in the organization," (Meyer & Allen, 1997).

Majority of the prior studies that have been carried out on organization commitment of employees have mainly focused on affective commitment. Meyer and Allen (1997) suggested, however, that HRM practices might also influence continuance and normative commitment. Consider the administration of benefits as an example. Employees who are the recipients of attractive benefits packages might (a) view the organization as caring and supportive, and therefore develop a stronger affective commitment, (b) believe that to lose such a package would be costly, and therefore experience greater continuance commitment, and/or (c) feel indebted to the organization, and therefore develop a stronger normative commitment. The advantages to organizations of having a committed workforce tend to be greatest in the case of affective commitment; the consequences of high levels of continuance commitment can actually be negative (Meyer & Allen, 1997). That is, affective commitment has been shown to have the strongest positive correlations with desirable work behaviour (e. g., performance, attendance, citizenship); correlations between normative commitment and these same behaviours also tend to be positive, albeit somewhat weaker.

Correlations with continuance commitment are weaker still and have been found to be negative in some cases (Shore & Wayne, 1993). As a result, organizations that need to increase their employees' organizational commitment through their human resources strategies are more likely to

increase affective and normative commitment, than continuance commitment. As noted earlier, previous research has provided evidence to suggest that HRM practices might have their greatest impact on affective commitment when it is believed that the organization is motivated by the desire to create a climate of concern and caring (Kinicki et al., 1992) and to be fair in its dealings with employees (Koys, 1991). These hypothetical mechanisms correspond closely to two variables that have recently been the focus of considerable research attention in their own right: organizational support (Eisenberger, Huntington, Hutchison, & Sowa, 1986) and organizational justice (Folger & Cropanzano, 1998).

Organizational support and procedural justice as mediators

Eisenberger, Fasolo, & Davis-LaMastro (1990) have argued that employees are more likely to become committed to an organization if they believe that the organization is committed to them. This commitment on the part of the organization can be demonstrated through the level of support provided to employees. Eisenberger et al. developed a measure of perceived organizational support that has subsequently been shown to be positively related to employees' affective commitment to the organization. Normative commitment has been found to correlate positively with related constructs such as organizational dependability and management receptiveness (Allen & Meyer, 1990). Thus, it is possible that employees will also feel a greater sense of obligation to remain if they view the organization as supportive. Indeed, normative commitment might be one manifestation of employees' response to organizations that are perceived to provide support as part of the psychological contract with employees (Rousseau, 1995). Studies

conducted to examine the link between organizational support (or related constructs) and continuance commitment have reported only weak negative correlations (Allen & Meyer, 1990; Shore & Wayne, 1993). There is little reason to believe, therefore, that perceived organizational support affects employees' perceptions of the costs of leaving the organization.

Employees' affective commitment to their employers has also been found to correlate with perceptions of organizational justice (Folger & Konovsky, 1989; Sweeney & McFarlin, 1993). Like commitment, organizational justice can take various forms which include distributive justice (the fairness of outcomes received) and procedural justice (the fairness of the procedures used in determining these outcomes) (Folger & Cropanzano). Although both distributive and procedural justice are important and have been linked to work attitudes and behaviour, recent evidence suggests that procedural justice is a better predictor of employee commitment to the organization than is distributive justice (Folger & Konovsky, 1989; Sweeney & McFarlin, 1993). This might reflect a belief that organizations have more control over decision-making processes than they do over the outcomes themselves.

Alternatively, it might be that the use of fair procedures in decision-making provides evidence of a genuine caring and concern on the part of the organization for the well-being of employees (Lind & Tyler, 1988). Although most justice research has focused on its implications for affective commitment, there is some evidence to suggest that normative commitment is also positively related to procedural justice (Lynn, 1992). Findings concerning the relation between procedural justice and continuance commitment have been mixed. Moorman, Niehoff, and Organ (1993)

reported a significant positive correlation; Lynn (1992) reported a significant negative correlation, and Konovsky and Cropanzano (1991) a non-significant negative correlation. Even when significant, however, the correlations were quite weak. It appears, therefore, that justice perceptions are unlikely to have much of an impact on continuance commitment.

The Present Study

The present study is based on the research that was carried out by Meyer and Smith (2000). In their study, the researchers examined the relations between commitment and employees' perceptions of HRM practices within four functional areas: performance appraisal, benefits, training, and career development. Although HRM practices within these areas have been linked to commitment in some previous research, Meyer and Smith's study extends the literature by: examining relations with three distinguishable forms of commitment (affective, continuance, and normative); testing for the potential mediating effects of procedural justice and organizational support; and considering the impact of all four HRM functions simultaneously. The benefit of examining the impact of the HRM functions together, rather than individually as has been the case in most previous research is that HRM practices in organizations tend to be related, particularly when they are part of coordinated systems (Huselid, 1995; Snell & Youndt, 1995). Consequently, when looked at individually, the relations between particular HRM practices and commitment are difficult to interpret (Meyer & Allen, 1997). These relations could reflect a causal connection between a particular practice and commitment or, alternatively, they could be spurious and merely reflect mutual relations with other HRM practices or business strategies.

Meyer and Smith (2000) examined the unique contribution of HRM practices, or, more accurately, employees' evaluation of these practices, using structural equation modelling analyses. However, there exists the possibility that observed relations reflect the impact of other unmeasured variables (for instance, business strategies). Because associations with other HRM practices that are likely to be included in a comprehensive HRM system have been controlled, however, the researchers' confidence that any significant relations observed reflect meaningful contributions of specific HRM practices to the prediction of employee commitment is increased.

For purposes of analyses reported in their study, Meyer and Smith (2000) assessed employees' perceptions of HRM practices at an evaluative level. That is, they asked employees to rate the quality (for instance, fairness, competitiveness) of their organizations' HRM practices within the four functional areas noted above. The questions were tailored to the specific HRM function being evaluated. For example, the researchers asked participants to evaluate the fairness of the performance appraisal system in their organizations because fairness has previously been found to have important implications for employees' reactions to their appraisals. In conducting their study, Meyer and Smith (2000) tested two hypotheses. First, employees' commitment to the organization, as well as their perceptions of procedural justice and organizational support within their organization, could be predicted from their evaluations of HRM practices. Second, the relations between employees' evaluation of HRM practices and their affective and normative commitment to the organization would be mediated by their perceptions of procedural justice and organizational support.

Based on the Meyer and Smith's (2000) study, the hypotheses to be tested in this study are: Career training and development programs increase employees' affective commitment; career training and development programs increase employees' normative commitment; and career training and development programs increase employees' continuance commitment

Method

Participants and Data Collection Procedures

Participants in the Meyer and Smith's (2000) study were selected in two ways. The first group of participants (Sample 1) was selected through employee contacts from different organizations. In sum, 94 individuals (25 men and 69 women) agreed to take part in the study and returned completed surveys. These participants were employees in approximately 30 different organizations from 47 different occupations. The mean age of the participants was 38 years, the mean tenure was 9.2 years, and the mean work experience was 16 years. Majority of the participants (91%) were full time employees while the remaining employees were part-time employees but had some experience with the human resources management strategies evaluated in the study (that is, benefits, career training and development, performance appraisal). Data obtained from these participants were used in preliminary analyses to evaluate the measures. No major challenges were identified and, as a result, an identical survey was utilized in collecting data from a second group of employees (Sample 2) that was selected from five small organizations.

The organizations from which the researchers selected the second sample of participants ranged in size from 50 to 175 employees. Four of the five

organizations were involved primarily in manufacturing and distribution, while the fifth organization offered financial services. The permission to study employees at each organization was received from the human resource manager. At four of the five organizations, surveys and explanatory cover letters were distributed to employees at work. At three of these companies, the completed surveys were returned in sealed envelopes through the company mail system to the human resource department and then forwarded to the investigators; at the fourth company, employees mailed the surveys directly to the investigators. At the fifth company, surveys were mailed to employees' homes and were returned, by mail, directly to the investigators.

In the end, a total of 187 non-managerial employees (61 men and 118 women; 8 did not report sex) from the five organizations returned completed surveys. The overall response rate was approximately 40%. This response rate was based on the number of surveys delivered to the organizations for distribution. The mean age was 36.7 years, mean tenure was 8.4 years, and mean work experience was 16.8 years. Majority of the participants (96%) were full-time employees, one participant was a part time employee and 6 participants failed to indicate their employment status (Meyer and Smith, 2000).

Measures

Perceptions of Human Resource Management Practices

Participants responded to a series of questions designed to assess evaluations of their organizations' practices pertaining to performance appraisal, benefits, training, and career development.

Training - The training measures included items addressing satisfaction with training, comparison between the training provided by their organization with that provided by other organizations, and the sufficiency of the training provided. The coefficient alpha for the composite measure was 0.91.

Organizational Commitment - affective, continuance, and normative commitment were measured using the 6-item scales developed by Meyer et al. (1993). Responses were made on 7-point disagree/agree scales and ratings were averaged across items to yield scale scores. The coefficient alphas for affective, continuance and normative commitment were 0.81, 0.70, and 0.83, respectively.

Data Analysis

The analysis of data from the two samples was initially done separately. However, the analysis was later combined from the two samples because the pattern of results was similar. To test the mediation hypothesis, Meyer and Smith (2000) developed and tested the causal model. In addition to the primary variables of interest, tenure and sex were also included as control variables. Age was not included as a control variable because it was strongly correlated with tenure. Consistent with the hypotheses, the model includes paths from the HRM evaluation measures to procedural justice and organizational support and from justice and support to affective and normative commitment. That is, the links between employees' evaluations of HRM practices and affective and normative commitment were expected to be mediated completely by perceptions of justice and support.

In contrast, the effects of employees' beliefs about HRM practices on continuance commitment were expected to be direct. In addition to those paths of direct relevance to the mediation hypothesis, the model includes paths required to account for known relations among the endogenous variables. Specifically, the researchers anticipated that there would be significant positive relations between the two mediating variables, procedural justice and organizational support, and between affective and normative commitment. In the absence of empirical evidence concerning the direction of causality in these relations, the researchers were forced, for model testing purposes, to make judgments based on their current understanding of the constructs involved. In the case of the relation between the mediating variables, they argued that organizational support is a broader construct and is therefore more likely to be influenced by perceptions of procedural justice than the reverse.

To account for the correlation between affective and normative commitment, Meyer and Smith (2000) included a path from the former to the latter. This decision was based on the finding that many of the work experience variables found to correlate with affective commitment also correlate, albeit not as strongly, with normative commitment (Allen & Meyer, 1996). Thus, the researchers reasoned that employees who want to remain in the organization because of their positive experiences might also feel some sense of obligation to do so. The reverse, however, is not necessarily the case. That is, employees can feel a sense of obligation to continue employment (for instance, to repay the organization for valued training) without feeling an affective attachment to the company.

Meyer and Smith (2000) tested the mediation model using AMOS 4.0 to generate maximum likelihood parameter estimates. Because the researchers were interested primarily in testing the structural model, they conducted the analysis on the matrix of covariance among scale scores. They then corrected for measurement error following procedures used previously. The model fit was assessed using the Tucker Lewis Index (TLI) (Tucker & Lewis, 1973) and the Root Mean Squared Error of Approximation (RMSEA). Tucker Lewis Index values that are greater than 0.90 are generally considered to indicate a good fit. Values of the RMSEA below 0.08 indicate a reasonable fit, and those below 0.05 indicate a good fit to the data.

Following the test of the initial model, the researchers conducted analyses to evaluate competing models that reversed or relaxed their initial assumptions. In each case, they examined the impact that these reversals had on parameter estimates of relevance to their mediation hypothesis. Next, they assessed the accuracy of their assumption that the effects of HRM evaluations on affective and normative commitment would be completely mediated by testing models that included direct paths. These paths were included one at a time, and improvement in fit over the initial model was evaluated (Meyer & Smith, 2000).

Results

One of the most significant results that is applicable to this present study is that affective and normative commitment are both significantly correlated with all of the HRM evaluation measures including career training and development. This implies that career training and development programs increase employees' affective and normative commitment. On the other

hand, continuance commitment was not significantly correlated with any of the HRM evaluation measures. Continuance commitment was, however, significantly correlated with all three demographic variables: age, sex, and tenure. This implies that as employees grow older and have longer work experiences, they find it too costly to leave their present organization. Finally, affective commitment and normative commitment were highly correlated.

Discussion

The findings of this study support the results of prior studies (for instance, Gaertner & Nollen, 1989; Koys, 1991; Ogilvie, 1986) in showing links between organizational HRM practices and employees' affective commitment. They extend previous findings by illustrating that relations between these HRM practices and affective commitment are mediated by perceptions of organizational support and, to a lesser extent, procedural justice. This suggests the possibility that HRM practices might serve as a means by which organizations can demonstrate their support for, or commitment to, their employees and, in turn, foster a reciprocal attachment by employees (Eisenberger et al., 1986; Shore & Wayne, 1993).

The findings also suggest that perceptions of HRM practices are related to employees' normative commitment to the organization. The relations between perceptions of HRM practices and normative commitment were also mediated by affective commitment. Thus, to a large extent, employees' sense of obligation to remain with the organization might be due to the same experiences, including fair and supportive HRM practices that contribute to their desire to remain. These findings suggest that HRM practices are

related, although indirectly, to affective and normative commitment which, in turn, are related to desirable work behaviour (for example, performance, attendance, and citizenship; Allen & Meyer, 1997). Consequently, there are potential organizational benefits to be derived from the use of fair and supportive HRM practices. Indeed, it is possible that the financial benefits that have been demonstrated recently to result from effective HRM strategies are, at least in part, mediated by their effects on employee commitment.

Although it was speculated that HRM practices might also affect continuance commitment by making it costly for employees to leave (e. g., acquired skills would be less useful elsewhere), the findings provided little evidence for this. The HRM evaluation measures did not contribute significantly to the prediction of continuance commitment, either individually or as a group. The best predictors of continuance commitment in the study were the demographic variables that were included in the analysis as control variables; that is sex and tenure. Thus, it seems that women and more senior employees perceived greater costs associated with leaving the organization than did men and newer employees, but that these perceived costs were independent of their evaluations of the HRM practices examined in this study.

Evaluations of career training and development were found to be the best predictors of affective and normative commitment. This is perhaps not surprising given that these practices are involved in preparing employees for a future in the organization. Organizations that take an active role in helping employees to prepare themselves for advancement in the organization, and

<https://assignbuster.com/employees-organizational-commitment/>

do so in a way that creates a perception of support, might foster a stronger bond to the organization among employees than those that do not. Gaertner and Nollen (1989) came to a similar conclusion based on their findings that perceptions of the organization's adherence to career-oriented employment practices were related to commitment among employees in a Fortune 100 manufacturing firm.

Conclusion

Human resources managers engage in several practices that may have either positive or negative effects on employees' commitment to their organizations. Career training and development is one such HRM practice. Career training and development is often perceived by employees in a positive light especially if it is done to directly advance employees' careers. Employees who go through career training and development programs feel attached to their organizations and become actively involved in them. In addition, such employees are more likely to continue working in their organizations because they feel obligated to reciprocate the good deeds their employers offered them. On the other hand, career training and development does not have a significant positive effect on continuance commitment because the skills gained can easily be transferred to other organizations. These results have significant implications for human resource managers who may need to increase their employees' loyalty and minimize their intentions to leave their organizations.

Reference List

Allen, N. J., & Meyer, J. P. (1990). The measurement and antecedents of affective, continuance, and normative commitment to the organization. *Journal of Occupational Psychology*, 63, 1-18.

Eisenberger, R., Fasolo, P., & Davis-LaMastro, V. (1990). Perceived organizational support and employee diligence, commitment, and innovation. *Journal of Applied Psychology*, 75, 51-59.

Folger, R., & Cropanzano, R. (1998). *Organizational justice and human resource management*. Thousand Oaks, CA: Sage Publications.

Gaertner, K. N., & Nollen, S. D. (1989). Career experiences, perceptions of employment practices, and psychological commitment to the organization. *Human Relations*, 42, 975- 991.

Guzzo, R. A., & Noonan, K. A. (1994). Human resource practices as communications and the psychological contract. *Human Resource Management*, 33, 447-462.

Huselid, M. A. (1995). The impact of human resource management practices on turnover, productivity, and corporate financial performance. *Academy of Management Journal*, 38, 635-672.

Iles, P., Mabey, C., & Robertson, I. (1990). HRM practices and employee commitment: Possibilities, pitfalls and paradoxes. *British Journal of Management*, 1, 147-157.

Kinicki, A. J., Carson, K. P., & Bohlander, G. W. (1992). Relationship between an organization's actual human resource efforts and employee attitudes. *Group and Organization Management*, 17, 135-152.

Konovsky, M. A., & Cropanzano, R. (1991). Perceived fairness of employee drug testing as a predictor of employee attitudes and job performance. *Journal of Applied Psychology*, 76, 698-707.

Koys, D. J. (1991). Fairness, legal compliance, and organizational commitment. *Employee Responsibility and Rights Journal*, 4, 283-291.

Lind, E. A., & Tyler, T. R. (1988). *The social psychology of procedural justice*. New York: Plenum.

Meyer, J. P., & Allen, N. J. (1997). *Commitment in the workplace: Theory, research, and application*. Thousand Oaks, CA: Sage Publications.

Meyer, J. P., Allen, N. J., & Smith, C. A. (1993). Commitment to organizations and occupations: Extension and test of a three-component conceptualization. *Journal of Applied Psychology*, 78, 538-551.

Moorman, R. H., Niehoff, B. P., & Organ, D. W. (1993). Treating employees fairly and organizational citizenship behaviour: Sorting the effects of job satisfaction, organizational commitment, and procedural justice. *Employee Responsibilities and Rights Journal*, 6, 209-225.

Ogilvie, J. R. (1986). The role of human resource management practices in predicting organizational commitment. *Group and Organization Studies*, 11, 335-359.

Rousseau, D. M. (1995). Psychological contracts in organizations: Understanding written and unwritten agreements. Thousand Oaks, CA: Sage.

Shore, L. M., & Wayne, S. J. (1993). Commitment and employee behaviour: Comparison of affective and continuance commitment with perceived organizational support. *Journal of Applied Psychology*, 78, 774-780.

Snell, S. A., & Youndt, M. A. (1995). Human resource management and firm performance: Testing a contingency model of executive controls. *Journal of Management*, 21, 711-737.

Sweeney, P. D., & McFarlin, D. B. (1993). Workers' evaluations of the "ends" and the "means": An examination of four models of distributive and procedural justice. *Organizational Behaviour and Human Decision Processes*, 55, 2340.

Tucker, L. R., & Lewis, C. A. (1973). A reliability coefficient for maximum likelihood factor analysis. *Psychometrics*, 38, 140.