findings indicate that the set of factors affecting the organizational commitment of employees differs between the separatist and hegemonies faculties.

2.6 CONCLUSION

Though organisational Commitment studies indicate strong evidence in favour of the psychological relationship of an employee with the organization, there is still a need for further corroborative studies across cultures as the various dimensions studied indicate a strong leaning towards culture and thus, influence the work pattern in a country-specific organization. There is also a need to standardize terminologies reflecting Organisational Commitment and the study of antecedents and consequences as well as the processes requires a different perspective keeping in mind the impact of human resources management measures to improve both the employee and the organization for a better Organisational Commitment. Thus, Organizational Commitment (OC), in a broader sense, can be viewed as an employees’ psychological wedding to the organization i.e. an employee continues to serve the same organization throughout his work life.

CHAPTER III

ORGANISATIONAL COMMITMENT

3.1 INTRODUCTION
This chapter includes the following aspects: theoretical background; definition of the concept; adopted model for this study, dimensions of organisational commitment; development of organisational commitment; factors affecting the employees’ commitment; the effects of commitment; and the management of organisational commitment.

3.2 THEORETICAL BACKGROUND OF THE CONCEPT “ORGANISATIONAL COMMITMENT”

The concept of organisational commitment has grown in popularity in the literature on industrial and organisational psychology (Cohen, 2003). Early studies on organisational commitment have viewed the concept as a single dimension, based on an attitudinal perspective, embracing identification, involvement and loyalty (Porter, Steers, Mowday & Boulian, 1974). According to Porter et al (1974) an attitudinal perspective refers to the psychological attachment or affective commitment formed by an employee in relation to his identification and involvement with the respective organisation.

Porter et al (1974, p 604) further describe organisational commitment as “an attachment to the organisation, characterised by an intention to remain in it; an identification with the values and goals of the organisation; and a willingness to exert extra effort on its behalf”. Individuals consider the extent to which their own values
and goals relate to that of the organisation as part of organisational commitment. Therefore it is considered to be the linkage between the individual employee and the organisation.

Another perspective on organisational commitment is the “exchanged-based definition” or "side-bet" theory (Becker, 1960; Alluto, Hrebiniaiak & Alonso, 1973). This theory holds that individuals are committed to the organisation as far as they hold their positions, irrespective of the stressful conditions they experience. However, should they be given alternative benefits, they will be willing to leave the organisation.

Mowday, Porter and Steers (1982, p 26) have supported the “side-bet” theory by describing organisational commitment as a behaviour "relating to the process by which individuals become locked into a certain organisation and how they deal with this problem ". This behavioural aspect of organisational commitment is explained through calculative and normative commitments.

The calculative or normative perspective refers to an employee's commitment to continue working for the organisation based on the notion of weighing cost-benefits of leaving an organisation (Hrebiniaiak & Alutto, 1972). Wiener and Vardi (1980, p 90) have described organisational commitment as “behavioural intention or reaction, determined by the individual's perception of the normative pressure”.
Meyer and Allen (1984) initially viewed organisational commitment as two-dimensional namely, affective and continuance. Meyer and Allen (1984, p 375) have defined the first dimension, namely affective commitment as “positive feelings of identification with, attachment to and involvement in the work organisation”, and they have defined the second dimension, namely continuance commitment as “the extent to which the employees feel committed to their organisation by virtue of the costs that they feel are associated with leaving”. After further research, Allen and Meyer (1990) added a third dimension, namely normative commitment.

Allen and Meyer (1990, p 6) have defined normative commitment as “the employee’s feelings of obligation to remain with the organisation”. Consequently, the concept organisational commitment is described as a tri-dimensional concept, characterised by the affective, continuance and normative dimensions (Meyer & Allen, 1991). Common to the three dimensions of organisational commitment is the view that organisational commitment is a psychological state that characterises organisational members' relationship with the organisation and has implications for the decision to continue or discontinue membership in the organisation (Meyer & Allen, 1997).

3.3 DEFINITIONS OF ORGANISATIONAL COMMITMENT

Definitions of the concept organisational commitment include the description
by O’Reilly (1989, p 17), “an individual's psychological bond to the organisation, including a sense of job involvement, loyalty and belief in the values of the organisation”. Organisational commitment from this point of view is characterised by employee's acceptance of organisational goals and their willingness to exert effort on behalf of the organisation (Miller & Lee, 2001).

Cohen (2003, p xi) states that “commitment is a force that binds an individual to a course of action of relevance to one or more targets”. This general description of commitment relates to the definition of organisational commitment by Arnold (2005, p 625) namely that it is “the relative strength of an individual’s identification with and involvement in an organisation”.

Miller (2003, p 73) also states that organisational commitment is “a state in which an employee identifies with a particular organisation and its goals, and wishes to maintain membership in the organisation”. Organisational commitment is therefore, the degree to which an employee is willing to maintain membership due to interest and association with the organisation’s goals and values.

In addition, Morrow (1993) has described organisational commitment as characterised by attitude and behaviour. Miller (2003, p 72) has described an attitude as “evaluative statements or judgements - either favourable or unfavourable - concerning a phenomenon”. Organisational commitment as an attitude reflects
feelings such as attachment, identification and loyalty to the organisation as an object of commitment (Morrow, 1993). Meyer, Allen and Gellantly (1990, p 711) also suggest that organisational commitment as an attitude is “characterised by a favourable positive cognitive and affective components about the organisation”.

The second characteristic that is used to describe the concept organisational commitment is behaviour (Morrow, 1993). Best (1994, p 69) has maintained that “committed individuals enact specific behaviours due to the belief that it is morally correct rather than personally beneficial”. Reichers (1985, p 468) is of the opinion that “organisational commitment as behaviour is visible when organisational members are committed to existing groups within the organisation”. Therefore, organisational commitment is a state of being, in which organisational members are bound by their actions and beliefs that sustain their activities and their own involvement in the organisation (Miller & Lee, 2001).

The adopted definition for this study corresponds to definitions by Meyer and Allen (1991, p 67) mentioned above. According to this definition organisational commitment “is a psychological state that characterises the employee’s relationship with the organisation, and has implications for the decision to continue membership in the organisation”.

3.4 ORGANISATIONAL COMMITMENT MODEL

Meyer and Allen (1997, p 106) have used the tri-dimensional model to
conceptualise organisational commitment in three dimensions namely, affective, continuance and normative commitments. These dimensions describe the different ways of organisational commitment development and the implications for employees’ behaviour.
**Affective Commitment Dimension**

The first dimension of organisational commitment in the model is affective commitment, which represents the individual’s emotional attachment to the organisation. According to Meyer and Allen (1997, p 11) affective commitment is “the employee’s emotional attachment to, identification with, and involvement in the organisation”. Organisational members, who are committed to an organisation on an affective basis, continue working for the organisation because they want to (Meyer & Allen, 1991). Members who are committed on an affective level stay with the organisation because they view their personal employment relationship as congruent to the goals and values of the organisation (Beck & Wilson, 2000).

Affective commitment is a work related attitude with positive feelings towards the organisation (Morrow, 1993). Sheldon (1971, p 148) also has maintained that this type of attitude is “an orientation towards the organisation, which links or attaches the identity of the person to the organisation”. Affective commitment is the relative
strength of an individual's identification with and involvement in a particular organisation (Mowday et al, 1982).

The strength of affective organisational commitment is influenced by the extent to which the individual's needs and expectations about the organisation are matched by their actual experience (Storey, 1995). Tetrick (1995, p 589) has also described affective commitment as “value rationality-based organisational commitment, which refers to the degree of value congruence between an organisational member and an organisation”.

The organisational commitment model of Meyer and Allen (1997) indicates that affective commitment is influenced by factors such as job challenge, role clarity, goal clarity, and goal difficulty, receptiveness by management, peer cohesion, equity, personal importance, feedback, participation, and dependability.

Affective commitment development involves identification and internalisation (Beck & Wilson, 2000). Individuals’ affective attachment to their organisations is firstly based on identification with the desire to establish a rewarding relationship with an organisation. Secondly, through internalisation, this refers to congruent goals and values held by individuals and the organisation. In general, affective organisational commitment is concerned with the extent to which an individual identifies with the organisation (Allen & Meyer, 1990).

**Continuance Commitment Dimension**
The second dimension of the tri-dimensional model of organisational commitment is continuance commitment. Meyer and Allen (1997, p 11) have defined continuance commitment as “awareness of the costs associated with leaving the organisation”. It is calculative in nature because of the individual’s perception or weighing of costs and risks associated with leaving the current organisation (Meyer & Allen, 1997). Meyer and Allen (1991, p 67) have further stated that “employees whose primary link to the organisation is based on continuance commitment remain because they need to do so”. This indicates the difference between continuance and affective commitment. The latter entails that individual’s stay in the organisation because they want to.

Continuance commitment can be regarded as an instrumental attachment to the organisation, where the individual's association with the organisation is based on an assessment of economic benefits gained (Beck & Wilson, 2000). Organisational members develop commitment to an organisation because of the positive extrinsic rewards obtained through the effort-bargain without identifying with the organisation's goals and values.

The strength of continuance commitment, which implies the need to stay, is determined by the perceived costs of leaving the organisation (Meyer & Allen, 1984). Best (1994, p 71) indicates that “continuance organisational commitment will therefore be the strongest when availability of alternatives are few and the number of
investments is high”. This argument supports the view that when given better alternatives, employees may leave the organisation.

Meyer et al (1990, p 715) have also maintained that "accrued investments and poor employment alternatives tend to force individuals to maintain their line of action and are responsible for these individuals being committed because they need to". This implies that individuals stay in the organisation, because they are lured by other accumulated investments such as pension plans, seniority or organisation specific skills which they could lose.

The need to stay is “profit” associated with continued participation and termination of service is a “cost” associated with leaving. Tetrick (1995, p 590) support the profit notion by describing the concept continuance organisational commitment as “an exchange framework, whereby performance and loyalty are offered in return for material benefits and rewards”. Therefore, in order to retain employees who are continuance committed, the organisation needs to give more attention and recognition to those elements that boost the employee’s morale to be affectively committed.

**Normative Commitment Dimension**

The last dimension of the organisational commitment model is normative commitment. Meyer and Allen (1997, p 11) have defined normative commitment as
“a feeling of obligation to continue employment”. Internalised normative beliefs of duty and obligation make individuals obliged to sustain membership in the organisation (Allen & Meyer, 1990). According to Meyer and Allen (1991, p 67) “employees with normative commitment feel that they ought to remain with the organisation”. In terms of the normative dimension, the employees stay because they should do so or it is the proper thing to do.

Wiener and Vardi (1980, p 86) have described normative commitment as “the work behaviour of individuals, guided by a sense of duty, obligation and loyalty towards the organisation”. Organisational members are committed to an organisation based on moral reasons (Iverson & Buttigieg, 1999). The normative committed employee considers it morally right to stay in the organisation, regardless of how much status enhancement or satisfaction the organisation gives him or her over the years.

The strength of normative organisational commitment is influenced by accepted rules about reciprocal obligation between the organisation and its members (Suliman & Iles, 2000). The reciprocal obligation is based on the social exchange theory, which suggests that a person receiving a benefit is under a strong normative obligation or rule to repay the benefit in some way (McDonald & Makin, 2000). This implies that individuals often feel an obligation to repay the organisation for investing in them, for example through training and development.
Meyer and Allen (1991, p 88) have argued that “this moral obligation arises either through the process of socialisation within the society or the organisation”. In either case it is based on a norm of reciprocity. In other words if the employee receives a benefit, it places him or her, or the organisation under the moral obligation to respond in kindness.

Levels of Organisational Commitment

There are different levels of organisational commitment which are related to the individual’s development of the individual’s organisational commitment (Reichers, 1985).

Figure 2 depicts the levels of commitment when it is increasing and when it is decreasing. Employee’s level of commitment may move from a low level to a moderate level and continue to develop to a higher level of commitment (Reichers, 1985).

**FIGURE 2**

LEVEL OF COMMITMENT

<table>
<thead>
<tr>
<th>An increasing Level of Commitment</th>
<th>A decreasing Level of Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher level of organisational commitment</td>
<td>Higher level of Organisational commitment</td>
</tr>
<tr>
<td>Moderate level of commitment</td>
<td>Moderate level of commitment</td>
</tr>
</tbody>
</table>
Levels of organisational commitment development (Reichers, 1985)

The following is a description of the levels of organisational commitment:

**Higher level of Organisational Commitment**

A high level of organisational commitment is characterised by a strong acceptance of the organisation’s values and willingness to exert efforts to remain with the organisation (Reichers, 1985). Miller (2003, p 73) states that “high organisational commitment means identifying with one’s employing organisation”. The “will to stay” suggests that the behavioural tendencies at this level relate closely to affective dimension of commitment, where individuals stay because they want to.

**Moderate level of Organisational Commitment**

The moderate level of organisational commitment is characterised by a reasonable acceptance of organisational goals and values as well as the willingness to
exert effort to remain in the organisation (Reichers, 1985). This level can be viewed as a reasonable or average commitment, which implies partial commitment. The willingness to stay is an attribution of a moral commitment associated with the normative dimension of commitment (Meyer & Allen, 1997). The individuals stay in the organisation because they should do so.

**Lower level of Organisational Commitment**

The low level of organisational commitment is characterised by a lack of neither acceptance of organisational goals and values nor the willingness to exert effort to remain with the organisation (Reichers, 1985). The employee who operates on this level must be disillusioned about the organisation; such an employee may stay because he or she needs to stay as associated with the continuance dimension (Meyer & Allen, 1997). Given an option they will leave the organisation.

**Approaches to Organizational Commitment**

Much of the conceptual confusion regarding organizational commitment stems from the use of a single term (“organizational commitment”) to describe two very different phenomena: attitudes and behaviours (Mowday, Steers, & Porter, 1979; Mowday, Porter, & Steers, 1982; Salancik, 1977). The distinction between attitudinal and behavioural perspectives is a useful, though somewhat crude, rubric under which to organize any consideration of the multiplicity of extant approaches to
understanding organizational commitment (Mowday et al., 1979). Not all definition fit neatly within one perspective, nor are the perspectives unrelated but the distinction remains useful and is widely used in reviews of the commitment literature.

The Behavioural Perspective

The behavioural perspective (sometimes termed the irrational or social psychological school) focuses on the process through which employees become “locked into a certain organization and how they deal with this problem” (Mowday et al., 1982, p.26). This process is best articulated in the oft-quoted phrase: “To act is to commit one” (Salancik, 1977, p.4). Scholl (1981) has added that the behavioural perspective explains organizational membership with reference to personal investments made by individual employees and thereby implicitly defines commitment as “a type of force directing individual behaviour” (p.590). Nevertheless, the focus is on “overt manifestations of commitment” (Mowday et al., 1979, p.255) that exceed “normative organizational expectations of the individual” (DeCotiis & Summers, 1987, p.446) and empirical research within this perspective tends to focus on the process by which individuals become bound to an organization so that this will translate into committed behaviours such as high levels of performance (Mowday et al., 1982). Of course, a major limitation of this perspective is that it is difficult to disentangle the antecedents of “committed behaviour” (e.g. high levels of performance may also be the outcome of an effective reward system or
performance management programme). Six researchers within this perspective developed the work of others and made an important contribution to the commitment literature: Salancik, Becker, and the two research partnerships that furthered Becker’s work (Rizer & Trice and Hrebinia and Alutto).

**Salancik (1977)**

Based on Kiesler (1971) and Kiesler and Sakumura (1966), Salancik has defined organizational commitment as “a state of being in which an individual becomes bound to his actions and through these actions to beliefs that sustain the activities and his own involvement” (1977, p.62). He has identified four characteristics of behavioural acts that bind an employee to his acts (in general) and apply them to organizational commitment. According to Salancik, employees will become behaviourally committed when binding behaviours are (a) explicit and unambiguous (i.e. can be said to have taken place), (b) difficult to revoke (i.e. not easy to reverse), (c) public (i.e. subject to publicity about the action and its protagonists), and (d) volitional (i.e. perceived to have taken place without external constraint or compulsion). Under these conditions, commitment is likely to be positive and will enable employees to justify their behaviour, setting up a self-reinforcing cycle of commitment behaviours and attitudes as employees seek consistency between them.

**Becker (1960)**
Becker’s (1960) side-bet theory of organizational commitment is no longer considered to be a stand-alone theory but it has been incorporated into widely accepted theoretical models and therefore deserves further examination (Powell & Meyer, 2003). Becker (1960) has conceptualized organizational commitment as the result of an exchange between two parties: “commitments come into being when a person, by making side-bets, links extraneous interests with a consistent line of activity… the more favourable the exchange from the participants point of view, the greater the commitment to the system” (Becker, 1960, p.32). Becker (1960) has suggested that the more of a stake an employee has accrued in an organization the more they could lose by leaving the organization, the greater the personal commitment of that employee to the organization because they are “deterred (from leaving the organization) by a complex of side-bets” (Becker, 1960, p.38). Accordingly, commitment is a structural phenomenon which occurs as a results of an employee becoming committed to an organization because of transactions and alterations in “side-bets” (i.e. valued benefits such as accrued vacation time, reputation, non-transferable pension fund investments, tenure, firm-specific skills, seniority, connections, locked-in share options, familiarity with firm-specific work) that are the contingent on the employee remaining a member of the organization. The possibility of losing these accrued investments and a perceived lack of alternatives to replace the loss binds the employee to maintain membership of the organization.
(commitment behaviour). This represents a refinement to the simple exchange paradigm (Barnard, 1938; Gouldner, 1960; Homans, 1958) by introducing the element of time (with the time lag between current contributions and future inducements) and the idea that the investment quality of organizational participation (side bets) remain even when the employee is dissatisfied with his exchange relationship with his organization (e.g. the employee may feel that they are “paying dues”).

Becker’s (1960) side-bet theory initially received mixed empirical support but many of these studies were beset with methodological problems (Cohen & Lowenberg, 1990; Meyer & Allen, 1984; Shore, Tetrick, Shore, & Barksdale, 2000). More recent research has proved encouraging (Powell & Meyer, 2003). Two early studies on Becker’s theory stand out for the strength of their theoretical contributions. Both are frequently cited and both deserve further examination: Ritzer and Trice (1969) and Hrebinia and Alutto (1972).

The Attitudinal Approach

The attitudinal approach to organizational commitment (sometimes termed the rational or organizational behaviour school) focuses on the psychological bond that an employee expresses for their employing organization. It relates to the individual’s psychological attachment to a social system. Empirical research based on this
approach focuses on determining the antecedents and consequences of the commitment relationship (psychological bond) between the employee and their employing organization. There are several models based on the attitudinal approach to organizational commitment.

**Mowday, Steers and Porters (1979)**

Mowday, Steers and Porter (1979) have produced seminal work which characterized organizational commitment in terms of three factors:

1. A strong belief in and acceptance of an organization's goals and values (affective or emotional attachment)
2. A willingness to exert effort on behalf of the organization (cognitive attachment)
3. A strong desire to maintain membership of the organization (behavioural intent)

The above parallels the behavioural, cognitive and affective components of attitudes.

Despite its apparent multidimensionality, Mowday and colleagues have been adamant that organizational commitment is essentially a unitary construct and that items in their measurement scale are “…relatively homogenous with respect to the underlying attitude construct they measure” (Mowday et al, 1982).
Mowday et al (1979) have regarded their definition as attitudinal but their definition is problematic in that it conflates the process (affective component) and outcome (behavioural component) of commitment in a single definition (without intending to). It is therefore difficult to relate various levels of commitment to dependent variables of interest (effort, performance and turnover) since these are contained in the definition (Guest, 1992).

**Vardi, Wiener and Popper (1989)**

Wiener and Vardi (1980) have distinguished between two approaches to organizational commitment: (a) a motivational approach and (b) a normative commitment approach. Both approaches help explain mechanisms to control employee behaviour. Motivation controls behaviour through the manipulation of calculative-instrumental processes (e.g. incentives) based on utilitarian, cost-benefit considerations whereas normative commitment controls behaviour through reference to moral imperatives, values and obligation (Vardi et al, 1989). Vardi et al. (1989) maintained that the motivational approach should be considered as a form of instrumental motivation and not a form of commitment.

Their core contribution to commitment theory is in their explication of normative bases of commitment, which has been incorporated into widely used models of commitment (e.g. Alleb & Meyer, 1990). The theoretical basis of the
A normative approach to commitment is noteworthy in that it draws on the subjective norms are formed not only by social normative beliefs and personal normative beliefs (e.g., moral standards, internalized expectations). Accordingly, commitment represents the “totality of internalized normative pressures to act in a way that meets organizational interests” (Vardi et al., 1989, p.27).

A number of scholars had noted the importance of personal norms (internalized moral obligation) in explaining human behaviour (Schewartz, 1973; Schewartz & Tessler, 1972) and particularly in explaining leaving the organisation (Prestholdt, Lane, & Mathews, 1987) but Weiner and Vardi’s various studies have presented the first and most notable application of this within the domain of organizational commitment.

**Jaros, Jermier, Koehler, and Sincich (1993)**

Jaros et al. (1993) have proposed a multidimensional model of organizational commitment with three dimensions.

1. Affective: psychological attachment “through feelings of loyalty, affection, warmth, belongingness, fondness, pleasure and so on” (p.954)
2. Continuance: “the degree to which an individual experiences a sense of being locked in place because of the high costs of living” (p.953)

Jaros et al., (1993) have placed greater emphasis on affect as experienced by employees than any other theorist and their measure is in effect an affect adjective checklist. Their other dimensions are similar to those in Meyer and Allen’s (1990) model that had been published earlier, though their use of the moral commitment dimension is closer to the way that affective commitment is generally understood (Meyer & Herscovitch, 2001).


Of the several multidimensional models that have been proposed to integrate the multiple themes in the organizational commitment literature, the three-component model proposed by Allen and Meyer (1990) has become the most widely accepted. Allen and Meyer (1990) have suggested that there are three components of organizational commitment, each of which reflects one of the three basic themes in the literature (affective attachment, perceived costs, and obligation). These components are affective commitment, continuance commitment and normative commitment.

Affective commitment is conceptualized as the employee’s “positive feelings of identification with, attachment, and involvement in, the work organization”
Affective commitment develops if the employee is able to meet his expectations and fulfill his needs within the organization (the employee wants to stay in the organization).

Continuance commitment is the extent to which employees feel committed to their organization because of the costs they perceive to be associated with leaving (Meyer & Allen, 1984). That is, the extent of the employee’s tendency to engage in consistent lines of activity based on their awareness of the costs associated with discontinuing the activity. Continuance commitment develops when an employee realizes that he has accumulated investments or side-bets that would be lost if he leaves the organization (the employee needs to stay in the organization). This component derives from research initiated by Becker (1960). Meyer and Allen (1990) have argued that this seemingly behavioural component was consistent with their attitudinal approach because the nature of the commitment discussed by Becker (1960) is psychological, with awareness of costs being central to its definition.

Normative commitment is based on the belief that commitment to the organization is an appropriate if not a moral obligation (Wiener & Vardi, 1980; Weiner, 1982). It develops as a result of experiences (culture management), benefits (training, study allowances) or family factors that fill an employee with a sense that they ought to reciprocate with loyalty to the organization. This component has
attracted the least empirical research and is sometime excluded from empirical studies (Meyer & Allen, 1997).

Meyer and Allen (1990) have presented the three components of commitment as distinguishable components (not different types) of organizational commitment derived from three independent streams of commitment research. An employee may experience each component to varying degrees. For example, some employees may feel a strong need and obligation to remain but have no sense of the need or obligation to remain a member of the organization (Allen & Meyer, 1990). The employee’s organizational commitment reflects each of the three components and is represented as a sum of scores for each of the components. Meyer and Allen (1990) have suggested that each component of commitment should have different antecedents and different effects on work related behaviours because an employee’s willingness to contribute to the effectiveness of an organization would depend on the nature of their organizational commitment to that organization.

Allen and Meyer (1990) have developed scales to measure the above three components of commitment:

1. Affective Commitment Scale (ACS): derived largely from Porter et al.’s (1979) OCQ
2. Continuance Commitment Scale (CCS): derived largely from the Hrebiniaiak-Alluto (1972) measures

Alternative Approaches

Two alternative approaches to conceptualizing organizational commitment have been mentioned in the literature. Neither approach has been well developed and will not be applied in this study. They are, however, worthy of a mention as they contain important insights (that will be delineated) that may inform the study and future development of the organizational commitment construct.

Organizational Commitment as a Symbolic Process

Larkey and Morrill (1995) have proposed a “process approach” to organizational commitment because they believed that traditional conceptualizations of organizational commitment were inappropriate under conditions of change and instability because they assumed stable conditions. They contended that organizational commitment will not be a useful predictor variable, unless conditions are specified, because commitment is sensitive to organizational process and climate factors (ie. Communication, openness, opportunities for participation, and economic stability), which are unstable during times of change. Interestingly, they cited an
empirical study, which found that organizational commitment may change as little as 1 to 3 months prior to a decision to leave the organization (Porter, Crampton, & Smith, 1976), as evidence for their assertions regarding the instability of organizational commitment. This implies that organizational commitment scales are vulnerable to error under conditions of change during which levels of organizational commitment could fluctuate dramatically. Such fluctuations would render any correlations between organizational commitment and proposed outcome variables of little use.

Larkey and Morrill (1995) did not elaborate on their critique in later publication nor did they explicitly show the theoretical basis for their processual approach, which seems to draw on social constructionism and theories of organizational culture, communication, and identification. They suggested that organizational commitment be examined by considering the ways that employees “actively and symbolically, relate to organizations under changing conditions” (p.193). That is, they conceptualized organizational commitment as the outcome of a process that involves the social construction of shared symbols of identification (these symbols are not specified because such symbols are not stable or internally consistent, reflecting the instability of identities in times of change). In this approach, the employee is an active participant in a process of sense making (Weick, 1979), not a passive agent that “gets committed”. Larkey and Morrill (1995) have
recommended the use of “processual methods” such as ethnography and longitudinal studies to replace traditional measures of commitment that they believed were sensitive to climate factors and vulnerable to error under conditions of change, as discussed above.

Larkey and Morrill (1995) have presented three case studies to illustrate the symbolic processes used in different experiences of organizational change and evidence that these processes

1. Are integrally tied to the creation of organizational cultures
2. Involve identification via symbolic processes with multiple organizational structures and strategies by individual actors and groups
3. Encompass various degrees of linkages between organizational role members and organizational goals
4. Can yield unintended consequences for individuals and organizations (e.g. organizational change, individual self-definitions, organizational and individual uncertainty, and organizational inertia).

The above focus on the social construction of shared symbols of attachment between employees and their organizations may be synonymous with some approaches to conceptualizing organizational culture (e.g. Pettegrew, 1979, defined culture in terms of symbols, rituals and myths within the organization). The symbols
may also contain referents to affective, continuance and normative commitment eventhough they do not assume a stable, internally consistent symbol system.

Larkey and Morrill’s (1995) approach is important for three reasons: First, it focuses on the “dynamic interplay and paradoxes that can arise” (p.199) in the employee-organization relationship by emphasizing the varied and shifting pattern of meanings that bind employees together and to their employing organizational (as well as the forces that drive them apart). This dynamic instability in the employee-organization relationship stems from employees’ increasing weak sense of self as individuals within a gestalt of social positions and norms and the way that organizations manipulate their identities in the service of marketing, human resource, or public opinion initiatives. Nevertheless, despite the large power differential between organizations and employees in their social construction of a relationship, neither organizations nor individual employees are “free agents”. Both influence one another in the construction of their identities, as they are both subject to a variety of institutionalized cognitive frameworks that limit or enable particular strategies that contain explicit norms above employee-organization relationships.

Second, this approach highlights the role of organizational culture, which can empower the expression of individuality or subsume it within an organizational identity (Kunda, 1992).
Third, this approach suggests a different approach to researching organizational commitment in a “theoretic and sensitizing rather than confirmatory” manner (Larkey & Morrill, 1995, p.194). For example, the analysis of changing organizational cultural artifacts reflects changes in symbols, shared meanings and attachment patterns.

The unrealized promise of this approach over prevailing traditional variable-analytic approaches is that it will enable researchers to examine the complex interplay of multiple identities of self and shifting organizational images so that uncovered narratives of identity will provide clues regarding the ways that employees develop complex, shifting, and multifaceted relationship with their employing organizations. Unfortunately, Larkey and Morrill’s (1995) paper did not inspire further conceptual development or empirical research. Perhaps future research will attempt to specify the more enduring values and characteristics of organizations that foster allegiance and provide stability to an employee’s identity in a context of change. This will benefit both organizations and individual employees (by helping them develop a stronger sense of self through the awareness of what is important to their sense of self).

**Organizational Commitment as a Rational-choice**
The rational-choice perspective, which resonates with side-bet theory but is more deeply rooted in economic theory, relies on the game-theoretic method for theory development and substantiates its arguments with reference to simplified game-theoretic models. It does not rely only on the rationality assumptions of neo-classical microeconomics (narrow self-interest, complete information, well defined preference ordering) but also deals with bounded rationality, costly information, limited information, uncertainty, and complex human motivations such as fairness (Eggertsson, 1990). The focus of this perspective is on how an individual makes behavioural choices through estimating the expected costs and benefits of alternative course of action. This perspective illustrates that the psychological, sociological, and economic literatures share the assumption that commitment relates to important organizational outcomes and that high levels of commitment result in a greater willingness to engage in behaviours oriented towards the good of the organization (or other from of collective effort).

Interestingly, the economic assumption of self-interest inherent in this model highlights the difficulty of securing consensus and cooperation around organizational objectives because an employee motivated by self-interest may renege on any previous promises of cooperation if they expect extra gains from doing so. Therefore, within this perspective it is necessary to discuss commitment in conjunction with the concept of credibility to describe a general theoretical puzzle.
Credible commitment is established when an individual chooses to submit to rules that make it very difficult to deviate from their promises.

Commitment based on rational choice is not synonymous with behavioural commitment (to a course of action) or commitment based on social exchange because it focuses on the conditions that prevent an individual from reneging on their promises. Commitment is credible if the individual expects to receive sufficient rewards for them to honour the commitment at the time of performance (self-enforcing motivational incentives) and if the individual is unable to act otherwise (an imperative derived from lack of means or external coercion).

It is distinct from social exchange theory (or more accurately the group of theories that fall under this rubric; Blau, 1964; Homans, 1961; Thibaut & Kelley, 1959), which deserves special mention as it is sometimes considered to be the primary mechanism that fosters commitment in organizations (Meyer & Allen, 1997). Social exchange concerns the relationship between mutually beneficial actors who engage in the mutually contingent exchange of benefits or resources with one another (Emerson, 1976, 1992; Moim & Cook, 1995). In this study, social exchange is not presented as the primary mechanism for organizational commitment but it is fundamental to understanding the relationship between commitment and antecedents such as organizational support, met expectations, and organization based self-esteem. Social exchange as it clearly different from economic exchange because
it relies on unspecified obligations rather than those that are stipulated in formal contracts that are typical of economic exchange relationships. The social exchange process works as follows: employees whose expectations are met by the organization will want to reciprocate to the organization and they therefore become involved in a relationship with the organization characterized by mutual exchange, and the continued success of these exchanges results in the formation of an established relationship. Of course, there is some crossover between the approaches because the employee-organization relationship that develops from social exchange experiences is rationally examined (e.g. cost-benefit analysis) by the individual employee who may continue the relationship even if the relationship does not equally benefit each partner in the exchange. The social relationship based on the expectation of reciprocity and trust that, unless violated, will continue and may even strengthen.

Economic theory from a rational-choice perspective has not been widely adopted by scholars of organizational commitment. Some empirical work has been done but greater theoretical “effort is needed to develop rigorous hypotheses and strategies for empirical testing” (Robertson & Tang, 1995, p.78). The limited work in the area still holds the promise that economic theory could further enrich our understanding of organizational commitment.

Alienation: the Opposite of Organizational Commitment?
Kanungo (1979, 1982) and Lefkowitz and Brigando (1980) have argued that alienation and commitment are opposite extremes of the same continuum. Etzioni (1975) also considered alienation to be the negative form of commitment (involvement) and indicated that it is valid to treat commitment (involvement) as a unidimensional construct. Nevertheless, a separate consideration of alienation may add to any attempt to understand the psychological bond between the employees and the organizations in which they work.

The Latin etymology of the term alienation suggests two different meanings. The term derives form the noun alienato (transfer of ownership), which was derived from the verb alienare (to take away or remove as in causing a separation). Kanungo (1982) argued that defining alienation as a state of separation implies feelings of hostility, indifference and aversion towards an object of alienation. This is consistent with Etzioni’s definition of alienation as an intensely negative attitude towards the organization. The different facets of alienation, outlined by Seeman (1959), include the following:

1. Powerlessness: belief that own power cannot determine events
2. Meaninglessness: uncertainty about what one ought to believe
3. Normlessness: breakdown of social norms regulating conduct
4. Isolation: estrangement from society and culture
The nature of those employees’ involvement in the organization is identified as three types of involvement (organizational commitment) in terms of the power used by the organization to gain compliance from employees. These include the following:

1. More involvement is there when employees adjust to the organization’s value system and internalize normative organizational values. This is a positive and often intense commitment orientation typical when the employee believes in the mission of the organization. This form is based on normative power often associated with the manipulation of symbolic rewards.

2. Calculative involvement is there when power is exercised through the allocation of economic rewards. This is not an intense form of commitment and is based on an exchange relationship with a member becoming committed to the organization because of perceived beneficial exchange relationship between their contributions and the rewards they receive for their services. This form is based on remunerative power.

3. Alienative commitment is there when coercive power is exercised over employees. This is a negative orientation, typically found when organizational member’s behaviors are severely constrained (such as in a prison). This form is based on coercive power and hence a negative form of commitment.
There are a few applications of Etzioni’s theory in the literature (Drummond, 1993; Gould, 1979; Penley & Gould, 1988). Pentey and Gould (1988) are notable for their operationalization of alienative commitment, which scale (akin to Meyer and Allen’s 1990, continuance commitment scales) had such poor psychometric qualities that it received scant further attention in the literature. They distinguished between three forms of commitment: alienative, moral, and calculative. The moral commitment dimension is similar that defined by Jaros et al. (1993) and the calculative commitment dimension is similar to the compliance dimension defined by O’Reilly and Chatman (1986). Meyer and Herscovitch (2001) have commented that the calculative dimension should be considered a part of instrumental motivation (Weiner, 1982) rather than commitment.

3.5 FACTORS AFFECTING ORGANISATIONAL COMMITMENT

There are a variety of factors that shape organisational commitment. Such factors include the following: job-related factors; employment opportunities; personal characteristics; positive relationships; organisational structure; and management style.

Job-related Factors

Organisational commitment is an important job-related outcome at the individual level, which may have an impact on other job-related outcomes such as
turnover, absenteeism, job effort, job role and performance or vis a versa (Randall, 1990). The job role that is ambiguous may lead to lack of commitment to the organisation and promotional opportunities can also enhance or diminish organisational commitment (Curry, Wakefield, Price & Mueller, 1996).

Other job factors that could have an impact on commitment are the level of responsibility and autonomy. Baron and Greenberg (1990, p 174) have stated that “the higher the level of responsibility and autonomy connected with a given job, the lesser repetitive and more interesting it is, and the higher the level of commitment expressed by the person who fills it”.

**Employment Opportunities**

The existence of employment opportunities can affect organisational commitment (Curry et. al., 1996). Individuals who have a strong perception that they stand a chance of finding another job may become less committed to the organisation as they ponder on such desirable alternatives. Where there is lack of other employment opportunities, there is a tendency of high level of organisational commitment (Vandenberghe, 1996). As a result, membership in the organisation is based on continuance commitment, where employees are continuously calculating the risks of remaining and leaving (Meyer & Allen, 1997).

**Personal Characteristics**
Organisational commitment can also be affected by the employee's personal characteristics such as age, years of service and gender (Meyer & Allen, 1997). Baron and Greenberg (1990, p 174) state that "older employees, those with tenure or seniority, and those who are satisfied with their own levels of work performance tend to report higher levels of organisational commitment than others". This implies that older people are seen to be more committed to the organisation than other age groups.

Another personal characteristic that may affect organisational commitment is associated with gender (Meyer & Allen, 1997). However, it is argued that gender differences in commitment are due to different work characteristics and experiences that are linked to gender (Mathieu & Zajac, 1990).

**Work Environment**

The working environment is also identified as another factor that affects organisational commitment. One of the common working environmental conditions that may affect organisational commitment positively is partial ownership of a company. Ownership of any kind gives employees a sense of importance and they feel part of the decision-making process (Klein, 1987). This concept of ownership which includes participation in decision-making on new developments and changes in the working practices, creates a sense of belonging (Armstrong, 1995). A study conducted by Subramaniam and Mia (2001) has also indicated that managers who participate in
budget decision-making tend to have a high level of organisational commitment.

Another factor within the work environment that may affect organisational commitment is work practices in relation to recruitment and selection, performance appraisal, promotions and management style (Meyer & Allen, 1997). Metcalfe and Dick (2001, p 412) in their study have concluded that “the low level of organisational commitment of constables could be attributed to inappropriate selection and promotion which lead to the perpetuation of managerial style and behaviour that has a negative effect on organisational commitment of subordinates”.

**Positive Relationships**

The organisation as a workplace environment is built up of working relationships; one of which is the supervisory relationship. According to Randall (1990, p 370) “the supervisory relationship can affect organisational commitment either positively or negatively”. A positive supervisory relationship depends on how work-related practices such as performance management are being implemented in the organisation (Randall, 1990). When individuals find the supervisory relationship to be fair in its practices, they tend to be more committed to the organisation (Benkhoff, 1997).

Other work relationships, such as teams or groups, which exist in the workplace, can affect organisational commitment. Organisational members can demonstrate commitment when they are able to find value through work relationships
(Mathieu & Zajac, 1990). Brooke, Russell and Price (1988, p 141) state that “employee commitment and attachment to the organisation can be increased through efforts made to improve the organisations social atmosphere and sense of purpose”. In essence, when work relationships reflect mutual respect to individuals, they are able to commit themselves to the organisation.

**Organisational Structure**

Organisational structure plays an important role in organisational commitment. Bureaucratic structures tend to have a negative effect on organisational commitment. Zeffanne (1994, p 991) has indicated that "the removal of bureaucratic barriers and the creation of more flexible structure is more likely to contribute to the enhancement of employee commitment both in terms of their loyalty and attachment to the organisation". The management can increase the level of commitment by providing the employees with greater direction and influence (Storey, 1995).

**Management Style**

It is stated by Zeffanne (1994, p1001) that "the answer to the question of employee commitment, morale, loyalty and attachment may consist not only in providing motivators, but also to remove demotivators such as styles of management not suited to their context and to contemporary employee aspirations". A management style that encourages employee involvement can help to satisfy employee's desire for
empowerment and demand for a commitment to organisational goals.

Gaertner (1999, p 482) has argued that “more flexible and participatory management styles can strongly and positively enhance organisational commitment”. Organisations need to ensure that their management strategies are aimed at improving employee commitment rather than compliance (William & Anderson, 1991).

3.6 EFFECTS OF ORGANISATIONAL COMMITMENT

Organisational commitment can have either a negative or a positive effect on the organisation.

Negative effect of low level Organisational Commitment

The negative effect implies that the level of organisational commitment is low. Employees with a low level of organisational commitment tend to be unproductive and some become loafers at work (Morrow, 1993).

Lowman (1993, p 65) states that organisational commitment can be regarded as a “work dysfunction when it is characterised by under-commitment and over-commitment”. According to Lowman (1993, p 65 - 142) the following are the
CHARACTERISTICS OF OVER-COMMITMENT AND UNDER-COMMITMENT (Lowman, 1993)

<table>
<thead>
<tr>
<th>Under-commitment</th>
<th>Over-commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fear of success.</td>
<td>Overly loyal employees</td>
</tr>
<tr>
<td>Fear of failure.</td>
<td>Job and occupational burnout</td>
</tr>
<tr>
<td>Chronic and persistent procrastination.</td>
<td>Obsessive-compulsive patterns at work.</td>
</tr>
<tr>
<td>Negative cultural, familial and personality</td>
<td>Neurotic compulsion to succeed</td>
</tr>
<tr>
<td>factors.</td>
<td></td>
</tr>
<tr>
<td>Chronic and persistent under-achievement.</td>
<td>Extreme high level of energy</td>
</tr>
</tbody>
</table>
In certain cases the high rate of staff turnover and absenteeism are associated with the low level of organisational commitment (Morrow, 1993). Cohen (2003, p xi) motivates that “lack of organisational commitment or loyalty is cited as an explanation of employee absenteeism, turnover, reduced effort expenditure, theft, job dissatisfaction and unwillingness to relocate”.

Organisational commitment is regarded to be the best predictor of employees’ turnover, than the far more frequently used job satisfaction predictor (Miller, 2003). Given the fact that employees who operate in a continuance commitment dimension are calculative of their stay, one would deduce that such employees may continuously stay away from work when they feel like doing so.

Positive effect of Organisational Commitment

Committed organisational members contribute positively to the organisation which is not the case with less committed members. Cohen (2003, p 18) states that “organisations whose members have higher levels of commitment show higher performance and productivity and lower levels of absenteeism and tardiness”. This implies that employees with a high level of commitment tend to take greater efforts to perform and invest their resources in the organisation (Saal & Knight, 1987).

Organisational commitment can result in a stable and productive workforce
(Morrow, 1993). It enables employees to release their creativity and to contribute towards organisational development initiatives (Walton, 1985). Employees who are highly committed do not leave the organisation because they are dissatisfied and tend to take challenging work activities (Meyer & Allen, 1997). Committed members are normally achievement and innovative-orientated with the ultimate aim of engaging in and improving performance (Morrow, 1993). Other positive effects of organisational commitment include feelings of affiliation, attachment and citizenship behaviour, which tend to improve organisational efficiency and effectiveness (Williams & Anderson, 1991). Affectively and normatively committed members are more likely to maintain organisational membership and contribute to the success of the organisation than continuance-committed members (Meyer & Allen, 1997).

3.7 MANAGING ORGANISATIONAL COMMITMENT

Organisations are continuously faced with the demand and supply challenges of the changing market. In order for the organisation to adapt to the intense competition in the market place and the rapid changes in technology, it requires organisational members to be internally committed (Miller, 2003). The organisation is then faced with a challenge of managing its employees’ commitment throughout, to ensure sustainability.
O’ Reilly (1989, p 20) states that “to understand what commitment is and how it is developed, is by understanding the underlying psychology of commitment so that we can think about how to design systems to develop such an attachment among employees”. It is therefore crucial for the organisation to first understand commitment in order to manage it.

According to Arnold (2005, p 268) “organisational commitment can be fostered by giving individuals positive experiences”. A study by Finegan (2000) suggests that affective commitment correlates with an organisation perceived to value humanity, while the value of convention is correlated with continuance commitment. Goss (1994) is of the opinion that the structural and job design techniques can be used to foster organisational commitment in the following ways:

- Firstly, structural technique involves a flat organisational structure that limits hierarchical order of reporting and encourages one on one contact. It also encourages the coordination of shared goals and communication in the organisation that is both horizontal and vertical, thereby reaching all levels.

- Secondly, job design related techniques focus mainly on allowing employees to be involved in the decision-making processes and it emphasizes the importance of work teams.

Another important mechanism to manage organisational commitment is through substantial human resource policies and practices that are fair. Meyer and
Allen (1997, p 47) argue that “one way that organisational fairness is communicated is through the development and enactment of specific policies and procedures that are and are seen to be fair”. Figure 3.3 presents the link between human resources policies and organisational commitment dimensions (Meyer & Allen, 1997).

This link implies that the employees’ perceptions of human resources policies and practices lead to the development of a particular dimension of organisational commitment. Human resources policies and practices that are perceived to enhance employees’ self-worth tend to lead to affective commitment to the organisation (Meyer & Allen, 1997).

On the other hand, continuance commitment is due to perceived cost of loss in human resources practices; while normative commitment is due to the perceived need to reciprocate (Meyer & Allen, 1997).
The link between organizational commitment dimensions and human resources policies and practices (Meyer & Allen, 1997):

Meyer and Allen (1997, p 68–72) have suggested that when implementing human resources policies and practices as a strategy to manage organizational commitment, it is important to consider the following:

- Firstly, that interests of the organization and organizational members do not necessarily coincide.
- Secondly, management must not define and communicate values in such a way that inhibit flexibility, creativity and the ability to adapt to change.
- Thirdly, not too much should be expected from campaigns to increase organizational commitment.

Leaders in the organization have an important role to play in developing the needed organizational commitment. Tjosvold, Sasaki and Moy (1998, p 571) have maintained that “the three possible ways to enhance organizational commitment are to focus on: the employees’ need for fulfillment; their self-esteem; and social support”. This strategy is not an attempt by the leadership to manipulate employees to accept
management values and goals. In essence, when organizations trust and treat employees like adults, they develop a sense of belonging, as a result employees respond with total commitment to the organization (Finegan, 2000).

The traditional way to build organizational commitment or loyalty by offering job security and regular promotions is becoming impractical for many organizations (Arnold, 2005). Another way of managing organizational commitment is through resuscitating the survivors of change due to restructuring (Meyer & Allen, 1997). Organizational change through restructuring often involves significant downsizing and this has a negative impact on the survivor's moral and organizational commitment.

Commitment as an intervening variable: Certain factors cause organizational commitment, which, in turn, has consequences for workplace attitudes and behavior. Four possible consequences can be identified from both theory and research on commitment: job performance, employee turnover, employee absenteeism, and extra-role behavior. Each of these variables is discussed below:

In the years since the concept was first introduced to the field of management, organizational commitment has been extensively studied. Two major reviews of research on organizational commitment (Mathieu and Zajac, 1990; Meyer and Allen, 1997) allow some conclusions to be drawn concerning its important behavioral
consequences. A more recent meta-analysis of research on organizational commitment (Meyer, et al., 2002) was limited to studies using Meyer and Allen’s (1997) measure of affective commitment. The results of that review will be considered here because, as Meyer and Allen (1997) have noted, there is a high degree of conceptual overlap between their measure of affective attachment and the organizational commitment questionnaire. Even so, the quantitative results presented below were taken from the Mathieu and Zajac (1990) review because it largely focused on studies using the organizational commitment questionnaire.

**Organisational Commitment and Job Performance**

In theory, it is possible that higher levels of organizational commitment would lead to higher job performance. However, a careful reading of the theory suggests that this relationship would typically be relatively weak. The potential impact of commitment on performance comes from the presumed effect that it could have on the voluntary level of effort that a person exerts in a job situation. A person with higher commitment levels might want to try to work harder on behalf of the organization, but since effort, albeit important, is only one determinant of job performance, commitment’s effect on overall performance would likely be constrained. Other major determinants of performance, such as abilities and skills and one’s training and education, are unlikely to be affected by organizational commitment. Hence, low but positive correlations between commitment and job
performance. In this regard, commitment may be an energizer to job performance, but this alone does not guarantee actual follow-through.

Based on the empirical research on this relationship, although a number of studies have reported positive and significant relationship between commitment and performance, a meta-analysis of these studies found that the mean weighted correlation corrected for attenuation between commitment and performance was \( r_t = .135 \) when performance was measured by supervisory ratings \( r_t = .054 \) when performance was measured by output. This pattern of results was very similar to those reported by Meyer, et al (2002), although they found that affective commitment was more strongly related to supervisory ratings of performance than self-ratings.

Mathieu and Zajac (1990:184) have concluded that, “the present findings suggest that commitment has relatively little direct influence on performance in most instances”. The fact that this same meta-analysis found strong positive relationships between commitment and measures of overall and internal motivation (\( r_t = .563 \) and \( .668 \) respectively) suggests that the relationship between commitment and job performance may be far more complex than a simple direct relationship. Several contextual reasons why attitudes like commitment may not always translate into higher performance are well known, including the fact that employee performance is often constrained by factors such as employee skills and access to resources. In addition, employees may not have adequate control over performance outcomes in
the workplace. Thus, although there is strong evidence linking commitment to motivation (effort), motivation may not always be translated into improved performance at the individual level of analysis. At present, we do not have a complete understanding of those situations in which commitment is likely to have a relatively strong relationship to performance versus situations in which the relationship is likely to be weaker or nonexistent.

Past research attention has been primarily directed at the relationship of commitment to performance at the individual level of analysis. However, several studies have found that commitment aggregated at the sub-unit and organizational levels of analysis is related to organizational performance (Mowday, Porter and Dubin, 1974; Ostroff, 1992). Moreover, research on high commitment human resource management systems has found intriguing relationship between the nature of the relationship between employees and employers, and organizational outcomes (Arthur, 1994; Huselid, 1995; MacDuffie, 1995). Mowday (1998) speculated that the relationship between high commitment human resource management practices and organizational outcomes may be mediated by employee commitment. Tsui, et al. (1997) found that the highest levels of individual performance were found in work environments characterized by a relationship between the employer and employee of high mutual investment, which would be likely to result in high levels of employee commitment. Unfortunately, given its design, this study did not include performance
measures at the organizational level of analysis. Although there is no consensus on a
definition of what constitutes high commitment human resource management
practices, Pfeffer (1998) emphasized employment security, selective hiring, self-
managed teams and decentralized decision making, comparatively high
compensation contingent on organizational performance, training opportunities,
reduced status distinctions between levels of the organizations, and extensive
information sharing.

Organisational Commitment and Employee Turnover

The theory underlying organisational commitment clearly indicates that it
should have a strong negative influence on employee turnover. This is because of the
assumption that turnover has a strong volitional component. That is, an individual’s
decision to leave an organization is often not highly constrained and represents a
deliberate choice to make a job change that will presumably provide a greater level of
need fulfillment and satisfaction. Thus, if a person is highly committed to a particular
organization, we would predict that he or she would be unlikely to leave, even if job
dissatisfaction is high. This leads us to predict a stronger relationship between
commitment and turnover than between commitment and job performance.

Mathieu and Zajac’s (1990) meta-analysis confirmed this prediction, as did
Meyer, et al’s (2002) review. Mathieu and Zajac (1990) have found that the mean
weighted correlation between these two variables was $r_t = -.277$. Stronger relationships were found between commitment and behavioural intentions to search for a job and a leave ($r_t = -.59$ and $-.46$ respectively), suggesting that behavioural intentions may mediate the relationship between commitment and turnover. This is not entirely surprising since behavioural intentions are more proximal to overall attitudes toward the organization than are actual behaviours.

**Organisational Commitment and Employee Absenteeism**

The situation with employee absenteeism is similar to that of turnover: a moderately strong relationship with organizational commitment would be predicted in large part because employees typically have a degree of choice to decide whether or not to come to work on a given day (Steers and Rhodes, 1978). As with turnover, however, this choice is not wholly unconstrained. Illness or a pressing family or transportation problems, for example, can cause an absence despite a person’s strong motivation to be present. In fact, if absenteeism statistics were refined sufficiently to exclude instances of clear inability to come to work, we would expect a very strong relation between commitment and absenteeism. However, since obtaining such precise data is highly problematic, the prediction is that studies of commitment’s impact on absenteeism will be only moderate – but positive.
Although this prediction has been borne out by subsequent research, the magnitude of the relationship has been relatively weak. Mathieu and Zajac (1990) have found mean weighted correlations of $r_i = .102$ and -.116 for attendance and lateness, respectively. A marginally stronger relationship was found by Meyer, et al (2002) between affective commitment and attendance. As is the case with both job performance and turnover, commitment may be only one of many variables that influence attendance behaviors and, thus, it is probably not reasonable to expect strong relationships. Moreover, these relationships may be mediated and/or moderated by a variety of work-related variables.

**Organisational Commitment and Extra-Role Behavior**

The fourth potential work performance consequence that could be affected by organizational commitment is extra-role behaviour on behalf of the organization. Often referred to in the literature as “organizational citizenship behavior,” extra-role behavior is presumed to be highly volitional on the part of employees. In fact, since this behavior is “extra-role” it is behavior that by definition is not required by the organization as part of assigned job duties. It represents contribution to the organization above and beyond what it could ordinarily expect of a given employee in a given job situation. Consequently, we would hypothesize that among the four work-related consequences discussed here, extra-role behavior would have the strongest relationship with organizational commitment. If commitment can be
assumed to have any impact at all, it should, at the very least, be on this type of behavior. Indeed, it would be vary surprising if it were otherwise.

This expectation has been supported by research using both self-reports and independent assessments of extra-role behaviors. A meta-analysis by Organ and Ryan (1995) have found that commitment was related to two forms of extra-role behavior, altruistic acts \((r = .226)\) and behavior consistent with norms and rules \((r = .296)\). Although Mathieu and Zajac (1990) did not include organizational citizenship behaviors in their review, Meyer, et al. (2002) have found that affective commitment was significantly related to these behaviors.

3.8 RETENTION FACTORS

Employee retention, productivity, quality and corporate financial success are characterized as high-performance and high-commitment strategies. The assumption is that integrated sets of management strategies focusing on commitment (as opposed to control) produce high levels of affective employee commitment and subsequent organizational performance (Tsui et al; 1995)

Such strategies will empower the employees to take greater responsibility and participate in decision making. This view relates to what Storey (1989) has characterized as the ‘soft’ version of human resources management in which the overall management philosophy is to carefully nurture and invest in human resources
in order to evoke commitment. Here employers seek to treat employees as valued assets who can be source of competitive advantage through their commitment, trust, adaptability and high quality skills and knowledge (Storey, 1992). This empowerment should increase the competitiveness of the business.

Arthur (1994:672) has concluded that by using commitment strategies, organizations had significantly higher performance and lower turnover, compared to those using control strategies. The retention of technical staff has been perceived to be of strategic importance to high technology employers because of the potential return on them in the long run (Turbin & Rosse, 1990). Managing turnover is an increasing challenge, especially for companies employing high technology professional. Some of the world’s fastest growing technological companies’ CEOs reported that the most significant challenge facing them was retaining qualified employees. The American Management Association (2001) currently sees retention as one of the top five business issues. The reasons for this development include:

- The growing gap between supply and demand for skilled labour (Despres & Hilltrop, 1996).
- Small companies offer a wealth of opportunities, that very few large companies can match. Yet, these work opportunities in small and medium-sized enterprises provide a high level of autonomy and opportunities for high impact jobs (Hall & Moss, 1998).
Job mobility is increasing (Despres & Hilltrop, 1996).

A shift from the traditional organisational career to a more “protean career” (Hall & Moss, 1998). The individual is managing his own career, and not that of the organisation.

3.9 IDENTIFYING RETENTION FACTORS

Surveys, studies and articles from 1995 to 2002, were used to identify the critical factors in high technology employees’ retention. This period was specifically chosen because the demand for high technology employees skyrocketed, turnover increased, job hopping became the norm and the shortage of qualified candidates existed. Already in 1998, McNee and colleagues identified these phenomena. The following are the top retention factors identified in the literature on employee retention.

For the purpose of this study the following retention factors were chosen:

- Compensation (base salary)
- Job characteristics (Skill variety and job autonomy. Job challenge is not a component of Hackman and Oldham’s (1980) job characteristics model)
- Training and development opportunities
- Supervisor support
- Career opportunities
- Work/life policies

**Financial Rewards**

Reward systems are frequently used by companies to try to retain staff (Farris, 2000). Financial rewards are extrinsic monetary rewards that organizations pay to their staff for services delivered by them. These financial rewards include: base salary, cash recognition, incentives, flexible pay, stock options/initial price offerings (IPOs) and hot skills premiums.

Money is still the primary incentive used to attract information technology professionals. However, most experts agree that money is not the long-term answer for hiring, and especially for keeping, skilled high technology employees (Leinfuss, 1998).

According to Higginbotham (1997) high salaries are not essential, but “good” and “fair” salaries showed a strong correlation with the intention to stay, indicating that as long as the compensation is competitive, financial rewards are not the primary factor in retention. Kochanski and Ledford (2001) support this statement, which indicated that the actual level of pay is less important than feelings about pay raises and the process used to administer them. Employees want to understand how the pay system works, and want to know how they can earn pay increases. Once the pay
level has been reached other things like the intangibles, e.g. career, supervisor support, work and family balance etc become important. (Tomlinson, 2002).

Stock options and profit sharing are not universally available in the high technology industry. However, when they are offered, high technology employees are very receptive to stock options, and are likely to base retention decisions on such options, particularly in organizations with high growth potential (Higginbotham, 1997; Kochanski & Ledford, 2001).

Elaborate benefit packages are becoming increasingly common in high technology firms, making them more of a compensation issue and less of an incentive to stay with the current organization. These are the indirect financial rewards employees receive for their labour. They consist of time off, perquisites, benefit processes and benefit levels.

**Organisational Commitment and Compensation**

Modern society values acquisition. Compensation offers an opportunity for security, autonomy, recognition and an improved self worth (Hoyt & Gerdloff, 1999). These increased feelings of self worth and importance should lead to affective commitment. Mathieu and Zajac (1990:179) have indicated a low positive correlation between salary and commitment (rt = 0.182). Igbaria and Greenhaus
(1992) found salary to be positively related to organizational commitment and negatively related to turnover. Salary generally represents the “side bet theory” (Becker, 1960). According to this theory, employees make certain investments or side bets, e.g. shorter organizational tenure versus larger pension, in their organizations. Such an investment is a sunken cost, which reduces the attractiveness of alternative employment opportunities, and thereby increases continuance commitment (Sethi et al., 1996). Perceptions of fairness in compensation have been shown to be positively linked to affective organizational commitment (Schaubroeck et al., 1994).

3.10 JOB CHARACTERISTICS

Research has shown that the design of high technology professionals’ work content influences the stability of the technical work force (Amabile et al., 1996). Furthermore when high technology professionals view their tasks as challenging with opportunities for learning and information exchange they are also less likely to leave. According to Amabile and colleagues (1996) and Glynn (1996), high technology professionals, e.g. engineers, appeared to be more involved, more satisfied with their jobs, and more committed to the organization than non-technical employees did.
Job characteristics, such as variety and autonomy, are well-established determinants of organizational commitment (Mottaz, 1998), and are known to be particularly important to management information systems employees (Cougar & Zawaski, 1980).

3.11 JOB AUTONOMY

Job autonomy relates to increased feelings of personal responsibility. It is defined as “the degree to which the job provides substantial freedom, independence and discretion to the individual to schedule work and determine the procedures used in carrying it out” (Hackman & Oldham, 1980).

High technology professionals have a reasonable degree of autonomy in their application of their knowledge. Although high technology professionals rarely decide on the organisational policy to which their expertise contributes, there is a reasonable degree of autonomy in the process of performing their work (Bailyn & Lynch, 1983). When job autonomy is high, workers will view their work outcomes in terms of their own efforts, initiatives and decisions, rather than instruction of the supervisor or procedure (Marx, 1996:41).

Loyal, high technology employees enjoy the autonomy they receive in their current jobs according to Dubie (2000). This relates to the elusive factor that high technology employees are looking for, i.e. empowerment. Agarwal and Ferratt (1999)
have established that successful information technology organizations set apart resources toward empowering information technology professionals to take responsibility for their work and decision making.

3.12 ORGANISATIONAL COMMITMENT AND JOB AUTONOMY

The degree of freedom and independence enjoyed by employees and their participation in planning and organizing their work has an influence on organizational commitment (Bailyn & Lynch, 1983). According to Marsh and Mannari (1977) the higher level of autonomy that the individual possesses, correlates negatively with turnover.

Skill variety

Skill variety is defined as “the degree to which a job requires a variety of different activities in carrying out the work, involving the use of a number of different skills and talents of the person” (Hackman &Oldham, 1980).

Technology employees will leave the organization if their skills are underutilized. McEachern (2001) reported that high technology employees had skills and training, but are not fully utilized, e.g. software architect who ends up in a supportive role. High technology companies are addressing the personal needs of their employees to enhance retention. Some firms keep high technology professionals
satisfied by giving them a chance to be creative, master different skills and pursue projects that interest them (Merrick, 1998).

When a task requires an employee to stretch his/her skills and abilities, the task is almost invariably experienced as meaningful by the individual. When a job draws on several skills of an employee, they may find the job to have highly personal meaning even if it is, not of great significance or importance (Marx, 1996:40).

3.13 ORGANISATIONAL COMMITMENT AND SKILL VARIETY

Mathieu and Zajac (1990:179) have found a medium positive correlation (\( n = 0.207 \)) between skill variety and organizational commitment. One way that individuals may develop a sense of competency is by working in a job with high skill variety (Hackman & Oldham, 1975, 1976). Skill variety relates to feelings of belonging and a sense of attachment to the organization (Meyer & Allen, 1991). Skill variety is thus more related to attitudinal commitment than continuance commitment because of the increased feelings of belonging:

3.14 TRAINING AND DEVELOPMENT OPPORTUNITIES

Current skill sets are proving to be inadequate to meet the rapidly-changing, fast-paced world of technical and business needs. A top priority is keeping skills fresh, and staying current with emerging technologies (Gable, 1999:60).
Since 1999, employees with key information technology skills have become increasingly hard to find. Many companies have realized that proactive strategies are required for building and maintaining a high technology company’s knowledge reservoir (Cataldo et al., 2000). Strategies that focus on continuous learning, retraining and retaining knowledge can decrease the time it take to move the workforce from intermediate to expert competence, by bridging its technical skills gap. Organizations have significantly boosted investments in internal information technology training, at least partly, in an effort to attract and retain information technology talent (Lundquist, 2001; Seminerio, 2001).

3.15 ORGANISATIONAL COMMITMENT AND TRAINING

According to Raghunathan and associates (1998) the difficulty of the retention of qualified information technology personnel cannot be understated, and a particular problem in the retention of information systems personnel is attributed to their “higher growth needs” (Cougar & Zawacki, 1980).

Training is essential for the livelihood of any information technology worker, and is the only way employment can be maintained over their careers. Tomilnson (2002) suggests it is critical that organizations keep the leading edge by having their employees well trained in the latest technologies. Employees stay at companies that
promote career opportunities through learning, and the ability to apply their newly learned skills (Cataldo et al., 2000; Jiang & Klein, 2000).

The primary mechanism by which training is predicted to increase organizational commitment is through increased self worth and importance. Tsui and colleagues (1995) and Agarwal and Ferratt (1999) argued that job rotation programmes, mentoring and training covey to employees that the organization considers human resources to be a competitive advantage and that it is seeking to establish a long-term relationship with them.

Employee training is intended to provide an opportunity for advancement and might be perceived as “the organization values them and bolster their sense of self worth, therefore building a stronger affective commitment” (Meyer and Allen, 1997:69). Training, if put to use on the job, should increase affective organizational commitment through its link to increased job scope. This response can be a function of closer psychological attachment to the organization and its goals (McElroy, 2001). Pare and colleagues (2001:24) have found training to be positively related to affective commitment (r=0.384).

Chang (1999) has stated that company-provided training might affect the psychological states of employees. When employees believe that the company is doing a good job of providing proper training, they feel that the company is
concerned with improving an employee’s skill and ability, making them attached to their company. If training is perceived as providing organization-specific skills that contribute to status or economic advantage within the company, but will not transfer to jobs outside the organization, a stronger continuance commitment will develop. Extensive training should have little effect on continuance commitment, unless the training involves organization-specific skills. Pare and colleagues (2001:24) found training to be negatively related to continuance commitment ($r = -.02$).

Employees who are aware of the expense of training, or appreciate, the skills they have acquired, might develop a sense of obligation (normative commitment). This will hold them in the organization at least long enough to “reciprocate”. The employees might develop a moral obligation to give the organization its money’s worth (normative commitment), particularly if the company funds the training (McElroy, 2001).

3.16 SUPERVISOR SUPPORT

Researchers have clearly recognized the role of supervisory support in employee empowerment (Amabile, 1993; Spreitzer, 1995).

Conger and Kanungo (1988), cited in Ramus and Steger (2000), have defined empowerment as “the motivational concept of employees’ feelings (self-efficacy)
that they can influence their work.” Spreitzer (1995:1444) has differentiated psychological empowerment from situational empowerment and defines the former as “an active orientation of the individual that reflects the individual’s belief that he/she shapes his/her work role and context”. Bowen and Lawler (1992) and Spreitzer (1995) have described two consequences of psychological empowerment as “effectiveness” and “innovative behaviour”. Thus, work environments that support employees’ sense of empowerment are directly linked to innovations.

3.17 RECOGNITION FROM SUPERVISORS

In a participative work environment, acknowledgement, creation and liberation of employees are valued (Everd & Selman, 1989), and they emphasise individual contribution and initiative (Lawler, 1992a). Such work environments recognize the critical human capital as necessary for the success of an organization, and the importance of employees’ creativity and initiative for organizational responsiveness in a competitive external environment (Bowen & Lawler, 1992). These work environments thus facilitate cognitions of empowerment.

Lack of personal recognition translates to the employees as a lack of success. Regardless of the organizational level, employees want to feel good about themselves and their work, have a sense of purpose, and to be recognized when they do their jobs well. Most information technology professionals’ motivation comes from the
recognition they get from managers for a job well done and the feeling that they are an important part of the organization (Agarwal & Ferratt, 1999).

3.18 FEEDBACK FROM SUPERVISORS

In order for individuals to feel empowered they must understand the goals of their work unit and how their own work can contribute to those goals (Spreitzer, 1996). Social cognition theory suggests that access to information facilitates self-efficacy (Gist & Mitchell, 1992). Access also facilitates “sense-making” which is especially important during times of high uncertainty (Weick, 1979).

3.19 ORGANIZATIONAL COMMITMENT AND SUPERVISOR SUPPORT

Eby and Colleagues (1999) have indicated a work environment is characterized by participation in important work related decisions, supervisory feedback and support and rewards, that are perceived as fair and equitable (Bandura, 1986). This provides individuals with a chance to make a difference on the job, try out new skills, exercise discretion and receive feedback on their performance. These work conditions are expected to increase individuals’ intrinsic motivation by providing affirmation that their efforts are worthwhile and valued (Thomas & Velthouse, 1990). The proposed outcome of this mastery-based motivation is affective commitment to the organization and general job satisfaction. In turn, these
affective work reactions are expected to impact outcomes such as turnover and absenteeism.

Pare and colleagues (2001:24) indicated that recognition from the supervisor was found to be related to affective commitment \( r = 0.424 \) but not to continuance commitment \( r=0.030 \). The reason for this might be that high technology employees explore new solutions and get feedback and recognition from supervisors, which increases their feelings of self worth, and not their obligation to stay at the company.

### 3.20 CAREER OPPORTUNITIES

Labour market trends in the information technology field have continued to present increased career opportunities for high technology employees and hiring and retention challenges for the organizations that employ these workers. Kochanski and Ledford (2001) survey showed that career opportunities yielded more significant predictors of retention than any other type of reward, followed by training opportunities and an employee’s relationships with his or her supervisor.

As a general trend, companies have become less paternalistic and encourage more self-reliance in employees (Schein, 1978). In addition, careers are being reconceptualised away from position oriented job histories toward a set of experiences and skills accumulated through changing roles and non-traditional paths (Applegate & Elam, 1992; Zabusky & Barley, 1996). According to Bird (1994) this
shift is paving the way for broadly based organizational learning and “boundary less careers,” where individuals move within and between organizations. This trend, and the flattening of the organization, requires that more and more high technology employees view their career as opportunities for experiences in many different areas, rather than as a progression on the traditional hierarchy (Reich, 1999). Cash and associates (1998) have suggested that to retain information technology professionals, organizations must provide both technical and business orientated career opportunities.

Zabusky and Barley (1996:201) have studied technicians’ views of career success and have reported that “love of work, and search for challenge” are the basis of what constituted a “honourable career”. Their work suggests that high technology employees will seek to stay within the technology community because their “sense of identity and self” is attached to a technical career. Individuals realize their career in terms of lateral moves and opportunities for new knowledge – careers of achievement rather than careers of advancement. In addition to the passive acquisition of knowledge through work, this implies conscious planning on the part of individuals in preparation for future moves.

The concept of career as a link between the individual and –through their work- the organization within which work is performed has been viewed from both an external and an internal perspective (Igbaria et al., 1995). Prior research has
focused on the external career of employees, i.e on the sequence of jobs and positions (Greenhaus & Callanan, 1994). Career paths are examples of external careers. Internal careers of high technology employees focus on career aspirations, values, perceptions and effective reactions to job experiences which can have important implications for their satisfaction, commitment and retention within the organization (Igbaria & Greenhaus, 1991).

### 3.21 INTERNAL CAREER

An organization might be able to improve the retention of information technology personnel by matching career opportunities to employees’ career orientation or career anchors. Schein (1987) has reported that an important element of an employee’s career is his/her career orientation or career anchor. That is a person’s career aspiration, and in a sense it defines their self-concept in terms of their career. Career orientation provides a focus or direction to channel an employee’s efforts and determines what may be done to achieve career goals and aspirations.

Career orientation or anchor, is a concept originally developed from a longitudinal study of 44 alumni of the Sloan School of Management at MIT (Schein, 1987). Career orientation or anchor is defined by Schein (1985:28) as “that a of self-perceptions pertaining to your motives and needs, talents and skills, personal values that you would not give up if you were forced to make a choice.”
In an earlier study, Schein (1975) has suggested employees may hold different values and pursue different types of careers. While some employees value advancement of freedom above all else, others value primarily the intrinsic excitement of work, and still others place the most significance on security and balance in their lives. These career orientations of employees can have important implications for their job satisfaction, commitment and retention within organizations.

The career orientation is not present at first entry into the workplace, but is developed through occupational experience, from which employees learn what their talents, motives and abilities really are (Igbaria et al., 1999). Schein (1987) has identified eight career anchors that guide employees’ career decisions:

3.22 ORGANIZATIONAL COMMITMENT AND CAREER OPPORTUNITIES

High technology professionals typically resent the way their careers are blocked, and this has a negative impact on their commitment to their employers (Goldner & Ritti, 1967). Igbaria and Greenhaus (1991) have found that employees whose career orientations were compatible with their job settings reported high job satisfaction, high career satisfaction and strong commitment to their organizations and low intention to leave the organization.
Gaertner and Nollen (1989:987) have reported that perceptions of the organisation’s adherence to career-oriented practices, including internal promotions, training and development and employment security are positively related to commitment. They have concluded, “Psychological commitment is higher among employees who believe they are being treated as resources to be developed rather than commodities to buy and sell.” Investing in employees sends the message that companies value them.

### 3.23 WORK/LIFE POLICIES

Work /life policies have been hailed by the popular press as methods for amending the conflict between working and raising families. Friedan (1989) and Leinfuss (1998) recognize work and family policies as positive for employers as a means of attracting and retaining a dedicated workforce. Pare and colleagues (2001:5) define these as, “Work/life policies correspond to work conditions provided by organizations to take into account the needs of the information technology workforce and to minimize the consequences of conflict between the work and family issues”.

Work/life policies include flexible work scheduling (e.g. part-time work, job-sharing, variable starting and quitting times), family leave policies allowing periods away from work for employees to take care of family matters, and child care...
assistance (e.g. referral service, on-site or off-site care centres) (Grover & Crooker, 1995).

Agarwal and Ferratt (1999) have argued that it is a sensible business practice to accommodate those employees who may not join the workforce for a typical 9-to-5 workday because of other constraints in their personal life. Work life policies correspond to work conditions provided. The organization should take into account the needs of the information technology workforce and try to minimize the consequences of conflict between the work and family issues (Honeycutt & Rosen, 1997).

McCrary (1999) has indicated that the majority of high technology workers value work/life initiatives as very meaningful. Loyal, high technology employees (those who cannot envision changing jobs in the foreseeable future) are more concerned with leave (vacation, holidays etc.), flexible work schedules, family friendliness and a proximity to their home, than job seeking employees who are actively looking for a new position (Dubie, 2000).

The mere existence of these work/life policies demonstrates progress, but does not show that installing such a set of policies necessarily constitutes a “family-friendly” environment. Those high technology companies that back up their work/life programmes with management support will more likely be rewarded with
employees that show more commitment to company success, greater loyalty, and a stronger intention to stay with their companies (Merrick, 1998).

3.24 ORGANIZATIONAL COMMITMENT AND WORK/LIFE POLICIES

Grover and Crooker (1995) empirically tested the effects of work and family benefits on organizational commitment. These benefits include parental leave, flexible schedules, childcare assistance and childcare information. Employees who had access to work/life policies showed significantly greater organizational commitment and expressed significantly lower intention to quit their jobs.

Work/life policies were reported by Pare and colleagues (2001:24) to be minimally related to affective commitment ($r = -0.074$), and negatively to continuance commitment ($r = -0.195$). This might be the result of the individual being forced to stay at the organization to increase investments rather than to have less work/life conflict. Owing to the lock-in effect, the employee is forced to focus more on work than their families. This may not make for a committed employee.

3.25 SUMMARY

To gain employees’ commitment to an organization, the employer should identify which retention factors induce organizational commitment. Compensation, job characteristics, training and development opportunities, supervisor support,
career opportunities and work/life policies were identified as the top six retention factors in the content analysis done and their relationship with organizational commitment was discussed.

**Development of Affective Commitment**

**Antecedents of Affective Commitment**

- **Personal Characteristics**

  Research has focused on two types of variables: demographic (e.g., gender, age, organizational tenure) and dispositional variables (e.g., personality, values). Relations between demographic variable and affective commitment are neither strong nor consistent (Meyer & Allen, 1997:45). People’s perception of their own competence might play an important role in the development of affective commitment. From the several personal characteristics that Mathieu and Zajac (1990:175) have examined, perceived competence and affective commitment have the strongest link. Employees who have strong confidence in their abilities and achievements have higher affective commitment. A possible explanation for the observed relation between the two variables is that competent people are able to choose higher-quality organizations, which in turn inspired affective commitment.
Work Experience

According to Meyer and Allen (1997:45) work experience variables have the strongest and most consistent correlation with affective commitment in most studies. In Mathieu and Zajac’s (1990:179) meta-analytic study, affective commitment has shown a positive correlation with job scope, a composite of three variables, e.g. job challenge, degree of autonomy and variety of skills used. Affective commitment to the organization is stronger among employees whose leaders allow them to participate in decision-making (Rhodes & Steers, 1981) and those who treat them with consideration (DeCotiis & Summer, 1987).

Meyer and Allen (1997:39) have suggested the latitude that employees have to express their attitudes to the organization will vary considerably across performance indicators and between jobs. The strongest links between affective commitment and behaviour will be observed for behaviour that is relevant to the constituency (e.g. supervisor) to which the commitment is directed.

On the basis of antecedent research on affective commitment, Meyer and Allen (1997:56) have suggested possible universal appeal for those work environments where employees are supported, treated fairly, made to feel that
they make contributions. Such experiences might fulfil a higher order desire to enhance perceptions of self worth.

**Consequences of Affective Commitment**

Mottaz (1988) suggests that intrinsic rather than extrinsic rewards are powerful determinants of organizational commitment. Meyer and Allen (1997:23) verify this. They found employees with strong affective commitment feel emotionally attached to the organization. It follows that the employee will have greater motivation or desire to contribute meaningfully to the organization than would an employee with weak affective commitment. Meyer and Allen (1997:50) have reported that employees will develop affective commitment to an organization to the extent that it satisfies their needs, meets their expectations and allows them to achieve their goals. Thus, affective commitment develops on the basis of psychologically rewarding experiences.

**Development of continuance commitment**

According to Meyer and Herscovitch (2001:308) most models of commitment acknowledges that individuals can become committed to a course of action because of the perceived cost of failing to do so, Commitment accompanied by the cost-avoidance mindset has commonly been referred to as continuance commitment (Jaros et al., 1993; Meyer & Allen, 1984, 1991).
Continuance commitment originates from the side bets tradition (Becker, 1960) and refers to employee’s sacrifices (e.g. losing seniority on pension benefits) associated with terminating employment, thus the employee becomes aware of the costs that are associated with leaving the organization stay with the organization because they believe they have to do so. Continuance commitment can develop as a result of any action or event that increases the costs of leaving the organization, provided the employee recognizes that these costs have been incurred (Meyer & Allen, 1997:56).

Meyer and Allen (1991) have summarized the action in two sets of variables: investments and alternatives.

- Becker (1960) has argued that commitment to a course of action results from the accumulation or investment inside bets that a person makes. Side bets would be forfeited if the employee discontinued the activity (e.g., resignation).
- The employee’s perception of employment alternatives are the other hypothesised antecedents of continuance commitment. The perceived availability of alternatives will be negatively correlated with continuance commitment (Meyer & Allen, 1997:57). An employee’s recognition that investments and/or lack of alternatives has made leaving more costly, represents the process through which these investments and alternatives influence continuance commitment (recognition also differentiates continuance commitment and behavioural commitment).

Continuance commitment and the transferability of skills

Meyer and Allen (1997:59) have shown continuance commitment to be related to employee’s perceptions about transferability of their skills (Allen & Meyer, 1990) to other organizations. In these studies, employees who thought their training investments were less easily transferable elsewhere expressed stronger continuance commitment to their current organization.

Consequences of Continuance Commitment

Employees whose primary link to the organization is based on strong continuance commitment, stay with the organization not for reasons of emotional attachment, but because of a recognition that the costs associated with doing otherwise are simply too high. All things being equal, there is no reason to expect that such employees will have a particular strong desire to contribute to the organization (Meyer & Allen, 1997).

Development of Normative Commitment

Perceived obligation to pursue a course of action was identified as a separate dimension of commitment by Meyer & colleagues (Meyer & Allen, 1991; Meyer et al 1993). It has been established to be distinguishable from the affective and cost based forms of commitment (Dunham et al., 1994).
This commitment concept, which is the employee’s internalization of the organizational goals and values, such that they become committed to the organization because they believe it is the moral or “right” thing to do (Allen & Meyer, 1990; Scholl, 1981) is called, normative commitment.

CHAPTER IV

METHODOLOGY

4.1 INTRODUCTION

No organisation in today’s highly competitive world can perform at peak levels unless each and every employee is committed to it objectives and strategic goals. Faced with ever increasing competition and preparing for continuous challenges, one of the key components of organisation survival is maintaining and upgrading its human resources. The appointment of a good employee is thus critical, but of even greater significance is the organisations ability to retain the employee by providing work environment. The organisation’s ability to create a committed workforce is crucial to its success and survival. Organisations are facing challenges such as recession, cut-throat competition and technological advances. The survival and growth of the organisations in the changing and challenging environment depends more on the loyal and committed workforce. Retention of efficient