

## Global Views on Organizational Commitment

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### **Abstract**

**Purpose** – Managers usually face difficulty in developing committed employees especially in the case of expatriates. Thus, it is immensely important for management to be considerate of various factors that implicate and sustain organisational commitment in employees. The study aims to recognize varied viewpoints on the concept of organizational commitment as perceived by different nations across the globe.

**Design/methodology/approach** – The study collaborate the research work of various academicians conducted in India, Spain, Nigeria, United States of America, United Kingdom Dutch and Singapore on topics related to Organisational Commitment. These countries were selected on random basis.

**Findings** – It has been proved that one of the essential ingredients of Organisational Commitment is Job Satisfaction irrespective of the nation of the employees. While each country in the sample adds something new to the list of factors affecting Organisational Commitment, it is majorly the attributes of national culture that produces varied degrees of commitment from employees.

**Research limitations/implications** – The accuracy of the study is dependent upon the accuracy of the research works included in the study.

**Practical implications** – The findings of this study would help organisations to better understand the dynamics of organisational commitments that plays important role in managing expatriates behaviour. Academicians can use the findings to build models that would further expand the Organisational Commitment domain.

**Originality/value** – Currently, very few research work and theoretical contributions have taken into account the global perspectives on Organisational Commitment in one single study. The main value of this study is its invitation to take control of the debate while analysing its possible practical implications.

**Keywords** -- Organisational Commitment, Job Satisfaction, Organisational Culture, Employees Behaviour.

**Paper type** -- Review of Literature

## **Introduction**

The concept organizational commitment has grown in popularity in the literature on industrial and organizational psychology (Cohen, 2003). Early studies on organizational commitment 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 organization. Porter et al (1974) further describes organizational commitment as “an attachment to the organization, characterized 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 organization as part of organisational commitment; therefore it is considered to be the linkage between the individual employee and the organization. Another perspective on organisational commitment is the “exchanged-based definition” or "side-bet" theory (Becker, 1960; Alluto, Hrebiniak& Alonso, 1973). This theory holds that individuals are committed to the organization 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 organization. Mowday, Porter and Steers (1982) support the “side-bet” theory by describing organizational commitment as a behavior "relating to the process by which individuals become locked into a certain organisation and how they deal with this problem". This behavioral aspect of organizational commitment is explained through calculative and normative commitments.

Managers usually face difficulty in developing committed employees especially in the case of expatriates. Thus, it is immensely important for management to be considerate of various factors that implicate and sustain organisational commitment in employees. The study aims to recognize varied viewpoints on the concept of organizational commitment as perceived by different nations across the globe. The study collaborate the research work of various academicians conducted in India, Spain, Nigeria, United States of America, United Kingdom

Dutch and Singapore on topics related to Organisational Commitment. These countries were selected on random basis.

## INDIA

### (a) Cultural Differences

#### (i) Demographic Variables:

- **Education:** Education is negatively correlated to organisational commitment as more educated a person is more ambitious he/she is who always wants to grow and get rewarded as per their qualification in his/her career.
- **Age:** Older people are more committed to an organisation as they have a well settled life as compared to young's who wants to achieve a lot in very short span of time period.
- **Gender:** Male are considered to be more committed as compare to female as in India which is one of the male dominant society where man is a bread earner and female is a home maker.
- **Marital Status:** Married people are more committed than unmarried as married people have more family responsibilities then their unmarried counterpart.
- **Family Structure:** People living in joint family are more committed to people living in nuclear family because of the values of collectivism, dependence and importance of long term relationship people get while living in joint family.

#### (ii) Societal Variables:

- **Organisational Culture:** More strong the level of organisation culture among its employee more committed they will be towards their organisation as it will going to inculcate a feeling of belongingness among its employees.

### (b) Organisational Commitment:

- (i) **Number of Promotions:** More the number of promotions more will be the level of commitment in the mind of an employee as he/she will consider himself/herself to be an important part of an organisation and will create a positive attitude towards higher responsibility and authority.
- (ii) **Number of job changed:** There is an inverse relationship between number of jobs changed and level of commitment as a person who frequently changes a job is less

committed to an organisation. As job hoppers are always under suspicion that whether they will continue with the organisation or change their profession.

- (iii) **Power Distance:** There is positive relationship between power distance and level of commitment as high power distance led to dependence on authority which may lead to dependence on the organisation which in turn led to high level of commitment towards organisation.
- (iv) **Tenure:** More the number of years spent by an employee in an organisation more will be the sense of commitment he/she will have towards an organisation as he/she would have gained good working experience.

## SPAIN

**Job Satisfaction:** Job satisfaction means how much satisfied the employees are with respect to his/her employment. It is positively related to the level of commitment of an employee towards an organisation as higher job satisfaction lead to close association with the organisation and in turn higher level of commitment among employees.

## NIGERIA

### HRM Practices:

- (a) **Training and Development:** It basically means imparting specific skills or knowledge to employees to complete the desired task or to overcome deficiencies in their performances. New skills and knowledge imparted to an employee by way of training and development increases the level of belongingness towards an organisation and thus increases the level of commitment.
- (b) **Teamwork:** Human beings are social animals. In order to fulfil social needs one must work in a group or team. Teamwork help to increase the level of job satisfaction and in turn the level of commitment.
- (c) **Organisational Communication:** It is a process of exchanging ideas, views, opinions, facts in an organisation. Clear and structured communication helps to remove the chances of ambiguity in the organisation and thereby increases the level of commitment among the employees.
- (d) **Reward and Recognition:** Reward and recognition includes increased salary, bonuses, promotions, ESOPs which help to motivate people to work for the

organisation which in turn increases the level of commitment among the employees if they are getting fair rewards and recognition.

## USA

### (a) Organisational Disposition

(i) **Organisational Values (Value Preference):** It basically means the expectations of an employee towards the goals, culture and future of an organisation.

- **Aggressiveness:** Aggressive organisations demand high level of competition and proactiveness among employees which motivate them indirectly as high level of competition among employees increases the level of extrinsic motivation which develop positive attitude towards an organisation.
- **Freedom:** Employees who favour freedom like to work in an informal working environment than in the structured/formal working environment and employees usually prefer freedom over monetary incentives
- **Reward Based Orientation:** Rewards are given according the performance of an employee in an organisation. This implies high incentives are given to out performers. Rewards can be monetary and non- monetary
- **Action Orientation:** It means how quickly an organisation responds to change in a market conditions by way of strategising, decision making and behaviour. Action oriented firm will not going to hesitate to try a new idea and is willing to take risk.

### (ii) Personality Attributes

- **Norm Favouring Attitude:** All those employees who strictly follow the norms and rules of an organisation are more likely to be satisfied with an organisation than people who takes rules and regulations lightly.

(b) **Organisational Satisfaction:** Organisational satisfaction means the level of satisfaction an employee has while working in a particular organisation. It represents the temporary status of the attitudinal relationship with the organisation. An employee can be more satisfied by working in a conducive working environment.

## **UK (ENGLAND)**

**NPM (New Public Management):** NPM means a way of delivering public services by an organisation. It is important for an organisation to survive in a dynamic environment to adjust themselves according to the changing market, political and social factors. The key principles of NPM are managerialism and use of indirect control rather than direct authority. If an employee shares a common values with his/her organisation will increase the level of commitment among them.

- (a) **Perceived Organisational Support:** POS basically means the general belief among employees that their organisations value their contribution and cares about their wellbeing. Learning professionals perceives their organisation as supportive.

## **DUTCH**

### **(a) Employee Participation**

Employee participation in decision making process helps to contribute to organisational effectiveness. Employee's perceptions on participating practices influence their attitude and in turn affect their performance related behaviour. Direct participation in decision making process by an employee influences commitment more strongly than indirect participation.

### **(b) Organisational Justice and Involvement**

Equal opportunity must be provided to all the employees of an organisation to involve in decision making process as employee can be dissatisfied towards participation opportunities when expectations are violated, for example, when manager do not offer timely response to employee's suggestions, feedback or grievances.

### **(c) Relationship with the Supervisor**

Relationship with the supervisor affects the level of commitment by an employee towards organisation as it will help to generate faith on each other and in the task assigned by supervisor to his/her subordinate. Relationship with the supervisor as perceived by his/her subordinates affect the perceived fairness of procedures that lead to outcomes.

## **SINGAPORE**

**(a) Organisational Ethics:** It Includes how much transparent the working of an organisation is? Whether the organisation is following corporate governance and indulges itself in corporate social responsibility. This is because ethical behaviour helps the organisation to get more profit and organisational ethics are intended to guide and influence the working of an employee in that organisation. If the top level management supports for ethical behaviour, a favourable ethical climate and a strong link between ethical behaviour and rate of career success in the working of an organisation will led to high level of job satisfaction among its employees.

**(b) Employee Satisfaction:** More the level of job satisfaction among the employees more will be the level of commitment among them as it increases the level of productivity and profitability as it reduces absenteeism and chances of employee turnover in an organisation.

## **GLOBALLY**

### **(a) Life Satisfaction**

Life Satisfaction represents the level of contentment in one's life which is simply represented by level of happiness in one's life as in turn it will going to affect the overall level of human development.

### **(b) Cultural Positivity**

Organisational commitment will be higher among countries following collectivism than individualistic countries as employee will be more satisfied in group as human being is a social animal. Cultural Positivity also includes how much positive one perceives his/her life and value positive view of life. Cultural Positivity affects level of job satisfaction and in turn affects the level of organisational commitment among employees.

### **(c) Employee Turnover**

Employee turnover basically means the number of employees leaving the organisation. More the employee turnover less will be the level of commitment among employee as it may hamper the level of productivity of an organisation.

### **(d) Performance**

The level of performance of an employee is directly related to level commitment as it affects the level of job satisfaction among them.

**(e) Absenteeism**

High absenteeism hampers productivity which lead to low level of job satisfaction and it turn reduces the level of organisational commitment among employees.

**(f) Organisational Culture:**

- (i) Innovative Culture:** Innovative organisational culture is one which provide maximum scope of innovation to employees, thus it is highly correlated to job satisfaction and level of commitment.
- (ii) Bureaucratic Culture:** Bureaucratic organisation culture is one where there is lots of rigidity with response to organisational working where people do not want to work. This type of culture has near to zero correlation with job satisfaction and level of commitment
- (iii) Supportive Culture:** Supportive organisational culture is one where people work in a team or groups and importance is given to social needs which satisfy the need of affiliation among employees, thus supportive culture is highly correlated to job satisfaction and level of commitment.

**(g) Job Satisfaction:** When employees are dissatisfied with the working of an organisation the level of commitment among them will be less as dissatisfied employees will search for other job opportunities to switch to another organisation.

**(h) Individualism vs. Collectivism:** In western countries, which are individualism dominate countries where firms tend to be owned by general shareholders and run by professional managers. Such firms are flatter in terms of structure, less bureaucratic and decentralised decision making power. On the other hand, in the East, where collectivism is favoured which led to centralised decision making with little worker empowerment as the business is run by owner himself or by his/her family members.

**(i) Demographic Variables:**

- (i) Years in the Organisation:** Number of years a person spent in a particular organisation increases the level of commitment among them as that person will be familiar with the working of an organisation and knows his/her importance in the working of an organisation.
- (ii) Age:** Older people are more committed to a particular organisation due to high level of job satisfaction among them.



**(iii) Level of Education:** Level of education is not directly related to job satisfaction and organisational commitment due to the differences in cultural values. As the level of education increases, the expectation level of the employee with respect to working conditions, salary also increases and if the organisation does not provide those the level of organisational commitment decreases.

**(iv) Position:** Position held by an employee in an organisation is positively related to level of organisational commitment as a person would occupy a higher position after gaining a good number of years of experience in an organisation.

### **Ways to Improve Job Commitment among employees:**

1. Provide Job Security to employees.
2. Give responsibility along with authority to take decisions.
3. Give equal workload to all the employees of an organisation.
4. Promote organisational justice among employees (in terms of pay, promotion, appraisal)
5. Promote two way communications. Communication channels should be improved in an organisation so as make employees feel as a part of an organisation.
6. Promote employee participation in decision making processes.
7. Employee appraisal should be clear and transparent.
8. Supervisor should maintain cordial relationship with his/her employees/ subordinates.
9. Employee turnover and absenteeism should be reduce by taking corrective actions.
10. Preference should be given to married over unmarried for recruiting a person in an organisation.
11. Job Hoppers should not be selected for the job in the organisation as the level of commitment among them is low.
12. Fair pay should be given to an employee as per his/her qualifications and work experience.
13. Performance management should be used as a culture building tool to foster commitment among employees.
14. Along with economic incentives, non economic incentives like recognition, flexible schedule etc. in order to motivate employees and to increase the level of commitment among them.

15. A person with positive NPM should be selected and recruited in the organisation as that person will be satisfied and try to align his goals with that of an organisational goal.
16. Fair rewards and recognition must be given to all employees in order to increase the level of job satisfaction and in turn level of commitment.
17. Employees should be imparted training and development so as to get up to date as required skills and knowledge help the employee and organisation to be committed and competitive respectively.
18. Employees of an organisation should be given priority in order to build a factor of trust among them which makes them emotionally attached to the company which in turn will develop a sense of commitment in the mindset of an employee.
19. Supportive and Innovative organisational culture should be provided to employees in order to increase the level of commitment among them.
20. Organisation can increase the level of commitment among employees by ensuring the ethical work culture and climate in term of its working. It should be clearly communicated, monitored and enforced the rules of conduct and practices, ethical philosophy that it follows so as to enhance its corporate image among internal and external parties of an organisation.

## **CONCLUSION**

This study aims at determining various factors that affect the level of Organisational Commitment across the globe. In particular, it investigate that Job Satisfaction and Organisational Culture are two important factors which affect the level of organisational commitment.

Research has shown there is a positive relation between job satisfaction and innovative and supportive organisational culture as it leads to higher productivity and profitability by reducing absenteeism and employee turnover as it provide a scope to an employee to take initiative and risk to do something new for the betterment of an organisation in terms of its working.

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