

**Investigating The Effect of Malaysian Employee's
Personal Characteristics and Work-related
Variables on Organizational Commitment in a
France Multi-National Corporation (MNC)**

Chan Pau Leng

**Bachelor of Economics
University of Putra Malaysia
1999**

**Submitted to Graduate School of Business
Faculty of Business and Accountancy
University of Malaya, in partial fulfillment
of the requirements for the Degree of
Master of Management**

November 2009

ABSTRACT

Employee organizational commitment is highly valuable. Organizational commitment predicts important variables including absenteeism, organizational citizenship, performance and turnover. An effective organization will make sure that there is a spirit of cooperation and sense of commitment and satisfaction within the sphere of its influence. The purpose of this study is to investigate the effect of personal variables and work-related variables on Malaysian employees' organizational commitment in a France Multinational Corporation (MNC). Three measures of organizational commitment utilized in this research are affective, normative and continuance commitment. 150 Malaysian employees' based at Klang Valley were surveyed for this purpose. The results of multiple regression analysis revealed that gender, marital status, job autonomy and job performance feedback have significant influence on employees' organizational commitment. The research findings should benefit the France MNC with regard to formulating company policies and strategies on its strategic human resource management.

Key words :

Organizational Commitment, France Multinational Corporation, Malaysian Employees, Personal Characteristics, Work-Related Variables

ACKNOWLEDGEMENTS

I would like to express my thanks to everyone who contributed to the completion of this research.

I would like to thank the following in particular:

- Encik Zulkufly Ramly for your patient and guidance over a year;
- my husband for his love, understanding and encouragement over the past two years;
- the France Multinational corporation's management and staff who made this research possible; and
- to my family and friends for the interest they have shown and continuous encouragement.

TABLE OF CONTENTS		Page
Abstract		ii
Acknowledgements		iii
Contents		iv
List of Tables		vi
List of Figure		vii
List of Appendix		viii
CHAPTER 1 INTRODUCTION		
1.1	Background of the study.....	1
1.2	Research objectives.....	5
1.3	Research questions.....	6
1.4	Significance of the study.....	6
1.5	Research methodology.....	8
1.6	Structure of the research report.....	11
CHAPTER 2 LITERATURE REVIEW		
2.1	Introduction.....	13
2.2	Organizational commitment.....	13
2.2.1	Definitions of organizational commitment.....	13
2.2.2	Dimensions of organizational commitment.....	15
2.2.3	Theoretical framework of organizational commitment.....	18
2.2.4	The measurement of organizational commitment.....	20
2.3	Personal characteristics antecedents of organizational..... commitment	22
2.3.1	Organizational commitment and personal characteristics.....	23
2.4	Work-related variables antecedents of organizational..... Commitment	29
2.4.1	Organizational commitment and work-related variables.....	29
2.5	Research model.....	38
2.6	Chapter summary.....	39
CHAPTER 3 DEVELOPMENT OF HYPOTHESES AND RESEARCH METHOD		
3.1	Introduction.....	40
3.2	Hypotheses development.....	40
3.2.1	Development of hypotheses for personal characteristics.....	41
3.2.2	Development of hypotheses for work-related variables.....	44
3.3	Research design.....	47
3.3.1	Sample and data source.....	47
3.3.2	Data collection procedure.....	49
3.3.3	Dependent variable.....	49
3.3.4	Independent variables.....	51
3.3.5	Control variables.....	54

3..3.6	Statistical analysis.....	56
3.4	Chapter summary.....	59
CHAPTER 4 RESEARCH RESULTS		
4.1	Introduction.....	60
4.2	Preliminary analysis – pilot study	60
4.2.1	Results of construct validity and internal reliability test.....	61
4.2.2	Multicollinearity.....	62
4.3	Descriptive statistics	63
4.4	Results of personal characteristics as predictors of.....	65
	Organizational commitment	
4.4.1	Results of Pearson’s correlation analysis of personal.....	65
	characteristics with affective, continuance and normative	
	organizational commitment	
4.4.2	Multiple regression analysis of personal characteristics on.....	67
	organizational commitment	
4.4.3	Results of T-test and One-way Anova.....	70
4.5	Results of work-related variables as predictors of	74
	organizational commitment	
4.5.1	Results of Pearson’s correlation analysis of work-related.....	74
	variables with affective, continuance and normative organizational	
	commitment	
4.5.2	Multiple regression analysis of work-related variables on.....	75
	organizational commitment	
4.6	Multiple regression analysis of personal characteristics	77
	and work-related variables on organizational commitment	
4.7	Chapter summary.....	78
CHAPTER 5 CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS		
5.1	Introduction.....	80
5.2	Discussions of the findings.....	80
5.2.1	Personal characteristics as predictors of organizational commitment	81
5.2.2	Work-related variables as predictors of organizational commitment	84
5.3	Limitation of the study.....	86
5.4	Recommendations.....	87
5.4.1	Recommendations for employees	88
5.4.2	Recommendations for employer	89
5.4.3	Recommendations for future research	91
5.5	Conclusions.....	92
Appendices : Questionnaire.....		94
References		101

LIST OF TABLES

Table 2.1	Correlation between personal characteristics and organizational..... commitment	28
Table 2.2	Correlation between work-related variables and organizational..... commitment	37
Table 4.1	Reliability of dependent and independent variables measure.....	61
Table 4.2	Pearson's product moment correlation analysis.....	63
Table 4.3	Demographic characteristics of respondents.....	64
Table 4.4	Pearson's correlation analysis on personal characteristics.....	66
Table 4.5	Multiple regression analysis on the influence of personal..... characteristics with organizational commitment	68
Table 4.6	Results of t-test on gender and marital status with organizational..... commitment	71
Table 4.7	Results of One-way Anova on tenure with organizational..... commitment	73
Table 4.8	Pearson's correlation analysis on work-related variables.....	75
Table 4.9	Multiple regression analysis on the influence of work-related..... variables with organizational commitment	76
Table 4.10	Multiple regression analysis on the influence of personal..... characteristics and work-related variables with organizational commitment	78

LIST OF FIGURE

Figure 1 Research model..... 38

APPENDIX

Appendix 1 Questionnaire..... 94