CHAPTER 2

REVIEW OF LITERATURE

This chapter illustrates various literatures on the research regarding commitment and training that were completed by many scholars. It encompasses issues on the demographic antecedents of commitment such as age, income, tenure, education, gender, and job status. The three types of commitment (affective, normative and continuance) and several aspects of training were also observed.

2.1 ORGANIZATIONAL COMMITMENT

Webster's dictionary (1992) defines commitment as "the state of intellectual and emotional adherence to some political, social or religious theory or action or practice.....something which engages one to do something....a continuing obligation" and "the state to being obligated or bound" (as by intellectual or emotional ties) or "engagement or involvement" (Brown, 1996). Commitment means desire and acceptance. An individual wants to strive for the object, certain goals and values or he or she wants to be a member in some system or social aspect (Jarvi, 1997). There is a psychological link between an individual and an object, an integration of goals and values (Allen and Meyer, 1996). Organizational commitment refers to a person's type and strength of attachment to his or her organization (Arnold, Cooper, and Robertson, 1998).

Many of the previous studies on the positive consequences of organizational commitment have been based on Porter, Steers, Mowday, and Boulian's (1974), Meyer and Allen (1991,1997) and Randall (1990). Previous research has also stated that commitment is a multidimensional work attitude. Allen and Meyer (1990) contended that the net sum of a person's commitment to the organization reflects each of the separable psychological states which are affective

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attachment, perceived costs and obligation. Many researchers (e.g. Allen and Meyer, 1996; Benkhoff, 1997; Brown, 1996) suggested that the multidimensional approach could bring an end to the disappointing and inconsistent results often reported for organizational commitment research.

Meyer and Allen (1997) suggested that a "committed employee is one who will stay with the organization through thick and thin, attends work regularly, puts in a full day, protects company assets, and who shares company goals." Positive outcomes or outputs at work will often cause higher commitment. Generally, outputs of an individual means fulfillment of individual's expectations and satisfaction. For example, employee has received things, which are important for him or her. Outputs could be 'doing the job' (certain work values), social interactions with fellow workers and organizational in nature (pay, promotions, good working conditions) (Mottaz 1988). Thus, these outputs act as instruments in facilitating the level of commitment of an individual.

2.2 ANTECEDENTS OF ORGANIZATIONAL COMMITMENT

It is now generally accepted that employees' commitment to the organization can take various forms, and that the antecedents and consequences of each can be quite different (Meyer and Allen, 1997; O'Reilly and Chatman, 1986). If antecedents are positive, they cause commitment and an aim to stay in the organization and also involvement in work. Nevertheless, different antecedents will cause different commitment. For example, commitment to stay is more general for older people than younger people (Jarvi, 1997). Age was found to have statistically significant positive effects on commitment (Lok and Crawford, 2001; Steers, 1977; Mathieu and Zajac, 1990; Williams and Hazer, 1986).

Research within this perspective has tended to focus on individual differences as antecedents of commitment, revealing that factors such as age and organizational tenure tend to co-vary with one's position in the organization and

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are known to positively correlated with commitment, (Allen and Meyer, 1990; Mowday, Porter, and Steers, 1982; Angle and Perry, 1981; Mathieu and Zajac, 1990; Steers, 1977). Mathieu and Zajac (1990) further suggested that older workers are more satisfied with their job, receiving better positions and having "cognitively justified" their remaining in the organization.

The proposition that younger and older workers may view work and self in fundamentally different ways is not new. Life-career-stage models (Levinson, Darrow, Klein, Levinson, and McKee (1978) suggested that the early years are years of establishment (e.g., establishing a niche and "making it" so that progress can be monitored by self and others), later years are associated with a stronger sense of self, work, and life.

Nevertheless, Irving, Coleman, and Cooper (1997) found that age did not significantly correlate with either normative or affective facets of commitment. They concluded that age could be a significant correlate of commitment in a homogeneous sample rather than in a heterogeneous sample like theirs. In addition, findings by other scholars (Tan and Akhtar, 1998) also support the fact that age and tenure did not correlate significantly with normative and affective commitment.

In terms of gender, Aven, Parker, and McEvoy (1993) found that gender and affective commitment were unrelated. In addition, research done in the past reports a weak relationship between gender and commitment (Mathieu and Zajac, 1990). There have also been researches indicating that gender has no direct effect on the overall organizational commitment (Ngo and Tsang, 1998; Parasuraman and Greenhaus, 1993).

Another demographic variable that has been studied is the level of education. Educational level has been reported to be negatively correlated with organizational commitment (DeCotiis and Summers, 1987; Mathieu and Zajac,

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1990; Mottaz, 1988; Mowday, Porter and Steers, 1982). It has been argued that this inverse relationship is attributable to the fact that more highly educated individuals have higher expectations. They are therefore more likely to feel that they are not being rewarded adequately by their employers, and so the level of organizational commitment is diminished.

Becker, Sobowale and Cobbey (1979) found income to be an important predictor of organizational commitment. In addition, organizational position is known to correlate negatively with normative and affective commitment (Tan and Akhtar, 1998).

It should also be noted that organizational commitment can be divided into 3 components which are affective, normative, and continuance commitment. Affective commitment refers to the psychological (emotional) attachment to the organization, normative commitment refers to a perceived obligation to remain with the organization and continuance commitment refers to the costs associated with leaving the organization such as losing benefits or seniority. Thus, this study will examine employee attitude towards training and its link to organizational commitment across these 3 components.

2.2.1 AFFECTIVE COMMITMENT

Affective commitment has been described as a positive desire to act in a certain way (Mathiew and Zajac, 1990). It refers to the psychological attachment one has towards their organization (Meyer and Allen, 1991). Affective commitment seems to be particularly influenced by role clarity, as well as participation in decision-making (Wang, 1999). Those who feel they have more access to training are more likely to exhibit higher feelings of affective commitment. Allen and Meyer (1991) also confirmed that correlation exist between the work experiences and commitment, especially affective commitment.

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2.2.2 NORMATIVE COMMITMENT

Normative commitment means an obligation to stay (Allen and Meyer, 1990). Mathieu and Zajac (1990) describe normative commitment as general loyalty attitude and have important role in social interactions. Basically, it reflects a sense of obligation on the part of the employee to maintain membership in the organization. According to Meyer and Allen (1988), normative commitment is based on feelings of moral obligation or responsibility vis-à-vis the employing organization.

2.2.3 CONTINUANCE COMMITMENT

According to Meyer and Allen (1988), continuance commitment is predicated upon the employee's pragmatic assessment of the costs and benefits of remaining with a given organization. Generally, continuance commitment means for an individual, a situation, where the withdrawal from the organization would cause costs for him or her and he or she must commit further, because of investments and offers one as done. If is difficult to leave the object (Brown, 1996). An individual stay with the organization due to the fear of losing their pension and other benefits. There has also been a study that stated training can enhance the level of employees' continuance commitment (Bhuian and Shahidulislam, 1996).

On the whole, the advantages to organizations of having a committed workforce tend to be greatest in the case of affective commitment; the consequences of high levels of continuance commitment can actually be negative (Allen and Meyer, 1996, Meyer and Allen, 1997). That is, affective commitment has been shown to have the strongest positive correlations with desirable work behavior; correlations between normative commitment and these same behaviors also tend to be positive, but somewhat weaker. Correlations with continuance commitment

are weak and in some cases negative (Meyer, Paunonen, Gellatly, Goffin, and Jackson, 1989, Shore and Wayne, 1993).

2.3 AVAILABILITY OF TRAINING

A study by Lowry, Simon, and Kimberley (2002) indicates that the availability and adequacy of training affected the level of job satisfaction and thus commitment among employees. The availability of training has been shown to have strong relationship with affective and normative commitment, but no association with continuance commitment (Bartlett, 2001). Studies by several scholars (Caldwell, Chatman and O'Reilly,1990; Gallie and White,1993; Morris, Lydka, and O'Creevy, 1993) also show that availability of training courses are found to be related to commitment. Although the availability of training plays a major part in every organization, the empirical analysis of its relationship to commitment is very limited.

2.4 SUPPORT FOR TRAINING

Previous researches has provided evidence to suggest that human resource practices such as training might have their greatest impact on affective commitment when it is believed that the organization is motivated by the desire to create a climate of concern and care (Kinicki, Carson and Bohlander, 1992). Employees are more likely to become committed to an organization if they believe that the organization is committed to them (Eisenberger, Huntington, Hutchison and Sowa, 1986). This commitment on the part of the organization can be demonstrated through the level of support provided to employees.

Perceived organizational support has been found to correlate positively to employees' affective commitment to the organization (Eisenberger, Fasolo and Davis-LaMastro, 1990; Guzza, Noonan and Elrod, 1994; Shore and Wayne,

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1993; Settoon, Bennett and Liden, 1996). In addition, a study by Allen and Meyer (1990) has shown that normative commitment also correlates positively with organizational support.

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

Some employees might develop a strong sense of perceived organizational support based upon the organization members' willingness to provide them with additional opportunities for training in an area that was of particular interest to them. The influence of the immediate supervisor in encouraging or discouraging usage of training has been well documented in several studies (Brinkerhoff and Montensio, 1995; Huczynski and Lewis, 1980; Michalak, 1981; Tracey, Tannenbaum, and Kavanaugh, 1995). Cheung (2000) and O'Driscoll and Randall (1999) also predicted that support for training from senior staff and from colleagues have positive association to the organizational commitment.

Researches have revealed that perceived organizational support is positively related to the tendency to help coworkers (Shore and Wayne, 1993), the tendency to offer constructive suggestions for organizational improvement, and organizational commitment (Eisenberger, Fasolo and Davis-LaMastro, 1990). It is also likely that employees working under supervisors with participative management style feel more favorable in predicting their future career paths, which in turn increases their commitment (Cheng and Ho, 2001).

2.5 MOTIVATION TO LEARN

Trainee motivation and attitudes play an important role in determining training effectiveness within their organization. Trainees with a high level of job involvement are more likely to be motivated to learn new skills. This is because participation in training activities is perceived by individuals as a way to increase skill levels, improve job performance and elevate feelings of self-worth (Noe, 1986). Mathieu and Zajac (1990) connect motivation and job satisfaction to the commitment process. Commitment begins to form when an individual is motivated.

Learning motivation can be defined as the specific desire of a learner to learn the content of a training program (Noe, 1986; Noe and Schmitt, 1986). Noe (1986) suggested that, when there is no motivation, individuals, who may have the ability to master the training content, may fail to do so. In general, past studies have revealed that higher levels of motivation to learn result in improved performance in learning (Quinones, 1995). Studies done by Cheng (2001) revealed that commitment is positively related to learning motivation and learning transfer. Clark, Dobbins and Ladd (1993) further stated that training motivation is crucial for the most sophisticated training program to be effective.

In a training situation, highly job-involved trainees anticipate greater performance as a result of doing well in training (Mathieu, Tannenbaum and Salas, 1992). Colarelli and Bishop (1990) suggested that career commitment is specifically relevant to individuals who try to develop a high level of skills, as it can help them persist long enough through years of training. Recent studies by Bartlett (2001) indicated that there is a significant positive relationship between motivation to learn in training with affective and normative forms of commitment. He also explained that there is a negative but non-significant relationship that exists between motivation and continuance commitment.

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Although the focus of the present study is commitment as an outcome of training, previous research has considered organizational commitment as a variable that influences motivation for participation in training. In a study of U.S. Navy recruits, organizational commitment was found to increase following participation in training (Tannenbaum, Mathieu, Salas, and Cannon-Bowers, 1991). Thus, commitment is dependent on the level of employees' participation.

2.6 TRAINING ENVIRONMENT

There have been many studies concerning the environment in training. One of which is by Iles and Suliman (1998) where they explored the relationships between work climate, organizational commitment and job performance in Jordanian industrial firms. According to Forehand and Gilmer (1964), work climate is the set of characteristics that describe one organization and distinguish the organization from other organizations; are relatively enduring over time; and influence the behavior of people in the organization. Work climate has been linked to individual differences (Schneider and Bartlett, 1970), organizational structure (Payne and Pugh, 1976), and organizational communication (Poole and McPhee, 1983).

It has been also argued that employees are frequently sensitive to relevant environmental and organizational constraints that might limit the ability to provide them with desired rewards (Eisenberger, Cummings, Armeli, and Lynch, 1997). Creating a positive work environment could be economical decisions of firms in terms of reducing costs associated with losing employees (Bhuian and Shahidulislam, 1996). Study done by Montesino (2002) suggested that a company needs to pay close attention to linking its training programs with the corporate's strategic direction in a way that is explicit, clearly communicated, and evident to the trainees.

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Research by Ford, Smith, Weissbein, Gully and Salas (1998) also indicated that environmental factors such as rate of technology advancement and demands for new skills are expected to affect commitment. Further, Moskal (1993) argued that organizational commitment is "all but gone" and can be resuscitated only when industry creates a mutually beneficial working environment. Whether an employee is undergoing training or working, the immediate environment function as a vital role to affect commitment. Simon (1969) also believed that the environment determined the conditions for goal attainment. Hence, interestingly, training environment has a key role in ensuring that training objectives are met.

2.7 BENEFITS OF TRAINING

Kinicki, Carson and Bohlander (1992) found that the link between actual human resource management practices and work attitudes were mediated by perceptions of the organization's commitment to the human resource activities that benefits employees. Training offer many benefits to employees and to the organization as a whole. Employees become more confident, open to change and supportive of each other (Donovan, Hannigan and Crowe, 2001). In addition, employees are more motivated to achieve improved performance as a result of training.

The perceived benefits of training have been found to affect participation and commitment in training. Nordhaug (1989) identifies three types of benefits that employees obtain from training which are personal, career, and job-related benefits. Those who reflect positively on training benefits are thought to exhibit stronger feelings of commitment to the organization that provided the training.

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2.8 DEVELOPMENT OF HYPOTHESIS

In line with the issues derived from the literature review, the following hypotheses were developed :

Hypothesis A : There is a positive relationship between availability of training along with affective, normative, continuance and the overall organizational commitment.

Hypothesis B : There is a positive relationship between social support for training along with affective, normative, continuance and the overall organizational commitment.

Hypothesis C : Employees with higher levels of motivation to learn in training will result in higher levels of affective, normative, continuance and the overall organizational commitment.

Hypothesis D : Training environment is an important factor in enhancing affective, normative, continuance and the overall organizational commitment.

Hypothesis E : There is a positive relationship between the recognized benefits of training along with affective, normative, continuance and the overall organizational commitment.

2.9   SUMMARY OF LITERATURES

In reviewing the literatures, it was shown that commitment can be divided into three forms. Affective commitment refers to the desire to remain because an individual wants to, normative commitment represent an employee obligation to

remain because they ought to, while employee with strong continuance commitment remain because they need to.

Most of the previous literatures supported the fact that training plays an important role in affecting commitment. Factor such as support for training, motivation to learn, training environment and the benefits gain from training can enhance the level of commitment of an individual. However, there was not much research done from the aspects of availability of training. Further, researches done by scholars demonstrate that age, tenure and income are significantly and positively correlated with commitment, while education and job position are negatively correlated with commitment. On the other hand, there was no correlation found between gender and race with commitment. Further studies have shown that trusting employees, investing in training, treating employees as valuable resources and recognizing their accomplishments may play a major role in enhancing employees' commitment.