

CHAPTER 5

CONCLUSION AND RECOMMENDATIONS

Chapter 5 clarifies the findings of the study in terms of the relationship of training variables and demographic variables towards organizational commitment. In addition, the implications of the study, the limitations and further recommendations for future research are also presented.

5.1 SUMMARIZATION OF THE STUDY

The present study explored the issues of alignment between training and organizational commitment. There are three levels or types of commitment which are affective, normative, and continuance. As Allen and Meyer (1990) stated, "Employees with strong affective commitment remain because they want to, those with strong continuance commitment remain because they need to, and those with strong normative commitment because they feel they ought to do so".

Specifically, the three types of commitment were examined in its association with several aspects of training such as the availability of training, support for training, motivation to learn, training environment, and the benefits of training. Relationship of commitment to demographic variables was also observed. Findings demonstrate fairly strong support for the proposed hypothesis, although there were a few notable contradictions.

Demographically, the survey result revealed that age and tenure only correlates positively with affective commitment. The application of analysis of variance further revealed that affective commitment differs significantly across the age and tenure group. It was found that older employees have a significantly higher affective commitment than younger employees. This indicates that older

employees are more attached to the organization they are working for. On the other hand, younger employees are still new to the working world and believe that there is immense opportunity out there for them. Thus, they do not feel that they have to be loyal to their current organization. In the case of tenure, similar conclusion can be assumed. People who had spent longer time in the working world have considerably higher affective commitment than those who are new.

The study also revealed that gender and race have no effect on commitment while education has negative relationship to continuance commitment. This signifies that less educated employees thought the cost of leaving their organization is very risky. On the other hand, more educated employees do not fear losing certain benefits if they leave their job, thus they are less committed.

The results on annual income were in line with previous studies by Human Resource Development scholars which found that annual income has positive relationship with affective commitment and the overall organizational commitment. Further analysis by ANOVA indicated that employees who earn more income were more attached to their organization in comparison with employees who earn less.

Conversely, the position that one holds has negative effect on affective and the overall commitment. This is most likely due to the fact that people with higher status position do not feel they should commit to one specific organization. Their ability, knowledge and diverse experiences give them plenty of opportunity to work with various organizations and thus lessened their loyalty to their current organization.

The major findings of this study suggested that individual perception on training plays an important role in affecting organizational commitment. It was found that availability of training, support for training, and motivation to learn were significantly and positively associated with affective, normative, and the overall

organizational commitment. On the other hand, training environment and benefits of training seemed to correlate with all levels of commitment.

The most striking correlation was found between support for training and affective commitment. Encouragement from trainers or top management influences an employee's sense of attachment to the organization.

Motivation plays a large part in enhancing individual's commitment. Employees with high commitment towards their organization are more likely to exert considerable effort towards participating in training. When they attend training programs, they invest more effort in learning new skills or knowledge.

It should also be noted that a positive training environment and the benefits gained from training are critical in gaining commitment from employees. A pleasant working environment helps to ease learning in training. Further, it could develop as a source of advantage for employees to remain with the organization. Additionally, the knowledge, skills and abilities that employees could gain from training could assist employees in working effectively and efficiently, thus enhancing their chance for a promotion.

The initial part of this research supported the fact that aspects of training have a large effect on commitment. However, despite the importance of the training variables identified earlier in correlation analysis, it was only analyzed independently of other variables. Thus, it is significant to know which factor is most important to the level of commitment when all the variables are analyzed simultaneously.

First, in terms of affective commitment, the support, benefits and availability of training turn out to be the most important predictors, respectively. Employees would develop a greater sense of attachment to their organization if all of these

variables are present. Level of encouragement received from trainers or top management seemed to be highly regarded by the employees as the main reason they are committed. Nevertheless, when demographic variables were taken into account, age became the third most important predictor. This is mainly due to the fact that age explains the level of attachment a person has towards their organization.

In the case of normative commitment, the results further revealed that support and benefits of training was also an important predictor. However, analysis with the demographic variables causes motivation to learn to rank in third indicating that the incentive to participate in training has a major effect on the decision to remain with an organization.

The study also shows that only training environment is important in explaining continuance commitment. Yet, when demographic variables were taken into account, education became the second predictor. This explains that the level of education a person has will effect their perception on the costs of leaving the organization.

Finally, the results regarding the overall organizational commitment indicated that support for training and benefits of training were particularly relevant, respectively. The overall results of this research indicated that support and benefits of training gives a significant and positive effect on commitment, which also contributes to an improved organizational functioning and enhancement of employees' performance. Hence, encouragement and feedback from top management are critical in retaining employees and overcome the problem of high turnover.

5.2 IMPLICATIONS OF THE RESEARCH

Nowadays, the human resource sector has undergone substantial changes, particularly in training to cater the needs of the workforce. The changing nature of the current business environment, characterized by restructuring, downsizing, loss of job security, overwhelming change in technology, mergers and outsourcing shows that commitment cannot be viewed the same way as before when employees could expect to spend their entire career with a single company. Human Resource Development (HRD) practitioners and managers need to consider the emerging nature of employment relationships and the importance of training in retaining employees within their organization.

Studies in the past (Saiyadain, 1995) revealed that top management is not very supportive of training efforts. However, in accordance to the findings of this research paper, managers or trainers ought to realize that they need to play an active role in influencing employees' attitude towards the organization. High involvements not only help to build employees' commitment, but also foster their development in coping with rapid conditions. It is also important to note that this can be achieved only when the management itself commits to acknowledging the contribution of their employees, understanding factors that enhance employee commitment, and helping employees to maximize their potential through training.

The results obtained indicated that training have significant effect on enhancing various level of employees' commitment. Correlations to affective commitment were strongest. Therefore, organization should focus on developing initiatives that matters most to affective form of commitment, such as support given in training and benefits offered in training. Management should be aware that there is a need to offer employees something more than monetary rewards in order to keep them committed. Training can be a big incentive, and helps foster loyalty to the company.

It must also be noted that only affective commitment is related to age and tenure. A study by Tung (1982) indicated that different people from different part of the world will act differently. From the findings of this study, it has been shown that relationship between age and tenure with the overall organizational commitment contradicted with the previous findings by Western scholars particularly, Lok and Crawford (2001), Hrebiniak and Zajac (1990), Steers (1977), Mathieu and Zajac (1990), and Williams and Hazer (1986). This demonstrates that Malaysian have different attitude towards organizational commitment. The older they are and the longer they stay within an organization do not imply that they will be committed towards their organization. This is mainly attributed to the volatile work culture in Malaysia which is due to uncertain business environment.

Nonetheless, it is generally believed that committed employees are more satisfied. Thus, organizations should establish the type of caring, spirited workplace that will ignite employee commitment. Only then management would be able to retain their employees. It is rather obvious that the development of these factors can create a competitive advantage and enhance firm performance in terms of quality, constant improvement and progress. In the words of Allen and Meyer (1990), "...what employees do in the job is as important, or more important, than whether they remain."

5.3 LIMITATIONS OF THE STUDY

This study was limited to the target population within the organizations in Selangor and Kuala Lumpur only. Although we could generalize from the sample of the population studied, the findings of this study refer to the participants in a specific area only. The sample may not necessarily present the perceptions of employees from organizations in all the states of Malaysia. In addition, a larger sample may help to differentiate commitment between race and also gender, as was studied by previous scholars (Mowday, Porter, and Steers, 1982; Mathieu and Zajac, 1990).

Secondly, although the findings are fairly consistent with the hypothesis, we cannot rule out the possibility that there is biasness because differences in employee attitudes and knowledge may affect how employees perceive the training activities within their organization.

It must also be acknowledged that perhaps other important aspects of training have not been considered in this study. Thus, on the basis of the present findings, it would be premature to conclude that continuance commitment does not have the potential to affect employees.

In this study, while the majority of the organizations (72.5%) conducted both formal and informal training, there are still quite a large number that practiced informal types of training (22.1%). According to the interview findings, the most popular form of informal training is on-the-job. A problem with on-the-job training is that it is often unplanned and unsystematic (Olian, Durham, Kristof, Brown, Pierce, and Kunder, 1998). Hence, although it can be argued that factors in training influences employees' commitment reasonably well, there could be a certain amount of biasness since people who experienced informal training might have been less committed, causing them to give negative answers in the questionnaires.

5.4 RECOMMENDATIONS FOR FUTURE RESEARCH

Due to the limitation of this study, it would be highly recommended that further research be done in organizations from different states of Malaysia and incorporating several other variables. Perhaps future researchers could identify other aspects of training that are important towards commitment, that have yet to be taken into consideration.

Biasness in the present study needs to be avoided. Thus, additional studies need to be performed on organizations that conduct formal training or at least both, informal and formal training. Furthermore, views from top management should be assessed to observe their perception on important aspects of training and commitment.