Determining the Antecedents of Organizational Commitment: Public vs. Private Organization

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Abstract

This study was aimed to examine the antecedents of organizational commitment in public andprivate organizations of Pakistan. Organizational commitment is a behavior that extends beyondthe functions and conduct formally required of workers in an organization. Such behavior iscritical because of its role in better organizational performance. This present study is quantitativein nature and aimed at evaluating antecedents of organizational commitment. A questionnairewas designed and data was collected from a sample of 350 people within public and private sector organizations. We used nine hypothesis to test the relationship and used descriptive analysis, correlation analysis and reliability test. We found a strong relationship between organizational commitment and employee retention. We found interesting comparison and results for public and private organizations. The result of the study suggest different strategies that can be implemented to increase employees' commitment and performance.

Keywords: Organizational commitment, determinants, public and private organizations.

1. Introduction

Organizational commitment is informal behavior of employees that exist beyond the formal conduct of the organization (Bolino, Turnley & Bloodgood, 2002). This behavior is very crucial for organizational performance and growth. Highly committed employees are always looking for contribution to the organizations in best possible way (Mowday, Porter, & Steers, 2013). This high commitment from the part of employees contributes much towards organizational changing nature and adoptability and increase professional functioning of the organizations. Due to the changing nature of the organizations and adaptation of environmental issues, executives in many organizations are now vulnerable to stimulate employee's behavior toward job commitment and organizational commitment and focusing on the exploiting factors that govern the organizational commitment of the employees (Guest, 2007).. This research is conducted to analyze the factors and determinants ofthe organizationalcommitment of the employees. We have identified different variables and factors of organizational commitment by conducting literature review and by various analyses. For this purpose the comparative analysis of the employee's commitment in public and private organizations has been conducted and the area of study is Karachi. We found drastic differences in both type of organizations structure with reference to employee's commitment.

The mechanisms for exploitation of organizational commitment determinants for enhanced outcome are also the integral part of this research. As for as our knowledge is concern, this study is a contribution to the literature in local context, although there are numerous research conducted on employees commitment in international or national context, but limited work have been done in local context. Furthermore, there is no study on comparative basis of employee's commitment in public and private sector in Pakistan context, so this study will also contribute to the literature of organizational commitment in local context and specifically Pakistani context.

Hence our findings will help public and private organizations to devise certain strategies to increase employee's commitment and increase the productivity of the employees and performance of the organization.

There are multiple objectives of this research including the understanding the different types of the organizational commitment, the effectiveness and impact of organizational commitment, to determine differences in both type of organizational structures and various determinants of organizational commitment for organizational growth. This research will address the issue of how various factors of employee's commitment affect organizational commitment and performance and what are the different type of organizational commitments prevailing in both public and private organizational structures.

2. Literature Review

Organizations consider organizational commitment as important factor in order to keep employees in touch with their organizations (Kimpakorn & Tocquer, 2009). Previous researches show that both the constructs of organizational commitment and job satisfaction are different and both are found to be negatively associated with turnover intensions of workers (Paré & Tremblay, 2007). Organizational commitment is a deep rooted concept,

as members of organizations who are more committed seem more willing to contribute in the interest of their organizations (Mowday, Porter, & Steers, 2013).

Greater commitment of a person to an association empowers better adjustment capacities and higher responsiveness to change. (Armstrong & Stassen, 1998). In numerous organizations, workers constitute main consideration that impacts the productivity and expert working of the organizations.

Literature has shown multiple factors of organizational commitment. Dockels (2003) projected a six factor retention model that contains various determinants that affects organizational commitment directly. Various factors of employee retention are discussed further on the basis of an instrument called RFMS i-e Retention Factor Measurement Scales (Kashyap & Rangnekar, 2014). Other then commitment compensation is also considered to be an important component that helps in the retention of employees. If the workers are provided with the competitive packages they would likely to continue in the organization with full consideration (Manion, 2004). Previous researches have shown that compensation is directly related to organizational commitment of workers as the packages are competitive workers will more likely to stay in that organization. Significant career opportunity is another important determinant that may increase the productivity and output of an organization.

Career oriented practices like internal promotions induced the workers towards commitment. Training and development is another important factor that keeps the worker attached to the organization (Dockel, 2004). Organizations do invest on their workers if they really want to keep their employees committed. Supervisor support and guidance is a major factor that helps the workers in understanding of tasks and responsibilities so that they can better perform their duties (Gong, Huang & Farh, 2009). Praise recognition and valuable feedbacks by supervisor increasers the level of commitment of worker to the organization. This not only increases the commitment level but also enhance wisdom and understanding of employee at the workplace. Recently HR specialists stated working on this matter as it has been ignored earlier (Watson, 2008). In this era of innovations as modern technologies are increasing day by day so the routines of individuals are also changing and they are getting more experienced speedily. Besides, the worldwide retreat hitting the economies worldwide has changed over the professions of employees into an endless race for survival (Whitfield, 2001). Characteristics of job also play a vital role in ensuring work satisfaction and workplace sanity of employees. The organizations with formalized work settings and effective frameworks are liable to hold the employees. The people who experience adequate opportunity and self-governance additionally have a tendency to respond this element in their work and productivity.

3. Hypotheses

On the basis of the above literature we have formulated different hypothesis I order to conduct research and answer our research question.

H1: There is a satisfactory compensation system within the organization

H2: organization provide significant career opportunities to the employees

H3: organization provide training & development to the employees

H4: Organizational support is higher to the employees

H5: Organization provide work-life balance facility to the employees

H6: Job characteristics are well define for conduction work

H7: employees have adequate commitment for the organization

H8: There is adequate continuance commitment in employees towards the organization.

H9: There is adequate normative commitment in employees towards the organization.

4. Research Methodology

Literature shows lack of academic contribution in local context regarding organizational commitment of the employees. We have used descriptive analysis and different quantitative techniques for conducting research and to answer research question. Our sample area is banking sector which are operating in Karachi, Pakistan. We have adopted Organizational Commitment Questionnaire from Allen and Mayer (1990) for the purpose of data collection from the employees. We have collected data on measures of Affective, Continuance andNormative commitment with 18 items. We have adopted organizational commitment variable from Retention Factors Measurement Scale (RFMS) (Dockels, 2003). This factor consist of 35 items and have measured compensation, training and development, career opportunities, supervisory support, jab characteristics and work life balance. Our respondent are mainly middle managers, front line mangers and junior officers. The total sample size is 350 employees from both public and private sector organizations particularly Banks. 50 percent data collected from public banks and 50 percent from private banks by using non probability sampling and particularly using convenience sampling.

TABLE 1 DESCRIPTIVE STATISTICS

	Frequency	Percent
GENDER		
MALE	198	56.6%
FEMALE	152	43.4%
TOTAL	350	100%
AGE		
20 – 25	70	20%
26 – 30	170	48.5%
31 – 35	75	21.4%
36 and Above	35	10%
TOTAL	350	100%
QUALIFICATION		
Bachelors	90	25.7%
Masters	197	56.2%
PhD	30	8.5%
Other	33	9.4%
TOTAL	350	100%

5. HYPOTHESIS TESTING (Public Sector)

$H1_0$: The compensation system of the organization is not satisfactory.

N	X	μ	S	A	DECISION
175	3.743	3	0.504	0.95	Do not reject H_0

$H2_0$: There are no significant career opportunities in the organization.

N	X	μ	S	A	DECISION
175	2.008	3	0.602	0.95	Reject H_0

$H3_0$: There are no significant training & development opportunities in the organization.

N	X	μ	S	A	DECISION
175	1.866	3	0.255	0.95	Reject H_0

$H4_0$: There is no adequate supervisor support in the organization.

N	X	μ	S	A	DECISION
175	2.784	3	0.822	0.95	Reject H_0

$H5_0$: There is no adequate work-life balance in the organization.

N	X	μ	S	A	DECISION
175	4.508	3	0.602	0.95	Do not reject H_0

$H6_0$: Job characteristics are not helpful in carrying out the routine tasks.

N	X	μ	S	A	DECISION
175	2.915	3	0.420	0.95	Reject H_0

$H7_0$: There is no adequate affective commitment in employees towards the organization.

N	X	μ	S	A	DECISION
175	3.864	3	0.749	0.95	Do not reject H_0

$H8_0$: There is no adequate continuance commitment in employees towards organization.

N	X	μ	S	A	DECISION
175	4.011	3	0.414	0.95	Do not reject H_0

$H9_0$: There is no adequate normative commitment in employees towards the organization.

N	X	μ	S	A	DECISION
175	2.674	3	0.423	0.95	Reject H_0

6. HYPOTHESIS TESTING (Private Sector)

$H1_0$: The compensation system of the organization is not satisfactory.

N	X	μ	S	A	DECISION
175	4.333	3	0.547	0.95	Do not reject H_0

$H2_0$: There are no significant career opportunities in the organization.

N	X	μ	S	A	DECISION
175	4.223	3	0.768	0.95	Do not reject H_0

$H3_0$: There are no significant training & development opportunities in the organization.

N	X	μ	S	A	DECISION
175	4.217	3	0.591	0.95	Do not reject H_0

$H4_0$: There is no adequate supervisor support in the organization.

N	X	μ	S	A	DECISION
175	4.015	3	0.420	0.95	Do not reject H_0

$H5_0$: There is no adequate work-life balance in the organization.

N	X	μ	S	A	DECISION
175	2.143	3	0.504	0.95	Reject H_0

$H6_0$: Job characteristics are not helpful in carrying out the routine tasks.

N	X	μ	S	A	DECISION
175	3.917	3	0.591	0.95	Do not reject H_0

$H7_0$: There is no adequate affective commitment in employees towards the organization.

N	X	μ	S	A	DECISION
175	2.604	3	0.990	0.95	Reject H_0

$H8_0$: There is no adequate continuance commitment in employees towards organization.

N	X	μ	S	A	DECISION
175	4.199	3	0.612	0.95	Do not reject H_0

$H9_0$: There is no adequate normative commitment in employees towards the organization.

N	X	μ	S	A	DECISION
175	2.145	3	0.491	0.95	Reject H_0

7. Discussion

Current study endeavored to assess various factors of organizational commitments and its types by targeting public and private sector organizations of Pakistan. The study came up with the findings that the workers of both the public and private sector employees seems committed and satisfied as well with their compensation packages. The nearness of noteworthy career opportunities acts as a factor that increases the overall output of organization by increasing workers efficiency. Internal promotions as career oriented practices also increase the retention level of employees by increasing the attachment of workers with the organization. With respect to the career opportunities, this study depicted that there founds a difference in the perceptions of workers of both the public and private sector organizations. Employees of private sectors seem to be more satisfied by their available career opportunities that lead them toward performance based growth. While employees of public sector seem not that much satisfied, as there is larger political influence that makes them dissatisfied.

Private sector employees are having more training and development facilities that enhance their level of confidence and commitment with the organization. Training and development includes a formalized training policy, training need analysis and sponsored training programs both local and overseas. On the other hand there found no sufficient and significant training opportunities in the public sector as they are lacking comprehensive training instruments.

Support of supervisor alludes to the practices that help the representatives to perform their normal undertakings adequately. Praise, recognition and valuable feedbacks by supervisor increase the level of commitment of workers with the organization. Employees of private sector are found to be more satisfied with their supervisor's support. Interest of manager in employees matter and guidance at workplace is observed at workplace of private sector organizations only. But there founds no supervisor support and guidance at public sector organizations. Their supervisors are not that supportive and they do not Endeavour to resolve issues of their workers regarding to performance and productivity. The component inferable from this impact is the structure/working of public sector organizations where productivity and performance issues are not tended to productively. The political appointments also decrease managerial interest in workers problems and they show less concern.

Those organizations that are having systematic structures, formalized settings and efficient systems are having more committed employees. There found different results after the analysis public and private sectors. Private sector workers are enjoying satisfactory job characteristics. They are having sufficient autonomy, good

feedback mechanisms, well-organized systems and efficient human resource management. Conversely the employees of public sector are not having supportive job characteristics as the workers are responded. They found their jobs as less innovative and autonomous. This issue is provoking because of lacking of HR software's and less IT support. By analysis both public and private sector it is depicted that there found an affective and continuance commitment among public sector employees. But private sector employees have only continuance organizational commitment. Compensation related satisfaction is present in the responses of both public and private workers. Work-life balance has risen as the prime separating and main variable as far as organizational commitment of public and private sectors' representatives.With the progression of time, more families are turning to double working to cater for expanding costs. This has significantly required the presence of a work-life balance in the schedules of employees. The organizations working on this matter are possibly trying to persuade higher level organizational commitment into their workers.

8. Conclusion

Organizational commitment is a different issue from job satisfaction and reduced turnover. We found significant difference in both public and private sector organizations and found that there is a high level of organizational commitment in public sector organizations. Out of variables Work-life balance is the most significant variable of organizational commitment. This study shows that the entire positive attributes of private sector i.e.good compensation, career opportunities, training & development opportunities, supervisorsupport and helpful job characteristics are neutralized due to absence of work-lifebalance. While, public sector organizations are providing work life balance to their employees. Hence it isconcluded that work-life balance is the major determinant of organizational commitmentwhich has been found in public sector but not in private sector.

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