Facilitating Organizational Commitment Through Human Resource Practices

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Organizational commitment, or employee loyalty, fosters low turnover, low absenteeism, and, depending on other factors, higher productivity. It is, therefore, a vital element of the employment relationship.

- Organizational commitment can be categorized as follows: continuance - attachment to the organization for economic reasons; affective — attachment due to feelings of identification; normative — attachment due to feelings of moral obligations.

- Affective commitment is the most desirable type.

- The antecedents to commitment include: personal characteristics that employees bring to the organization; job-related factors that affect employees' experiences; and organizational factors that affect employees' experiences.

- The antecedents with the closest links to an employees' direct work environment are most important to commitment.

- Commitment increases when an employee perceives that his/her needs and expectations are being met — the social exchange model of employment.

- Human resource management practices (HRMPs) provide means of meeting the needs and expectations of employees.

- HRMPs important in fostering organizational commitment are: recruitment and selection procedures; socialization and orientation practices; organizational goals and values; organizational communication; participative decision making; compensation practices; career development and training; job design; performance appraisals; recognition and visibility; and employee support programs.

- The author suggests that commitment is higher in organizations where the Human Resources Department is involved in strategic planning.
Introduction

Organizational commitment, simply defined, is the relative strength of an individual's identification with, and involvement in, a particular organization (Mowday, Porter and Steers 1982). Unfortunately, within academic research, organizational commitment has rarely been simply defined. This has led to many interpretations of exactly what organizational commitment is, and what precedes commitment within an organizational framework.

For the practitioner, organizational commitment may be viewed simply as employee loyalty. It has been consistently found that those employees who are more committed (or loyal) to an organization are also less likely to leave the organization, have fewer days absent from the workplace, and depending on other factors, tend to be more productive (Mowday, Porter, and Steers 1979). Since such attributes can have strategic consequences on organizational effectiveness, practitioners should be aware of how commitment is developed within the employment relationship. Add the belief that commitment to organizations is dwindling (Britt 1991; Rowan 1981), and we see an even stronger need to understand this concept, and ultimately increase organizational effectiveness.

To best foster a foundation for organizational commitment, practitioners need to view the employment relationship as a social exchange between the employee and the organization (Eisenberger, Fasolo, and Davis-LaMastro 1990). Both parties, not just the employer, have expectations regarding employment. An employee's perception of the extent to which his or her expectations are met is paramount to how committed he or she will become to the organization. Unmet expectations lead to low attachment, the possibility of low productivity, and eventually exit. In contrast, expectations that are met can lead to higher productivity and longer job tenure (Steers 1977).

Human resources management practices are a prominent element in meeting the expectations of employees and fostering high levels of organizational commitment. Human resources management practices are a prominent element in meeting the expectations of employees and fostering high levels of organizational commitment (Ogilvie 1986a, 1986b). Human resources management practices give employees a strong indication of how they are valued within the organization. Such practices also help to establish employee expectations at the commencement of employment, and are strong measures as to whether these expectations are met or fall short.

Commitment is a dynamic emotional state that changes throughout the employment relationship, and accordingly, human resource management practices must be appropriate throughout the entire relationship. This paper will discuss a number of such practices including recruitment and selection.
procedures, socialization and orientation practices, organizational goals and values, organizational communication, participative decision making, compensation practices, career development and training, job design, performance appraisals, employee recognition and visibility, and employee support programs.

High commitment has consistently been associated with lower employee turnover, decreased absenteeism, longer job tenure, and enhanced performance.

High commitment has consistently been associated with lower employee turnover, decreased absenteeism, longer job tenure, and in several studies, enhanced performance. These aspects of employee behaviour are of strategic concern to organizations. Employers are liable to gain vital benefits in reduced operation costs and possibly higher productivity, through access to the enormous pool of academic commitment literature.

This paper brings the extensive academic knowledge of organizational commitment together in one essay for use by organizational practitioners.
Organizational Commitment

Generally, commitment literature identifies the term organization as a place of employment, a company, firm or business. Though this view does not encompass union commitment (as defined in Barling, Wade and Fullagar 1990), the majority of organizational commitment research, including this paper, considers the organization to be the firm or business that employs the individual.

Employee commitment is made up of commitment in varying degrees to several distinct elements of an organization.

Employees may, however, be committed to different aspects of an organization. According to Reichers (1986), an organization is not simply conceptualized as a single set of goals and values, but is rather a multifaceted abstraction. This abstraction is represented in reality by a number of distinct sets of goals and values. These diverse elements make up the organization as a whole. Reichers states that co-workers, top management, and the relevant constituency (ie. prominent groups both inside and outside the organization that help define its effectiveness) are three close linkages that employees have with their employing organization. Other linkages include clients and customers, professional associations, community, and unions. Employee commitment is therefore made up of commitment in varying degrees to several distinct elements of an organization.

Since different individuals may be committed to different aspects of an organization, it is difficult to generalize an overall concept of organization for all employees. In the final analysis, it is a subjective concept. This is of importance when attempting to foster high levels of commitment. Since employees may be committed to various elements within an organization, a program aimed at fostering commitment should be diverse in nature and structured to achieve commitment across the different elements.

Understanding what comprises an organization is, however, only half the organizational commitment concept. Understanding commitment is perhaps a more complex task.

Not unlike other constructs in industrial research, commitment has been defined in numerous ways. As cited in Ogilvie (1986a), these definitions can be conceptualized into the general categories of attitudinal and behavioral commitment. Attitudinal commitment is akin to an affective bond between the individual and the organization. Behavioral commitment links the individual to the organization as a result of behaviours performed publicly and freely. These attitudes and/or behaviours result in positive feelings toward, and commitment in, the organization.

Within attitudinal commitment a further distinction can be made: an exchange approach versus a psychological identification approach (Ogilvie 1986a). The exchange approach views commitment as an outcome of perceived benefits and rewards that are
comparatively higher than costs associated with organizational membership (Hrebiniak and Alutto 1972). One of the first exchange definitions to gain acceptance was Becker's (1960) 'side-bet theory. He argued that employees make side-bets into their employing organization and through these investments, follow a consistent course of action of identification with the organization. Examples of side-bets are a pension that grows in proportion to job tenure, or managerial prerogatives that are attached to the attainment of a certain position.

Psychological identification, in which the employee becomes emotionally attached to the organization, is simply defined by Lee (1971) as an employee's degree of belongingness to the organization. Buchanan (1974) alludes to a psychological bond where employees identify with the goals and beliefs of the organization. This is exemplified in his definition of organizational commitment which broadly covers three areas: identification with the organization's goals and values; involvement in one's own work role; and loyalty of attachment to the organization.

This overview suggests that, though commitment has been defined in varying terms, some consistent conceptualizations have developed. The behavioral approach relates employee behaviour to commitment. The attitudinal approach relates either exchange processes or psychological identification to the formation of commitment.

While there have been numerous definitions of organizational commitment within the academic research, the most cited work combines an emotional and attachment view of commitment within organizations and includes:

- a strong belief in and acceptance of the organization's goals and values;
- a willingness to exert considerable effort on behalf of the organization; and
- a strong desire to maintain membership in the organization. (Porter et al. 1974)

It is this definition that has received the majority of use within empirical research, since it encompasses important and diverse factors of organizational commitment.

There are, according to some researchers, three types of commitment: continuance, affective, and normative.

The above definition has one main flaw: the definition is too general. Researchers from the University of Western Ontario (Meyer and Allen 1984; Allen and Meyer 1990) have overcome this flaw by further dissecting organizational commitment into three distinct spheres, and in essence describing three different organizational commitments. These definitions, described more fully in the following table, include continuance commitment (ie. attachment to the organization for economic reasons), affective commitment (ie. attachment to the organization due to feelings of identification), and normative commitment (attachment to the organization due to feelings of moral obligation). The nature of these commitments is quite different.
Meyer and Allen's three organizational commitments

<table>
<thead>
<tr>
<th>Continuance</th>
<th>Commitment based on the perceived costs within, and associated with leaving the company. Employee remains with the organization because s/he needs to.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affective</td>
<td>Commitment based on emotional attachment to, identification with, and involvement in, the organization. Employee remains with the organization because s/he wants to.</td>
</tr>
<tr>
<td>Normative</td>
<td>Commitment based on belief that it is an employee's obligation to be committed to his/her employing organization. Employee remains with the organization because s/he believes s/he should.</td>
</tr>
</tbody>
</table>

Combining these types of commitment with the Porter et al. definition of commitment, we see that a person's relative strength of identification and involvement in an organization (i.e. acceptance of goals, exertion of effort, and desire for maintained membership) can have three roots: an individual's emotional attachment (affective); a cost based attachment (continuance); or an obligatory attachment (normative).

**Affective commitment is the most desirable type of commitment for an employer to foster.**

Though Wiener (1982) believes that employers can recruit people based on their beliefs and values, it is my feeling that normative commitment is not as vitally important to employers as the two alternate commitments. Normative commitment is perceived to be a function of a person's upbringing (Allen and Meyer 1990), and hence is difficult for organizations to influence. Furthermore, personal beliefs and values are too difficult to tap. Employers, therefore, have the greatest opportunity of fostering either affective or continuance commitments within their workplaces. These are the two types of commitment that will be the focus of this paper. As we shall see below, affective commitment is the most desirable type of commitment for an employer to foster.

**Consequences of Organizational Commitment**

As previously mentioned, there are many reasons for an organization to increase the level of commitment among its employees, among which are: lower employee turnover, decreased absenteeism; longer job tenure; and enhanced performance. Some of these however, are directly related to the type of commitment fostered (i.e. affective or continuance).
An area of vital interest to employers regarding the consequences of high organizational commitment is the effect on employee turnover. Studies have consistently found that workers who are highly committed to their organization have lower rates of job turnover compared to less committed workers. It has also been found that employees with low organizational commitment have a lower desire to remain with their current employer, and therefore have a higher intention to search for new work, than more highly committed employees (Arnold and Feldman 1982). Hence, commitment not only influences actual job tenure, but also anticipated job tenure.

A recent article in HR Magazine reported that turnover costs the average business approximately $10,000 US for every single occurrence (Hinrichs 1991). Canadian Manager (1990) reports that the loss of a single salesperson costs the average company $40,000. Such costs include separation, recruitment, selection, training, and lost productivity. Reduction in employee turnover clearly results in a significant reduction of these operating costs. By reducing turnover 10 percent over a few years, a typical Fortune 500 company could add a direct $300,000 US to its bottom line (Hinrichs 1991).

An accepted yardstick approximates the cost of absenteeism at 1.75 times an employee's daily salary.

Another area of high costs for employers is absenteeism. It is estimated that absenteeism costs the Canadian economy between $10 and $15 billion per year (Gandz 1986). An accepted yardstick approximates the cost of absenteeism at 1.75 times an employee's daily salary (Gandz 1986). Therefore a one day absence for an employee earning $30,000 is approximately $202. As cited in Shephard (1989) non-union employees are absent on average 5.9 days per year; unionized employees 9.6 days per year; and civil servants 10.8 days per year. If our hypothetical employee earning $30,000 was an average unionized employee, the yearly cost of absenteeism would be $1,939. If the company employed 516 such employees their absenteeism costs would be over $1 million.

Clearly, many lost days are legitimate, but just as clearly some are taken in the absence of true illness. Employees with low organizational commitment have higher absenteeism rates than high commitment employees. In fact both absenteeism and tardiness have been found to reduce as commitment increases (Angle and Perry 1981). Facilitating high levels of organizational commitment and thereby reducing absenteeism could easily add another $110,000 US to the profit of a typical Fortune 500 company (Hinrichs 1991). Gandz (1986) reports that a 900 employee Canadian firm saved between $500,000 and $667,000 per year, as a result of reduced absenteeism. The savings to small employers are equally substantial per incidence of turnover or illegitimate employee absence. Commitment does tie to the bottom line.

The finding of lower turnover among highly committed employees is related to evidence that job tenure increases positively with commitment. This will be of benefit to
companies where employees require a high degree of firm-specific knowledge to complete their job at a high level of competency. Where employee training is required, short job tenure results in lost and duplicated training dollars. Long job tenure is also beneficial in firms that wish to promote from within the company.

Despite these key positive consequences of high commitment, some negative outcomes have been observed. Commitment, according to Steers (1977) can have both active and passive qualities. Though the active qualities are generally regarded as very positive (ie. exerting high levels of effort), the passive qualities may resemble the consequences of a secure environment where moderate or low performers feel comfortable and hence do not leave. In one of Steers empirical studies (1977, 55), he concluded that 'it is conceivable that the employees experienced primarily a passive form of commitment and that, for some reason, such affective responses were not translated into behavioral intentions (that is, active commitment).’ The differences between what Steers calls passive and active commitment forms the basis of debate on a link between commitment and employee productivity.

Many researchers state that higher commitment does lead to higher productivity.

Decreased turnover and longer job tenure would be of immense benefit if it were known that highly committed employees were more productive than less committed employees. Though many researchers expound that there is no such commitment-productivity link, many others state that higher commitment does indeed lead to higher productivity. Proponents such as Mowday et al. (1979) and Chelte and Tausky (1986) present findings to support the argument that the more committed the employee is to the organization, the greater is the effort expended in performing tasks. However, any review of the literature will find as many researchers who have found no correlation, as those who have found a positive correlation.

Recent research spearheaded by John Meyer of the University of Western Ontario may have shed an extremely important insight on this debate (Meyer et al. 1989). Instead of measuring commitment using the Porter et al. (1974) three part global definition, the researchers considered specifically affective and continuance commitments (as defined above). They hypothesized that emotionally based commitment (ie. affective) would be positively related to job performance, and cost based commitment (ie. continuance) to be negatively related to job performance. For the supervisors that participated in the Western Ontario study the hypotheses were supported.

These influential results were summarized by the authors in the following manner:

Affective commitment of employees ... was positively related to their measured job performance, whereas continuance commitment was negatively related. The value of commitment to the organization,
therefore, may depend on the nature of that commitment. When commitment reflects an identification with and involvement in the company ... the organization may benefit both in terms of reduced turnover and superior performance. In contrast, when commitment is primarily on the basis of a recognition of the costs associated with leaving ... the benefits of reduced turnover may be obtained at the price of relatively poor performance. (Meyer et al. 1989, 155)

Since most definitions of organizational commitment contain both continuance and affective commitments, it is not unreasonable that empirical studies have found inconclusive results on the commitment-productivity link. Those studies in which employees demonstrated high levels of affective commitment would find a positive commitment-productivity link. However, low productivity would have been observed in studies where the employees had high continuance commitment. By not differentiating between these two distinct types of commitment, we expect the inconclusive results reported prior to Meyer et al.

The Western Ontario findings illustrate the analytical care that must be taken when examining organizational commitment. This is even more pronounced for organizations that strive to facilitate employee commitment. While it appears beneficial to facilitate emotionally based commitment, a high degree of cost based commitment may well lead to the longer job tenure of employees exhibiting low job performance.

**Antecedents of Organizational Commitment**

If a practitioner were to proceed to the academic literature to identify what factors facilitate organizational commitment, an enormous list would be compiled with only a brief review. Due to this abundance of antecedents, models have been developed to assist in their categorization (Baba and Knoop 1987; Luthans, Baack and Taylor 1987; Steers 1977; Stevens, Beyer and Trice 1978). Such models typically identify three factors that may lead to greater employee commitment. Whereas Steers (1977) proposed personal characteristics, job characteristics, and work experiences as three global categories of antecedents, Stevens et al. (1978) independently proposed personal attributes, role-related factors, and organizational factors.

For purposes of clarity, the Steers and Stevens et al. models have been combined, categorizing the antecedents to commitment into:

- the *personal characteristics* that employees bring to the organization;
- *job-related factors* that affect employees' experiences; and
- *organizational factors* that affect employees' experiences (see the following table).

These three global categories encompass the antecedents that researchers have found to both positively and negatively affect the formation of organizational commitment among employees.
<table>
<thead>
<tr>
<th>Antecedents of organizational commitment</th>
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<tbody>
<tr>
<td><strong>Personal Characteristics</strong></td>
</tr>
<tr>
<td>Characteristics that define the individual. Include age, marital status, goals and values, job satisfaction.</td>
</tr>
<tr>
<td><strong>Job-Related Factors</strong></td>
</tr>
<tr>
<td>Factors inherent in the employee's position. Include participation in decision making, role ambiguity, role conflict, job challenge.</td>
</tr>
<tr>
<td><strong>Organizational Factors</strong></td>
</tr>
<tr>
<td>Factors inherent in the organization that impinge on the employee's work experiences. Include company dependability.</td>
</tr>
</tbody>
</table>

**Personal characteristics** include the beliefs, values and attitudes of individuals as well as various demographic factors. Characteristics that have generally been found to promote high levels of organizational commitment include: increasing age (Morris and Sherman 1981; Stevens, Beyer and Trice 1978; Welsch and LaVan 1981), marital status — being married rather than single (Arnold and Feldman 1982), having a high degree of congruency with the organizations' goals and values (cited in Reichers 1986), and having high job satisfaction (Bateman and Strasser 1984). There is little consensus in the literature on the effects of factors such as gender, length of tenure, the individual's need for achievement, their locus of control or level of education.

**Job-related factors** that either increase employees' behavioral involvement or decrease ambiguity on the job are positively related to increased organizational commitment. Greater employee participation in decision making (Barling et al. 1990; Lincoln and Kalleberg 1985; Morris and Steers 1980; Pinks 1988; Rhodes and Steers; Welsch and LaVan 1981), a well-formed initiating structure (Luthans et al. 1987; Morris and Sherman 1981), low role ambiguity (Arnold and Feldman 1982; Hrebiniaik and Alutto 1972; Welsch and LaVan 1981), low role conflict (Morris and Sherman 1981; Welsch and LaVan 1981), and a high degree of job challenge (Mottaz 1988; Steers 1977) all tend to increase commitment. Researchers have also studied job factors such as task identity (Steers 1977), job scope (Mowday, Porter and Steers 1982), satisfaction with supervision (Luthans et al. 1987; Mowday et al. 1982), specific job position (Bruning and Snyder 1983), and work overload (Stevens et al. 1978) but have met with inconsistent results.

**Organizational factors** that may influence employees' organizational commitment include company size, department size, type of technology, formalization, organizational configuration, and the presence of a union (Lincoln and Kalleberg 1985). Some researchers have found that small companies (Lincoln and Kalleberg), small departments (Baba and Knoop 1987), and dependable and trustworthy organizations (Steers 1977) each facilitate higher commitment among employees.
Though personal characteristics, job-related factors and organizational factors are all general antecedents to organizational commitment, certain antecedents may be more significantly correlated than others. It has been hypothesized and supported (Baba and Knoop 1987; Pinks 1988) that factors more proximal to the employee's work environment influence an individual's reactions more readily than factors more removed from the individual's work environment. Baba and Knoop (1987) completed research with a sample group of Canadian managers and found that factors of high proximity were indeed much more highly correlated with commitment than less proximal factors. Pinks (1988) found very similar results for a sample of non-administrative hospital employees. These findings suggest that the antecedents that have the closest links to an employee's direct working environment are the ones that are most directly correlated with organizational commitment.

A Practitioner's View of Organizational Commitment

Since organizational commitment is extremely diverse, the practitioner needs to focus on a few key elements. First, it appears that emotionally based affective commitment may lead to lower turnover and higher productivity, while cost based continuance commitment may lead to lower turnover at the cost of lower productivity. Therefore, practitioners will wish to foster affective commitment within their organizations.

Those factors most proximal to the employee's work environment appear to have the most direct influence on commitment.

Second, practitioners must focus on the antecedents within their control. A thorough understanding of the personal characteristics that influence organizational commitment is of minimal use since organizations have little, if any, control over personal factors. For example, it is clearly illegal, from a human rights perspective, to increase commitment levels by hiring married rather than single individuals. The focus of managers, therefore, should shift to the job-related and organizational factors that are known to increase commitment.

Third, the most influential antecedents to the development of commitment should be the focus. As the Baba and Knoop (1987) and Pinks (1988) research found, those factors most proximal to the employee's work environment appear to have the most direct influence on commitment.

From the practitioners' perspective, therefore, employers are best advised to focus their attention on those job-related and organizational antecedents of affective commitment that most directly affect an employee's job experiences.

Which antecedents correlate most highly with affective commitment? In 1990, Allen and Meyer identified the antecedents distinctly correlated with both affective and continuance commitments. Their findings suggest that high levels of job challenge, role
clarity, participation in decision making, and organizational dependability, among others, are associated with increasing levels of affective commitment. Conversely, increased employee skills, higher education, enhanced pension entitlements, and limited perceived alternatives, all lead to higher continuance commitment.

Therefore, employers who wish to achieve high levels of affective commitment should concentrate on job-related and organizational antecedents such as increased participation in decision making, decreased employee role conflict and role ambiguity, increased job challenge, and increased organizational dependability.

Most of the antecedents above call for very specific action on the part of the organization. Organizational dependability, however, is a general concept that potentially affects many aspects of an organization's behavior. It is upon this very general employment attribute that the foundation for organizational commitment can be built. Organizational dependability is best approached through the social exchange model of the employment relationship.

Social Exchange Model of Employment

In an employee-employer relationship both parties have very specific expectations as to how the other party is to behave. Employers initially judge their employees early in the relationship through a probationary period. If the employer's expectations are not satisfied, the employee is dehired. Though less formalized, the employee follows a similar process; if the employee's expectations are not met he or she leaves. This forms the basis of the social exchange model of employment. Each party has needs and expectations, and each party evaluates these continuously throughout the relationship. When the exchange is perceived as positive, the employee-organization relationship will last longer than when the exchange is perceived as negative (Eisenberger, Huntington, Hutchinson, and Sowa 1986).

The social exchange model of commitment is based on the premise that individuals enter organizations with certain desires, skills and goals, and expect a work environment (encompassing both job-related and organizational factors) where they can utilize their skills, satisfy their desires, and achieve their goals (Eisenberger et al. 1986). To the extent that the organization is perceived as facilitating these ends, organizational commitment is likely to increase.

Eisenberger, Fasolo, and Davis-LaMastro (1990, 57) summarize their findings on the outcomes of positive social exchange where organizational dependability and organizational support are high:

Employees who perceived high support expressed stronger feelings of affiliation and loyalty to the organization ... Employees with high perceived support additionally expressed stronger expectancies that high effort would produce material rewards involving pay and promotion, as well as social rewards including approval and recognition.
The exchange model, therefore, suggests that organizational commitment is a function of work rewards and work values. The individual enters the organization with various work values and assesses the ability of the employer to satisfy these values by the work rewards offered. Thus, organizational commitment represents a person-environment fit (Mottaz 1988). This fit can be influenced by the organization, since organizational practitioners can alter the environment within which employees are hired (i.e. through human resources management practices aimed at job-related and organizational factors).

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**Job content is the key ingredient in fostering organizational commitment.**

Social exchange theorists cluster work rewards into three areas: task, social, and organizational (Mottaz 1988). Task rewards are intrinsic, directly associated with completing the job. They include such factors as challenging work, self-direction and responsibility, variety, and opportunities to use one's skill and abilities. Task rewards closely match the job-related factors discussed above. Social rewards are extrinsic, derived from interacting with others within the work setting. Organizational rewards are extrinsic also, provided by the organization for the purpose of facilitating or motivating task performance and maintaining employment.

Mottaz (1988) found that intrinsic, rather than extrinsic, rewards are the most powerful determinants of affective commitment. Considering that affective commitment is an emotional attachment, it is not surprising that intrinsic rewards are extremely important. Thus, it appears that it is primarily the content of the job itself, and the rewards that it offers to individuals, that influences commitment to the organization from the social exchange perspective. Mottaz suggests that organizations promote job enrichment to enhance intrinsic rewards, and hence affective commitment.

*From this brief overview of the social exchange approach, a satisfying job environment is seen to include realistic and met expectations, job challenge (including intrinsic rewards), and organizational dependability (including extrinsic rewards).*

[The] final conclusion is that commitment is central to organizational life. Commitment has as its theme the notion of exchanged expectations between an organization and its members, and a commitment to meet these expectations on the part of the organization and the employee. In short, when an organization commits to meeting the needs and expectations of its members, its members commit to the service of the organization in terms of its goals and values. (DeCotiis and Summers 1987, 467)

An important element in an organization's campaign to facilitate commitment and social exchange are human resource management practices (HRMPs). HRMPs are concrete, tangible programs. For management, human resource professionals, and consultants, HRMPs can be a practical, applied approach to developing commitment (Ogilvie 1986b, 340). HRMPs need to be structured within the social exchange framework. As Ogilvie (1986a) states, these HRMPs must cover the course of the pre-entry, early job, and long term stages of the employment relationship. Furthermore, they need to be strategically developed, clearly communicated, and sincerely administered (Ogilvie 1986b).

A variety of HRMPs, discussed below, may be modified, or implemented (depending on their current status within an organization), to influence positively employees' organizational commitment.

Recruitment and Selection Procedures

Researchers generally agree that the most vital time period in the development of an employee's organizational commitment is in the first months, to the first year of employment (Meyer and Allen 1988; Johnston et al. 1990). The foundation for strong organizational commitment must however commence prior to the employee being hired: it must start with the recruitment and selection process.

Recruiters should be trained to be clear and realistic when describing the job and environment within which the candidate will work.

The recruitment process gives the job applicant expectations regarding what the job entails and what the organization offers. It is with these expectations that the successful candidate enters the organization, and measures both job and organization realities. If the pre-entry expectations, developed during the recruitment and selection process, are not met early in the relationship, commitment to the organization will be much lower than if the expectations are met (Meyer and Allen 1988; Zaccardo and Dobbins 1989). Recruiters, therefore, should be trained to be clear and realistic when describing the job and environment within which the candidate will work.

Socialization and Orientation Practices

Since the most important time period for developing commitment is within the first months, to the first year of employment, positive orientation and socialization programs can be used as very timely practices in fostering commitment.

The socialization process must satisfy two main criteria. First, it must be informative and realistic (Johnston et al. 1990; Sager and Johnston 1989). Informative
socialization regarding the new employee's role reduces ambiguity regarding the position. Orientation and socialization programs should, therefore, give employees realistic expectations, and a clear definition of their role.

The socialization and orientation process is also an excellent opportunity to give employees their introduction to organizational culture. The employee uses this early experience to develop perceptions as to how committed the organization is to him or her as an employee and an individual. Employees learn about benefits and HRMPs that are designed to care for them and assist in the mastering of their environment. Such information outlines the company's investment in the employees and establishes the basis for perceived reciprocity (Ogilvie 1986a).

And second, socialization and orientation programs should define and disseminate organizational goals and values (Caldwell, Chatman and O'Reilly 1990).

Organizational Goals and Values

Since 'a strong belief in and acceptance of the organization's goals and values' (Porter et al. 1974, 604) is vital to organizational commitment, these goals and values should be expressed consistently and through numerous different medias (ie. during the socialization and orientation of the employee, within in-house newsletters and memos, during company presentations, and through advertisements to the public) (Gross and Shichman 1987). Furthermore, the values must be clear, understandable, and meaningful to all employees. Goals and values must also be supported by organizational practices (Gross and Shichman 1987).

Communication with senior management may encourage a sense of belonging and facilitate identification with the values and goals of the organization.

Organizational Communication

Putti, Aryee and Phua (1990) believe that there is a strong relationship between an employee's satisfaction with communication with senior management and organizational commitment. They suggest that clear and frequent communication with senior management may encourage a sense of belonging, and facilitate identification with the values and goals of the organization. Though communication with an employee's supervisor is important, communication with top management was found to be more highly correlated with organizational commitment.

Organizational communication is comprised of both downward and upward communication. For downward communication, company publications are viewed as one of the most effective medias (Putti et al. 1990). Publications should highlight the importance of the organization's employees and identify and clarify their role within the company.
Communication must emphasize individual recognition, espouse the values of the company, and show concern for the individual by way of fair treatment. Such an emphasis in communication supports the social exchange approach.

Upward communication can be facilitated through staff meetings, open door policies, feedback bulletin boards, or suggestion boxes. Ogilvie (1986a) cites that employee surveys, where the results are acted upon, increase both communication and commitment. Perhaps the most effective method of upward communication, however, is through including employees in the decision-making process.

**Participative Decision Making**

The social exchange model of the employment relationship suggests that participation in decision making results in higher levels of organizational commitment among participating employees. This is based on the premise that participation allows employees input into, and influence over, aspects related to their own work environment. Numerous studies have found significantly higher levels of commitment as employees become more involved in the decision-making process (Barling et al. 1990; Lincoln and Kalleberg 1985; Morris and Steers 1980; Pinks 1988; Rhodes and Steers 1981; Welsch and LaVan 1981).

Participative decision making theoretically leads to better use of ideas, to better decisions, and to the more effective implementation of these decisions. Participative decision making (PDM) includes employees, where possible, into the process of making decisions that may affect a potentially wide range of job-related or organizational elements. PDM decentralizes the decision-making authority to all levels of employees. PDM increases the flow of information throughout the organization, thus increasing employee understanding of factors that are important to their organizational contribution. PDM theoretically leads to the better use of ideas, to better decisions, and to the more effective implementation of these decisions (Schwarz 1989).

PDM may be implemented to varying degrees (Cotton, Vollrath, Froggatt, Lengnick-Hall, Jennings, 1988). First, there are either formal PDM programs (which include a system of rules within the organization) or informal PDM programs (where casual consensus emerges among interacting members). Second, there are direct programs that are based on the personal involvement of employees, or indirect programs which involve employee representation. Finally, PDM programs vary on the level of access and influence employees have. This can range on a continuum from employees being informed of decisions that have already been made, to decisions being completely in employees' hands.

A recent review of PDM studies by Spector (1986) found PDM to be positively correlated with general employee job satisfaction, employee motivation, and employee
knowledge of effort-performance and performance-outcome expectancies. Negative physical symptoms, role conflict, role ambiguity, and turnover were found to be negatively correlated with PDM.

Many of the outcomes of PDM surveyed by Spector have been identified as antecedents to commitment. First is the positive relationship between PDM and employee knowledge on effort-performance and performance-outcome expectancies. Participation in this sense increases the likelihood that employees will be able to obtain outcomes that they value, and therefore, are able to achieve higher rewards. These rewards in turn foster high affective commitment. Second, PDM helps to reduce role conflict and role ambiguity, both of which are negatively correlated with commitment (Arnold and Feldman 1982; Flynn and Solomon 1985; Welsch and LaVan 1981). It appears that the more knowledgeable employees are about achieving valued rewards, and the clearer they are on their role, the higher their commitment: PDM facilitates both.

The employee is able to define his or her job environment in a way that best satisfies his or her needs, desires, skills and goals.

Since employees may be involved in a vast array of decisions within an organization, Pinks (1988) tested the relationship between the proximity of participation with regards to one's job, and the effects on organizational commitment. Workplace decisions were divided into three areas:

- own work decisions — decisions of high proximity, specifically related to the employee's job;
- co-ordination decisions — decisions of moderate proximity, concerning the integration of interrelated jobs; and
- personnel resources decisions — decisions of low proximity, relating to the allocation of human resources.

Pinks found that for non-administrative employees, influence over own work decisions was the strongest correlate with organizational commitment. Influence over co-ordination decisions was correlated to a weaker degree, while influence over personnel resources was not significantly correlated. These results support the hypothesis that the reason PDM results in higher levels of commitment is that individuals have input into aspects that are related to their own work environment. Thus the employee is able to define his or her job environment in a way that best satisfies his or her needs, desires, skills and goals.

Though PDM has numerous positive outcomes, there are some restrictions upon its use. In critical reviews of PDM literature, three limitations have been put forth (Melcher 1976; Tannenbaum and Schmidt 1973). First, the positive effects of participation only seem to affect the attitudes of those consulted in the decision-making process. Second, participation into inconsequential decisions may not affect
employees attitudes. Finally, the effects of PDM may be mediated by an individual's personality. We can therefore generalize that, although most employees desire meaningful and direct involvement in organizational decision making, an employee's individual personality may override this desire.

These limitations have important consequences for PDM programs. Cotton et al. (1988) suggest that to increase performance and productivity through PDM, the best programs are direct, long-term, and/or of high access. Schwarz (1989) agrees that direct PDM is best since it has the greatest effects on facilitating commitment. He suggests that when constraints require indirect PDM, representatives should be elected by employees and these representatives should be highly visible throughout the process. Cutcher-Gershenfeld, Kochan and Verma (1991) support the notion of long-term programs that include integration with the rest of the organization.

As these studies suggest, moving to PDM is not simply another human resources practice, but rather a dramatic change in the way decisions are made within an organization (Bicos 1990). For a comprehensive PDM implementation strategy the reader is referred to Sandy Bicos (1990) who offers a number of suggestions towards easing the PDM transition.

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An employee's perception of his or her pay is positively correlated to organizational commitment.

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**Compensation Practices**

Social exchange theorists argue that as work rewards increase, an employee's propensity to give more to the organization increases. One such work reward is monetary compensation. Mottaz's finding (1988) supports this exchange view that an employee's perception of his or her pay is positively correlated to organizational commitment. A significant positive correlation has also been found between pay that met a new employee's expectations and the employee's commitment to the organization, and the employee's propensity to stay with the firm (Johnston et al. 1990; Meyer and Allen 1988).

However, as discussed above, continuance commitment to the organization may increase, while effort may actually decrease (Meyer et al. 1989). High salary then becomes a barrier to exit while productivity is not enhanced.

To overcome the paradoxical outcome of high pay, it is proposed that compensation be regarded in the context of long-term employment (Cannings 1989). Compensation can be used to motivate employees if there is additional compensation contingent upon extended effort. Therefore, employees have the opportunity for higher compensation, based on job performance. Two practices that ensure this opportunity are internal
promotions and pay for performance systems (Ogilvie 1986a; Rhodes and Steers 1981). Both are positively correlated with commitment.

A final link between commitment and compensation is based on perceived equity in employees' pay (Rhodes and Steers 1981) and fairness in pay raises (Wright 1990). Fairness in internal pay administration further supports an organization's concern for its employees (Ogilvie 1986a).

Career Development and Training

Opportunity for promotion has been found to be a key organizational requirement for high organizational commitment (Cannings 1989; Johnston et al. 1990; Mottaz 1988; Wright 1990; Zaccardo and Dobbins 1989). If an employee has a more challenging and higher status job to grow into, the employee can concentrate his or her efforts and performance within the organization, rather than looking to strengthen personal skills for a move outside the company.

This has important consequences for companies reducing their organization to streamline production and increase efficiency. Reduced organizational levels combined with the bulge of baby boomers in middle management has led to the plateauing of many skilled and otherwise upwardly mobile individuals (Britt 1991). One approach employers can use is the arrangement of lateral transfers within the organization. This minimizes the likelihood that employees will become stale within their job; will help the employee develop and utilize new skills; and will decrease the likelihood of external job searches. Wayne Britt (1991), ex-Vice President of Human Resources at Warner Lambert, believes that lateral transfers will become increasingly more common in the near future.

Irrelevant training programs may negatively affect organizational commitment.

Another aspect of career development is training, a social exchange approach through which both the employer and the employee win. The employer has a more knowledgeable, skilled, and ideally profitable workforce, while the employee has expanded his or her skills and talents thereby satisfying growth needs. These skills must be relevant to the job (or a future promotion), however, otherwise the employee's expectations will go unmet. Irrelevant training programs may negatively affect organizational commitment (Ogilvie, 1986a).

Job Design

As Steers (1977, 53) states, 'individuals come to organizations with certain needs, desires, skills ... and expect to find a work environment where they can utilize their abilities... .' As seen in the social exchange model, employees wish to use all their skills and
abilities and seek organizations that satisfy this desire. A general organizational practice promoting challenge and responsibility within positions will thus tend to foster higher levels of commitment to the organization (Cannings 1989; Johnston et al 1990; Mottaz 1988).

‘Job redesign programs would seem to warrant serious consideration by managers concerned with improving commitment.’

Much cited research by Hackman and Oldham (1975) serves as a model for promoting challenging and meaningful job design. Such satisfying work can be facilitated by:

• maximizing the number of different skills and talents required by individuals;
• giving employees more responsibility over 'whole' aspects of a task instead of very specific minor elements;
• increasing the significance of tasks an employee completes;
• allowing employees more autonomy, flexibility, and discretion within their positions; and
• increasing the amount of direct and clear feedback on the results of the employee's performance.

Mottaz (1988), as discussed above, found that the intrinsic rewards of work are more powerful determinants of organizational commitment than extrinsic work rewards. He states:

... a large number of workers are presently demanding something more from their work than the traditional rewards of good pay, comfortable working conditions, and opportunities for advancement ... It is necessary to focus on the task or job itself in terms of enhancing intrinsic rewards. Thus, job redesign programs would seem to warrant serious consideration by managers concerned with improving commitment. This strategy, involving both job enlargement and job enrichment, is aimed at developing more meaningful, challenging, and interesting jobs, thereby increasing the level of intrinsic returns. (Mottaz 1988, 478-480)

Performance Appraisals

It has been observed that employees receiving 'satisfactory' rather than 'outstanding' ratings on performance appraisals realize a sharp and immediate drop in their commitment (Pearce and Porter 1986). This creates a paradox for human resource practitioners. Only a select few employees will be outstanding performers, necessitating a satisfactory rating for a large number of employees. As a result, this large group of solid and acceptable performers are negatively affected by performance appraisals, and hence their commitment to the organization decreases.
If the performance appraisal system is not being used for competitive purposes then the system should avoid a competitive ranking of employees.

Pearce and Porter offer two suggestions for minimizing these negative consequences. First, if the performance appraisal system is not being used for competitive purposes (i.e. merit pay) then the system should avoid a competitive ranking of employees. Second, if a competitive ranking is required, supervisors should be trained to anticipate and deal with the quick negative reactions that employees will experience. Managers should also be aware that unintended negative reactions will occur, and strive to minimize them.

According to Stumpf and Hartman (1984) the goal is both to increase the fit between the person and the job, and to increase the employee's perceived work performance. When performance appraisals improve both, commitment will be increased.

Recognition and Visibility

According to Salancik (1977) an 'easy' way to commit individuals to an organization is to make their association with the organization public and visible. Many companies take immediate advantage of this visibility notion by placing newly recruited employees' photographs (with an accompanying formal announcement) in the local newspaper and/or within an in-house publication. Maintaining this visibility is not difficult. For instance, a nameplate on an employee's door is relatively inexpensive, and employees' names can be used on all company documents rather than their company number (Salancik 1977).

One top executive interviewed by Rowan (1981) was quoted as saying that a BLT is the best type of loyalty sandwich available: Bright Lights and Trumpets. He explains that employees should share in the success that they create and should be honoured through such devices as awards, trips, anniversary parties, or simply a compliment. An employee-of-the-month program is another excellent way to link employees with their accomplishments within the organization.

Linking the employee, the employee's work, and the organization appears to be fundamental in maintaining visibility and recognition. On some occasions, however, an organization may wish to decrease the visibility of a member. This is recommended when the employee is performing onerous tasks, or tasks with a high likelihood of failure. By reducing visibility in these instances an individual's willingness to perform tasks with negative overtones is increased (Salancik 1977).

Employee Support Programs

HRMPs designed to support employees suggest a concern on the part of the organization, and positively influence commitment (Ogilvie 1986a).
Such programs include, among others, employee assistance programs and outplacement programs. Employee assistance programs are designed to help employees with a variety of work-related and personal problems (Stone and Meltz 1988). Whereas employee assistance programs mainly help current employees, outplacement programs assist those individuals who have recently left the company. The latter HRMP, however, benefits both the individuals who use the program and current staff members. ‘Out-placement programs can further serve to demonstrate to those who remain with the organization that [the company] has concerns for its people, even when they are technically no longer employees’ (Ogilvie 1986a, 17).

Any employee support program further enhances the employer's dedication to a solid relationship of social exchange, and will be perceived as such by informed employees.

**Strategic Development of HRMPs**

HRMPs can best influence commitment levels when they are part of a systematic and comprehensive human resources program (Ogilvie 1986b).

A strategic approach to commitment should be integrated into all levels of an organization. Upper management needs to support HRMPs and make commitment a key ingredient of the organization's culture. With this support and guiding philosophy, line managers can implement and administer the practices within their specific areas.

According to Ogilvie and Slade (1991), the strategic management process of an organization pursuing an organizational commitment strategy will be as follows:

- the organization's *Guiding Philosophy* will state that commitment to employees is a foundation of organizational activities;
- the *Master Strategy & Business Strategy* will be constrained by the strategic link to organizational commitment;
- the *Human Resource Management Strategy* will implement the organizational commitment policy. HRMPs will be carefully chosen and cost effective. Program goals and objectives will be clearly communicated.

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Not every organization, however, should strive to maximize organizational commitment. Not every organization, however, should strive to maximize organizational commitment. Such a strategy costs money, and if an organization already has high productivity, low turnover, and low absenteeism, a commitment strategy will not pay a positive return. Different organizations, and even different departments within the same
organization, need to determine individually if a commitment strategy is appropriate based on various situational variables. Such a contingency approach is consistent with the Saha (1989) framework, where human resources management practices are a function of numerous external and internal variables. If the benefits outweigh the costs, only then should a commitment strategy be developed.
Conclusion

Organizational commitment influences many aspects integral to an organization's effectiveness. For organizations to achieve optimum effectiveness, they therefore need to understand this strategic concept.

Academic researchers have focused their work on identifying numerous antecedents to an employee's commitment to the organization. However, most of the research has focused on just that — identification, and not on how an organization can establish an integrated program to foster commitment. Such a program begins with an understanding of the social exchange approach to employment relationships. This approach is viewed as the foundation for achieving affective, or emotion-based, commitment. Affective commitment is the only one of the three commitments thought to encourage both lower turnover, lower absenteeism and higher productivity.

The social exchange approach needs strategic direction and requires supportive organizational practices. One of the most effective ways to meet these requirements is through human resources management practices (HRMPs). HRMPs are key indicators to employees as to how the organization values their contribution, and to what degree the company is committed to their needs and desires. Additionally, HRMPs cover all employees within the organization, and affect them throughout the employee-organization relationship.

When structuring HRMPs, employers must be aware of the types of commitment being supported by the practices. HRMPs that focus solely on high pay and a well trained work force will foster continuance commitment, thereby reducing turnover and absenteeism at the possible expense of lower productivity. Therefore HRMPs must ultimately strive to foster affective commitment. From discussions on job-related and organizational antecedents, and the social exchange model, we saw that HRMPs that reflect organizational dependability, achieve role clarity (through low role conflict and low role ambiguity), create realistic expectations, ensure job rewards (both intrinsic and extrinsic), promote participative decision making, and enhance job challenge, will each support higher levels of affective commitment. The following table combines the HRMPs with the antecedents of affective commitment discussed earlier.

All organizations may not wish or need to foster high levels of commitment within their workforce. A strategic choice approach is best taken when developing a program fostering commitment. However, in times when commitment to organizations is declining, and global competition is forcing organizations to be increasingly effective, commitment may be viewed as an integral element in organizational effectiveness.
Tying HRMPs to the antecedents of affective commitment

<table>
<thead>
<tr>
<th>Antecedent</th>
<th>HRMPs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Dependability</td>
<td>Fair Compensation Practices; Career Development and Training. Challenging Job Design; Supported Organizational Goals and Values; Recognition; and Employee Support Programs.</td>
</tr>
<tr>
<td>Role Clarity (ie. low role conflict and low ambiguity)</td>
<td>Informative Recruitment and Selection; Informative Orientation and Socialization; Clear Organizational Goals and Values; Clear Organizational Communication; Participative Decision Making; Performance Appraisals; and Employee Recognition.</td>
</tr>
<tr>
<td>Realistic Expectations</td>
<td>Realistic Recruitment and Selection; and Realistic Orientation and Socialization.</td>
</tr>
<tr>
<td>Job Rewards (ie. intrinsic and extrinsic)</td>
<td>Appropriate Compensation Practices; Challenging Job Design; Appropriate Performance Appraisals; and Recognition and Visibility.</td>
</tr>
<tr>
<td>Participative Decision Making</td>
<td>Participative Decision Making.</td>
</tr>
<tr>
<td>Job Challenge</td>
<td>Challenging Job Design; Job-Related Participative Decision Making; and Career Development and Training.</td>
</tr>
</tbody>
</table>

Personal Postscript for the Practitioner

My experience in fostering organizational commitment stems from working with two hospitals interested in increasing the loyalty of their employees. It is generally felt that within the hospital sector, many employees are more committed to their profession (ie. nursing, pharmacology, physiotherapy, et cetera) than to their organization. With at least one hospital in every urban setting, employees are able to choose their employer based on which offers them more as an individual. If a worker is not satisfied, he or she can move between employers, improving his or her circumstances, while remaining committed to his or her profession. In order to reduce turnover and retain highly motivated employees, commitment to the organization is therefore perceived as very important.

These two hospitals were significantly different with respect to the influence of the Human Resources Department on overall corporate strategy. At one hospital, the Director of Human Resources reported directly to the CEO, was a member of the Senior Administrative Team, and was involved in strategic planning. At the other hospital, the Director of Human Resources reported to one of four Assistant Executive
Directors, did not sit with the Senior Administrative Team, and was involved in strategic planning to only a minimal degree. Employees from both these organizations completed the same organizational commitment survey. Not surprisingly the results were very different. The former hospital had relatively high organizational commitment, while the latter had relatively low commitment. The organization that took the employees' needs and requirements into account for strategic planning by treating human resources as a key organizational element received high commitment from employees in return. Though this overgeneralization ignores other important factors, I feel that the observation has merit.

Within both organizations, those employees who expressed relatively low commitment had one resounding concern. They clearly stated that communication within the organization was poor. Employees desired more communication with top management. Employees wanted to know what was going on in the organization, what the future plans were, and how, if at all, they could have input into how 'their' organization was being run. As the Putti et al. (1990) research found, there appeared to be strong dissatisfaction with communication with upper management that was consistent with low commitment. Employees stated that they wanted both more upward and downward communication. They clearly did not want to be 'left out in the dark' with regards to 'their' organization.

From my experience as a practitioner, I found that employees do indeed have very strong expectations regarding their employer. They want their interests to be taken into account when upper management plans for the future. They also want more than simply having this communicated down the corporate ladder, they want input at the grassroots. Organizations that can satisfy these desires can certainly help to facilitate organizational commitment among employees.

William H. Whyte Jr. wrote in the 1950s words of advice for individuals entering the labour force: 'Be loyal to the company, and the company will be loyal to you' (cited in Rowan 1981). Now in the 1990s, the advice follows the same logic, but reverses the onus: 'Be loyal to your employees and your employees will be loyal to you.'
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