

1 Developing and Testing a Model of Antecedents and 2 Consequences of Organization Commitment

3 Dr. Ghazala Naz¹, Imran Afzal² and Abid Ali³

4 ¹ Preston University Islamabad

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6

7 **Abstract**

8 In the era of globalization, business environment becomes highly dynamic with high risk and
9 uncertainty. This uncertainty decreases market share and increases organizational inefficiency.
10 The increasing attention on human resource management (HRM) in small and medium
11 enterprises (SMEs) is a comparatively recent phenomenon. HR-researchers have largely
12 ignored the SMEs, even though smaller companies could be fruitful subjects for empirical
13 investigation because of their numbers, the growth-rates and not least diversity in the
14 qualitative aspects of management practices. Thereby HRM in SME's has been a white spot
15 on the map, and this despite the characteristic Pakistan industrial structure, i.e. the large
16 proportion of SMEs; the long tradition for a rather institutionalized and well unorganized
17 labor market, which could provide a basis for a more professional approach to human
18 resources, and finally the supposed very good basis for future competitiveness, due to the
19 values characterizing employees as well as managers in Pakistani companies, i.e. democratic
20 management style, (A Democratic Management Style has moderate approach to a situation
21 whether at work or in a social places. The way things are get done is to seek opinion from
22 your staffs as opposed to giving a direct instruction.

23

24 **Index terms**— Organization Commitment, Team Work, Knowledge Management, Organization Performance.

26 **1 Introduction**

27 It's generally accepted by the organizational theorists that human resource is the most imperative asset of an
28 organization because things has to done through employees. In other terms, the achievement of any organization
29 in realizing its objectives actually depends upon the performance of its employees. Performance is considered to be
30 related with the concepts of ability, opportunity, motivation and commitment. All organizations, whether public
31 or private, need satisfied as well as committed employees to be effective and efficient in their execution, in addition
32 to the other factors. Employees, who are dedicated, work vigorously and creatively toward the accomplishment
33 of organizational goals is one of the most important inputs to organizational success. Consequently, the challenge
34 for organizations is to ensure that their employees are satisfied and hence committed towards the accomplishment
35 of organizational goals.

36 Human resource is a very significant and unique asset of an organization. The victorious management of any
37 organization's human assets is very important, exciting and challenging task, especially at the instant when world
38 has become a global village and economies are in stage of change. The lack of talented and committed employees
39 in the growing prospects of the modern day worker has additionally increased the involvement of the human
40 resource management and execution of its function.

41 Impact of knowledge management on organization commitment is very important and interesting issue to be
42 researched throughout the world especially in Pakistan. It has been observed and summarized that teams are

5 B) INSTRUMENT

43 easy to form and simple to manage, capable of producing mutually efficient and effective outcomes. Organization
44 performance is defined as overall performance of organization and expansion in the growth of firm's sales, increase
45 in market share, number of customers and profit on investment. it highlights not only the significance of
46 Knowledge Management, but also identify its importance for individuals and managerial actions (Bailey & Clarke,
47 2000). In the last two decades management gurus and academicians have researched knowledge management as
48 an instrument for the achievement of innovation and competitiveness. In any economy the source for long-term
49 competitive advantage is knowledge (Nonaka, 1998) cited in (Koh et al., 2005). b) Team Work Team performance
50 requires time to develop, team required leadership which is important for building a team and maintaining team
51 development through different stages ??Ingram, 1996). Many writers suggest teams are very simple to formulate
52 and manage, competent of producing outcomes, efficiently and effectively. In actual there are certain problems
53 incorporated in team that includes, negative synergy, lack of accurate and quick decision making, role conflict,
54 and unclear goals. Team was not cost effective sometime as lots of team members don't work up to the mark
55 as they think team will do their work. This above mentioned concept is known as social loafing. This is the
56 phenomena that two people might be better than one, but the quality of decision making and management of
57 goals and team structure of individual member is more useful and accurate than of two members participating
58 in a team. Collaboration has been required to make sure that unity of purpose was both structured and worked
59 toward and appropriate feedback to all group members has been important to team (Staniforth & West, 1995).

60 2 c) Organization Commitment

61 This research has been conducted in twenty private manufacturing companies in Igbo states Nigeria regarding
62 the relationship among working conditions and employee commitments. The finding of this study showed that
63 these manufacturing firms have the potential to make contribution in industrial future. There are number of
64 workers who are satisfied because of the extrinsic equity factors of work which found to be a strongest interpreter
65 of employee commitment as compare to intrinsic components. To build a strong and competent workforce in an
66 enterprise success and industrial growth entrepreneur must invest in the long term objectives of the workforce
67 and balance their interests accordingly (Ukaegbu, 2000). In this study the researcher has examined the impact
68 of employee commitment on individual non work career satisfaction. Data upon employee's attitudes has pointed
69 out that the individual consequences of employee's commitment has been positively supported the concept that
70 emotional attachment to a work organization will yield personal benefit of individual. These findings disagree
71 with the concept people unavoidably pay a higher personal cost for higher level of commitment (Romzek, 1989).

72 3 d) Organization Performance

73 Analysis of performance and its measurement is vital for navigating the organization to comprehend its strategic
74 as well as operational goals. And afterward the performance indicator and their relationship with goals and
75 action have to be established and analyzed. Existing organization doesn't reflect the modeling approach in
76 accurate manner. This research paper attempted to fill the gap between organization performance indicators,
77 in organizational modeling framework. (Popova & Sharpanskykh, 2010). For turning organizational goal to
78 reality by measuring and analyzing organizational performance plays a vital role. Performance is evaluated by
79 estimation of qualitative and quantitative indication such as number of customers, profit and cost incurred by
80 organization. (Popova & Sharpanskykh, 2010). In this research study it is suggested that compound measure
81 of performance has been reflected more precisely the organization performance as opposed only quantitative or
82 financial measures. Organization performance was defined as overall performance of organization and expansion
83 in the growth in sale of firm, increase in market share, number of customers and profit in investment. (Photis &
84 Panayides, 2007) III.

85 4 Methodology a) Sample

86 The variability in the targeted population was less as the population was comprised of the employees of universities
87 situated in Islamabad city i.e. CIIT, Preston, MAJU and Air university. For collection of data a cross-sectional
88 survey questionnaire was administrated in universities of Islamabad. The researcher administrated questionnaires
89 among the administration and faculty members who have sufficient knowledge about the area being research.
90 Overall, response rate was (210 questionnaires) 84%. The sample size as well as the response rate obtained from
91 respondents in the research study enhanced the validity and reliability of the results.

92 5 b) Instrument

93 In this study the researcher have used the 5 likert-type scale ranging from "Strongly agree" (weighted 1)
94 to "Strongly disagree" (weighted 5). Organizational commitment has been reviewed by using a measure
95 that was developed by (Mowday, Steers, & Porter, 1979) using fourteen items through likert-type responses
96 Organization commitment and knowledge management are significantly correlated ($p < .01$) and have positively
97 moderate relationship between them value is (0.485**). Evident from the result Organization commitment
98 and Team work significantly correlated ($p < .01$). There is positive and moderate relationship (.466) between
99 organization commitment and team work. Organization commitment and organization performance have
100 significant relationship between them ($p < .01$) and the value (0.421**) shows positively moderate relationship.

101 f) Knowledge Management KM was presented by four items and the result is based on the CAF (Table ??) the
102 constructs of KM indicate an excellent fit of 16.871 where the degree of freedom =2, $p<0.001$ the value of χ^2/df
103 ratio was 8.435. The goodness fit (GFI), adjusted goodness of fit (AGFI), comparative fit index, Tucker-Lewis
104 coefficient (TLI) indices was 0.961, 0.806, 0.942, 0.827. The values if these scores are close to 1.0 that shows the
105 perfect fit. (Bentler, 1992, Bentler & Bonett 1987). Table ?? While considering the factor loading the standardize
106 coefficient estimates values was between 0.466-0.795. Which is consider good because it's above acceptable level
107 of 0.3 having p -value<0.001. Rsquared values are (0.55, 0.63, 0.22, 0.57,) that specify the percentage of variation
108 in each indicator (KM1, KM2, KM3, KM4,) that was explicate by the factor KM. from the analysis of result it's
109 found that the KM2 represent the best indicator for this construct having value 0.08 which is pursued by KM4
110 having value of 0.75, and among them lowest is KM3. The best indicator of KM the two best highest values
111 represent the "Knowledge shared in from of well codified and documented manuals" and these four items measure
112 the construct "Knowledge Management". TW is presented by nine items and based on result of the CFA (Table
113 4) TW constructs indicates an excellent fit with χ^2 statistic of 81.061 (degree of freedom =27, $p<0.001$) with the
114 χ^2/df ratio having a value of 3.002. The goodness fit index (GFI) was .920, adjusted goodness of fit index (AGFI)
115 was .867, comparative fit index (CFI) was .839, and Tucker-Lewis coefficient (TLI) was .785. The next set of
116 fit statistics focus on the root mean square error of approximation (RMSEA) which is .098. ??) which indicates
117 percentage of variation in each indicator (TW1, TW3, TW4, TW5, TW6, TW7, TW9) that was analyzed by
118 the factor TW. From the analysis of result it's found that the open discussion among team members to resolve
119 the problem (TW6) is best indicator having value 0.72 and among them lowest is TW7. OP is presented by
120 nine items and based on result of the CFA (Table 6) OP constructs indicates an excellent fit with χ^2 statistic
121 of 132.722 (degree of freedom = 27, $p<0.001$) with the χ^2/df ratio having a value of 4.91. The goodness fit
122 index (GFI) was .870, adjusted goodness of fit index (AGFI) was .784, comparative fit index (CFI) was .830,
123 and Tucker-Lewis coefficient (TLI) was .774. The next set of fit statistics focus on the root mean square error of
124 approximation (RMSEA) which is .137. ??) OC constructs indicates an excellent fit with χ^2 statistic of 33.618
125 (degree of freedom = 9, $p<0.001$) with the χ^2/df ratio having a value of 3.735. The goodness fit index (GFI) was
126 .948, adjusted goodness of fit index (AGFI) was .878, comparative fit index (CFI) was .933, and Tucker-Lewis
127 coefficient (TLI) was .888. The next set of fit statistics focus on the root mean square error of approximation
128 (RMSEA) which is .114. Table ?? According to the factor loadings analysis the SCE are (.652, .809, .501, .761,
129 .562, .53) these all are considered good. The R-squared value of each indicator was (.43, .66, .25, .58, .32, .29)
130 of this constructs which are graphically displayed in (Figure ??) which indicates percentage of variation in each
131 indicator (OC1 OC2 OC3 OC4 OC5 OC6) that was analyzed by the factor OC From the analysis of result it's
132 found that presenting your organization as best in front of friends (OC2) is best indicator having value 0.81 and
133 among them lowest is OC5.

134 6 IV. Discussion & Managerial Implication

135 To remain competitive and enhance organizational commitment, it is imperative to engage workforce which is
136 skilled, possess knowledge and imbued with the passion to grow in their career pursuit. Employees imbued
137 with these capabilities would be generally committed towards organizational goals. They would understand
138 that personal objectives alignment with organizational goals is a hall mark to achieve winwin situation. The
139 results of this study also support this management concepts ($R=.18$) which reveals that 18% change take place
140 in organizational commitment having knowledge employees. It therefore, becomes sestina that to engender
141 knowledge management and develop motivated workforce, organization need to engage knowledge employees.
142 It would provide them competitive edge. The results of this study are in line with the work done by various
143 scholars. Research in this area also highlights the improved understanding that what might be the factors that
144 motivates employees to share their knowledge at work. In accordance with (Hislop, 2003) it has been suggested
145 that organization commitment is very important variable that influence knowledge management initiatives as
146 well as the employees attitude towards sharing knowledge with others.

147 In current management practices, usage of employee's abilities is being accorded greater significance.
148 Committed employee would think and act in a most dynamic manner however, using his full potentials. Once
149 there potentials are harnessed in a team work, it has provided impetus to the organizational growth. Since
150 employees in team own their responsibilities therefore, they demonstrate full commitment towards their assigned
151 task. It facilitates organizations to make best use of the potential in a team segment. This study also supports
152 this concept of team work and organizational commitment through demonstration of the results of these two
153 variables in form of (R) value is (.30), which means that harnessing of team work would improve organizational
154 commitment by 30%. Results of this study are also supported by the work done by the different scholars. In
155 accordance with the study of (Elloy, 2005) the result of the research enlighten that the team which were led by
156 the leaders who actually have the characteristics to be super leader have higher level of organization commitment
157 selfesteem and job satisfaction.

158 Committed workforce would finally contribute towards the enhancement of organization performance. There
159 could be improvement in the process, introducing new functions and undertaking various odious tasks willingly
160 that will result in the organization performance in monetary terms. Result of this study shows that as regard
161 to the organizational commitment and organizational performance ($R=.31$) it means 31% variation would be
162 observed if the employees are motivated and will lead to higher organization performance. Study done by other

7 V. LIMITATIONS AND DELIMITING FACTORS

163 scholar in the same context proved similar results (Steyrer, Schiffinger, & Lang, 2008) that show the organizational
164 commitment have significant relationship with organizational performance for all engaged performance measures.

165 7 V. Limitations And Delimiting Factors

166 While this study has provided valuable insight, there are some limitations, which may limit generalisability:
167 ? This research is based on data from different universities of Islamabad that permits the researcher to collect
168 all data from faculty members of all universities of Pakistan. The obtained information was summarized on the
information collected from the faculty members of four different universities situated in Islamabad.



Figure 1:

1

signifies the demographic details of the

respondent's demographics variable are described
as
the characteristics of a human population. In this

research study the demographics
variable its frequency
and percentage is given in the
Table 1.

Figure 2: Table 1

169

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Figure 3: Table 1 :

2

Figure 4: Table 2 :

		MAJU		11
		Preston		52
Year of Experience	Less than 1 Year	1	3	74
4-6 Years	7-10 Years	11-15 Years	16-20 Years	61 18
2012	ear Y	21 Years or longer		15
32				
and Business Research Volume XIII Version I	OP TW KM OC g) Team Work	Mean 2.02	Std. Deviation .458	.525 .695 .655
		2.12		OC .421
		2.24		** .431
		2.13		1
Global Journal of Management	?2 16.871 2 df	p-value ?2/df .000	8.435	GFI
				.961
				AGFI .806
				CFITLI R .942

Figure 5:

4

to the factor loadings analysis the SCE are (.164, .431, .357, .381, .524, .272, .212) these all are considered good. The R-squared value of each indicator was (.16, .43, .36, .38, .52, .27, .21) of this constructs which are graphically displayed in (Figure

Figure 6: Table 4 According

7 V. LIMITATIONS AND DELIMITING FACTORS

6

.26, .27) of this constructs which are graphically displayed in (Figure 4) which indicates percentage of variation in each indicator (CMP1 CMP2 CMP3 INN1

INN2 INN3 INN4 LG1 LG3) that was analyzed by the factor OP From the analysis of result it's found that Your Organization continually experiment new ideas and approaches on work performance (INN4) is best indicator having value 0.69 and among them lowest is LG1. Chi-Square= 132.722

Figure 7: Table 6

8

		df	p-value	?2/df	GFI	AGFI	CFI	TLI	RMSEA	AIC	PCFI
		9	.000	33.618	.948	.878	.933	.888	.114	.560	
								Organization Commitment			
				.65	.81	.50	.76	.56	.54		
OC1	.43	OC2		.66	OC5	.25		OC6	.58	OC8	.32
e1		e2		e5		e6		e8		e14	
?2		df	p-value	?2/df	GFI	AGFI	CFI	TLI	RMSEA	AIC	PCFI
132.722	27		.000		4.91	.870	.748	.830	.774	.137	.623

[Note: (p<.05)* (p<.01) **]

Figure 8: Table 8 :

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Figure 9:

170 .1 Y

171 H1: Knowledge Management has significant effect on organization commitment.

172 The value of standardized regression estimate for KM-OC model is 0.177 which indicates that organization
173 commitment changes by 0.177 units by the unit change in knowledge management. The value of standardized
174 regression estimate (?) is significant (p<.05) which indicates that knowledge management has a significant impact
175 on organizational commitment. The hypothesis H1 is therefore accepted. H2: Team Work has significant effect
176 on organization commitment.177 The value of standardized regression estimate (?) for TW-OC model is 0.297 which indicates that unit change
178 in team work brings change in organization commitment by 0.297 units. The value of standardized regression
179 estimate (?) is highly significant (p<.01) which indicates that team work has a significant impact on organization
180 commitment. Therefore the hypothesis H2 is accepted. H3: Organization Commitment has significant effect on
181 organization performance.182 The value of standardized regression estimate (?) for OC-OP model is 0.305 which indicates that unit change
183 in Organization Commitment brings change in Organization performance by 0.305 units. The value of
184 standardized regression estimate (?) is highly significant (p<.01) which indicates that organization commitment
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