

**Graduate School of Business**

**Perceived Organizational Support and Organizational Commitment  
In Medium Enterprises In Malaysia**

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## Declaration

To the best of my knowledge and belief, this thesis contains no material previously published by any other person except where due acknowledgement has been made. This thesis contains no material which has been accepted for the award of any other degree or diploma in any university.

Signature:

Date: 27 August 2010

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## Abstract

This research focuses on the antecedents of perceived organizational support (POS) that may influence the perceptions held by employees of medium enterprises on organizational commitment. This research further investigates the relationship between POS and organizational commitment. The effect of power distance and in-group collectivism culture on organizational commitment in the context of the Malaysian cultural perspective has also been examined along with the effect of value congruence on organizational commitment.

A two-phase sequential mixed method research design consisting of qualitative and quantitative approaches has been employed in this research. A tentative research model was first developed based on an extensive literature review followed by qualitative field study. Findings from the qualitative study were then combined with the initial model and literature review to develop the final combined model, which was then used to develop measures and instruments.

In the second phase, a survey was conducted of 1000 employees in Malaysian medium enterprises in the manufacturing sector. 319 valid questionnaires were obtained. Partial Least Squares (PLS) based Structural Equation Modeling (SEM) approach was applied to test the hypotheses.

The result of this research showed that supervisor support, procedural justice, interactional justice, distributive justice and both intrinsically and extrinsically satisfying job conditions have positive influences on employees' perception of support. POS was found to have a significant role contributing towards affective commitment. However, the influence of POS on both normative and continuance commitment was found to be non-significant in this study.

This study also confirmed the influence of POS on value congruence. Both affective and normative commitment, were found to be non-significant in relation to POS. In contrast,

employee–organization value congruence was found to influence continuance commitment. The analysis also found that external factors do not limit continuance commitment. National culture was found to have a different impact towards organizational commitment. The findings also revealed that the strength of the relation between POS and employees' commitment is negatively moderated by in-group collectivism, however power distance was found to moderate the influence of POS only on normative commitment.

This research contributes to the existing literature as there has been little evidence found in the literature relating to the GLOBE culture dimensions with organizational commitment, especially in medium enterprises. This study also extends culture literature by showing that culture can act as a moderator of the relationship between POS and both affective and normative commitment. By considering value congruence, perception of support, as well as cultural orientation, this study will benefit practitioners and policy makers of medium enterprises on how to foster organizational commitment.

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# CHAPTER 1

## INTRODUCTION

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### 1.1 Background

One of the strategies used by the Malaysian government to achieve industrialization through to the year 2020 is to give priority to the issue of human capital. Thus, in order to achieve Vision 2020, a strategic challenge is to fully utilize the human resource within the public and private sectors. The retention of the employees is one of the greatest challenges that need to be addressed by various organizations. Surveys conducted by the Malaysian Employers Federation (MEF 2002) and National Productivity Corporation (NPC 2001) revealed that many organizations faced skilled employee shortages, due to the intentions of the employees to change their employers as a result of low commitment towards the organization.

Considering the need for effective Human Resource Management (HRM) in Malaysia, the Malaysian government believes that investment in human capital is the key success of the country's economic growth (Eight Malaysian Plan 2001-2005). Through the Human Resource Development Council, the Malaysian Government provided financial assistance to the manufacturing sector for employment training. However, an annual survey conducted by Malaysian Employers Federation (MEF 2004, 2005) reported that annual labour turnover rates in 2003 and 2004 were approximately 17 and 16% respectively. The loss of employees through turnover results in increased recruitment and training cost. This scenario is also applicable to small and medium enterprises (SMEs) in Malaysia. SMEs are a driving force of economic growth in Malaysia and account for more than 90 percent of the total manufacturing establishment in the country

(National Productivity Corporation 2001). Given the fact that small and medium business have unique characteristic such as limited financial resource to fund production and provide financial incentives, there is a strong need for understanding the conditions affecting the employees' perception about their organization's support towards them and their resulting commitment.

The organizational commitment, which was drawn from psychological attachment of an employee with the organization for which he or she works, has implication for whether or not an employee will choose to remain with the organization. Organizations with strong employee attachment or organizational commitment tend to have lower turnover or intention to leave (Porter & Steers 1973; Allen & Meyer 1990). Thus, in the interests of improving organizational commitment, which in turn could reduce employee turnover, the key antecedents of perceived organizational support (POS) and how this will enhance employees' commitment from SMEs' perspectives need to be addressed.

From the various studies on POS and organizational commitment, especially in the human resource field, there are contrary issues that could be highlighted. For example, Wayne, Shore and Liden (1997) and Whitener (2001) found contradictory findings regarding interaction between POS, training and organizational commitment. Besides, although studies conducted by Tansky and Cohen (2001) and Allen, Shore and Griffeth (2003) suggested a positive relationship between human resource practices and both POS and organizational commitment, these studies could be challenged due to weak justification of the definition of variables and deficiency of the human resource practice elements investigated. This calls for further empirical study to assess the antecedents of POS and how it will affect commitment. The current study will help fill the empirical research gap in the literature.

Even though there is an extensive literature with respect to POS and organizational commitment, there has not been much research done in small and medium enterprises, especially in the non-western context (Rhoades & Eisenberger 2002). Cohen (2003) reported that most of the research related to commitment had been implemented in the

western setting. There has been some research on organizational commitment done in Malaysia but less research on the contribution of POS. For example, a study conducted by Samad (2006a) in Malaysia found that perceptions of both procedural and distributive justice were positively related to organizational commitment and job satisfaction. The relationship between organizational justice and outcomes (including organizational commitment) was, however, not empirically tested in Kwon's (2006) integrated cultural study. Thus, this calls for further testing of this relationship in order to extend the generalisability of this relationship in the Malaysian context.

The current research will focus on POS in small and medium enterprises in Malaysia particularly in medium enterprise. The main reason for choosing the Malaysian medium enterprises is because they are confronted with problems such as limited access to finance and capital and thus providing financial incentives to their employees may be difficult. A finding reported by the Small and Medium Industries Development Corporation, (SMIDEC 2004) indicates that 72% of Malaysian small and medium enterprises utilize internal sources of funds to satisfy up to 40% of their financing requirement. In addition, since it has been observed that Malaysian small and medium enterprises generally gave a low response rate to the survey (Ismail & King 2006; Sohail & Hoong 2003; Eng & Yusof 2003; Foong, 1999; Hooi 2006), by focusing on medium enterprises only, it is expected that response rate will be higher. This is because the pool of employees to get responses is higher in medium enterprises compared to small and medium enterprises.

Previous studies had found that national culture has different impacts on organizational commitment. For example, the Hofstede dimensions of collectivism culture were not found to be significantly related to affective commitment (Gelade, Dobson & Gilbert 2006). However, Palich, Hom and Griffeth (1995) have found a weak and theoretically unexpected relationship between commitment and Hofstede's collective dimension. For example they failed to provide evidence that job scope could develop greater commitment in low power distance culture compared in high power distance culture. Further, Wasti (2002), Clugston, Howell and Dorfman (2000) and Hwang and Kim

(2007) found a positive relationship between commitment and collectivism culture. It is important to note that most of these studies used dimensions that had been determined by Geert Hofstede. However, the Hofstede dimensions have been criticized by many cultural researchers (Javidan et al. 2006; Fang 2003; Baskerville 2003; Smith, 2002; Schwartz & Bilsky 1990; McSweeney 2002). Thus, this study will adopt only some of the Hofstede dimensions and utilize other researchers' dimensions. Specifically, the latest approach, the GLOBE study, which was build on Hofstede's work (Javidan & House 2001; House et al. 2004) and was conducted by 160 scholars from 62 cultures will be used in this study. No study has attempted to look at organizational commitment and the GLOBE culture dimension called 'in-group collectivism'. Therefore, the current study attempts to address this issue. 'In-group collectivism' refers to the degree to which individuals express pride, loyalty and cohesiveness in organizations and families. In addition, although the GLOBE culture dimension had been studied in Malaysia, that study focused only on a specific ethnic group and particularly on the leadership aspect (Kennedy 2002). The other culture dimension that will be examined is power distance. 'Power distance' refers to the extent to which a member of an organization expects and agrees that power should be unequally distributed in the organization.

Value congruence and its relationship with POS and organizational commitment is also an intriguing issue to be studied. Previous studies found that POS can play a vital role to assist employees to deal with low value congruence (Erdogan, Kraimer & Liden 2004; Rhoades, Eisenberger & Armeli 2001; Shore and Tetrick 1991; Masterson & Stamper 2003). Value congruence was also found to have a positive relationship with organizational commitment (Chatman 1991; Meglino, Ravlin & Adkins 1989; O'Reilly, Chatman & Caldwell 1991; Boxx, Odom & Dunn 1991; Slocombe & Bluedorn 1999). Therefore, it is expected that both value congruence and POS are needed to assure organizational commitment is achieved in an organization.

## **1.2 Research questions**

Based on the above discussions the primary research questions of this study are as follows:

- (i) What are the elements of POS that influence the organizational commitment among employees in medium enterprises in Malaysia?
- (ii) How does POS influence the organizational commitment among employees in medium enterprises in Malaysia?
- (iii) How does national culture impact on employees' perceptions of organizational support towards organizational commitment?
- (iv) How do perceptions of organizational support affect the value congruence and, through this organizational commitment?

## **1.3 Research objectives**

This research will develop a model of POS and organizational commitment among employees of medium enterprises in the Malaysian work setting. The model will help:

- (i) To identify the factors of POS that may affect the organizational commitment among employees in medium enterprises.
- (ii) To assess the relationship between POS and organizational commitment among employees in medium enterprises.
- (iii) To identify the influence of Malaysian culture of power distance and in-group collectivism on organizational commitment.
- (iv) To examine the moderating effect of Malaysian culture of power distance and in-group collectivism on the relationship between POS and organizational commitment
- (v) To determine the effect of values congruence on the relationship between POS and organizational commitment.

## **1.4 Significance**

In an attempt to investigate the organizational commitment of employees among Malaysian medium enterprises, the research will come up with a proposed model for POS. Determinants for POS that are mentioned in the current POS literature, but which are not empirically tested will be included in the model. In addition, although a great deal of work has been carried out on culture and organizational commitment, there has been a lack of study reported on in-group collectivism culture, proposed by the GLOBE study and organizational commitment. This study will further add to the literature by exploring how national culture and value congruence affect employee's perceptions of organizational support and, through this, organizational commitment. Thus, it is noted that this research will make significant theoretical contributions.

From the practical point of view, it is expected that a better understanding of determinants of POS will be realized in the context of Malaysian medium enterprises. It should be noted that most of the literature and discussions on small and medium enterprise in Malaysian context combined both small and medium enterprise into same category. However definition of Malaysian small and medium enterprise itself can be categorized into micro, small and medium size. Thus, unless otherwise stated, throughout the thesis reference to SME means "a company that has a number of full time employees between 5 to 150" while medium enterprise means "a company that has between 51 and 150 full time employees". This study is expected to give a clear picture of how Malaysian Medium Enterprises' employees perceive support given to them, and thus could assist the SMEs to understand how such action could make employees committed to the organization. It is also beneficial to understand what role Malaysian national culture and value congruence play towards the relationship between POS and organizational commitment. Human resources practitioners, especially in medium enterprises can use the findings of the model to refine their thinking about POS and organizational commitment which can be used as an input for the strategic planning at the organizational and national level. Thus, information provided by the findings of the research could benefit policy makers, in creating human resource development strategies that will result in the achievement of Vision 2020 (Mohamad 1993).

## **1.5 Structure of the thesis**

This thesis is organized into nine chapters. Chapter one provides the overview of the thesis by focusing on the gap of the research. This is followed by the discussion on the research questions, research objectives and significance of the study.

Chapter two presents a review of the relevant literature and the theoretical background underpinned in this research. The review of the literature is followed by Chapter three which focuses on the small and medium enterprises in Malaysia. The working definition and overview of small and medium enterprises for this study are provided. In addition, the information about Malaysian SMEs manufacturing industry and previous studies on POS, organizational commitment and SMEs in Malaysia are also briefly discussed.

Chapter four discusses in detail the research methodology and design of this study. This chapter covers the paradigm of the research and how a mixed method approach was undertaken to collect the data. This chapter also discusses in detail how the research process is conducted throughout the study.

Chapter five presents a brief description of the qualitative field study. The field study comprises a series of interviews conducted among employees from selected medium enterprises. Content analysis is used to analyze the data in this phase. Based on the findings from the field study and the review of the literature, a final model of POS and organizational commitment is developed. This chapter also summarizes in detail the factors and variables of the final research model.

The hypotheses, questionnaire development and pilot testing are presented in Chapter six. The hypotheses, which are developed from the final research model, are detailed in the first section. This is followed by the development of the measurement instrument. Next, the operation and results of the pilot study are provided. Finally, the administration of the final survey is presented in this chapter.

Chapter seven presents the result of the analysis of the survey data using Structural Equation Modeling (SEM) via the Partial Least Squares (PLS) technique. The demographic information about the sample and the simple descriptive statistics are described at the beginning of the chapter. This is followed by the assessment of both the measurement and structural models. Next, the results for the moderation variables effect are provided. Finally, the hypotheses testing results are also presented.

The discussion is presented in Chapter eight, which discusses the findings of the PLS result with respect to the research questions and hypotheses as proposed in Chapter six.

Finally, the conclusions of the study are discussed in Chapter nine. Firstly, this chapter outlines the overview of the study. Next, the practical contributions of the study are explained followed by the limitations of the research. Finally, future research directions are recommended at the end of the chapter.

## **1.6 Summary**

In light of some contradictory findings and weak justification of variables, especially between human resource practices, POS and organizational commitment, this study tries to assess the antecedents of POS and how it will affect commitment among Malaysian medium enterprises' employees.

The current study aims to extend past studies by investigating the impact of GLOBE national culture dimensions on the relationship between POS and organizational commitment. The contributions expected from this study are, among others, to observe the relationship between POS and organizational commitment, and to gather insight into the relationship between national culture dimensions proposed by the GLOBE study and commitment. In addition, the effect of POS, value congruence and GLOBE national culture dimensions upon organizational commitment are also examined.

# CHAPTER 2

## LITERATURE REVIEW

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### **2.1 Introduction**

This chapter presents the literature review of the main topic relating to the area of the current study. It provides a thorough overview of the theoretical background of the research topic. Firstly, the fundamental themes related to organizational commitment, perceived organizational support (POS), value congruence and national culture are discussed. Next, the primary theme related to the relationship between perceived organizational commitment and both organizational commitment and value congruence is highlighted. This chapter also contains the review of the relationship between both value congruence and national culture, with organizational commitment. Finally, the moderating national culture variables towards POS and organizational commitment are also highlighted.

### **2.2 Organizational commitment**

Organizational commitment has long been studied. It has been defined in several ways through diverse investigation and extensive use by many researchers. The organizational commitment concept has been defined by Mowday, Porter and Steers (1982, p. 27)

“as the relative strength of an individual’s identification with, and involvement in a particular organization. Conceptually it can be characterized by at least three related factors: (a) a strong belief in and acceptance of the organizational goal and values; (b) a willingness to exert considerable effort on behalf of the

organization; and (c) a strong desire to maintain membership in the organization”.

In developing the general model of commitment, Meyer and Herscovitch (2001) found various definitions of commitment from previous literature. In their review, they determined that although there are debates on the definition of organizational commitment, generally all definitions of commitment referred to commitment as

“(a) a stabilizing and obliging force; and (b) gives direction to behavior (e.g. restricts freedom, binds the person to a course of action)” (2001, p. 301).

They also note that these two characteristics of commitment are either specifically mentioned or they are discussed simultaneously. However, most of the commitment definitions refer to the nature or origin of the stabilizing force that gave direction to the behavior. Meyer and Herscovitch (2001) suggested that there is consensus amongst researchers in the commitment literature that commitment is a binding force which is experienced as a mindset that compels an individual towards a course of action.

The commitment that an employee has to an organization has consistently been found to be related to workplace behavior. The nature and direction of relationships within the workplace are complex and depend on context and variables under consideration (Mathieu & Zajac 1990). For example, organizational commitment acts as a central explanatory variable for understanding individual work behaviors such as job performance and goal attainment (Meyer, Becker & Vandenberghe 2004).

A great number of organizational commitment researchers have recognized that organizational commitment concepts can be distinguished from other concepts such as job involvement, occupational commitment, turnover intention, job satisfaction and work group attachment (Mathieu & Farr 1991; Cohen 1993; Meyer, Allen & Smith 1993; Meyer & Allen 1997; Morrow & McElroy 1986; Mueller, Wallace & Price, 1992). In addition, Scholl (1981), Brickman (1987) and Brown (1996) have asserted that

commitment is a different construct from motivation or general attitudes. In generalizing the definition of commitment, they suggested that commitment influences behavior independently of other motives or attitudes. They also noted that although an individual faces conflicting motives or attitudes, commitment can lead to persistence in a course of action.

To date, there is no conclusive agreement among analysts and scholars that either job satisfaction or organizational commitment is a significant and useful predictor of organizationally relevant behavior such as turnover. For example, Hodson (1991) critiqued that the concept of job satisfaction lacks behavioral referents. He claimed that the link between satisfaction and behavioral consequences with productivity was based on a naive theory of human behavior. In addition, job satisfaction has also been criticized as being too individualistic and it disregards small group or network structures that determine the work place behavior. Therefore, the author suggested that commitment is in the right direction as it reflects an expression of behavioral intentions (intention to remain in the organization).

Earlier researchers have considered organizational commitment as a unidimensional construct by focusing only on the employee's emotional attachment (affective attachment) with her/his organization (Porter et al. 1974; Mowday, Porter & Dubin 1974; Mowday 1998; Wiener 1982). Porter's earlier study developed a measure of organizational commitment called the Organizational Commitment Questionnaire (OCQ). Ritzer and Trice (1969) also viewed commitment as a unidimensional construct by stating that commitment refers to remaining with the organization due to recognition of cost associated with leaving (continuance). This approach can be considered more calculative, as the function of commitment is based on the accumulated interest in the organization, such as pensions and seniority. The Ritzer and Trice construct was later modified by Hrebiniak and Alutto (1972); however, this has been questioned on empirical and conceptual grounds (Meyer & Allen 1984).

On the other hand, other researchers such as O'Reilly and Chatman (1986) and Meyer and Allen (1991) have viewed commitment as a multidimensional construct. For example, O'Reilly and Chatman (1986) developed their multidimensional framework based on the assumption that commitment represents an attitude towards the organization. They suggested that the bond between an employee and an organization could take three distinct forms, which they labeled as compliance, identification and internalization. Specifically, compliance occurs when attitudes and corresponding behavior are adopted in order to gain specific rewards. Identification, on the other hand, occurs when employees behave or accept influence because they want to maintain a relationship. Finally, internalization occurs when attitudes and behavior driven by internal values or goals are congruent with those of the organization. Further studies, for example O'Reilly, Chatman and Caldwell (1991) and Meyer and Allen (1991), however, argue that the identification and internalization components are difficult to distinguish. These arguments thus lead to the development of Meyer and Allen's (1991) model.

Meyer and Allen's model (1991) proposed that there are three components of organizational commitment, namely affective, continuance and normative. The first two components of organizational commitment were drawn based on the earlier study on organizational commitment. The affective commitment is a desire of the employee to maintain membership in the organization that develops largely as a result of work experiences that create feelings of comfort and personal competence. Affective commitment consists of three components: emotional attachment, identification and involvement. The roots of affective oriented organizational commitment can be traced back to the theory of Buchanan (1974) and Porter et al. (1974). Buchanan (1974, p. 533) defined affective commitment as

“a partisan, affective attachment to the goals and values of the organization, to one's role in relation to goals and values, and to the organization for its own sake, apart from its purely instrumental worth”.

The development of affective commitment was due to positive work experience such as job satisfaction and organizational fairness. Employees with a strong affective

commitment continue their organizational membership because they want to do so (Meyer and Allen 1997).

The second, continuance commitment is a need to remain and reflects a perceived cost associated with discontinuing employment. This results from recognition of the costs of leaving the organization such as reduction in pay, pension, benefits or facilities and lack of alternative job opportunities (Hrebiniak and Alutto 1972; Ritzer and Trice 1969). Thus lack of alternatives and “side-bets”, which are related to the increase in the cost of quitting (such as investments in the organizations in terms of money, time and effort), can be considered as the antecedents of continuance commitment.

Thirdly, the normative commitment is the “ought to” component. This type of commitment is a feeling of obligation to remain resulting from internalization of a loyalty norm and/or the receipt of favors that require repayment. Marsh and Mannari (1977) and Wiener and Gechman (1977) suggested that the internalized pressure of feeling of obligation to continue employment was developed due to family or cultural socialization (pre-entry the organization) or through organizational socialization (post-entry or following the entry).

In regard to the number of components of organizational commitment, many authors have claimed that continuance organizational commitment can be ambiguously viewed as a form of organizational commitment. Affective and normative organizational commitment have been found to be consistently highly and positively correlated and both have been shown to be predictors of positive organizational behavior including increased work performance and satisfaction, tenure and attendance (Meyer et al. 2002). In contrast, continuance organizational commitment has been found to be unrelated to affective organizational commitment and in some cases negatively related or unrelated to organizational behaviors. For example; Meyer and Allen (1991) have asserted that organizational commitment refers to a psychological state that binds the individual to the organization. They suggested that “organizational commitment is a psychological state that (a) characterizes the employees’ relationship with the organization, and (b) has

implication for the decision to continue membership in the organization” (p. 67). However, Brown (1996) questions whether continuance organizational commitment is a form of commitment at all since there is no psychological bind involved. Result of meta-analysis conducted by Meyer et al. (2002) suggested that continuance organizational commitment did not have a strong relationship with turnover intention. Abbott, White and Charles’ (2005) study also found that continuance organizational commitment was not related to turnover intention. Thus, this calls for further investigation as to whether continuance organizational commitment can be viewed as one form of organizational commitment.

### **2.3 Perceived organizational support (POS)**

Cropanzano et al. (1997) in their review of organizational support research reported that employees form global perceptions about the level of support provided by the employer and that these perceptions affect their behavior at work. In their meta-analysis of POS studies, Rhoades and Eisenberger (2002) defined POS as resulting from the generalization of beliefs of employees that their organization values their contributions and cares about their well being.

The most significant conceptual framework for understanding attitudes and behavior, especially on the employee-organization relationship, is a social exchange theory (Cropanzano & Mitchell 2005). Although Coyle-Shapiro and Conway (2005) and Cropanzano and Mitchell (2005) revealed that there were different views of social exchange, there is agreement that social exchange involves a series of interdependent interactions that generate an obligation to reciprocate. The seminal theory relating to the employee-organization relationship can be traced back to the theory of social exchange of Gouldner (1960) and Blau (1964). Gouldner referred to social exchange as a pattern of mutually contingent exchanges of gratification between two parties with a belief in reciprocity norm (p.176). Social exchange theory is further discussed by Blau (1964), who suggests that the basis of any exchange relationship can be characterized in terms of either social or economic principles. Exchange that can be categorized as social is

primarily based on the concept of trust that gestures of goodwill will be reciprocated at some point in future. This type of exchange may be valued highly due to mutual understanding by both parties involved in the exchange. However, Gouldner (1960), Blau (1964), Cotterell, Eisenberger and Speicher (1992) and Eisenberger, Cotterell and Marvel (1987) argued that resources received from other parties are more highly valued if they are based on discretionary choice. They claimed that resources given voluntarily in an interpersonal relationship are viewed as an indication that the donor or contributor genuinely values and respects the recipient.

From the perspective of the employment relationship, the employer provides a range of material and non-material rewards in exchange for employee loyalty and effort (Aselage & Eisenberger 2003). Through the social exchange concept, the employees are assumed to be the recipients of favourable treatment from their employer in which they are most likely to reciprocate by enhancing their attitude and behavior towards the organization (Moorman, Blakely & Niehoff 1998; Rhoades, Eisenberger & Armeli 2001; Shore & Wayne 1993).

The social exchange concept is then expanded to the organizational support theory to explain the employee–organization relationship. Individuals who perceived high levels of POS are thought to have obligations to repay the organization for its effort. The concept of POS was first developed by Eisenberger et al. (1986) to describe the development of employee commitment to an organization. They suggested that

“employee develops global beliefs concerning the extent to which the organization values their contributions and cares about their well-being” (Eisenberger et al. 1986, p. 501).

These global beliefs refer to POS. Using social exchange theory, they further argued that such belief becomes a basic guideline for employees behavior, in which employees will make inferences on employer/organization concern towards them which in turn could make them committed to their organizations. Accordingly, Lynch, Eisenberger and Armeli (1999, p. 469- 470) suggested that POS

“may be used by employee as indicator of the organization benevolent or malevolent intent in the expression of exchange of employee effort for reward and recognition”.

According to organizational support theory, in order to meet socioemotional needs and to assess the benefits of increased work effort, employees form a general perception concerning the extent to which the organization values their contributions and cares about their well-being (Eisenberger et al. 1986; Rhoades & Eisenberger 2002; Shore & Shore 1995). Accordingly, analysis of social exchange in organizations, conducted by Masterson (2001), revealed that when favourable treatment is received from the organization, the employees feel obligated to repay their organizations. Such POS would increase employees' felt obligation to help the organization reach its objectives, their affective commitment to the organization, and their expectation that improved performance would be rewarded.

The development of POS, according to organizational support theory, is fostered by the tendency of the employee to allocate the organization human elements for actions taken by agents of the organization. Levinson (1965) stated that employees tend to make judgments that action taken by agents of the organization is a sign of the organization's intention as a whole. The personification of the organization, suggested Levinson, is influenced by the organization's legal, moral and financial responsibility for the actions of its agents, organizational policies, norms and culture and by the power the organization's agents exert over individual employees. Through the personification concept, treatment received from the organization will be viewed by the employees as an indication that the organization favours or disfavors them. For example, organizational rewards and favourable job conditions received are highly valued by the employees because they indicate the organization's respect for the employees' contribution (Eisenberger et al. 1997). In addition, since supervisors act as organizational agents in the organization, it is anticipated that the employees' receipt of favourable treatment from their supervisor should contribute to POS.

## 2.4 Value congruence

In order to understand the value congruence concept, it is necessary to understand what value is. Value refers to desired ways of behaving, goals or desirable end states that are viewed in abstract; it incorporates concepts such as fairness, achievement, honesty, freedom to do one's best, respect for tradition equality, being highly organized, being analytical, friendship, openness or loyalty (e.g. Rokeach 1973; Ravlin & Meglino 1987; O'Reilly, Chatman & Caldwell 1991). Hofstede (2001) quotes Kluckhohn's definition that define value from the perspective of anthropology. He defines value as

“A value is a conception, explicit or implicit, distinctive of an individual or characteristic of a group, of the desirable which influences the selection from available modes, means and ends of actions” (Hofstede 2001, p. 5 quoting Kluckhohn 1951/1967, p. 395).

In addition, Rokeach's (1973) definition of value states that “a value is an enduring belief that a specific model of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence” (p.5). In this regard, Rokeach values can be described in two main traits. Firstly, values are enduring, thus they are stable and quite resistant to changes over time. Secondly, values can be either social or personal. In a case of social value he specifically emphasizes that social value represents norms which define normal behavior for people in a group, while personal value represents the behavior for an individual. Personal values are derived from both social value and the society in which a person was raised. Therefore, an individual value can be represented as the choice an individual made from the variety of social values.

Based on Rokeach's (1973) definition of values, value can thus be viewed at both individual, and group or organization level. By focusing value at the individual level, particular values may be conceptualized as part of a person's self-term and therefore, can be used to explain individual characteristics such as personal behavior, choices and behavior (Rokeach 1973; Verplanken & Holland 2002).

On the other hand, value can also be used to describe the group or organizational level. In such a case values may be expressed as a culture of particular groups or organizations (Verplanken 2004). For example, Schein's work on value can help to explain organizational culture. Viewing organizational culture as values has been referred to by Schein (1992, p.12), who defined culture as

“a pattern of shared basic assumption that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore to be taught to new members as the correct way to perceive, think and feel in relation to those problems”

Based on the above definition, Schein (1992) claimed that members of the organization are assumed to share a common set of values within the organization. This culture is then expanded from the contexts of processes and characteristics which can be analyzed at three different levels: (1) visible artifacts (2) espoused values, rules and behavioral norms and (3) tacit, basic underlying assumptions' (Schein 1992, p. 47).

The values concept is further discussed in explaining the value congruence elements. Chatman (1991) referred value congruence as a significant form of fit because values are fundamental and relatively enduring'. Kristof (1996) specifically defines value congruence as the compatibility between people and organizations that occurs when at least one party provides what the other needs, or they share the same fundamental characteristics, or both. Similarly, Verplanken (2004) describes value congruence as a match between values an employee desires and the values of the person experienced at the work place.

Having followed the literature of value congruence, some of the researchers referred to it as person–organization fit. In this regard, measurement of value congruence can also be viewed as a measurement of person–organization fit. For example, in Liedtka's (1989) study (p. 807) person–organization fit has been used as an interchangeable term with the concept of “relationship between organizational value and self-image for personal

value". However, use of the term value congruence or person-organization fit varies between specific researchers and is based on the specific definition used.

This thesis focuses on the employee's perception of value congruence between their own values and those of the organization to measure value congruence. The perceived value congruence was defined as similarity between a person's values and those of the organization. The perception of value congruence was assessed with the Becker et al. (1996) four-item measure of perceived value congruence.

In this thesis, the direct approach was used to assess perceived value congruence. Cable & DeRue (2002, p. 875) argue for this approach because perceptions of value congruence are better predictors of individuals' choices as they are 'more proximal determinants of behavior' rather than actual congruence based on best predictor fit judgment. Thus, this thesis focuses on perceptual rather than on objective value congruence.

## **2.5 Culture**

Kroeber and Kluckhohn (1952) reviewed more than one hundred definitions of culture and concluded that while definitions differed somewhat, the importance of each definition still undeniable. In general, they define culture as:

Culture consists of patterns, explicit and implicit, of and for behavior acquired and transmitted by symbols, constituting the distinctive achievement of human groups, including their embodiments in artifacts; the essential core of culture consists of traditional (i.e. historically derived and selected) ideas and especially their attached values, culture systems may; on the one hand, be considered as products of action, on the other as conditioning elements of further action (p. 357).

Based on the above definition, culture can be summarized as something that is shared by all or almost all members of some social group; which had been transferred to the young generations and shapes behavior or structures one's perception of the world (Carroll cited

in Adler 1991). Another popular definition of culture is related to the study of work related values that were defined by Hofstede (1983, p. 76). He defined culture as “collective mental programming: it is that part of our conditioning that we share with other members of our nation, region or group but not with members of other nations, regions or groups.”

Some of the authors indicated that culture is composed of several interrelated elements such as behaviors, values, norms or basic assumptions. For example values are considered to be the main elements that determine attitudes and behavior (Hofstede 2001, p. 11; Trompenaars & Hampden-Turner 1997, p. 23).

Hofstede (1980) defined culture in terms of both what an individual does and/or how an individual thinks based on belief, traditions, customs, norms and even religion. In a recent work, which is based on the GLOBE study (House et al. 2004, p.15), culture is viewed as “shared motives, values, beliefs, identities and interpretations or meanings of significant events that result from common experience of members of collectives that are transmitted across generations”.

Previous research had indicated that culture can play a significant role in influencing management behavior. Huo and Steers (1993) explained that culture can influence the effectiveness of an incentive system in at least three ways. Firstly, culture determines what is considered to be important or valuable by the workers. Secondly, culture also guides members of the organization to perceive problems in certain ways, and thirdly, culture determines which solutions are legitimate and which one are not, especially when dealing with actual problems that have a pool of feasible solutions.

### **2.5.1 The concept of national culture**

Geert Hofstede, in his work related to values study, had conducted surveys of nationals from 72 countries between 1967 and 1973 (Hofstede 2001). The respondents in his surveys were ‘non-managerial professionals, technical and clerical employees of

marketing and service divisions, and first line and middle managers in national IBM subsidiaries around the world. Kirkman, Lowe and Gibson (2006) reported that Hofstede dimensions, that explore how national culture influences the development of personal values, have been central to most of the research that studies the culture and its influence on people, societies, government and global service organizations.

The five dimensions proposed by Hofstede were believed to be useful for understanding organizations and their members' predisposition in the different countries. The five culture dimensions that he developed were power distance, uncertainty avoidance, individualism versus collectivism, masculinity versus femininity and long-term versus short-term orientation. The power distance dimension refers to the extent to which individuals in any society tolerate the unequal distribution of power in society. Hofstede stated that power distance dimension deals with human inequality in which he considered inequality in society ranges from physical to social to wealth and to power.

The second dimension, uncertainty avoidance, concerns the way members of society cope with uncertainty, ambiguity and the future. Hofstede (2001) believes that "uncertainty about the future is a basic fact of human life with which we try to cope through the domains of technology, law and religion" (p. 145). Different societies react differently towards uncertainty. For example, societies that are firmer in handling uncertainty and ambiguity can be categorized to be low in ranking of uncertainty avoidance.

The third Hofstede culture dimension is individualism versus collectivism. This dimension looks at the individual and a group relationship. Hofstede (1980, p. 419) suggests individualism as "the tendency of people to look after themselves and their immediate family only" (p. 419). In the individualistic society, a person is expected not to rely on other people but on him/herself. The individual's goals in individualistic society are also more significant compared with the group's goals, and the ties between the individuals are not strong. On the other hand, the collectivism society, which consists of extended families, believes that they must look after one another and

emphasize the achievement of the group's goal. Hofstede (1998) describes the relationship of individuals with groups to be associated with the cohesiveness of society.

The next Hofstede culture dimension is masculinity and femininity. Masculinity and femininity referred to the societal norms that influence the societal roles of women and men. Hofstede (2001) suggested that differentiation in perceptions of gender role is an important element that could distinguish between different cultures. He proposed that social gender roles are clearly distinct; in the society that classified as masculine it is perceived that men are supposed to be assertive, tough and focused on material success. On the other hand, in a culture labelled as a feminine society, social gender roles overlap, in which both women and men are expected to be modest, tender and concerned with the quality of life (Hofstede 2001, p. 297).

The fifth dimension of Hofstede culture is long-term versus short-term orientation. This dimension, which was based on the later survey in China, considers Confucianism dynamics (Hofstede 2001). The long-term orientation culture is reflected by society that encourages future rewards orientation, having a sense of shame, thrift and ordering relationships by status and observing this order. Employees in the organization with long-term orientation are expected to emphasize the development of social relationships and market positions. In contrast, short-term culture is reflected by society that focuses on the past and present. In this culture, there is respect for tradition, social responsibility and emphasis on protection of "face". People working in short-term orientation will focus on the short-term result and show less attention to the human side.

Other researchers that conducted research based on national cultures are Fons Trompenaars and Charles Hampden-Turner (Trompenaars & Hampden-Turner 1997). Their study, originally conducted in the Shell Oil Company, looked at the cultural differences between 51 countries. This study also claimed to combine culture and business issues. They viewed culture as a way in which a group of people solve problems and handle conflicts. They proposed seven cultural dimensions. Table 2.1 summarizes the culture dimensions and their managerial implication.

Table 2.1: Trompenaars and Hampden-Turner's (1997) cultural dimensions and their managerial implications

<b>Cultural dimensions</b>	<b>Interpretation</b>	<b>Managerial implications</b>
Universalism vs. particularism	Rules vs. relationship	One principle vs. many different ways if conducting business
Specific vs. diffuse cultures	Range of involvement in public vs. private space	Distinction and size differences between public and personal life
Achievement vs. ascription cultures	How status is accorded	Merit-based performance vs. respect for elders and titles
Individualism vs. communitarianism	Individual vs. group	Personal responsibility vs. group consensus
Emotional vs. neutral culture	Range of feelings expressed	Animated expression vs. self-control
Time orientation	Monochronic vs. polychronic	Keeping schedules vs. flexibility
Orientation to nature	Human beings' mastery over vs. subjugation to nature	Internal control vs. external control

Source: Trompenaars and Hampden-Turners (1997)

The other study that explores national cultures is the GLOBE study of 62 societies. This study was undertaken by Robert J House in 1991 and was published in 2004 (House et al. 2004). The GLOBE study was designed to replicate and expand Hofstede's work. The survey was conducted among 17 000 middle managers in 951 organizations across three specific industries. Using Hofstede's dimensions, the GLOBE study developed nine cultural dimensions in different cultural settings. Their dimensions are power distance, uncertainty avoidance, humane orientation, collectivism I (institutional collectivism), collectivism II (in-group collectivism), assertiveness, gender

egalitarianism, future orientation and performance orientation. These nine dimensions separately measure two aspects of national culture: practices (“as it”) and values (“should be”).

Looking at the Hofstede and GLOBE culture dimensions, one can conclude that both studies have two similar culture dimensions in their studies: power distance and uncertainty avoidance. According to House et al. (2004), power distance refers to “the degree to which members of a collective expect power to be distributed equally” while uncertainty avoidance refers to “the extent to which a society, organization or group relies on social norms, rules and procedures to alleviate unpredictability of future events” (p. 30). Nevertheless, the two dimensions of gender egalitarianism and assertiveness in the GLOBE study reflected the Hofstede masculinity dimension. House et al. (2004) suggested that gender egalitarianism society emphasized the minimization of gender inequality; in contrast, assertiveness societies are expected to be assertive, confrontational and aggressive in their relationship with others.

In addition, Hofstede’s collectivism’s dimension is similar to the GLOBE dimension of institutional collectivism and the in-group collectivism construct. House et al. (2004) noted that individuals in organizations and societies that practice institutional collectivism are expected to be rewarded based on collective distribution of resources and action, while in an in-group collectivism organization, individuals are expected to express pride, loyalty and cohesiveness in their organization or family. Finally, two dimensions of culture in GLOBE, namely performance orientation and humane orientation, are similar to Hofstede’s long-term orientation. House et al. (2004) proposed that individuals are expected to be rewarded for being fair, altruistic, generous, caring and kind to others in humane orientation societies, while individuals in performance orientation societies are rewarded based on their improvement in performance.

### **2.5.2 Critiques of Hofstede’s cultural dimensions**

Hofstede’s work had received several criticisms especially from the researchers who conducted cross-cultures studies. In his culture study, Hofstede took a sample from a

single company, IBM subsidiaries around the world from 72 countries (Hofstede 2001). Although the participants involved in the survey varied across different level positions in the organization, Hunt (1981) questioned whether employees of a single firm (in this case IBM) can be representative of their particular countries. For example, would the responses of a few survey employees be representative of all cultural values of the majority of people in those countries? Javidan et al. (2006), Fang (2003) and Baskerville (2003) critiqued his study on the basis that Hofstede data was centered on only one multinational company. They argued that Hofstede's survey might not be applicable to other contexts, which therefore raises doubts for its generalizability.

Furthermore, some other culture researchers also suggested that there are cultural differences across nations (Baskerville 2003; Fang 2003; Myers & Tan 2002). It is also questionable whether countries with multicultural populations can be examined as a single culture in the culture survey. In this regard, McSweeney (2002) and Baskerville (2003) questioned the congruence of cultural and national boundaries, especially if there was increased international mobility.

Hofstede work also suffered methodological critiques. Scales used to measure the Hofstede's culture dimensions in subsequent work had been developed based on individual discretion. In this regard, Smith (2002) argued that although a small number of items had been selected from the larger survey, this survey was not designed specifically for scales selection. Likewise, Schwartz and Bilsky (1990) argued that insufficient dimensions of culture were taken into account in the Hofstede national culture study. In addition, through a quantitative approach, culture could be ranked within many countries. However, this method did not make the cultural values and actual behaviors interaction clear (Baskerville 2003). Thus, the Hofstede national culture had been recommended to be developed through qualitative technique in order to be practically useful with respect to culture operational definition (McSweeney 2002). Furthermore, Fernandez et al. (1997) and Shenkar (2001) suggested that culture dimension measurement used in the 1960s should be altered due to convergence of culture. Despite the criticism, Hofstede's culture dimensions continued to be cited and

studied by management scholars, especially in cross-cultural research. Smith (2006) reported that Hofstede's work (Hofstede 1980) has "served as a marker post for subsequent investigation for two decades" (p. 915).

Because of the criticism received from many cultural researchers on Hofstede cultural dimensions, the current study will adopt cultural dimensions proposed by the GLOBE study. GLOBE study was chosen for this study because its culture dimensions viewed culture from two perspectives, practices and values. The practices dimension looked at the way things are done in the culture while the values dimension emphasized the way things should be done (House et al. 2004). In addition, measurement of practices and values in GLOBE study had been conducted at industry level (financial, food processing and telecommunication), in different societies (62 cultures) and in several organizations in each country. Thus, GLOBE study could be considered to be more representative of cross-cultural study compared to other culture studies. Specifically, only two dimensions of the GLOBE study, namely the power distance and in-group collectivism, will be utilized in this study. The main reason for the selection of these two dimension is because prior studies in Malaysian cultures (Ahmed, Mouratidis & Preston 2008; Ahmad 2004; Abdullah 1992) suggested that Malaysian culture is more likely to adhere to the group norms, which is referred to as in-group collectivism, and more willing to accept instruction from higher management without question, which is referred to as high power distance. In addition, Chow et al. (1999) reported that power distance and collectivism are two distinct dimensions that had been most frequently used across culture.

## **2.6 POS and organizational commitment—the empirical evidence**

With regard to organizational commitment, employees may interpret the support provided by their employer as a demonstration of commitment towards them, which in turn tends to enhance their commitment to the organization (Eisenberger et al. 2001; Eisenberger et al. 1986; Rhoades and Eisenberger 2002, Shore and Shore 1995). Previous studies conducted on POS and organizational commitment have found that

there is a positive and statistically significant relationship between POS and organizational commitment (Eisenberger, Fasolom& Davis 1990; Eisenberger et al. 2001; Rhoades, Eisenberger & Armeli 2001; Wayne, Shore & Liden 1997; Whitener 2001; Allen 2001; Randall et al. 1999; Bishop, Scott & Burroughs 2000; Settoon, Bennett & Liden 1996; Loi, Hang-yue & Foley 2006).

Specifically, there is a positive relationship between POS and affective commitment (Reid et al. 2008; Meyer et al. 2002; Rhoades & Eisenberger 2002; Liden et al. 2003). Thus, organizational commitment may be viewed as a social exchange interpretation between employers' and employees' contexts in which employees draw inferences concerning the support given to them, which accordingly will contribute to their affective commitment. Gakovic and Tetrick (2003) and Shore et al. (2006) have asserted that the POS and affective commitment behavior can be explained by the socioeconomic and symbolic aspect of exchange. In this regard, support given by the organization through, training, supervisor support, and pay rises might be viewed by the employees as recognition towards their effort. As a result, employees will increase their affective commitment behavior to show their gratitude towards the organization.

Normative commitment, as another form of commitment, was also related to perceived organizational support in some studies (Meyer et al. 2002; Eisenberger et al. 2002). Gakovic and Tetrick (2003) proposed that employees have more tendency to show loyalty if they believed that their employer value their contributions in the organization. As with affective commitment, the norm of reciprocity and social exchange theory advocated by Gouldner (1960) and Blau (1964) can be utilized to explain the relationship between POS and normative commitment.

In contrast to both affective and normative commitment, previous studies found mixed support for the relationship between POS and continuance commitment. In this regard, POS was found to have a positive relationship with continuance commitment (Eisenberger, Fasolo & Davis-LaMastro 1990; Mankjee, Hartzer & Uys 2006). Mankjee, Hartzer and Uys (2006) argued that the positive relationship between POS

and continuance commitment can be explained using side-bet theory of organizational commitment. Meyer and Allen (1984) defined a side bet as anything of importance that an employee has invested such as time, effort or money, which would be lost or devalued at some cost to the employee if he or she left the organization. According to side bet theory, the possibilities of employee staying in the organization is higher if an individual has few alternatives. The level of commitment is expected to increase to avoid losing the accumulated investment. To the contrary, the POS and continuance commitment studies conducted by Allen and Meyer (1996) and Meyer et al. (2002) found that continuance commitment did not display the same result as affective and normative commitment. Rhoades and Eisenberger (2002) further argued that the relationship between POS and continuance commitment varied widely from near zero to large and negative. Thus, there is a need to further examine this relationship in order to draw inferences, especially in the context of the Malaysian environment.

Researchers also have reviewed the relationship between various antecedents of POS such as rewards, fairness in organizational procedures and supervisor support (Eisenberger, Fasolo & Davis-LaMastro 1990, Eisenberger et al. 2001; Rhoades, Eisenberger & Armeli 2001; Eisenberger et al. 2002; Armstrong-Stassen & Cameron 2003); training and development (Wayne, Shore & Liden 1997; Barlett 2001; Tansky & Cohen 2001); job autonomy, internal support, distributive justice, promotion and job involvement (Kim 1999); favourable treatment by the organization (Burke 2003), work conditions (Patrick & Laschinger 2006); family supportiveness of the organization (Allen 2001); rewards, incentives, supervisor support, distributive justice and job autonomy (Ko, Price & Mueller 1997). In meta-analysis of POS studies, Rhoades and Eisenberger (2002) identified supervisor support, organizational fairness and favourableness of job conditions as organizational attributes that influence employee perception of a support. Thus, this suggests that the key antecedents of POS are supervisor support, organizational fairness, and favourableness of job condition.

However, from the various studies on POS and organizational commitment, there are contradictory issues that could be argued. For example, studies on training (which can be categorized under favorableness of job conditions) had a contradictory finding; Wayne,

Shore and Liden (1997) stated that employees who had more formal training and development experience reported a higher level of POS and thus increased organizational commitment. On the other hand, Whitener (2001) found that POS was stronger when organizations offer less comprehensive training opportunities. This reflects a contradictory finding regarding interaction between POS and training.

In addition, Whitener's (2001) study also indicated that employees with low perceptions of organizational support expressed higher commitment when they worked for organizations with more comprehensive training. However, when they worked for an organization with less comprehensive training, the employees with high perceptions of organizational support expressed high commitment. Thus, it can be argued that perhaps other unmeasured variables that related to employees' perception of special treatment might be interacting with perception of support and training that would affect the commitment.

In addition, although Allen, Shore and Griffeth (2003) found that supportive human resources practices were related to POS, this study could be criticised because not all elements of supportive human resources practices were included. Therefore, future research on supportive human resource practices and POS should include all elements of supportive human resources practices such as having developed job descriptions, good job design, policy practices such as occupational safety and health, and the leadership style of the manager or supervisor.

Another study on POS and organizational commitment conducted by Tansky and Cohen (2001) concluded that employee development activities were positively related to both POS and organizational commitment. However, due to weak justification of the definition of variables in this study, it is difficult to make a concrete judgment related to employee development activities and both POS and organizational commitment. These variables were also not empirically tested in this study. The above review calls for further empirical study to assess the antecedents of POS and how it will affect commitment. The current study will help to fill the empirical research gap in the literature. The antecedents of POS that will be examined in the current studies are

supervisor support, organizational fairness (formal procedure/procedural justice, interactional justice and distributive justice) and favourableness of job conditions (intrinsically satisfying job conditions and extrinsically satisfying job conditions).

## **2.7 National culture and organizational commitment—the empirical record**

The influence of culture in organizational commitment has been theorized based on the argument that the individual's commitment is to develop as a result of internalizing social and/or normative organizational norms (Meyer & Allen 1997). Specifically, Wiener (1982) proposed that the feeling of obligation to continue staying in an organization may derive from the internalization of normative pressure exerted on an individual through the society's values and belief. In this regard, when an individual enters the organization, the organizational socialization process could create a cultural socialization within that organization. In their model of organizational commitment, Meyer and Allen (1991) also proposed that a culture that emphasizes collectivism might place more importance on loyalty to the collective rather than individualism and thus is more likely to increase the moral obligation to remain in an organization.

Prior studies have supported the proposition that culture can influence organizational commitment. Specifically, cross-cultural theorists have recommended that different types of psychological attachment and loyalty can be affected by cultures. In this regard, employees in collective culture might make commitment based on morals and duty while employees from individualism culture might develop commitment derived from calculative reason (Hofstede cited in Clugston, Howell & Dorfman 2000). For example, a study conducted by Gautam et al. (2005) in Nepal found that collectivism culture showed higher levels of normative commitment compared with a study conducted in a western organization. Further, Kwantes (2003) also recommended that social cultural context could affect the employees' level of organization commitment. In his study, he found that social context was related to organizational commitment

whereby two different countries/culture (India and USA) with different types of organizational commitment display different types of organizational behavior.

In relation to power distance, previous researchers also postulated that power distance could affect organizational commitment. In their research in the information system department in one major Australian bank, Bochner and Hesketh (1994) found that individuals in high power distance contexts were more likely to form attachment towards their superiors compared with those with low power distance contexts. Randall (1993) also demonstrated that as power distance could be associated with “concentration of authority”, greater concentration in high power distance contexts could result in low levels of organizational commitment. As mentioned in 2.5.2, the current study only utilized two cultural dimensions, namely power distance and in-group collectivism. Thus, the following section will discuss how individual power distance and in-group collectivism will affect the levels of organizational commitment.

### **2.7.1 Power distance and organizational commitment—the empirical record**

Individuals in high power distance culture have been described as people who prefer structured tasks, jobs that are closely supervised and depend on their superior (Hofstede 2002). In his study, Hofstede (2002) also found that levels of employee attachment in high power distance culture are also expected to be high. This is due to the fact that high power distance employees expected to accept inequity and accept their social status differences (Bochner & Hesketh 1994). Clugston, Howells and Dorfman (2000) cited Hofstede’s (1980) work and stated that people in high power distance society have a high tendency to display a theory X relationship. In this regard, theory X proposed that a subordinate will be inferior to his/her superior and thus will make employee/superior relationship tend more towards exchange-based security and not on self-development (McGregor 1960).

According to Meyer and Allen (1997), affective commitment is characterized by an individual who has a desire to maintain membership in the organization that develops as

a result of work experiences that create feelings of comfort and personal competence. Employees in high power distance culture are expected to be more concerned about the hierarchy and position in the organization. Thus, it is expected that this will reduce the need to develop the strong affective identification with the organization. Studies conducted by Fischer and Smith (2006) and Farh, Earley and Lin (1997) provide some evidence that high power distance culture will result in low affective commitment behavior. Based on the argument that people in high power distance cultures are more embedded in a group, they proposed that employees in this culture are used to unequal distribution of power. However, they are expected to display low affective commitment because the reason they want to stay to the organization relates to economic purposes and not the emotional attachment and identification as required in affective commitment. Randall (1993), in his review of cross-cultural research on organizational commitment, concluded that power distance negatively related to affective commitment. He further discussed whether lower level of organizational commitment could be associated with “concentration of authority”. In their meta-analytical approach on commitment across cultures, Fischer and Mansell (2009) also proposed that power distance is negatively associated with affective commitment. Further, Oudenhoven, Mechelse and de Dreu (1998) in a study of a managerial conflict management in five countries, Denmark, United Kingdom, Belgium, Spain and the Netherlands demonstrated that managers in low power distance contexts tend to exhibit stronger preferences for cooperative communication and open discussion in dealing with conflict related to their superior. Open and equal relationship environments among groups and organizations can also be developed if low power distance culture is prevalent (Wang et al. 2005).

It is argued that high power distance will have a positive relationship with normative commitment. A study conducted on work-related values among Singaporean and Japanese managers in Singapore concluded that individuals in high power distance contexts stay in their organization because of the duty-bound loyalty concept (Chew and Putti cited in Silverthorne 2005). This concept can be associated with normative commitment concept which focused on the feeling of obligation. Clugston, Howell and Dorfman (2000), in their study of culture and employee’s level of commitment in a

public agency in a Western country, suggested that power distance is positively associated with normative commitment across all foci (organization, supervisor and workgroup). In contrast, power distance was also found to have a negative association with normative commitment in high power distance culture (Rowlinson 2001; Cohen & Keren 2008). For example Rowlinson (2001) in his research in Hong Kong, found that high levels of normative commitment resulted from decentralized decision making. Cohen and Keren (2008) stated that the basis of normative commitment is the value of obligation and duty and these values are more related to the acceptance of inequality which reflected high power distance culture. Leck and Saunders (1992) provide support for the position that high levels of power distance are related to low levels of normative commitment. In their study of full-time employees attending an education course at a university, the authors found that by giving an opportunity for the employee to raise their views over matters related to employment, the feeling of obligation or loyalty towards the organization will be likely to be developed. This reflects their proposition that if the level of power distance is high, the normative commitment will be low.

Another component of organizational commitment that could be influenced by power distance culture is continuance commitment. As continuance commitment postulates that individuals have to stay in the organization owing to fear of economic loss or lack of job alternatives, it is anticipated that power distance culture will encourage a relationship based on dependency. In this regard, employees will tend to stay in the organization because they believe that they are subordinate in the organization and society and also because of the limited job options outside the organization (Bochner and Hesketh 1994; Chew and Putti cited in Silverthorne 2005; and Hofstede cited in Clugston, Howell & Dorfman 2000). In addition, consistent with Meyer and Allen (1991) and Wiener (1982), Clugston, Howell and Dorfman (2000) note that societal culture has an impact on the level of organizational commitment. Specifically, they study the relationship between employee's level of commitment and culture in a public agency and suggest that power distance is positively associated with continuance commitment across organization, supervisor and workgroup. In contrast, with regard to Hofstede's statement (cited in Clugston, Howell & Dorfman 2000), people in high power distance contexts tend to

reflect theory X characteristics. It is argued that individuals in high power distance, which have characteristics such as not being expected to question the superior when in disagreement, will display low continuance commitment. Bochner and Hesketh (1994) further discuss theory X and power distance, suggesting that superiors in high power distance contexts assume that subordinates are inferior that in turn will cause relationships to seek exchange-based security and thus will make employees consider working in another company if the job opportunities are available. Foosiri (2002), in his study of culture and organizational commitment in Thailand, found that high power distance is associated with low continuance commitment.

In line with the above discussions, this study proposed that power distance culture has a strong effect on organizational commitment. The literature with regard to the relationship between power distance culture and organizational commitment has contradictory findings and thus further research is called for to provide evidence of this relationship.

### **2.7.2 In-group collectivism and organizational commitment—the empirical record**

Individuals in societies called collectivist are integrated into strong cohesive in-groups which protect them in exchange for unquestioning loyalty (Hofstede 2001). In this regard, collectivism societies have characteristics such as interdependence, norms embedded that favor the in-group, security, duty, in-group harmony and personalized relationships. House et al. (2004, p.12) further referred to in-group collectivism as “the degree to which individuals express pride, loyalty and cohesiveness in organizations or families”. In collectivist cultures, people have a strong and tight social framework with each other whereby people distinguish between in-group and out-group (Hofstede cited in Clugston, Howell & Dorfman 2000). In their paper that focused on cross-cultural training needs, Triandis, Brislin and Hui (1988) suggested that individuals in collectivist cultures considered only a few in-groups and they see competition as occurring among groups, dislike interpersonal competition within their group, and encouraged cooperation within the in-group.

With regard to the association between in-group collectivism culture and affective commitment, it is anticipated that people in in-group collectivism contexts are integrated into a strong and cohesive working environment which makes them more attached to their workgroups. Thus it is expected that affective commitment behavior, such as emotional attachment, identification and involvement with the organization as proposed by Mowday, Porter and Steers (1982) and O'Reilly and Chatman (1986) will be developed. Hwang and Kim (2007) in their study on affective commitment and collectivism culture in knowledge sharing in technology-mediated learning, suggested that collectivism had positively related to two constructs of affective commitment. Further, Clugston, Howell and Dorfman (2000) indicated that collectivism is positively related to affective commitment. A study on collectivism society in Turkey and affective commitment conducted by Wasti (2002) suggested that collectivism will be positively related to affective commitment. Rashid, Sambasivan and Johari (2003), in their study on organizational cultures and organizational commitment in Malaysia, indicated that consensus culture, which emphasizes loyalty, is positively related to affective commitment. Thus in-group collectivism could have had an impact on employee perceptions towards affective commitment.

As discussed earlier, normative commitment refers to a feeling of obligation to continue employment in the organization. Bochner and Hesketh (1994) stated that collectivists have a higher moral and social identification with the workplace than do individualists. Triandis, Brislin and Hui (1988) claimed that a collectivist's commitment is based on a sense of duty. Therefore, since in-group collectivism is integrated into strong cohesiveness and loyalty to workgroup and normative commitment is primarily moral and duty based, it is expected that in-group collectivism has a positive association with normative commitment. Using Hofstede's value dimension to assess societal culture, Clugston, Howell and Dorfman (2000) examined the effect of collectivism towards normative commitment. Their study noted that collectivism is positively related to normative commitment. Therefore, in-group collectivism could influence the normative commitment in the organization.

As stated earlier, continuance commitment refers to an awareness of the cost associated with leaving the organization (Meyer & Allen 1997). “Employees whose primary link to the organization is based on the continuance commitment remain because they need to do so” (Meyer & Allen 1991, p 67). Specifically, continuance commitment describes employees as having to stay in view of their investment in the organization or lack of job alternatives. Thus, it is proposed that in-group collectivism could encourage the dependency-based relationship between employees and organization in which being so closed and cohesive with each other in the organization and having only a few alternatives elsewhere demand that they stay in the organization. Boyacigiller and Adler (1991) revealed that high collectivism culture employees commit to the organization because of the closed relationship between managers, owners, and co-workers that tied them together. A study on the relationship between employees’ level of commitment and culture in one public agency suggested that collectivism has a positive relationship with continuance commitment (Clugston, Howell & Dorfman 2000). Likewise, Baumanis (2002) also suggested that collectivism could positively influence continuance commitment. Further, Wasti (2002), in his study in Turkey, verified that collectivism culture would increase continuance commitment. Since in-group collectivism culture stresses loyalty and cohesiveness characteristics, it is postulated that in-group collectivism could impact on continuance commitment.

### **2.7.3 Rationale for adopting GLOBE culture**

Although national cultures generally have an impact on organizational commitment, previous studies found mixed results. For example, a study conducted by Gelade, Dobson and Gilbert (2006) in a sample of 49 countries found that none of the Hofstede culture dimensions is significantly related to affective commitment (AC). They found that there is lack of connection between affective commitment and high levels of group loyalty characterized by collectivist society. In contrast, Palich, Hom and Griffeth (1995) found a theoretically unexpected relationship between commitment and Hofstede’s collectivism value. In relation to this, they found support for the relationship between commitment and collectivism. However, they failed to differentiate between cultures which involved collectivism values and cultures which were individualistic.

With regard to power distance and organizational commitment, Leck and Saunders (1992), Rowlinson, (2001) and Cohen and Keren (2008) found that power distance would be negatively related to normative commitment. Clugston, Howell and Dorfman (2000), in a contrary finding, suggested that power distance is positively related to normative commitment. It is important to note that most of the studies mentioned above used dimensions which had been determined by Geert Hofstede. However, as described in section 2.5.2, many authors have proposed several critiques with regard to the Hofstede dimension and concept of culture. This study will thus adopt some of the dimensions of GLOBE and utilize other dimensions from other researchers to measure power distance and in-group collectivism culture.

The latest approach, which was built on Hofstede's work, was the GLOBE study (Javidan & House 2001; House et al. 2004). The GLOBE study was conducted by over 160 scholars from 62 cultures. However, no study related to organizational commitment and using the GLOBE culture dimensions had been conducted. As mentioned in 2.5.2, GLOBE study dimensions were adopted in this study because the development of its culture measurement was based on the way things are done in the culture (practices) and the way they should be done (values). GLOBE study also measured culture at different levels using both values and practices. In addition, although the GLOBE culture dimensions had been studied in Malaysia, that study focused only on a specific ethnic group and particularly on the leadership aspect (Kennedy 2002). For these reasons, this study will focus on the dimensions of the GLOBE national culture, and examine the impact of these dimensions on organizational commitment.

## **2.8 POS and value congruence—the empirical record**

Previous studies have found that individuals are more likely to choose organizations with values that match with their own (Judge & Cable 1997; Cable & Judge 1996) and more likely to leave the organization if their values do not match (Chatman 1991). In this regard, when employees perceived that their values are not in accord with the organization's values, the employee will be likely to be less satisfied (Chatman 1989). Employees with low value congruence will also face difficulties working together and

communicating with co-workers due to the fact that they have dissimilar standards for guiding their decisions and actions (Rokeach 1973; Chatman & Barsade 1995). In addition, consistent with cognitive dissonance theory, which noted that individuals who behave in ways that are inconsistent with their beliefs or values will experience dissatisfaction with their experiences, low value congruence employees are expected to experience the feeling of cognitive dissonance (Festinger 1957; Kraimer 1997) and will be unlikely to be satisfied with the organization (Argyris 1957). Moreover, individuals who have incompatible values are less likely to identify with the organization (Cable & DeRue 2002). Thus identification with the organization, which enables a sense of belonging to be felt among individuals (Masterson & Stamper 2003), might not be developed.

In relation to this, POS can play a role as one source of support that may help employees deal with low value congruence. Rhoades and Eisenberger (2002) recommended that employees whose values did not match with those of the organization, could get benefit from POS as POS could make the individual feel valued. In POS, through a social exchange process, employees view the actions of management and reciprocate in kind. Blau (1964) further stated that social exchange processes will generate trust. In relation to this, POS incorporates the processes of social exchange which expresses the employee's interpretation and perceptions with regard to the organization's action (Eisenberger et al. 1986). The value congruence among employees of the organization will be fostered through POS, for example by providing the supervision support for the employees. Further to this, in their meta-analysis of POS, Rhoades and Eisenberger (2002) stated that POS could contribute to employees' attitudes towards their job by meeting their socio-emotional needs. In this regard, they noted that POS could contribute to the feeling of competence and worth and thus might be of benefit to employees with low value congruence. In their conceptualization of perceived organizational membership construct, Masterson and Stamper (2003) proposed that through POS, employees will feel that they are valued by the organization which thus contributes to employees' perceptions of organizational membership. In relation to this, employees will perceive that their organization is concerned for their well being and the

perception that they are insiders in the organization could be developed (Masterson & Stamper 2003; Rhoades & Eisenberger 2002). In their study on work value congruence and intrinsic career success in Turkey, Erdogan, Kraimer and Liden (2004) revealed that high POS might compensate for low work value congruence. They further discussed that POS could create a feeling that the organization cares about employees and thus could help low value congruence employees to perceive that their career success is satisfactory.

Based on the above empirical studies, it is probable that there will be an association between POS and value congruence.

## **2.9 Value congruence and organizational commitment—the empirical evidence**

The effect of value congruence on organizational commitment can be justified by theorization of the socialization process. Socialization processes such as training and development are recommended in an organization as the clash in value between organization and its personnel is unavoidable in any organization (Epstein 1987). Through the socialization process, individuals will learn and assimilate organization values, norms, tradition and behavior to become functional in their role. Furthermore, through the socialization process, employees will most probably accept the organization system that provides the most applicable and relevant information of behavioral conduct including commitment. With regard to this, Chatman (1989) also reported that organization socialization processes contribute to person–organization fit. A study conducted among graduate trainees found that among the reasons for incongruence is differences in their socialization process in the organization (Hebden 1986). Specifically, the degree to which individuals learn the value system of the organization and how to cope with it will influence the values incongruity. In this regard, the employee will feel more personal connection with the organization if he/she is more assimilated into the organization.

Most existing studies focus only on POS and value congruence, (Erdogan, Kraimer & Liden 2004) , value congruence and organizational related behavior such as turnover and performance (Meglino, Ravlin & Adkins 1989; Boxx, Odom & Dunn 1991; Abott, White & Charles 2005) or person–organizational fit and organizational related behavior (Schneider 1987; Chatman 1989; Chatman 1991; Cable & Judge 1996; Finegan 2000; McConnell 2003; Ravlin & Ritchie 2006; Herrbach & Mignonac 2007). There has been less on the POS, value congruence and organizational commitment.

Prior studies provide evidence with regard to the value congruence and organizational commitment relationship. For example, value congruence between an individual's preferences for a particular culture and the culture of the organization which the person joins, can be associated with organizational commitment (O'Reilly, Chatman & Caldwell 1991). Further, research conducted among executives in the public sector confirmed the relationship between value congruence and Mowday, Steer and Porter's (1979) organizational commitment dimension (Box, Odom & Dun 1991). In addition, the Meglino, Ravlin and Adkins (1989) study showed that value congruence could make employees more committed in the organization. Likewise, using the Liedtka value congruence model to investigate the impact of a manager's work attitude and perception of ethical process in the organization, Posner and Schmidt (1993) demonstrated that a higher level of congruency could contribute to highest level of commitment. Vandenberghe (1999), who replicated the O'Reilly, Chatman and Caldwell (1991) study on the health care industry, confirmed that congruence between the values of a hospital and those of nursing recruits was predictive of nurses staying with the organization. In addition, an integrative analysis of person–organizational (P–O) fit theories conducted by Westerman and Cyr (2004) revealed that value congruence is positively related to organizational commitment. Using employees from sales position, they confirmed that value congruence is directly related to the O'Reilly and Chatman (1986) organizational commitment.

Research on emotional dissonance and organizational commitment has found that if our emotions and true feelings are incongruent with organizational norms, the organizational commitment will be reduced due to the feeling of job dissatisfaction (Abraham 1999).

Incongruence that developed between ethical value of employee and the organizational standard (ethical conflict) is also negatively associated with organizational commitment (Schwepker 1999). Thus it is assumed that value congruence will be positively related to organizational commitment if congruency exists.

Affective commitment refers to identification with, involvement in and emotional attachment to the organization. Affective commitment is potentially related to value congruence. Meyer and Herscovitch (2001) noted that affective commitment develops when an individual becomes involved in, recognizes the value related to organizations and derives his or her identity from an organization. Using organizational culture profile (OCP) to assess individual and organizational values, O'Reilly, Chatman and Caldwell (1991) have asserted that organizational commitment can be explained well with person–organization fit. Although the type of organizational commitment that P–O fit predicts in their study was labelled 'normative', it is more closely related to Meyer and Allen's (1991) 'affective commitment'. Somers (1993) has provided the link between value congruence and affective organizational commitment. In his study he suggested that person–organization value congruence is positively related to affective commitment. In addition, using the polychronicity concept to reflect people who prefer to be involved in several tasks at the same time period, Slocombe and Bluedorn (1999) study the congruence between preferred polychronicity and experience work-unit polychronicity with organizational commitment. They revealed that polychronic congruence is positively related to belief in and acceptance of organization goals, which reflects the affective commitment construct as proposed by Meyer and Allen (1991). In his studies to investigate the relationship between person–organization value congruence and the three components of organizational commitment, McConnell (2003) reported that P–O fit is positively associated with Meyer's affective organizational commitment construct. Further, Finegan (2000), who studied the relationship between personal values, organizational values and organizational commitment, found that commitment was predicted by the employees' perception of organizational values. In addition, using polynomial regression to investigate the relationship between ethical value congruence

on attitude and behavior, Herrbach and Mignonac (2007) found that ethical person–organizational fit positively related to affective commitment.

The organizational commitment component that concerns the desire to retain membership in the organization because of the feeling of obligation, could also be influenced by value congruence. In this regard, employees with a high level of normative commitment believe that they have the responsibility to continue working for their current employer. Previous studies provide some evidence that value congruence is predictive of normative commitment. For example, Slocombe and Bluedorn (1999) suggested that polycronic congruence is significantly and positively related to the desire to remain in the organization (labeled as normative commitment by Meyer and Allen 1991). Further to this, Meyer and Herscovitch (2001) recommended that normative commitment is developed through socialization as a result of internalization of norms, the receipt of benefits that influence the need to reciprocate, and the acceptance of a psychological contract, and thus is likely to be influenced by value congruence. In addition, McConnell (2003) revealed that normative organizational commitment could be explained by person–organization or value congruence.

Continuance commitment, which reflects the degree to which employees stay with an organization because of the high costs of leaving, could also be related to value congruence. Employees with this type of commitment tend to stay in the organization because they perceive that if they leave the organization they will be losing on both economic (pension) and social (friendship) grounds. Using preferred work climate and desired work climate, Sims and Kroeck (1994) found support for the notion that ethical fit was related to continuance commitment. They recommended that people look for an organization whose values match those of the employees' chosen profession. Employees will continue to stay in the company once their values and their organization's value are a match and especially if there is no other alternative job outside. In addition, Finegan (2000) recognized that employees' continuance commitment had been influenced by value congruence. In relation to this, the continuance commitment was found to be predicted by bottom line value congruence, which is more concerned with the conduct of

business. McConnell (2003) provides evidence that value congruence could be positively related to continuance commitment. In his study on the relationship between person–organization value congruence with continuance commitment he found that the Meyer, Allen and Smith’s (1993) continuance commitment component is positively related to P–O fit. However, organizational tenure interacted with P–O fit to explain the continuance commitment.

Thus, based on prior research, the effect of value congruence in respect of the relationship between POS and organizational commitment will be explored further in the present study, particularly in terms of the influence of value congruence on the three components of organizational commitment; namely, affective, normative and continuance commitment. Exploring the relationship of POS, value congruence and commitment is also an innovation of this study. While there is little literature on the relationship between POS, value congruence and commitment, the literature does find an impact of POS on value congruence and of value congruence on commitment.

## **2.10 National culture as moderator**

As mentioned in section 2.3, the relationship between POS and organizational commitment has been corroborated by many studies (Eisenberger, Fasolo & Davis-LaMastro 1990; Guzzo, Noonan & Elron 1994; Hutchison 1997; Rhoades, Eisenberger & Armeli 2001; Settoon, Bennett & Liden 1996; Shore & Tetrick 1991; Shore & Wayne 1993). However, the strength of these relationships varies from one study to another (Rhoades & Eisenberger 2002). According to Aube, Rousseau and Morin (2007), these variations in effect of size may depend on the moderating factors. They proposed that the strength of a relationship between POS and the dimensions of organizational commitment is likely to vary according to personal dispositions and job design (Meyer et al. 2002; Rhoades & Eisenberger 2002). Thus, certain individual or contextual factors could act as moderating variables, which could influence the sensitivity of the employees’ organizational commitment. Therefore, based on this perspective, the

present study takes into consideration two moderating factors namely power distance and in-group collectivism.

Cross-cultural researchers on collectivism and individualism culture have found that individuals in collectivism culture display more cooperative behavior compared with individualism culture (Chatman & Barsade 1995; Chatman et al. 1998). Chatman et al. (1998) suggested that social categorization processes had been influenced by either 'individualism or collectivism' (p. 751). In their study of 258 first-year university students, they further proposed that individuals in collectivist culture are encouraged to emphasize the organization and commonalities among people because collectivists advocate teamwork, group rewards and shared goals among themselves. Collectivists identify themselves as having a sense of belonging to the organization for which they work and their emphasis is on to being a good member of the organization (Clugston, Howell & Dorfman 2000). Thus, social interaction is more likely to be related to employees in collectivism culture. As in-group collectivism employees are more concerned on pride, loyalty and cohesiveness in organizations and have similar characteristics to collectivism, in-group collectivism is expected to behave the same way towards commitment.

In order to explain the culture role as a moderating factor, the interactionist perspective will be utilized. Based on interactionist perspectives, Schnieder (1987), suggested that employees' job attitudes are not solely determined by person or situation variables: he theorized job attitudes to be functions of both characteristics of employees and attributes of the employees' work environment. Similarly, based on an interactionist perspective, both employees' personal attributes and the attributes of their work environment will shape job attitudes such that employees' personal attributes will moderate the relationship between work context and the job attitudes (Meyer, Irving & Allen 1998). Williamson, Burnett and Bartol, (2009) further discussed this perspective to explain the interactive effect of collectivism on affective organizational commitment. They stated that, although employees perceive similar levels of rewards in the work environment, differences in employees' preferences may cause some individuals to form higher levels

of organizational commitment than others. Meyer and Allen (1991, p. 76) in their article which discusses a three-component organizational commitment also suggested that “particular type of work experience (job challenge and job clarity) should influence commitment only among those employees for whom it is relevant”.

In relation to this, a previous study has found that cultural values are crucial in shaping and influencing employees’ preferences (Williamson, Burnett & Bartol 2009). Groups of individuals are presumably to form various preferences and expectations, because of differences in social, economic as well as political experiences (Cox, Lobel & McLeod 1991; Coon & Kemmelmeier 2001). Due to cultural differences, employees may use different frames of reference when making sense of their work environment which then results in job attitude differences (Alper, Bloom & Barry; Slocum & Strawser cited in Williamson, Burnett & Bartol 2009). Therefore, cultural orientation might be used to explain the different effect of POS towards organizational commitment among employees.

Previous studies have investigated collectivism as a moderator between various variables (Chatman & Barsade 1995; Farh, Earley & Lin 1997; Walumbwa & Lawler 2003; Francesco & Chen 2004; Williamson, Burnett & Bartol 2009). For example, a study conducted by Walumbwa and Lawler (2003) in China, India and Kenya found that collectivism moderated the relationship between transformational leadership and work-related attitudes and behavior. They concluded that transformational leadership had a greater impact on work-related outcomes in high collectivism countries. Williamson, Burnett and Bartol (2009) proposed that the level of pay provided by the work environment may be more salient for employees with low collectivism such that an increase in pay should have an impact on affective commitment. Using an interactionist perspective, they verified that low collectivist employees had higher levels of affective commitment, especially when employees perceived high levels of pay and autonomy.

A study conducted by Farh, Earley and Lin (1997) provides further evidence that collectivism could moderate the relationship between justice (antecedents of POS) and

organizational commitment behavior. Using “modernity” terms to reflect individualism versus collectivism, they proposed that those low on modernity (high collectivism) have a tendency to be tied together in the organization and respect for authority due to socialization process. Thus, justice perception had little or no impact on organizational commitment behavior. This indicates that modernity could negatively moderate the influence of justice perception towards organizational commitment. Further, Francesco and Chen (2004) studied the role of collectivism as a moderator of the relationship between organizational commitment and employees’ performance in the context of China. They asserted that collectivism could negatively moderate the relationship between organizational commitment and both in-role and extra-role performance. The weaker relationship could be associated with the feeling of obligation to the organization that had been developed among collectivist employees. Thus, it can be concluded that in-group collectivism can act as a moderator on the relationship between organizational commitment and different employees’ outcomes.

Another culture dimension that could play a role as moderator is power distance. Some authors have investigated power distance as a moderator of the relationship between antecedents of POS, specifically procedural justice and various employee outcomes (Yang, Mossholder & Peng 2007; Begley et al. 2002; Lam, Schaubroeck & Aryee 2002; Lind & Tyler, cited in Begley et al. 2002; Tyler, Lind & Huo 2000). Their studies conceptualize that justice perception (antecedents of POS) depends on culture as the process through which employee outcomes such as level of organizational commitment, job satisfaction, intention to quit and organizational citizenship behavior effect occur. For example Lind and Tyler cited in Begley et al. (2002) and Tyler, Lind and Huo (2000) suggested that leader–subordinates relations are central to power distance relationship with justice and employee outcomes. Specifically, the group value model of procedural justice (Tyler 1989) had been used in their basic assumption. This model perspective suggested that due to feelings of self-worth derived from their group membership, employees will value groups. Therefore, employees are more concerned with their status within groups. In relation to this, employees perceived that they had been fairly treated if they had been recognized as a member in the group.

Furthermore, from the relational model of authority perspectives, Begley et al. (2002) suggested that high power distance prohibits employees building close relationships with superiors and thus this will limit favor and obligation. Without this relationship, employees will feel insecure in their relationship and thus will place more attention on how their employers value their contribution, especially with regard to procedural justice. In their study to examine the moderating effect of power distance between justice and employees outcomes in China, they found higher power distance combined with perception of procedural justice to predict employee outcomes such as job satisfaction, intention to quit and organizational citizenship behavior.

Yang, Mossholder and Peng (2007) used social exchange theory to explain the interaction effect of power distance on the relationship between procedural justice (antecedents of POS) and employee individual level outcomes. They postulated that the procedural justice climate effect could be diminished if large power distance exists in a group. This is due to the fact that large group power distance employees perceived that the authorities have freedom of choice when dealing formally with them and thus make less use of the procedural justice. In their study, they verified that power distance may prohibit the interaction authority pattern with procedural justice climate, which further decreased the levels of organizational commitment and organizational citizenship behavior among individual group members. Therefore, group power distance culture can be used to explain the effect of procedural justice on organizational commitment.

In view of the theory and the empirical studies considered above there is evidence that culture could play a roles as a moderator between POS and organizational commitment, this study posits the significant impact of power distance and in-group collectivism in moderating the relationship between POS and both affective and normative commitment.

The initial model of the study based on literature review is shown in Figure 2.1. It should be noted that the literature on the antecedents of POS such as supervisor support,

formal procedures, interactional justice, distributive justice, intrinsically satisfying job conditions and extrinsically satisfying job conditions will be discussed in detail in chapter 5.

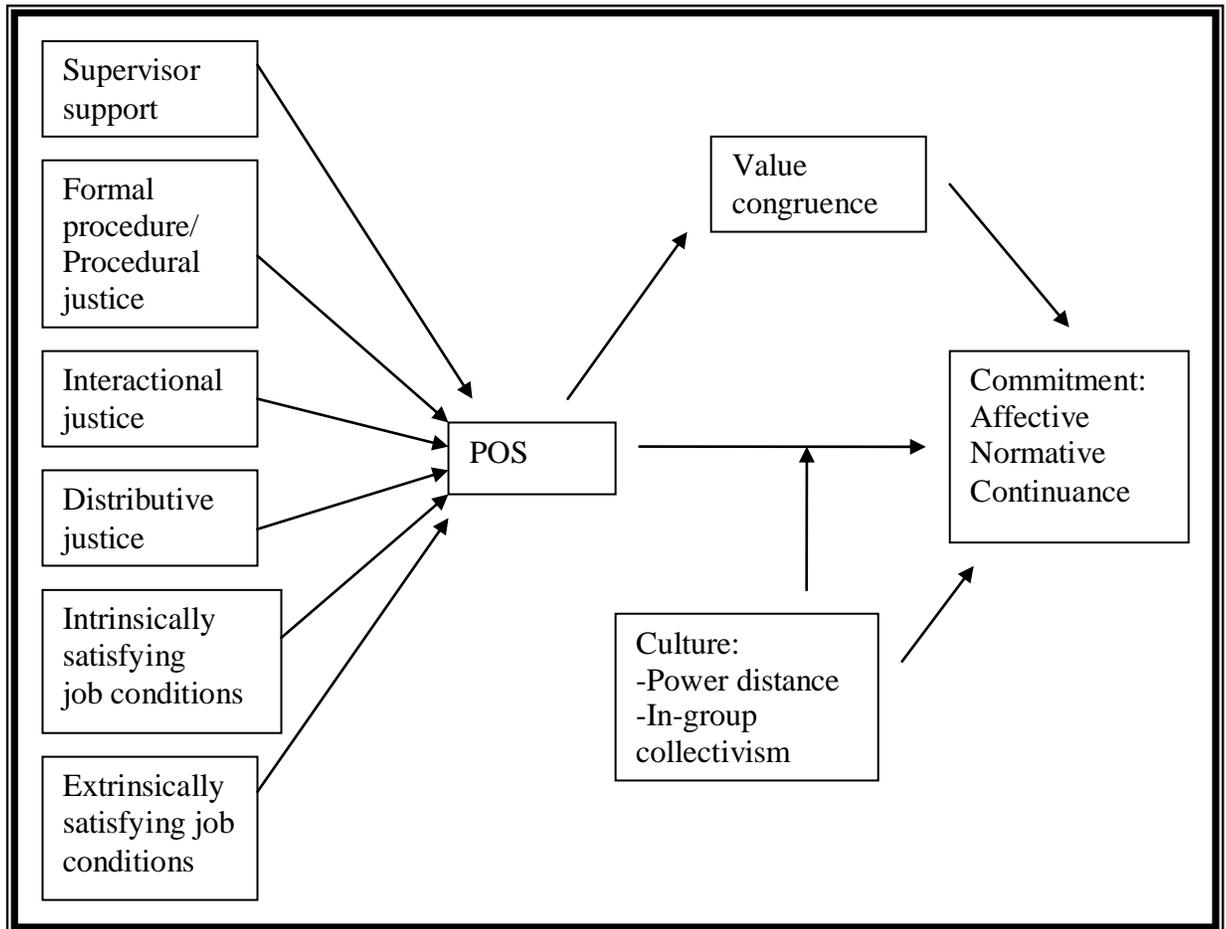


Figure 2.1: Initial model of the study based on literature review

## 2.11 Summary

This chapter reviews the literature relevant to the research topic. It indicates that research relating to POS, organizational commitment, value congruence and national culture studies has mostly been performed in organizations in western countries.

Therefore it is important to know the generalisability of the research findings and their applicability in non-western countries.

The importance of organizational commitment and POS was discussed at the beginning of the chapter. Although POS and organizational commitment had been studied, there are some contradictory issues to this relationship highlighted.

In addition, although past researchers have examined the relationship between national culture and organizational commitment, national culture was found to have different impacts on organizational commitment. Hence, a review of the relationships between these variables is discussed. The rationale for examining the GLOBE culture dimension towards organizational commitment is also highlighted in this chapter.

This chapter also reviews the role of POS on employees' value congruence and how value congruence can be associated with organizational commitment. Finally, in the later part of the chapter, an overview of the national culture role as a moderating factor between POS and organizational commitment is discussed.

The following chapter will discuss the small and medium enterprises in Malaysia.

# **CHAPTER 3**

## **SMALL AND MEDIUM ENTERPRISE IN MALAYSIA**

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### **3.1 Introduction**

This chapter presents an overview of small and medium enterprises (SMEs) in the context of the Malaysian environment. Firstly, the definition of small and medium enterprise will be highlighted. This is followed by a general review of SMEs in the Malaysian manufacturing sector. Finally, studies on SMEs, POS and organizational commitment in Malaysia will be discussed.

### **3.2 Definition of small and medium enterprise**

An SME has been defined in various ways in many countries and in Malaysia. In Malaysia, most of these definitions are used for a specific purpose by respective scholars and establishments. In this regard, the SME definition has been classified according to annual sales turnover, number of full-time employees and/or shareholders funds. For example, the Small and Medium Industries Development Corporation (SMIDEC), which was established on 2nd May 1996 under the Ministry of International Trade and Industry (MITI), defined SME in manufacturing sector, manufacturing related services and agro based industries as an enterprise with annual sales turnover not exceeding RM25 million or with full-time employees not exceeding 150, while SMEs in the service, primary agricultural sector and information and communication technology (ICT) as enterprises with annual turnover not exceeding RM5 million or with full-time employees not exceeding 50 (SMIDEC 2005). In contrast, SMEs are defined as enterprises with shareholders' funds of less than RM10 million by Bank Negara Malaysia (Central Bank) (National SMEs Development Council 2005). The National Small and Medium

Enterprises (SME) development Council (2005) further defined them more specifically as shown in Table 3.1.

Table 3.1: Definition of small and medium enterprises in Malaysia

<b>Size</b>	<b>Manufacturing, manufacturing-related services and agro based industries</b>	<b>Services, primary agriculture and information and communication technology (ICT)</b>
Micro	Annual sales turnover of less than RM250,000, or less than 5 full-time employees	Annual sales turnover of less than RM200,000, or less than 5 full-time employees
Small	Annual sales turnover between RM250,000 and less than RM10 million, or between 5 and 50 full-time employees	Annual sales turnover between RM200,000 and less than RM1 million, or between 5 and 19 full-time employees
Medium	Annual sales turnover between RM10 million and RM25 million, or between 51 and 150 full-time employees	Annual sales turnover between RM1 million and RM5 million, or between 20 and 50 full-time employees

(Source: National SME Development Council, 2005)

A literature review of SMEs in Malaysia indicates that with respect to definition, the number of full-time workers is the most commonly used categorization of size structure of establishments (Ismail & King 2006; Hooi 2006; Deros, Yusof & Salleh 2006; Ab Rahman & Tannock 2005; Eng & Yusof 2003; Chee 1986). The number of employees is also a fundamental criterion in most SME literature (Lee & Cheung 2004; Bommer & Jalajas 2002; Seyal et al. 2004). It is also observed that the number of employees is the most commonly used international definition of SMEs in the literature, since financial detail is quite sensitive in some cultures.

For the purpose of this study, the definition of SMEs will be based on the number of full-time employees. Review of the Malaysian SME literature also found that there have been various definitions with regard to the upper limit for the number of full-time employees working in SMEs (Ismail & King 2006; Hooi 2006; Deros, Yusof & Salleh

2006; Abdul Rahman & Tannock 2005; Abdullah 1999; Abdullah et al. 2007; Eng & Yusof 2003; Chee 1986).

For this study, Malaysian SME is based on the National SME Development Council (2005) definition which defines an SME as a company that has a number of employees between 5 to 150. However, as this study will focus only on the medium enterprises in the Malaysian manufacturing sector, a medium enterprise is classified as “a company that has between 51 and 150 full-time employees”. The rationale for using such a criterion is that there is some consensus among researchers and agencies to use the upper limit of 150 employees for the manufacturing sector (Foong 1999; Zain & Ng 2006; Saleh & Ndubisi 2006; SMIDEC 2005; United Nations Development Programme 2007).

### **3.3 General review of small and medium enterprises in Malaysia**

According to the 2005 Census of Establishment and Enterprises, 99% or 519,000 of the total Malaysian SME establishment are from the main economic sectors of manufacturing, services and agriculture. Of 519,000 total establishments, almost 86.5% of the SMEs are found in the services sector, especially in retail, restaurant and wholesale business (United Nations Development Programme 2007).

Malaysian SMEs also created employment by contributing 65.1% of the total employment of 4.6 million in the service, manufacturing and agriculture sectors in 2003. The service sector contributes the largest number (2.2 million). The manufacturing sector is the next highest contributor with 740,000, while agriculture sector accounted for 131,000. With regard to the types of the workers, 76.5% of the workers are full-time employees, 16.7% are self-employed workers and part-time workers account for 6.8% (Normah, 2006 cited in United Nations Development Programme (UNDP) Malaysia, 2007).

Malaysian SMEs also reported that they were a major source of employment in 2005 (SME Annual Report 2006). The SMEs' contribution to the economy is reflected by the increase in its contribution to employment from 55.8% in 2003 to 56.4% in 2005. Despite their contribution to employment, SMEs contributed only 32% of gross domestic product in 2005, from 31.9% in 2003.

Malaysian SMEs also contribute to total export value. For example, the SME Annual Report for 2006 reported that SMEs' share of total exports increased slightly to 19% in 2005, from 18.9% in 2003. SMEs that are categorized under export-oriented industry constituted 0.4% of total establishment, which generated 8.5% of output, 6.4% of value added and 2.7% of employment. The manufacturing sector contributes an output of 18.5%, 21.5 % of value added and engages 11.1% of employment. It is also reported that the number of export-oriented SMEs involved in the manufacturing sector is 3% of total SMEs, while for both the services and agriculture sectors this is 0.2%. Table 3.2 shows the contribution by export oriented SMEs in 2003.

Table 3.2: Contribution by export-oriented SMEs in 2003

<b>Sector</b>	<b>No of establishments %</b>	<b>Output %</b>	<b>Value added %</b>	<b>Employment %</b>
Manufacturing	3.0	18.5	21.5	11.1
Services	0.2	0.7	0.7	0.3
Agriculture	0.2	0.2	1.3	1.7
Total	0.4	8.5	6.4	2.7

The significant role of Malaysian SMEs can also be reflected by their contribution to output and value added. In 2003, SMEs in the service sector contribute 51% out of RM405 billion output and 55% value added out of RM 154 billion. Of Malaysia's SMEs, 79.4% (412,000) can be categorized as micro, with small establishments accounting for 18.4% and medium establishments, 2.2%.

With regard to the distribution of SMEs in Malaysia, the highest concentration is in the central region (Selangor and Federal Territory of Kuala Lumpur), accounting for 37.1%. This is followed by the State of Johor with a concentration of 10.4% while other Malaysian states accounted for less than 10% (Normah 2006 cited in United Nations Development Programme 2007).

### **3.4 SMEs in the Malaysian manufacturing sector**

SMEs in the manufacturing sector contribute significantly in terms of business units, employment opportunities and economic output (Hashim & Wafa 2002). According to the National Productivity Corporation (2001) report, SMEs represent 92% of the total number of firms in the Malaysian manufacturing sector. Hooi (2006) stated that most of the SMEs in the manufacturing sector are focused on the food and food products, furniture and fixtures, chemical and chemical products and metal products sub-sectors. In the manufacturing sector, small businesses are engaged in the activities of converting basic raw materials into useful products such as processed food, timber, toys, shoes, clothing, paper, candles, furniture, rubber gloves, plastic bags as well as job printing shops, soft drink bottling, small machine shops, ironwork, fertilizer plants, and electrical and electronics appliances and components. Of these, 20% are in food processing, 18% in the manufacture of fabricated metal products, machinery and equipment, 17% in the manufacture of wooden goods and wood producers, 12% in apparel manufacturing, 11% in the manufacturing of chemical, petroleum, plastic and rubber products and the remaining 22% in other manufacturing activities such as paper and basic metal (National Productivity Corporation, 2001).

SMEs play an important role in the Malaysia industrialization programme, especially since Malaysia has been transforming from a commodity-based nation to a manufacturer of industrial products for exports. SMEs provide the critical linkage with the large and multi-national corporations. Their support is needed by large enterprises as suppliers or subcontractors and purchasers of products and in many service capacities. Competent SMEs can be vital to the economic efficiency of large enterprise and can also contribute towards improving economic relationships between and within industries, both upstream

and downstream in the various sectors (Abu Bakar, Smith & Sapuan 1997; Sohail & Hoong 2003). The SMEs play these roles by complementing the activities of the large-scale industries through integration into the mainstream industrial development. SMEs are involved in the process of providing critical parts and components as well as expanding their market internationally. It is expected that with the growth of SMEs, industrial sectors will be strengthened, thus leading to enhancement in export growth.

United Nation Development Programme (UNDP), Malaysia (2007) reported that in 2003, SMEs in the manufacturing sector accounted for 96.6% (38,000) of total establishments. In relation to this, Micro establishments (55.3%) accounted for 2.3% to output and 1.6% to value added. On the other hand, medium-sized establishment (5.2 %) constituted for 62.1% of output and 51.0% of value added. It is also reported that 34.9% of the manufacturing sector output was contributed by SMEs.

According to SME Annual Report (2007), SMEs contributed 30.74% of total manufacturing output, 26.33% of value added and 31.62% of employment in 2007. As shown in Table 3.3, the output of SMEs grew by 6.89% during 2006–2007, value added expanded by 8.16%, while employment increased by 2.71% from 402,496 to 413,397 (see Table 3.3).

Table 3.3: Contributions of SMEs in the manufacturing sectors

	Value level RM million		Percentage share of manufacturing sector (%)		Growth (%)
	2006	2007	2006	2007	2006-2007
Total value	88,266	94,356	29.31	30.74	6.89
Value added	17,798	19,251	25.66	26.33	8.16
Employment	402,496	413,397	31.21	31.62	2.71

(Source: SME Annual Report 2007)

The three sectors that contribute more than half of the total value added in the manufacturing sector are those of textiles and apparel (23.2%), metal and non-metallic, mineral products (16.7%) and food and beverages (15.0%). With regard to generation of

employment, more than half of the employment of SMEs was contributed from establishments in the food and beverages; wood products and furniture; metal and non-metallic mineral products; and rubber and plastic products (United Nations Development Programme 2007)

### **3.5 Studies on POS, organizational commitment and SMEs in Malaysia**

Researches carried out so far on SMEs in Malaysia have focused particularly on the general profile of the SMEs sector in Malaysia (Hooi 2006). This includes the demographic characteristics of the owners of SMEs, the demographic characteristics of SMEs, strength and weakness of SMEs, and SME assistance program.

The review of the studies on SMEs in Malaysia found that many SME studies have been conducted in areas such as total quality management (Eng & Yusof 2003; Sohail & Hoong 2003), information systems (Foong 1999), benchmarking and procurement (Deros, Yusof & Salleh 2006; Salleh, Rohde & Green 2006) and job satisfaction (Abdullah et al. 2007; Rowden & Ahmad 2000). For example, Eng and Yusof (2003) studied the level of total quality management (TQM) implementation in Malaysian electrical and electronic industries. They revealed that there is a significant difference between TQM practices of large and small companies. Further, Sohail and Hoong (2003) investigated the TQM implementation and organizational performance of SMEs in various industries. They found that there are differences in organizational performance between SMEs with and without ISO certification.

Foong (1999) studied the effect of end-user personal and systems attributes on computer-based information system (CBIS) success among Malaysian SMEs. The findings of this study revealed the level of an end-user's IT literacy to be associated with the level of sophistication of the CBIS.

Exploring the effect of enacted capabilities on adoption of a government electronic procurement system among Malaysian SMEs, Salleh, Rohde and Green (2006) confirmed the role of enacted capabilities on procurement-system adoption. In addition, Deros, Yusof and Salleh (2006) recommended a conceptual framework for benchmarking implementations especially for automotive manufacturing SMEs.

Rowden and Ahmad's (2000) research examined the association between workplace learning and job satisfaction within the context of small and medium-sized business in Malaysia. They found a positive relationship between workplace learning and job satisfaction. In addition, Abdullah et al.'s (2007) research also studied job satisfaction in small and medium industries in Malaysia. Their study recommended the linking of employees' working environment to their job satisfaction.

There has been some research on organizational commitment conducted in Malaysia but less research done on the contribution of POS. For example, using a path analytic approach, Pearson and Chong (1997) studied the job content and social information on organizational commitment and job satisfaction. In their study, they found that task content attributes such as identity, significance and autonomy, as well as interpersonal task attributes, significantly related to Porter et al.'s (1974) organizational commitment dimension.

Exploring the moderating effect of job satisfaction between organizational commitment and job performance among management level employees in Telekom, Malaysia, Samad (2005) confirmed the moderating role of job satisfaction on the relationship between organizational commitment and job performance. Specifically, she used motivational and hygiene factor dimensions to reflect job satisfaction while organizational commitment was measured with the Organizational Commitment Questionnaire (OCQ) developed by Mowday, Porter and Steers (1982).

Further, Poon (2006) studied the role of perceived politics among employees of a medium size company operating in the private sector in Malaysia. In her study, she

found that the relationship between trust-in-supervisor and willingness to help co-workers depended on the employees' perception of organizational politics in the organization.

Samad (2006a) studied the effect of the perception of justice on organizational commitment of manufacturing employees in the electronic and electrical manufacturing industries in Malaysia. She revealed that both procedural and distributive justice related to organizational commitment and job satisfaction.

In addition, Mat Zin's (2006) research also studied organizational commitment within the context of the Malaysian environment. Using data collected from individuals holding managerial positions in selected public and private organizations in Malaysia, he concluded that organizational commitment is significantly affected by career related variables. However, he did not include any information relating to the organizational commitment dimension in the report.

Kwon (2006), in his integrated culture study, examined the association between organizational justice and outcome (including organizational commitment). Based on the data gathered from Korean and Malaysian employees working in a Korean-based multinational firm's subsidiaries in Malaysia, this study suggested that both procedural justice and distributive justice could be associated with organizational commitment. However, this relationship is not empirically tested in his study.

### **3.6 Summary**

This chapter reviews the development of SMEs in the Malaysian environment and specifically discusses the SMEs in the manufacturing sector in Malaysia. This review indicates that SMEs contribute more than 90% of total manufacturing establishment in Malaysia. This reinforces the significant roles of SMEs, especially on the Malaysian economy, employment and growth. However, it can be observed that Malaysian SMEs'

contribution to growth domestic product (GDP) is still below 50% compared with that of other developed Asian countries.

A review of previous studies on POS, organizational commitment and SMEs conducted in Malaysia calls for a crucial need for research, especially in these areas. This is because in the era of global market, the ability of SMEs to retain their workers is essential, especially to compete with large organizations. The high turnover of highly skilled employees will not only affect operational cost, due to the need to recruit and train a new worker, but also the overall cost of the production. In this regard, research on perceptions of support, which in turn tends to enhance employees' commitment to the organization, could assist SMEs to maintain their competitiveness in attracting workers. In addition, owing to the growth of SMEs' contribution to employment, this study will benefit strategic human resource planning of SMEs in terms of developing better support to the employees. The following chapter will discuss the research methodology undertaken by the study.

# **CHAPTER 4**

## **THE RESEARCH METHODOLOGY**

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### **4.1 Introduction**

This chapter presents the research paradigm, research methodology and research design underpinning the study. The research paradigm for the study will be discussed in the first section. The mixed methodology approach of both qualitative field study and quantitative survey research, which has been employed in this study, will be explained. This is followed by a detailed description of the research process undertaken for the study.

### **4.2 Research paradigm and methodology**

#### **4.2.1 Research paradigm**

Guba and Lincoln (1994, p. 107) describe a paradigm as

“a set of basic beliefs (or metaphysics) that deals with ultimates or first principles. It represents a worldview that defines, for its holder, the nature of the world, the individual’s place in it, and the range of possible relationships to the world and its part,”

The basic beliefs and assumptions of the researcher will determine the inquiry paradigm. In defining inquiry paradigm, Guba and Lincoln (1994) suggested that the set of basic beliefs will stem from consideration of three metaphysical questions. These are

ontological, epistemological and methodological. The ontological determines the form and nature of the reality (Guba & Lincoln 1994) or makes claim about what is knowledge (Creswell 1994). The epistemology addresses the nature of knowledge to be studied (what can be studied) and the relationship between the researcher and that which is to be known. The methodological question determines the process for studying it or how the researcher goes about the research. Denzin and Lincoln (2000) further add the concept of axiology that emphasizes the ethical element.

Guba and Lincoln (1994) introduced four different paradigms for conducting the research. These are positivism, post-positivism, critical theory and constructivism. They further added a fifth paradigm, participatory, into their list of alternative inquiry paradigms (Lincoln & Guba 2000). Creswell (2003) proposed four schools of thought with regard to knowledge; namely, post-positivism, constructivism, pragmatic and advocacy/participatory.

Two broad philosophical approaches within social science are used to conduct research. These are positivist and interpretivist (Remenyi et al. 1998). Positivist researchers give emphasis to the importance of an objective scientific method (Remenyi et al.1998) and believe that the research idea can be objectively measured and observed (Hessler 1992). Relying on this paradigm, the quantitative researcher assumes that reality is independent from the knower (Smith 1983) and sees reality as ‘being’ rather than ‘becoming’. Positivists elaborate research questions based on theoretical background and previous studies, and analyse quantitative data using statistically valid techniques before making generalizations and conclusions. On the other hand, interpretivist research tries to obtain an understanding of phenomena (Smith 1983) and to see all things as ‘becoming’. As interpretivists are more concerned to understand individuals’ perception of the world, they assume that the personal nature of social constructs can be extracted and refined through the interaction of researchers and research subject (Lincoln & Guba 1985). Interpretivists use subjective interpretation, reasoning and feeling of people (qualitative data) to understand and explain the realities. In other words, qualitative research gives

more emphasis to words, observations and meanings and not so much to facts and numbers (Creswell 1994).

The research paradigm of this study is based on the concept of positivist research which uses precise, objective measures and quantitative data. The main argument behind adopting the positivist approach is that the constructs and factors identified in the proposed research model can be objectively measured. Under the positivist approach, the researcher will develop the hypothesis based on theories and findings identified in previous research. Next, the hypothesis must be tested to understand the related phenomenon (Cavana, Delahaye & Sekaran 2001). In the selection of this approach the researcher had identified that there were a number of theories in the literature that addressed the relationship between POS and organizational commitment.

## **4.2.2 Research methodology**

### **4.2.2.1 Existing methodological approaches**

Existing POS and organizational commitment studies have used either the quantitative or the qualitative approach. However, the quantitative approach has dominated research into the association between POS and organizational commitment. As mentioned earlier in this chapter, the quantitative researcher develops a research question based on a theoretical background and previous studies. Kelle (2006) argued that the research question development process might create problems in theory building and also in the measurement of variables. Specifically, lack of cultural knowledge about specific structures, patterns and social phenomena will bring about problems of theory building and hypothesis construction and thus will result in mis-specification of statistical models. For example, the real phenomena will not be fully understood if functional relationships between certain variables are not correctly specified owing to lack of common ground in culture knowledge. In addition, insufficient knowledge of the 'life world' of their research subjects may result in problems for operationalization and measurement of variables. The closed-ended questionnaire, for example, can create a bias to the research. If the researcher is unable to understand the socio-cultural context

of the research domain and respondents fail to comprehend the question the way it was intended by the researcher, data obtained are neither valid nor reliable.

The qualitative approach could also suffer some methodological problems. The issue of transferability of the finding can be associated with methodological problems in qualitative research. For example, as there are only limited numbers of people involved in the interview process, the research finding cannot be generalized. In addition, qualitative approaches can increase the likelihood of social desirability bias. In this regard, respondents might overreport actions or underreport their organizational commitment behavior which might bias the result of the research findings (Spector 2006).

Based on the above limitations, there is a need for an alternative method to study POS and organizational commitment. Thus the mixed method, comprising quantitative and qualitative approaches, offers a comprehensive method for conducting research in this area.

#### **4.2.2.2 Mixed method**

Greene, Caracelli and Graham (1989, p. 256) define mixed methods as “those that include at least one quantitative method (designed to collect numbers) and one qualitative method (designed to collect words), where neither type of method is inherently linked to any particular inquiry paradigm”. Tashakkori and Teddlie (1998) further defined mixed methods as “those that combine the qualitative and quantitative approaches into the research methodology of a single study or multiphased study” (p. 17-18). Owing to the complementary nature of the information obtained from both techniques, a number of studies have used a mixed method approach for data collection purposes (Miles & Huberman 1994; Creswell 2009; Anderson & Young 1999).

Combining or integrating quantitative and qualitative data collection methods within studies is well recognized throughout the literature and can provide multiple advantages. Rossman and Wilson (1991) described these benefits as falling into three broad areas:

(a) enables confirmation or corroboration of both qualitative and quantitative method via triangulation (b) explains in detail or develops the analysis which enriches either qualitative or quantitative techniques and (c) establishes new ways of thinking about contrary findings. Furthermore, the combination of the qualitative and quantitative approaches provides cohesive and coherent outcomes, since each method has its own strength to provide relevant data (Hohental 2006). For example, the qualitative data collection methods, which include interviews, focus group and observation methods, have enormous benefits such as assisting in developing theory, exploring new topics, collecting information about an experience or topic, clarifying quantitative findings and exploring different dimensions of respondents' experience (Jackson & Trochim 2002; Sproull 1988). On the other hand, quantitative methods can best be used in isolating variables and explain the correlation associates with variation (Borkan 2004). Grene, Caracelli and Graham (1989) also stated that in mixed method studies, the inferences made at the end of one phase (for example qualitative studies) can lead to the question and or design of a second phase (for example quantitative studies). Thus, in the case of POS and organizational commitment, both methods are capable of strengthening research results.

The need for mixed method in this study is based on a number of factors. POS and organizational commitment research based on the Malaysian environment has received less attention. Although there has been some research on organizational commitment done in Malaysia, there has been less research on the contribution of POS. In addition, almost all theories of POS and organizational commitment are developed based on a western perspective (Cohen 2003). Thus, some of the theories might not be applicable to the Malaysian context. In addition, insufficient knowledge of POS and organizational commitment in Malaysia would create a problem with operationalization of the theoretical concepts and measurement development. This may yield a misleading picture of POS and organizational commitment practiced in Malaysia. Thus, limited knowledge about the constructs and dimensions of POS and organizational commitment could be overcome by conducting the qualitative study at an earlier stage of the study. Furthermore, as suggested by Kelle (2006), to understand the investigated phenomena,

the functional relations between certain variables such as POS and organizational commitment, need to be correctly specified.

The mixed method approach is also needed to further investigate the impact of national culture on organizational commitment, since previous studies found national culture to have different impacts on organizational commitment. In addition, as there are limited studies that look at the GLOBE culture dimension called 'in-group' collectivism, there is a need to explore and observe this dimension to reflect the Malaysian environment. Thus qualitative enquiry that focuses on the GLOBE culture dimension is needed before concepts in the quantitative model can be measured and tested.

The mixed method approach in this research was conducted in two phases. The data collection and analysis of the study was initially conducted using a qualitative approach; this was followed by the quantitative phase. This approach, which is referred to as a sequential exploratory strategy, is appropriate for exploring the phenomenon (Creswell 2003). Tashakkori and Teddlie (1998) recommended that the qualitative phase could assist in explaining the phenomena, whereas the quantitative phase can help in the interpretation of the qualitative study.

#### **4.2.2.3 Mixed methodology research approach**

Data for the qualitative field study phase (phase I) for the present study was collected by interviewing employees of medium enterprises. Interviews were conducted using a semi-structured interview technique. As mentioned earlier, the main reason for conducting the interview was to further explore the factors and variables of POS, organizational commitment and GLOBE culture. During this phase, the factors and variables from the literature review were explored in detail and the initial research model was verified. Besides this, exploration-relevant factors and variables were also identified in this stage. The qualitative data were analyzed using content analysis. Following this analysis and review of the related literature (Miles & Huberman 1994; Yin 2003), additional new factors could be included in the model. Thus, at the end of this stage, the comprehensive final research model was constructed.

In the quantitative field survey phase (phase II), the questionnaire was developed based on the comprehensive final research model derived from the qualitative study and literature review. The aim of data collection was to verify the hypotheses that had been developed. Before the questionnaire could be distributed, the questionnaire was pre-tested to assure content validity. Data for the survey were then collected from randomly selected medium enterprises specifically in the manufacturing sector. Data from the survey were then analysed through Structural Equation Modelling using Partial Least Squares (PLS) technique. The results and findings determined the factors of POS that influenced organizational commitment among employees of medium enterprises. Figure 4.1 shows the mixed method research approach adopted in this study.

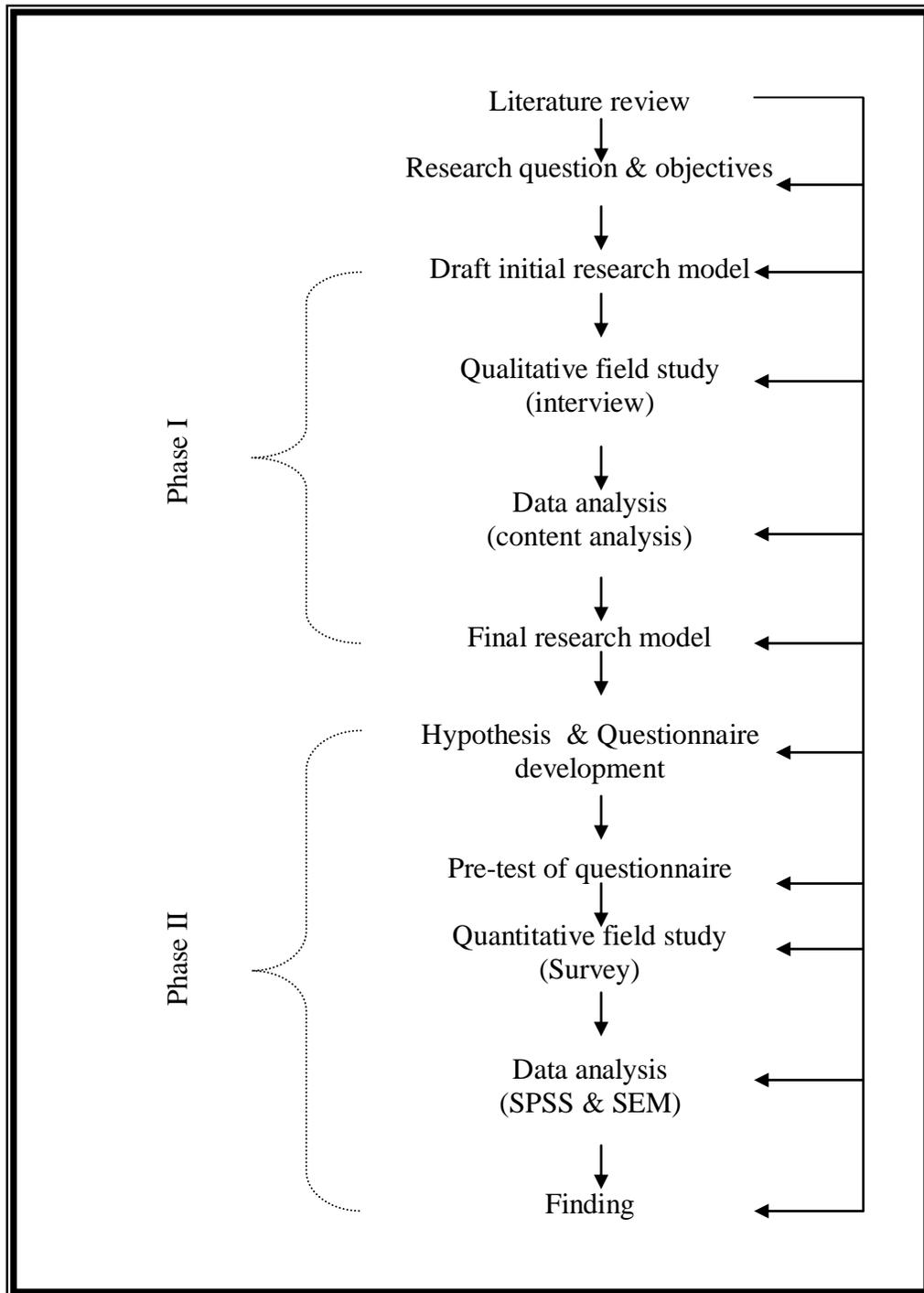


Figure 4.1: Mixed method research approach

### **4.3 The research process**

The following describes in detail the steps in the mixed method research process.

#### **4.3.1 Literature review**

Literature was searched for the purpose of identifying the general antecedents of POS, possible relationships to be investigated and relevant content categories. The purpose of this effort was to identify concepts pertinent to the current organizational commitment issues, and to determine various antecedents of POS and its relation to organizational commitment. In addition, the impact of national culture on organizational commitment was investigated. Specifically, GLOBE culture dimensions, ‘in-group’ collectivism and power distance were also reviewed. Following the literature review, the research question and research objectives were developed.

#### **4.3.2 Preliminary research model construction**

A preliminary research model on POS was constructed based on the literature. The model was later refined with the support of more literature review and the field study.

#### **4.3.3 Qualitative field study**

The field study was chosen as a research method for the qualitative phase of the research (Zikmund 2003; Creswell 2003). The reason behind adopting this approach was to search for and identify additional relevant factors and variables related to POS and organizational commitment that might not have been recognized in the literature review. In addition, as there are limited studies that look at the GLOBE culture dimension called ‘in-group’ collectivism, there was a need to explore and observe this dimension. The strength of qualitative research lies in its emphasis on ‘discovery, insight and understanding from the perspectives of those being studied which offers the greatest promise of making significant contribution to the knowledge base and practice’ in organizations (Merriam 1988).

##### **4.3.3.1 Sample selection**

Convenient sampling was used in the initial qualitative field study. Sekaran (2003) and Zikmund (2003) report that this approach is among the best techniques to obtain basic

information quickly and effectively. Two companies of medium enterprises in the manufacturing sector were selected for this study. This sector was chosen in the current study because this sector has emerged as the most important for small and medium size enterprises in Malaysia in terms of the number of establishments, growth and contributions to the gross domestic product and national income (SMIDEC 2005). The key criterion for selecting the two companies was that the company had a number of employees towards the top or the bottom of the range used on the definition of medium enterprises in Malaysia (National SME Development Council 2005). The key person in the company was contacted by telephone to attain a permission to conduct the interviews.

Field interviews were then conducted with employees and HR practitioners of the two selected medium enterprises. Five people from each company, comprising three people from shop floor or clerical staff, one person with human resource responsibilities, and one with another managerial responsibility were interviewed from each company. The main reason for the selection criterion was to ensure diversity and to secure heterogeneity in opinions (Klein, Dansereau & Hall 1994). Individuals that participated in the field interview were provided with consent forms that clearly outlined the purpose of the research. For future references, and data analysis purposes, participant permission to record the interview was sought before the interview session was conducted. All participants that took part in this interview did so voluntarily.

#### **4.3.3.2 Data collection**

The interview technique was used to collect qualitative data for the present study. This method is used largely by social scientists for collecting data in qualitative research. The key benefits of using qualitative interviews in data collection are the capacity to generate in-depth data and flexibility to use with ease anywhere (King 1994). A semi-structured interview method was used to obtain the data on antecedents of POS and how this could influence organizational commitment. By using this technique, participants' perspectives and viewpoints could be gained. Rubin and Rubin (2005) recommended that semi-structured interviews be used to explain the answers from the initial questions. The

advantage of a semi-structured interview is that it allows an interviewer to concentrate on the specific issues and topics. For this study, Berg's (2004) semi-structured interview format guided the interview process.

Interview guidelines were first developed to provide a structure for the collection of data. These guideline was constructed by integrating the constructs from the initial research model. The interview questions concentrate on the following areas: (1) general perception about support that companies provide to the workplace, (2) actions of support provided by companies that could affect employees' commitment to stay in the organization, (3) the way workers/employees interact with management/superior/fellow employees and how this affects their commitment towards organization (national culture question), and (4) company values or attitudes towards customers/employees and how this value influences workers' commitment to the company (value congruence question).

As the participants involved in these interviews varied from lower levels up to higher levels of management, the participations were given an option to use either English or Bahasa Malaysia language during the interview. The complete interview data were then transformed from voice recording into text units called the interview transcript. The interviews were transcribed by the researcher. Where applicable, the interview transcript was translated from Bahasa Malaysia to English.

#### **4.3.4 Qualitative data analysis**

The key task in the qualitative interview is to comprehend the meaning of what the participant had stated (Kvale 1996; Creswell 2003). The qualitative data analysis for this study was undertaken using content analysis. The main reason for conducting content analysis is to extract the factors and variables of the study. Basically, it is essential to identify the themes and classify the text into specific content categories before content analysis can be used. The process of content analysis comprises identifying the categories related to research, sorting the occurrences into categories and counting the

occurrences of each of the categories. This study applied Holsti's (1969) content analysis technique for coding and categorizing.

In analyzing the qualitative data, two sequential steps were undertaken. The first step was to review the participant transcript by reading the transcript line by line, and at the same time scanning to identify key words from the interview transcript. Subsequently, the data were categorized into different codes. These codes reflected the factors and variables in the initial research model. These developed codes and categories were cross-referenced with the literature review. Where applicable, revision of codes and category was undertaken. This study also applied Miles and Huberman's (1994) and Yin's (2003) technique to identify new items related to the research. Lastly, the factors and variables from the initial step were organized in table or matrix form.

The second step in analyzing the qualitative data was to arrange and to take note of any similarities and differences between the matrix for all participants. In addition to factors and variables, the links between factors were also identified. This can be established by reviewing and revising the transcript several times. This step is then repeated for all participants. Based on the variables, factors and the link between each factor, individual models for the ten respondents were developed. Once the individual models for ten interviews were developed, this step was completed.

#### **4.3.5 Model refinement and final research model**

After the qualitative data analysis had been conducted, the next step of the research process was to refine the model and develop the final research model. In order to refine the model, a comprehensive combined field research model must first be developed. This can be obtained by combining the ten individual models (developed in the previous step) into one single model. In establishing the field study research model, similar variables and factors were combined into one using an 'integrated' technique. The same technique was also implemented to determine the links between factors. The newly identified factors raised by the participants from interviews were also retained and included in the field study research model. Therefore, by comparing factors and

variables in terms of their similarities and differences, and also determining the links between the initial research model and further literature, a new comprehensive combined research model was developed. It is noted that the links between the factors are hypotheses for the model. These hypotheses will be tested in the following quantitative field study phase.

#### **4.3.6 Hypotheses construction and questionnaire development**

The previous step in the research process developed a final combined research model. To confirm the generalization of this model the quantitative study needs to be conducted. Thus, the hypotheses were constructed once the research model was finalized. Following this, a tentative questionnaire was designed based on the hypotheses. The questionnaire also included the demographic information of the participants. The questionnaire was structured using a Likert scale. The detailed discussion of the questionnaire development is provided in Chapter 6. As this study was conducted in Malaysia and the original instruments are written in English, a decentering process (Brislin 1976, p. 221) is needed before it can be used in a Malaysian environment.

#### **4.3.7 Pilot study and questionnaire refinement**

After the questionnaire construction was completed, consent from the University Ethics Committee was obtained before the questionnaire was distributed to the participants. Prior to administering the survey, a convenient sample of one Malaysian medium enterprise was selected in which to conduct a pre-test of the survey. The main reason for conducting a pre-test was to enhance content validity. Cavana, Delahaye and Sekaran (2001) suggest that the rationale behind this stage is to ensure the questionnaire items are measuring constructs as intended for this research and to scrutinize face validity, reliability and factorial validity. Necessary changes were accordingly made to refine the tentative instrument based on pilot test results.

### **4.3.8 Conducting the survey**

#### **4.3.8.1 Sample selection**

The context of this research is medium enterprises in Malaysia. The study examined the factors that affect employees toward support given to them and how this could result in them giving commitment to the organization. However, since it has been noted in general that Malaysian small and medium enterprises gave low response rates to surveys (Ismail & King 2006; Sohail & Hoong 2003; Eng & Yusof 2003; Foong 1999; Hooi 2006) this research focused on medium enterprises only. By focusing on medium enterprises, it is expected that response rate will be higher.

The requirement for this study was to survey medium enterprises in Malaysia that employ between 51 and 150 employees. The criterion used to define medium enterprises in this study was consistent with the criterion for medium enterprises adopted by National SME Development Council 2005 (SMIDEC 2005). To generate the sample, a detailed listing of medium enterprises in Malaysia categorized by industry was obtained from the Small and Medium Industries Development Corporation (SMIDEC 2005), and Directory of the Federation Manufacturers (FMM) .

Considering the time and cost constraints, and in line with a suggestion made by Alreck and Settle (1995), 1000 employees had been chosen as the sample size. It was expected that 25% of the respondents would respond to the survey. In addition, this sample size was also reasonable based on the sample size requirement of the data analysis tool of the Partial Least Squares approach to Structural Equation Modelling (SEM) as suggested by Barclay, Higgins and Thompson (1995). For determining the sample size under PLS, Barclay, Higgins and Thomsom (1995) suggested that the sample size should equal either ten times the number of indicators of the most complex formative latent variables or the largest number of independent variables impacting a dependent variable, whichever is greater. In this research, the most complex construct was POS with 17 items. Thus, a minimum requirement of 170 cases was needed in the data base.

#### **4.3.8.2 Data collection**

The data were gathered by distributing questionnaires to all employees of selected Malaysian medium enterprises in the manufacturing sector. The traditional ‘paper and pencil’ survey with sealed envelopes was used to provide stronger assurance of respondents’ anonymity. The surveys were administered with the support of the management of the organizations.

Ten medium enterprises from the Selangor statistical area were selected randomly. These companies were contacted via telephone to ensure that they were able to participate in the research. In addition, a cover letter explaining the purpose of the study was also sent to the contact person of the company.

The survey questionnaires, together with cover letter that explained the purpose of the research were then sent to the contact person of the companies. Subsequently, the relevant contact person distributed the survey questionnaire to the employees of the companies. Two weeks were given for the respondents to return the completed questionnaire to the contact person. In addition, in order to increase the response rate, the contact persons were contacted via phone two weeks after the questionnaire had been distributed.

The survey method was chosen to collect the data because it allowed respondents some time to consider their answer, and the feeling of anonymity could also be established. This research strategy also could provide fast, cost effective, easy to administer and accurate means of assessing the information about the population (Gosselin 1997; Zikmund 2003; Haslam & McGarty 2003). Moreover, validity could also be examined statistically (Cook & Campbell 1979; Shadish, Cook & Campbell 2002).

#### **4.3.9 Quantitative data analysis using Structural Equation Modelling (SEM)**

Structural Equation Modelling (SEM) was used to analyze the quantitative field study data. SEM is considered to be a powerful second-generation multivariate analysis

technique for studying causal models. It is also superior to traditional regression and factor analysis because the measurement model is assessed within the context of the theoretical structural model (Fornell 1982).

This research used a Partial Least Squares (PLS) based Structural Equation Modelling technique. In PLS, the reliability and validity of the measures of theoretical constructs can be assessed simultaneously and the relationships among these constructs could also be estimated (Barclay, Higgins & Thompson 1995). Specifically, the PLS approach allows the researcher to map and analyse all dependent variables simultaneously (Barclay, Higgins & Thompson 1995; Fornell & Bookstein 1982; Gefen, Straub & Boudreau 2000). The technique has gained much attention among researchers in diverse areas such as social science, marketing education, strategy and management information systems (Hulland 1999; Fornell & Cha 1994; Chin 1998; Johansson & Yip 1994).

Among the reasons why this study used PLS in data analysis is the nature of the PLS technique that allow path-hypothesis of the research model to be analyzed (Chin 1998; Gefen, Straub and Boudreau 2000). PLS is also applicable when a new measurement is investigated (Barclay, Higgins and Thompson 1995). Compared with the covariance-based SEM technique that focuses only on reflective observed variables, PLS can be used on both reflective and formative observed variables. In this case, formative indicators can be referred to as indicators that cause the latent construct and the construct is a function of formative measures, whereas reflective indicators reflect the latent construct and are a function of the construct (Gefen, Straub & Boudreau 2000). Other advantages of PLS include its applicability to small sample size (Chin 1998; Compeau & Higgins 1995; Thong, Yap & Raman 1996). Given that the response rates from previous studies are relatively low, the PLS technique is considered suitable for analyzing data for the current study.

Figure 4.2 shows specific steps undertaken in the present study in conducting PLS data analysis. Firstly, prior to data analysis, the data management was conducted to eliminate any outlying sample that may distort the result. Upon completing this task, the data

were transformed into input file for PLS. At the same time, the model specification was also determined in order to specify the types of observed variables used in the study. The observed variables could be in a form of formative and/or reflective indicators. This was followed by model estimation. In this step, both formative observed variables and reflective observed variables were to be estimated using indicators' weight and indicators' loading respectively (Hulland 1999; Santosa, Wei & Chan 2005). This was followed by data analysis. The data analysis in PLS was conducted in two different stages, as outlined by Barclay, Higgins and Thompson (1995), and Santosa, Wei and Chan (2005). These stages are assessment of the measurement model and assessment of the structural model. In assessing the measurement model, the individual item reliability, internal consistency and discriminant validity is examined. On the other hand, assessment of the structural model involves testing the significance of the path loading and variance explained for each dependent construct.

The following section will discuss in detail the data analysis procedure for analyzing both the measurement model and the structural model.

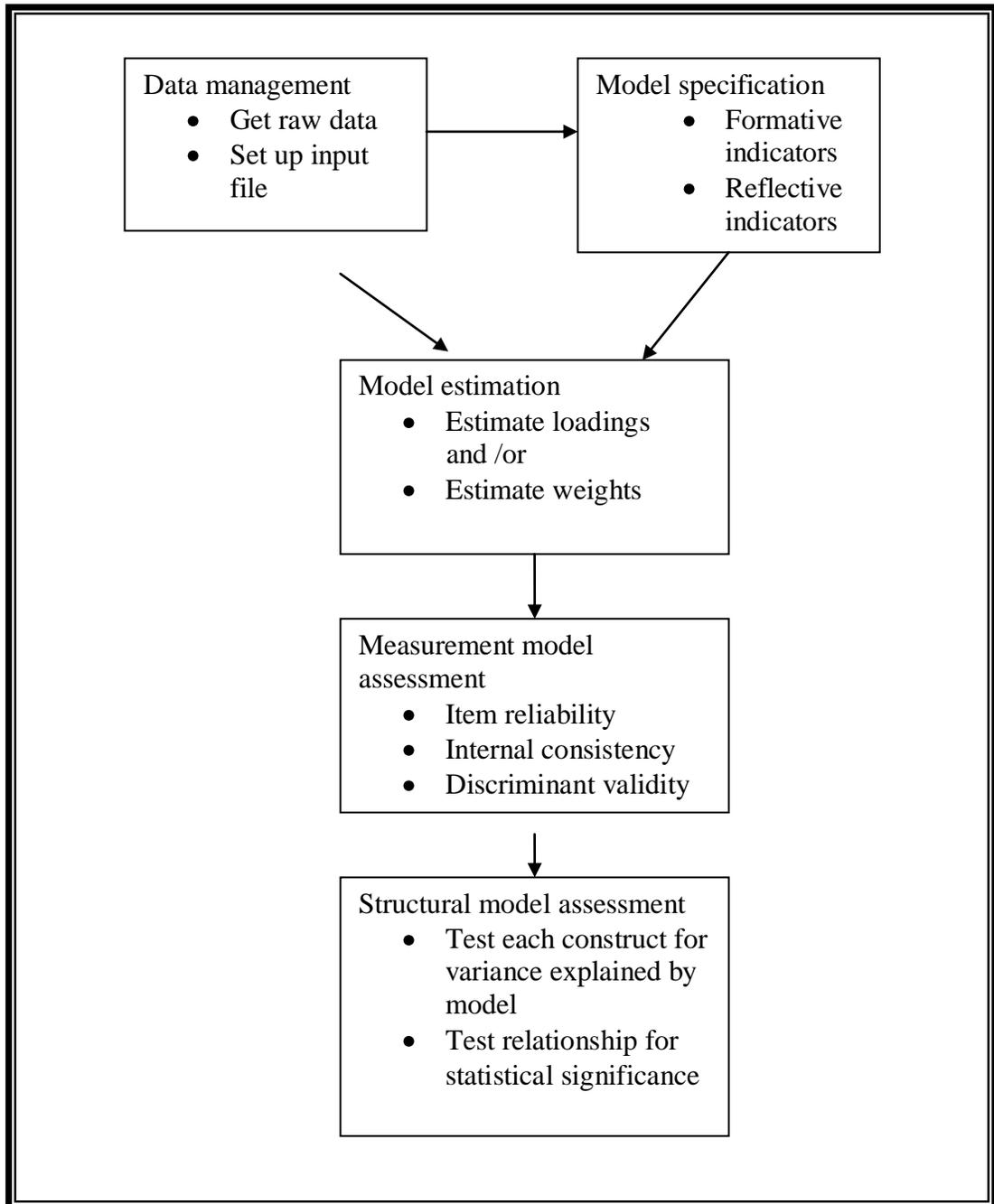


Figure 4.2: Flowchart for steps in PLS data analysis process (Adapted from Barclay, Higgins & Thompson 1995)

#### **4.3.9.1 Assessment of measurement model**

The measurement model assessment focused on the relationship between indicators and their corresponding construct. Such assessment, which is also referred to as construct validity, consists of convergent validity and discriminant validity. Convergent validity evaluates how closely the items in a single construct correlate with each other. Assessment of such validity includes individual item reliability and internal consistency (Barclay, Higgins & Thompson 1995; Santosa, Wei & Chan 2005). On the other hand, discriminant validity measures the degree to which constructs in the study differ from each other (Barclay, Higgins & Thompson 1995).

Thus, the measurement model can be assessed by examining the item reliability, internal consistency and the discriminant validity (Barclay, Higgins & Thompson 1995; Hulland 1999; Santosa, Wei & Chin 2005).

##### ***4.3.9.1.1 Item reliability***

The item reliability is assessed by calculating the correlation of the items loading with their respective constructs. Previous literature recommended that item loading assessment is suitable only for reflective indicators, whereas a formative indicator could be estimated via its weight (Barclay, Higgins & Thompson 1995; Chin 1998; Santosa, Wei & Chin 2005).

Carmines and Zeller (1979) and Hulland (1999) recommended that a rule of thumb in item reliability is to retain the item with loading greater than or equal to 0.7. This is because items with lower loading have a random error component that exceeds the explanatory component and should be discarded from further analysis. Nunnally (1978) stated that if low item loading is retained in the model, the true estimation of the relationships between the constructs could be lessened.

Hair et al. (1998) recommended that item loadings greater than 0.3 are considered significant, item loadings greater than 0.4 are considered more significant and item loadings in excess of 0.5 are considered very significant.

#### **4.3.9.1.2 Internal consistency**

Internal consistency, is reflected with the measurement of the reliability of a construct (Barclay, Higgins & Thompson 1995; Fornell & Larcker 1981). Fornell and Larcker's (1981) composite reliability and reliability coefficients are used to measure internal consistency. These two approaches will be discussed separately.

The first approach to measure internal consistency is by using composite reliability developed by Fornell and Larcker (1981). They suggested that their measure is considered to be superior to the traditional measure of consistency (Cronbach alpha). Nunnally and Bernstein (1994) explained that an alpha of 0.7 indicates acceptable internal consistency and can be set as a benchmark to assess internal consistency. Fornell and Larcker (1981) proposed the following equation to measure internal consistency.

$$\rho_c = \frac{(\sum \lambda_i)^2}{(\sum \lambda_i)^2 + \sum_i \text{Var}(\epsilon_i)}$$

Where  $\lambda_i$  is the simple correlation between the item and its respective construct (item loading), and the variance,  $\text{Var}(\epsilon_i) = 1 - (\lambda_i)^2$ .

Hulland (1999) stated that constructs which have multi-dimensions could have low internal consistency. In order to overcome this problem, the items that have multi-dimensions are split into new constructs. Another option that can be used by the researcher is to discard some of the items and maintain the unidimensional constructs.

The second approach to measuring the internal consistency is by examining the reliability coefficients. This involves calculating Average Variance Extracted (AVE) for

each of the constructs. This measure reflects the amount of variance in the item that is explained by the construct (Fornell & Larcker 1981). They also suggested that AVE should be at least 0.5 to satisfy the convergent validity. As with the first approach, Fornell and Larcker (1981) also recommended the following equation to measure the AVE .

$$\text{AVE} = \frac{(\sum \lambda_i)^2}{(\sum \lambda_i)^2 + \sum \text{Var}(\epsilon_i)}$$

Where  $\lambda_i$  is the simple correlation between the item and its construct (item loading), and the variance,  $\text{Var}(\epsilon_i) = 1 - (\lambda_i)^2$ .

#### ***4.3.9.1.3 Discriminant validity***

Discriminant validity assesses the degree with which each construct in the model differs from the others (Barclay, Higgins & Thompson 1995). The assessment of discriminant validity is essential to ensure that an item did not share more variance with other constructs than with the construct it intends to measure. To establish discriminant validity, the variance shared between measures of two different constructs should be lower than the AVE for the items measuring each construct (Fornell & Larker 1981). This can be determined using the cross loading analysis. According to Chin (1998), an item should not load more highly on other constructs in the model than on the construct it intends to measure. Thus, an item can be discarded from the model if it does not conform to this requirement.

The square root of the AVE is the second approach to assessing discriminant validity. Discriminant validity can be fulfilled if the square roots of the AVE are larger than the correlation of the related constructs (Barclay, Higgins & Thompson 1995). In other words, the diagonal value (the square root of AVE) should be larger than the off-diagonal values (the correlation between constructs in the corresponding column and rows) in the correlation matrix (Hulland 1999).

#### **4.3.9.2 Assessment of structural model**

The structural model consists of latent construct relationships as hypothesized in final research model. As mentioned before, PLS can be used to analyze both reflective and formative constructs. In order to assess the structural model, both explanatory power and the significance of the path coefficient should be determined. The significance test (t-statistic) of all paths was performed using the bootstrapping resampling method (Chin & Newsted 1999).

On the other hand, the model's explanatory power was assessed using  $R^2$  values of the endogeneous variables, produced by the bootstrap method. The  $R^2$  of the structural model is similar to the  $R^2$  values in regression analysis which give some information about the goodness of fit of a model (Fornell & Larcker 1981).

#### **4.3.10 Interpretation of findings**

Upon completing the data analysis for both the qualitative and quantitative field studies, the findings of the study will be interpreted and analysed in the light of a further review of the literature.

### **4.4 Summary**

This chapter discussed the paradigm and the methodology of the research applied in the study. The current study used a mixed-method approach in which a qualitative method was applied first followed by a quantitative phase. In the qualitative phase, the constructs and variables of the initial research model were validated and enhanced in a field study interviewing ten employees from different positions in two selected companies. The field study was conducted to form a more comprehensive research model.

In the quantitative field survey phase, the questionnaire was developed based on the comprehensive final research model derived from both qualitative study and literature review. Data were then collected by distributing questionnaires to randomly selected

medium enterprises, specifically in the manufacturing sector. Structural Equation Modelling using a Partial Least Squares (PLS) technique was utilized to analyse the data from the survey. The results and findings will determine the factors of POS that influence the organizational commitment among employees of medium enterprises.

The following chapter will discuss in detail the operation and findings of the field study followed by the development of the final research model.

# CHAPTER 5

## THE FIELD STUDY AND FINAL RESEARCH MODEL\*

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### 5.1 Introduction

This chapter discusses in detail the conduct of the qualitative phase of this study. The field study was undertaken by conducting in-the-field interviews with employees and human resource practitioners of two medium enterprises in the Malaysian manufacturing sector. The objective of the field study was to identify concepts that might not be recognized in the literature review. Potential key variables have also been identified. The operation of the field study, which involved interviewing individuals in the two companies, is first discussed in the next section. The data analysis is then presented in the following section. Next, a final research model of POS and organizational commitment is developed by comparing and combining the knowledge gained from the literature review and those identified in the interview analysis. Finally a detailed discussion of the combined research model is presented.

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\* Part of this chapter has been presented at the following conference:

Wahab, E, Quaddus, M and Nowak, M (2009), "Perceived Organizational Support And Organizational Commitment: A Study of Medium Enterprises In Malaysia". In Proceedings of the *International Conferences of Human Capital Development* 2009, Universiti Malaysia Pahang, Malaysia, 25-27 May

## **5.2 The operation of the field study**

### **5.2.1 Sample**

Convenient sampling was used to select medium enterprises that could participate in this study. The list of the medium enterprises in Malaysia categorized by industry was obtained from the Small and Medium Industries Development Corporation (SMIDEC 2005) and Directory of the Federation Manufacturers (FMM). A medium enterprise in Malaysia is defined 'as a company that has a number of employees between 51 to 150 people' (National SMEs Development Council 2005). In order to get general opinions from medium companies, the selection of both companies was undertaken as follows. The main criterion to select the medium company was by randomly choosing a company that has a number of employees towards the bottom and towards the top of the size range. The companies were firstly contacted by telephone to obtain permission to conduct interviews, and to explain the objective of the study. Then the potential interviewees were selected, five people from each company. An effort had been made to carefully select the organizational members to ensure diversity, and to get contrast in opinions and heterogeneity.

### **5.2.2 Data collection**

Ten respondents from two medium enterprises in the Malaysian manufacturing sector took part in these interviews. Three people from the shop floor or clerical staff, one person with human resources duties, and one other type of manager were interviewed from each company. Individuals that participated in the field interviews were provided with consent forms that clearly outlined the purpose of the research. All participants that took part in this interview did so voluntarily.

A semi-structured interview technique was used as the primary tool to collect data. The perspective with which employees perceived support that the company provided to them and how this could make them commit to the organization guided the entire interview process. Interview questions based on this perspective were first developed and then tested by a third person. With minor adjustments made based on the feedback from the

third person, the guiding interview questions proved to be working well in achieving the research objectives of this research.

The interview questions (Appendix 1) were translated from Bahasa Malaysia to English by the researcher. Then two separate individuals conversant in both Bahasa Malaysia and the English language checked the translation before the English version was typed onto the Bahasa Malaysia interview guide.

The interviews were conducted either in English or a Bahasa Malaysia dialect spoken by the participants. Each semi-structured interview was recorded by a micro-audio recorder with the permission of the interviewee. The transcription was undertaken as soon as the interview was completed to assist in the inclusion of any possible cues that could influence the interview session. All the Bahasa Malaysia version interviews were later transcribed and translated into English by the researcher.

### **5.3 Analysis of the data via content analysis approach**

The analysis of the data was undertaken using content analysis. At this stage, the process is done manually. The sequence to conduct the content analysis, as suggested by Berg (2001), is as follows:

1. Once the interview had been conducted the data should be transformed into the interview transcript;
2. Manually read the transcript. Then phrases that are quite common or similar are identified. Similar patterns or relationships that exist should also be taken into consideration at this stage. Take note on any section that is quite similar or common from one transcript to another. Analytically develop the codes;
3. These codes are then categorized into sub-sections known as factors and variables;
4. Materials are sorted by the categories as identified in step 3. This is done by reading through the text and manually writing down the concept

occurrence. Categorization using tables is recommended for analysing purposes;

5. The elements of categorical factors or variables must also be compared with the previous research. The sorted material is then revised again to obtain any information that might be useful for the study;
6. The sorted material for each interview is combined to establish some generalization.

## **5.4 Results and interpretation**

### **5.4.1 Demographic information**

The companies that participated in the field study employed 132 and 55 employees respectively. The size of the companies selected was toward the top and toward the bottom of the size range of the medium enterprise category in Malaysia. The first company (company A) was involved in manufacturing and assembling low voltage and medium voltage switch gear, while the second company (company B), was involved in manufacturing gelatine and capsules for industrial application. Table 5.1 provides a brief overview of the participants' demographics.

Table 5.1: Participant demographic information

<b>Company</b>	<b>Code</b>	<b>Interviewee's position</b>	<b>No. of years in current company</b>
Company A	P1	Human resource manager	5
Company A	P2	Production manager	8
Company A	P3	Mechanical Technician	7
Company A	P4	Office administrator	12
Company A	P5	Production operator	6
Company B	P6	General manager	7
Company B	P7	Administration /work manager	4
Company B	P8	Technician	4
Company B	P9	Machine operator	4
Company B	P10	Electricians	5

The interviewees' positions varied from managers to machine operators. This was to ensure the different viewpoints that were derived could represent all levels of the hierarchy in the company. It is noted that the majority of the participants that were involved in these field interviews had at least four years experience working in their current companies. Thus, the respondents could give some information on how they perceived support was given to them, and why or whether they committed to the organization.

#### **5.4.2 Factors and variables**

As mentioned in the previous section, the identification of factors and variables was performed in the analysis of the field study. The table below shows the number of times the variables were mentioned by various interview participants. The intention of this process was to retain the consistency between the data collected during the interviews

and the research model initially developed. However, it should be noted that some of the variables identified in the analysis differed in their meaning from those found in the literature. This is because they represent the participants' responses of POS and organization commitment in the Malaysian context. Where possible, the factors and variables have been labeled in line with the literature (Rhoades, Eisenberger & Armeli 2001; Moorman 1991; Stinglhamber & Vandenberghe 2004; Eisenberger et al. 1986; Becker et al. 1996; House et al. 2004; Konig et al. 2007; Shore 1984; Meyer, Allen & Smith 1993). The study identified 13 factors and 55 variables using the content analysis framework (Holsti 1969). These factors and variables are detailed in Table 5.2.

Table 5.2: Factors of POS towards organizational commitment

<b>Factors</b>	<b>Variables</b>	<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>	<b>P10</b>
<b>Supervisor support</b>	Care about my opinion	√	√	√		√	√	√	√	√	
	Care about my well-being			√		√			√	√	√
	Consider goals and values	√		√			√	√	√		
	Concern for me		√	√	√	√	√			√	
	Monitor my work	√	√	√		√	√	√	√		
	Give guidance on how job is to be done			√	√	√	√	√	√	√	√
	Knowledgeable in his/her area		√	√		√		√	√	√	√
	Has human relations skills		√	√	√		√	√		√	√
<b>Organizational fairness</b>											
(i)Formal procedures	Organization's procedures are designed to hear the concern of all affected by a decision	√	√								

Table 5.2 (Cont.)

Factors	Variables	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10
	Organization has procedures designed to provide useful feedback regarding decisions on reward, training and promotion	√	√	√	√	√					
	Organization's procedures are designed to allow for clarification about decisions	√	√				√			√	
(ii) Interactional justice	Supervisor considers my viewpoint		√			√	√	√	√		
	Supervisor provides me with timely feedback			√	√	√	√	√			√
	Supervisor treats me with kindness and consideration		√	√	√	√	√				
	Supervisor trusts his /her employees		√		√	√	√				
(iii) Distributive justice	Reward employee equally		√	√							
<b>Job condition</b>											
(i) Intrinsically satisfying job condition	Organization provides opportunities for personal accomplishment	√	√	√	√		√	√	√	√	√
	Organization provides opportunities for personal development	√	√	√	√	√	√	√	√		√
	Organization provides opportunities to undertake original and creative tasks						√				

Table 5.2 (Cont.)

Factors	Variables	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10
	Organization provides opportunities to take responsibilities		√	√	√		√		√		√
	Organization provides freedom to adopt one's own approach to the job			√	√		√			√	√
	Organization provides opportunities to make contributions to the organization's success		√	√							
	Organization provides a climate for work group	√	√	√	√	√	√	√	√	√	√
	Organization provides opportunities for social relationships		√	√	√	√	√	√			√
	Organization provides facilities for religious purposes	√	√	√	√	√		√	√	√	√
	Organization provides time off for personal reasons		√					√		√	
(ii) Extrinsically satisfying job condition	Organization provides opportunities for pay rises		√		√	√			√	√	√
	Organization provides non-wage benefits (medical, transportation)	√	√	√	√	√	√	√	√	√	√
	Organization provides opportunities for career advancement		√			√	√	√	√	√	

Table 5.2 (Cont.)

<b>Factors</b>	<b>Variables</b>	<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>	<b>P10</b>
<b>Value congruence</b>	Attachment to the organization based on similarity of my values and those represented by organization	√	√		√	√	√	√	√	√	√
	Since starting this job my personal values and those of the organization become more similar			√	√	√	√	√	√	√	√
	Prefer this organization because of its values	√								√	
<b>National culture</b>											
<b>(i) Power distance</b>	Influence based on authority of one's position	√	√	√	√	√	√	√	√	√	√
	Expected not to question when in disagreement				√	√		√	√	√	√
	People in positions of power try to increase their social distance from less powerful people	√	√				√	√		√	√
<b>(ii) In-group collectivism</b>	Group members take pride in individual accomplishment of their superior		√	√		√	√	√			√
	Superior takes pride in the individual accomplishment of group members		√	√		√	√	√	√		√
	Loyal to the organization	√	√	√		√		√	√		√
	Proud to be part of team/member of the organization	√			√				√	√	√

Table 5.2 (Cont.)

Factors	Variables	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10
<b>Organizational commitment</b>											
(i) Affective commitment	Happy to spend career in this organization				√				√	√	
	Feel as if this organization's problems are my own		√	√				√	√	√	√
	Feel a sense of belonging to organization			√		√			√	√	√
	Feel emotionally attached to the organization				√			√			√
	Feel like part of family in the organization		√	√		√	√	√		√	√
	Organization has a personal meaning to me				√						
(ii) Normative commitment	Do not feel it would be right to leave organization now			√	√	√		√			
	Organization deserves my loyalty	√	√	√							√
(iii) Continuance commitment	Staying in organization is a matter of necessity		√	√	√						
	Too much in life would be disrupted if leaving the organization		√	√	√		√	√			
	Have put so much of myself in this organization		√								
	Scarcity of job alternatives if leaving the organization	√	√							√	√

Table 5.2 (Cont.)

Factors	Variables	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10
External factors	Distance from my home to the company			√			√	√			
	Transportation system between home and company			√				√			
	Offer from another company	√	√	√			√	√		√	√
	Family reasons						√				√

The responses from the interview participants confirm the antecedents of POS; namely, supervisor support, formal procedures, interactional justice, distributive justice, intrinsically satisfying job conditions and extrinsically satisfying job conditions. For example, participant P8 recognized that extrinsically satisfying job conditions (such as non-wage benefit) will have an influence on how he perceived support given to him. Participant P8 said ‘...among the support that my company provides for me .....apart from salary are medical benefits.....in terms of medical benefit....this company provide panel clinics...’. However, there was limited support for the distributive justice construct even though this factor was shown to be significant in studies related to POS. The interview participants P2 and P3 from company A were the only participants that identified the need for rewarding employees equally. This can be attributed to the fact that company A might have more benefits to offer to the employees than company B.

The variable related to supervisor support was reasonably well supported by the field study participants. The variables “care about my opinion”, “care about my well being”, “consider goals and values” and “concern for me” are similar to those identified in related studies on POS and commitment (Rhoades, Eisenberger & Armeli 2001; Yoon & Lim 1999; Kottke & Sharafinski 1988; Hutchison 1997; Yoon, Han & Seo 1996; Shore & Tetrick 1991; Shanock & Eisenberger 2006; Eisenberger et al. 2002). As stated by participant P5 ‘...I believe a supervisor who has a good quality of supervision, has

*characteristics such as more knowledge than people under his or her supervision.....  
He or she must also be sensitive to his or her subordinate's needs .....*

There was marginal support from the interview participants for the formal procedures construct. Interestingly, most of the field study participants that explained this construct came from company A which can be considered towards the top end of the size range of medium companies. The main concern centered around “formal procedures” can be attributed to the fact that having formal procedures can be crucial, especially for a company that has large number of employees

Most of the interview participants supported the importance of practicing interactional justice in the company. This can be attributed to the fact that interpersonal interaction between individuals and the way in which organizational members carry out organizational procedures in an interpersonal context has a positive influence on how employees perceived the support given to them (Cropanzano, Prehar & Chen 2002; Masterson et al. 2000).

The variables related to intrinsically satisfying job conditions and extrinsically satisfying job conditions were reasonably supported by the field study participants. All participants considered “organization provides a climate for work group” and “organization provides non-wage benefits” to be important. In line with previous studies (Eisenberger et al. 1997; Stinglhamber & Vandenberghe 2004), there was also overwhelming support for both intrinsically and extrinsically satisfying job conditions associated with the support perceived by the employees.

The field study participants also supported the value congruence factor. Analysis from the field interviews highlights that the majority of the interview participants believe that they would be more attached to the organization if their personal values and organizational values are similar. This reflects the existence of value congruence held by employees from the company surveyed. This concern can be attributed to the fact that

the employee can easily adopt the organization values that result from the nature of the medium size company.

There was also support for the in-group collectivism construct. Most of the participants supported the notion that in-group collectivism will positively lead to organizational commitment. The variable “group members take pride in individual accomplishments of their superior” and “superior takes pride in the individual accomplishments of group members” are similar to those identified in related studies on in-group collectivism. All of the participants also supported the notion that in-group collectivism will positively influence affective commitment. There was also support for the position that normative commitment was influenced by in-group collectivism.

There was a strong support among the participants for the power distance construct. Although none of the participants did mention the power distance construct as related to commitment, the construct itself was supported. All participants considered “influence based on one’s position” to be practiced in their companies.

The field study result also supported the existence of three constructs of organizational commitment, namely affective, normative and continuance. Most of the interview participants supported the variables of “feeling to be part of the family in the organization”, which reflect affective commitment. The normative and continuance constructs were also supported by a number of participants.

From the analysis it is noted that from 55 variables that had been identified, only three variables had been brought up by all respondents. These variables are the ‘organization provides a climate for workgroup’ (intrinsically satisfying job condition factor), ‘organization provides non-wage benefits’ (included under extrinsically satisfying job conditions) and ‘influence based on authority of one’s position’ (included under power distance factor).

It should be noted that some of the respondents include external factors as elements that could influence their decision towards continuance commitment. These external factors are unique factors and should be separated from antecedents of POS and commitment as the purpose of the study is to determine how employees perceive support given to them which thus could make them commit to the organization. These external factors are “distance from home to company”, “transportation system between home and company”, “offer from other company” and “family reasons”.

The second most frequently mentioned variables by respondents fall within the categories of intrinsically satisfying job conditions, extrinsically satisfying job conditions and value congruence. These factors are “organization provides opportunities for personal accomplishment”, “organization provides facilities for religious purposes” and “attachment to the organization based on similarity of organization values and own values”.

With regard to the numbers of variables, participants P1, P2, P3, P4 and P5 from Company A had identified 20, 37, 36, 27 and 28 variables out of 55 respectively, while participants from company B (P5, P6, P7, P8, P9, and P10) responded with 31, 32, 25, 28 and 31 variables out of 55 respectively. It must be noted that although both companies have employee numbers towards the bottom and top of the medium company size range, the variables mentioned by employees of both companies were relatively consistent.

### **5.4.3 Linkage among the factors**

Table 5.3 shows the links among the factors of POS and organizational commitment. The links between factors were derived from the field interview process. This information was extracted from interview transcripts using content analysis. Each row of the table presents the pair of factors and corresponding direction of the link for both factors, while each column of the table identifies the related participants. An example of how this link is derived can be explained as follows. Column “SS & POS” represents that Supervisor Support (SS) impacts “Perceived Organizational Support” (POS) and for

this case all participants (P1 to P10) supported the notion that supervisor support could influence how an employee perceived support given to them.

Another example for the link is “POS & AC”. Column “POS & AC” shows that POS impacts on affective commitment (AC). Specifically, column POS & AC for participant P5 indicates that perception of support given to him by the organization could develop a feeling of membership in the organization which reflects in affective commitment. Participant P5 said ‘*.I think my supervisor is a very understanding person. He has the ability to see other people’s point of view. Although he doesn’t necessary agree with what we had suggested,... at least he shows us that he appreciates our ideas. This makes me feel accepted.... as part of the organization...*’

Table 5.3: Linkages among the factors

Link between factors	P1	P2	P3	P4	P5	P6	P7	P8	P9	P 10
SS & POS	√	√	√	√	√	√	√	√	√	√
FP & POS	√	√	√	√	√	√			√	
IJ & POS		√	√	√	√	√	√	√		√
DJ & POS		√	√							
IJC & POS	√	√	√	√	√	√	√	√	√	√
EJC & POS	√	√	√	√	√	√	√	√	√	√
POS & AC		√	√	√	√	√	√	√	√	√
POS & NC	√	√			√					√
POS & CC		√	√	√						√
VC & AC			√	√	√	√	√	√		√
VC & NC					√					
VC & CC	√					√	√		√	
IGC & AC		√	√	√	√	√	√	√	√	√
IGC & NC	√	√			√		√			
EF & CC	√	√	√			√	√		√	√

Key

- SS- Supervisor support
- FP- Formal procedures
- IJ- Interactional justice
- DJ- Distributive justice
- IJC- Intrinsic satisfying job condition
- EJC- Extrinsic satisfying job condition
- POS- Perceived organizational support
- AC- Affective commitment
- NC- Normative commitment

- CC- Continuance commitment
- VC- Value congruence
- IGC- In-group collectivism
- EF- External factors

The model of POS and organizational commitment for each of the interviews was also developed via carefully looking at the interview transcripts. This is to identify the consensus among respondents in terms of new variables or the interaction of the initial variables in the POS and OC model. The detail of the model of POS and organizational commitment for every interview is shown in Appendix 2.

It is observed (from Appendix 2) that the causal model of POS and organizational commitment for participant P1 includes the least number of variables (only 20 variables) related to POS and organizational commitment. This model is less comprehensive compared with the 37 variables (maximum) discussed by participant P2. Comparing causal model of POS and organizational commitment for participant P1 and participant P2, it can be noted that only ten factors were mentioned by participant P1 compared with 13 factors for participant P2.

The focus of the field study was to explore the factors and variables that could influence the POS contributing towards organizational commitment in the context of Malaysian medium enterprises. Based on the analysis of the field study, a model that combined the answers from all participants was developed (see Figure 5.1). Figure 5.1 is also a schematic representation of the combination of findings from Tables 5.2 and 5.3. This model was developed by combining or joining together the factors that have the same elements, or have the same meaning. At the same time, the factors that are unique and cannot be combined with other factors must be maintained. In addition, factors and variables based on literature review were also being considered in developing the model.

The field study generally validated the framework of the tentative research model. The interviewees provided practical support to fine-tune the factors and variables. In addition, linkages between external factors and continuance commitment which were found from field study make the research model appropriate to explain the perception of

support towards organizational commitment in the scenario of Malaysian medium sized manufacturing companies.

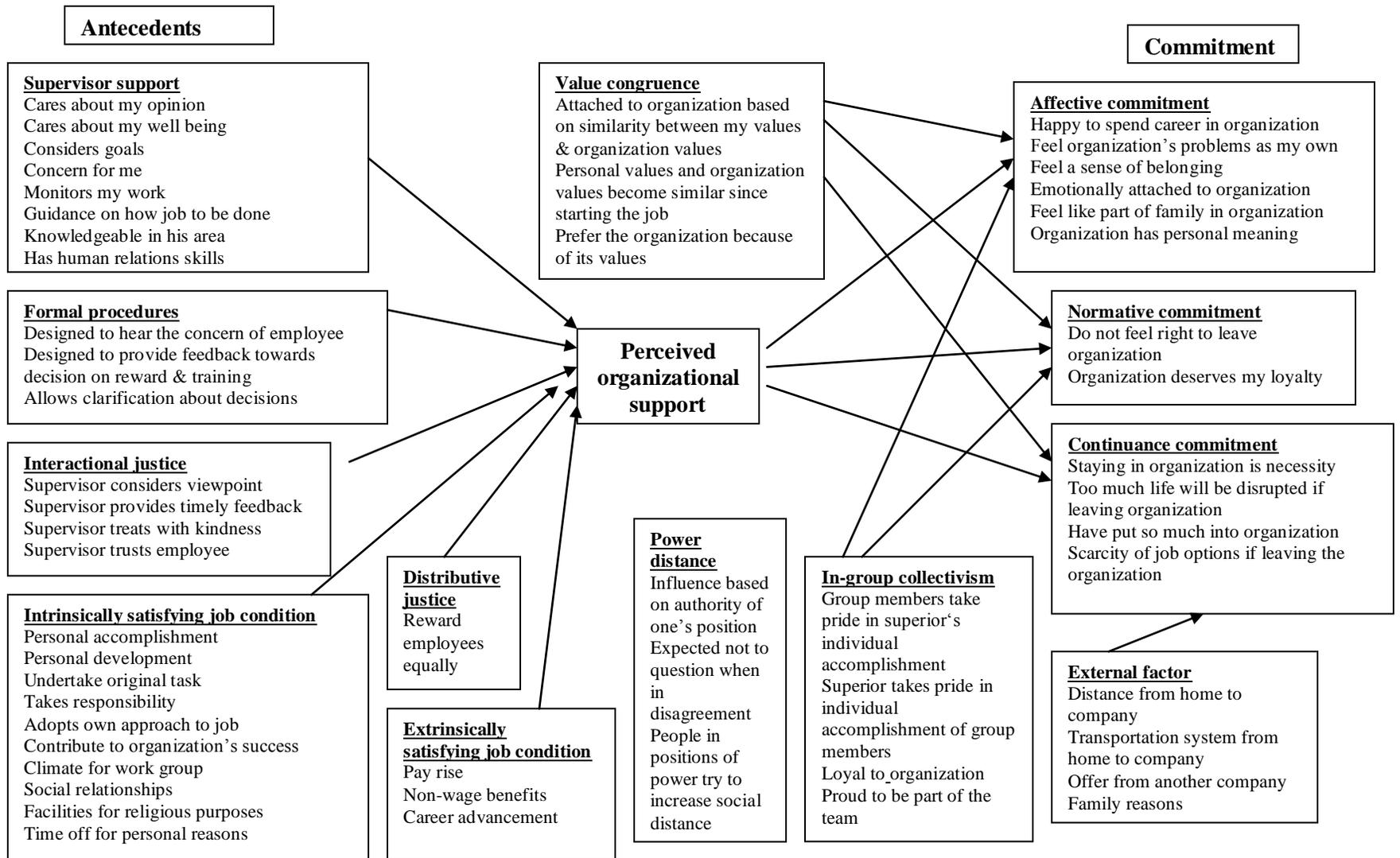


Figure 5.1: The POS and organizational commitment model based on field study

#### **5.4.4 Final combined model**

The final combined model was developed by comparing the similarities and differences between factors and variables obtained from the field study, the initial research model and literature review. Three stages were undertaken to develop this model. Firstly, a comparison between the initial model and the field study was undertaken. At this stage, a review of literature on POS and organizational commitment was also carried out. Next, findings from the field study were revisited in order to select the most significant constructs that represent the antecedent factors and links among the constructs. The constructs and established links were evaluated in terms of generality and commonality in the field study and literature review. At the last stage, the integrated constructs, based on the justification from the literature review and field study, was developed. The comprehensive final combined model, which represents factors that could influence how employees in medium enterprises in the manufacturing sector in Malaysia perceive support given to them and how this can affect their commitment to the organization, was then proposed in Figure 5.2.

The final model in Figure 5.2 is similar to the initial research model except that there are additional factors included in the model, namely as external factors. External factors refer to those from outside the organization that could influence employees towards continuance commitment. It should be noted that there is some consensus among respondents in terms of the effect of external factors towards continuance commitment. Elements of this factor are assumed to negatively influence continuance commitment. Seven out of ten participants in the field study pointed out that elements of external factors such as “distance from my home to the company”, “transportation system between home and company’s place of business”, “offer from other company (better salary, benefit, incentives)” and “family reasons (for example school-aged children, family illness etc.)” could affect their feelings towards continuance commitment. A review of literature on external factors also supported the influence of external factors towards continuance commitment. In addition, some new items in some constructs (supervisor support, interactional justice and intrinsically satisfying job conditions) devised from the qualitative study were also included for instrument development of final

research model. The final research model shown in Figure 5.2 also represents the hypotheses that will be discussed in Chapter 6. The following section details the constructs used in the final research model presented in Figure 5.2.

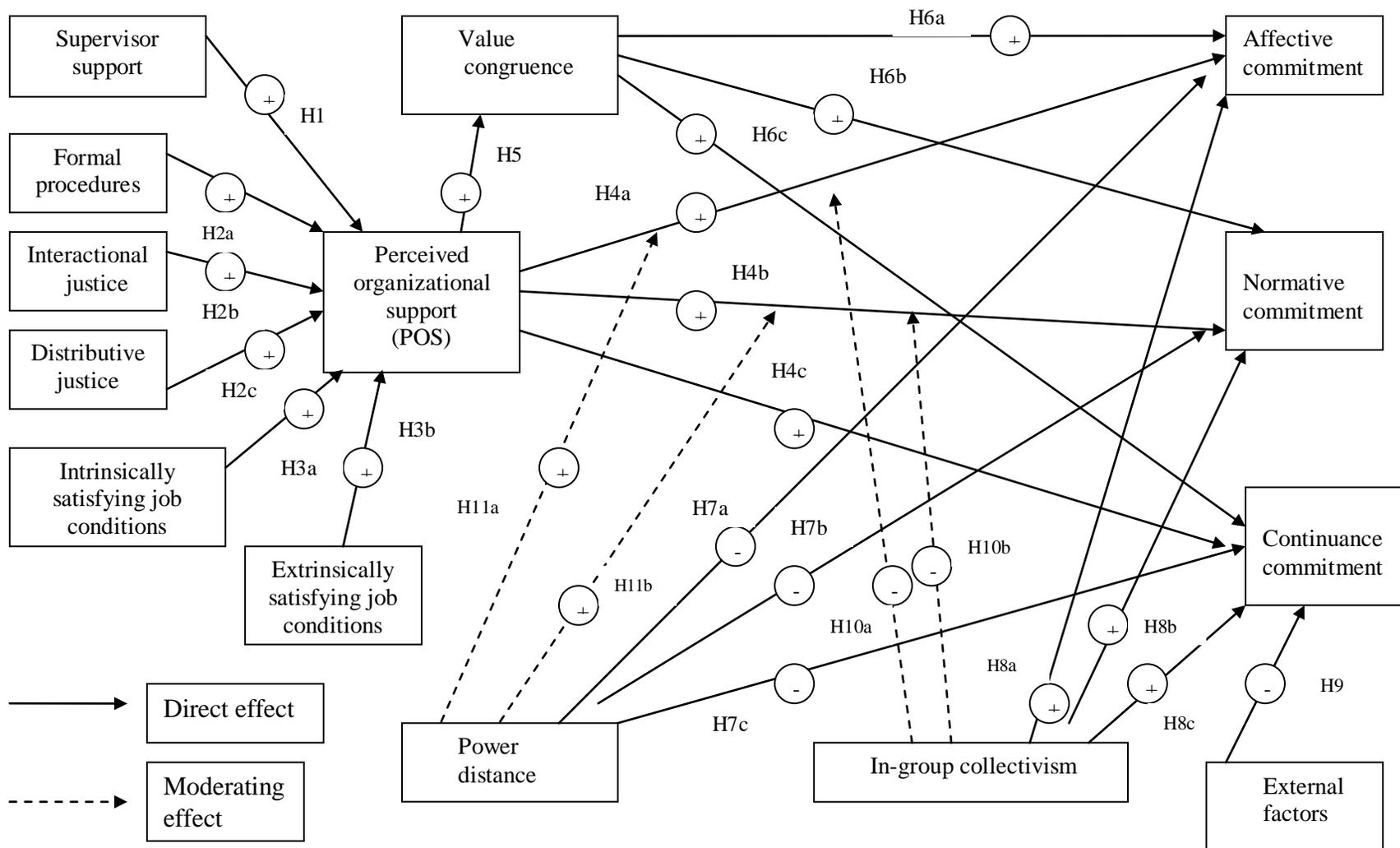


Figure 5.2: The comprehensive POS and organizational commitment model

#### **5.4.4.1 Antecedents of POS**

POS refers to the degree to which employees perceive their employers to be concerned about them in terms of their well-being and how much the organization values their contributions. Eisenberger et al. (1986) and Rhoades, Eisenberger and Armeli (2001) suggested that support given by the employers shows that the organization rewards their effort and indirectly employees' social needs could be met. This study considers supervisor support, formal procedures, interactional justice, distributive justice and both intrinsically and extrinsically satisfying job conditions to be important factors that could significantly influence how employees perceive support given to them.

##### ***5.4.4.1.1 Supervisor support***

Supervisor support refers to how supervisors value their subordinates' contribution and care about their well-being. Past research has suggested that variables such as cares about employees' opinions (Eisenberger et al. 2002; Rhoades, Eisenberger & Armeli 2001; Kottke & Sharafinski, 1988), cares about employees' well-being (Eisenberger et al. 2002; Rhoades, Eisenberger & Armeli 2001; Kottke & Sharafinski 1988; Shore & Tetrick 1991; Yoon & Lim 1999), considers employees' goals and values (Eisenberger et al. 2002; Rhoades, Eisenberger & Armeli 2001; Kottke & Sharafinski 1988) and concern for employees (Eisenberger et al. 2002; Rhoades, Eisenberger & Armeli 2001; Kottke & Sharafinski 1988) are associated with how employees perceived support given by their supervisor. Consistent with the literature, most of the participants in the field study agreed that the above four characteristics of supervisor support would be the main concern with respect to how they perceive support given to them.

In addition, during the field study, employees also viewed supervisors who monitored the employees' work to be an indication that the organization gave support to them. Participants P1, P2, P3, P5, P6, P7, and P8 reinforced the argument that supervisors who monitor their subordinate's work are likely to affect their perceptions about the support given. Interview participants P3, P4, P5, P6, P7, P8, P9 and P10 mention that supervisors who give guidance on how the job is to be done is one of the variables that

related to supervisor support. Moreover, a supervisor who is knowledgeable in his or her area could be perceived by employees as an indication that company provides support to them. Interview participants P2, P3, P5, P7, P8, P9 and P10 recognized that knowledgeable supervisors, especially in his/her area of expertise, will have an influence on how employees perceive support given to them. For example interview participant P5 said that *“I believe supervisor who had a good quality of supervision should have a characteristic such as knowledgeable compared to people under his or her supervision.”* During the interview, there was some agreement among most of the participants that supervisors should be equipped with human relations skills. They highlighted that such skills are crucial as supervisors will need to communicate with all different kinds of employees. Therefore, the variable of supervisor support in the combined final model consists of cares about employees’ opinion, cares about employees’ well-being, considers goals and values, concern for the employee, monitors the work of the employee, gives guidance on how job is to be done, knowledgeable in his/her area and has human relations skills.

#### ***5.4.4.1.2 Formal procedures, interactional justice and distributive justice***

Rhoades and Eisenberger (2002) suggest that organizational fairness through resources distribution, formal rules and policies, and interpersonal treatment (the way employees have been treated interpersonally, such as treating employees with dignity and respect) in resource allocation can be essential factors in determining how employees perceived the support given to them. In this study, organizational fairness is categorized into formal procedures or procedural justice, distributive justice and interactional justice (Moorman, 1991). Accordingly, organizational fairness could contribute to POS because such activities could be indicated by the employees as showing that the organization cares about the employee’s well-being (Eisenberger et al. 1986; Eisenberger, Fasolo & Davis-Lamastro 1990).

According to Williams, Pitre and Zainuba (2002), formal procedures or procedural justice refers to perceptions of fairness with regard to organization policies and procedures that determine resources allocation and other managerial decisions. During

the interviews, participants P1 and P2 from company A suggested that the ability of the organization, through its procedures to hear the concern of its employees, could effect their perception of support. In addition, all of the participants from company A indicated that procedures that provide useful feedback regarding decisions on reward, training and promotion are considered to be important. As stated by participant P5 *'this company has procedures for determining reward and promotion..... I can say we are well informed in terms of our performance.... As an employee we need to be informed on our progress, so that we can be on track'*. Participants P1, P2, P6 and P9 identified that their perception of support could be influenced by whether the company has policies to allow for them to clarify decisions that had been made by the organization. Therefore, the combined research model employs the items that were used in past research (Moorman, 1991), to measure "formal procedures" but revised them into the following statements: procedures are designed (i) to collect information for making decisions, (ii) to provide opportunity to challenge the decision, (iii) to represent all affected by decision, (iv) to generate standards so that decisions could be made with consistency, (v) to hear the concern of all affected by a decision, (vi) to provide feedback regarding decisions and implementation, and (vii) to allow requests for clarification about decisions.

The ways organizational members carry out organizational procedures in the interpersonal context and the quality of these interactions is referred to as interactional justice (Tyler & Bies 1990; Masterson et al. 2000). Specifically, Moorman (1991) indicated that the supervisor's interpersonal behavior and the way he/she explains decisions that are made could influence organizational citizenship. He identified that interactional justice displayed by a supervisor such as considering employees' viewpoint, suppressing his or her personal bias, providing timely feedback, treating employees with kindness and consideration, and showing concern for the right of the employee, could have significant effects on how employees perceived support given to them. During the field study, the participants confirmed that interactional justice can have an important role in determining perceptions of support. Additionally, based on participants' experience, individuals P2, P4, P5 and P6 emphasized that interpersonal

behavior displayed by a supervisor such as trusting their employees, could influence employees in perceiving support given to them.

Previous researchers such as Wayne et al. (2002) and Moideenkutty et al. (2001) reported that perceptions of organizational support could be related to distributive justice. Perceptions of fairness with regard to the distribution of rewards and resources, including equitable pay and performance evaluation, can be described as distributive justice (Williams, Pitre & Zainuba 2002). Distributive justice by rewarding employees based on responsibilities, experience, amount of effort, work that has been done, as well as stress on performing the job, has a positive influence on POS. The field study provided support for the proposition that distributive justice action could affect POS. Participants P2 and P3 indicated that perceptions that they been rewarded equally could contribute to feelings of POS.

#### ***5.4.4.1.3 Intrinsically and extrinsically satisfying job conditions***

Another antecedent that could be associated with POS that was mentioned by the participants during the interviews, was job conditions. According to Rhoades and Eisenberger (2002), employees' perceptions of organizational support could be influenced by job conditions. Work characteristics such as autonomy, participation in important work-related decisions and clarity about work would stimulate employees to make a difference in their job, undertake to gain new skills, exercise discretion and receive feedback on their performance (Eby et al. 1999). The field study results provided more support for the position that job conditions will positively influence employees in perceiving support given to them. Job conditions can be categorized into intrinsically and extrinsically satisfying job conditions. Intrinsically satisfying job conditions are intrinsic to work activities because they are directly derived from the very nature of work experience and contribute to a sense of personal growth. In contrast, extrinsically satisfying job conditions are tangible external reinforcers such as pay, benefits, training and other rewards (Hackman & Oldham 1980). It was recognized by most participants that both intrinsic and extrinsic job conditions would contribute to perceived support. Most of the interviewees expressed the view that intrinsically satisfying job conditions

such as opportunities for personal accomplishment, personal development, ability to take responsibility and a favorable climate for workgroups had a positive influence on how they perceived support given to them. One of the employees from company A, participant P3 said “.. *I have been given opportunities to attend related courses. I think it has added value to myself and the most important thing is personal satisfaction. I really think that training itself fulfills my personal satisfaction...*”. Half of the respondents stressed that opportunities to adopt their own approach to their job could be related to POS. One participant, P5, who was a general manager in company B, believed that employees’ perceptions of support could be enhanced by giving employees the chance to be creative in their job. Two participants from company A considered that opportunities to make a contribution to the organization’s success could be associated with their perception of support. Moreover, almost all of the participants mentioned that the company should support the activities/facilities related to religious purposes while three participants indicated opportunities for time-off for personal reasons as an indication of support given. The items described above refer to intrinsically satisfying job conditions from the field study perspective. Besides, three items pertaining to intrinsically satisfying job conditions suggested by Stinglhamber and Vandenberghe (2004) are adopted in this study. The items comprised the following statements: (i) organization provides opportunities for challenging tasks, (ii) organization provides opportunities to use my competencies, and (iii) my organization provides opportunities for task variety.

In accordance with the literature (Stinglhamber & Vandenberghe 2004), most of the employees agree that extrinsically satisfying job conditions provided by the company could influence employees’ perceptions of support. Participants said that opportunities for a pay rise, non-wage benefits (such as medical support) and opportunities for career advancement could be associated with how they perceived support given to them. Interestingly, all of the participants agree that non-wage benefits were one of the signs of organizational support. Thus, all variables related to intrinsically and extrinsically satisfying job conditions derived from both the field study and the literature are used in the combined final research model.

#### **5.4.4.2 Value congruence**

Value congruence refers to compatibility between people and organization that occurs when at least one entity provides what the other needs, or they share the same fundamental characteristics, or both (Kristof 1996). Specifically, Barney (1986) suggested that value congruence can be useful to ensure that an employee can behave in a way that is needed by the company. Value congruence was proposed to be a significant factor in forming employees' attitude towards organizational commitment. To explore how employees perceive value congruence with regards to their commitment towards the organization, interviewee's opinions were used. The construct of value congruence for this study takes into consideration aspects of value congruence perceived by the employee to contribute to organizational commitment. Almost all of the participants indicated that commitment towards an organization could be achieved if their values were the same as those of the organization. In addition, participants P3, P4, P5, P6, P7, P8, P9 and P10 suggested that if their personal values and the organization's values become more similar, they would be more attached or committed to the organization. Moreover, participants P1 and P9 stressed that they feel more attached to the organization due to their awareness of the values possessed by the organization. The construct of value congruence in the combined model is considered to be composed of aspects such as (i) similarity of my values and organization's values, (ii) my values and the organization's values became more similar, and (iii) prefer the organization due to its values. In addition to these three aspects of value congruence, an item "similarity of my values and those represented by organization", proposed by Becker et al. (1996), was added to the combined model.

#### **5.4.4.3 National culture**

The construct of national culture for this study was measured with the power distance and in-group collectivism.

##### ***5.4.4.3.1 Power distance***

Power distance reflects the degree to which members of an organization or society expect and agree that power should be shared unequally (House et al. 2004). Although

none of the participants agreed that power distance could negatively contribute to organizational commitment, the construct of power distance cultural practices was itself supported. Basically the participants of the field study confirmed the variables that were identified to reflect the power distance culture in the Malaysian medium company setting. During the field study, all of the interview participants agreed that an individual's influence in an organization is based on the authority of his/her position. In addition, interview participants P4, P5, P7, P8, P9 and P10 agree that they are expected not to question their superior when they faced disagreement with their superior. For example, as participant P8 expressed it "...*I don't challenge the supervisor's decision... I think it is not nice to do so...*". In addition, during the interviews more than half of the interview participants expressed their belief that people in a position of power try to increase their social distance from less powerful people in the organization. Apart from three dimensions found from the field study, this study also adopted variables from past studies (House et al. 2004; Konig et al. 2007) to reflect the power distance culture. These items were reflected in the following statements: (i) employees are not encouraged to give suggestions on how to change the rules established in the organization, (ii) in this organization, employees will not be informed and asked for help if the company is faced with a difficult problem, (iii) in this organization, employees are not encouraged to make suggestions regarding the way company is run, (iv) in this organization, employees are consulted before any decision that has important consequences for the company are made, and (v) in this organization, employees will not be reprimanded if they refuse to follow a given instruction.

#### ***5.4.4.3.2 In-group collectivism***

According to House et al. (2002, p. 5), in-group collectivism refers to 'the degree to which individuals express pride, loyalty and cohesiveness in organizations or families. Items concerned with in-group collectivism, as suggested by (House et al. 2004), as well as from the field study are adopted in this study. The items comprised the following statements: (i) in this organization, group members take pride in the individual accomplishments of their group manager, (ii) in this organization, group managers take pride in the individual accomplishments of group members, (iii) members of this

organization take pride in working for the organization, (iv) the organization shows loyalty towards employees, and (v) in this organization, employees feel loyalty to the organization. Complying with previous studies (Clugston, Howell & Dorfman 2000; Wasti 2002; Rashid, Sambasivan & Johari 2003), there was a general agreement among participants in the field study that in-group collectivism could contribute to organizational commitment. Almost all of the participants specifically believed that in-group collectivism culture practiced in the organization could create a feeling of affective commitment. They perceived that in-group-collectivism which stressed elements such as “proud with superior’s accomplishment”, “proud to be part of the organization team member”, and “emphasis on loyalty” would develop an environment in which employees are more willing to develop a sense of belonging, emotional attachment to the organization and feel part of the organization family. In addition, in-group collectivism was perceived by participants P1, P2, P5 and P7 to be helpful in enhancing normative commitment behavior. They indicated that normative commitment feelings such as “don’t feel right to leave the organization” and “feel that organization deserves their loyalty” could be derived from the practices of in-group collectivism.

#### **5.4.4.4 External factors**

The combined research model identifies external factors that influence the organizational commitment of the employees. External factors refer to factors from outside the organization that could influence an employee’s organizational commitment. Outside factors such as location of the company could be associated with employee turnover (Shore 1984). During the field study, the participants expressed the view that external factors such as distance from home to the company, transportation system between home and company, offer from another company, and family reasons could negatively influence their decision to continue with the organization. Interview participants P3, P6 and P7 mentioned that the distance from the home to the company was one of the variables that related to continuance commitment. Participants P3 and P7 agreed that employees’ continuance commitment could also be influenced by the transportation system between home and company. In addition, more than half of the participants agreed that a job offer from another company could influence their decision

to stay with the organization. Two of the interview participants believed that family reasons were an important determinant of their continuance commitment decision.

#### **5.4.4.5 Organizational commitment**

The field study provides some support for the organizational commitment construct displayed by employees of Malaysian medium enterprises. In line with previous studies (Meyer, Allen & Smith 1993), findings of the field study provide support for the affective commitment construct. Through value congruence, perceptions of support and in-group collectivism, the affective commitment feeling is expected to be developed. These feeling are (i) happy to spend career in organization, (ii) feel organization's problems as their own, (iii) feel a sense of belonging, (iv) emotionally attached to organization, (v) feel like part of family in organization, and (vi) organization has personal meaning to them.

Likewise, value congruence, perceptions of support and in-group collectivism were also important determinants influencing employee normative commitment. Similar to the normative commitment construct identified by Meyer, Allen and Smith (1993), the normative commitment construct mentioned by the interview participants related to (i) do not feel right to leave organization, and (ii) organization deserves loyalty. This study also utilized another four variables suggested by Meyer et al. (1993) to be included in this construct: these are items such as: "feel an obligation to remain", "feel guilty if left organization", "have sense of obligation to the people in it", and "owe a great deal to organization".

In addition, interview participants recognized that perceptions of support given and a similarity between their own values and organizational values could enhance continuance commitment feelings such as (i) "feel that staying in organization is a necessity", (ii) "feel too much life will be disrupted if leave organization", (iii) "feel I have put so much effort into organization", and (iv) "feel scarcity of job options if leaving the organization". Two items pertaining to continuance commitment suggested by Meyer, Allen and Smith (1993) are adopted in this study. The items comprise the

following statements: (i) “It would be very hard for me to leave my organization right now even if I wanted to”, and (ii) “I feel that if I left this organization, I would have very few other opportunities for employment”.

## **5.5 Summary**

This chapter detailed a comprehensive study to determine the factors and variables of POS and organizational commitment in the context of medium sized companies in Malaysian manufacturing industry. A qualitative field study was undertaken in two medium sized enterprises which resulted in ten interviews with employees from varied positions. Two people from the management level and three people from non-management levels in each organization took part in the field study. The interviews were transcribed and reviewed by the researcher. The interview transcripts were analyzed using content analysis. Content analysis is conducted to extract the factors and variables of the study. This structured process of analyzing the interviews identified 13 factors and 55 variables. Linkages among the factors were then identified, followed by the individuals’ models representing the POS and organizational commitment of each participating employee.

The initial research model from Chapter two was combined with the findings of the field study phase to form the final research model. This combined research model provides a comprehensive set of factors that were believed to influence how employees perceived support given to them, thus leading to organizational commitment in medium sized Malaysian manufacturing companies.

This model will be empirically tested using a survey. The following chapter details the development of the hypotheses and survey instrument.

## CHAPTER 6

# HYPOTHESES, QUESTIONNAIRE DEVELOPMENT AND PILOT STUDY

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### 6.1 Overview

This chapter discusses the hypothesis development based on the final model of POS derived from the initial research model, qualitative study and literature review. Following that, the survey instruments and questionnaire are developed. Next the discussion on pilot testing will be presented. Finally, this chapter will outline the administration of the main survey.

### 6.2 Development of hypotheses

The following hypotheses are proposed based on the final research model.

#### 6.2.1 Antecedents of POS

##### 6.2.1.1 Supervisor support

Supervisor support refers to the degree to which supervisors value their subordinates' contributions and care about their well-being. Generally, employees view their supervisor's favourable or unfavourable orientation towards them as indicative of the organization's support (Eisenberger et al. 1986). A positive relationship between supervisor support and employees' perception of organizational support had been reported by Shanock and Eisenberger (2006); Eisenberger et al. (2002); Rhoades,

Eisenberger and Armeli (2001); Yoon and Lim (1999); Kottke and Sharafinski (1988); Hutchison (1997); Yoon, Han and Seo (1996) and Shore and Tetrick (1991). Rhoades and Eisenberger (2002) also proposed that supervisors' behavior and the power that they exert over individual employees could be viewed by employees as an indication of the organization's intent. Additionally, the employees perceive treatment they received from the supervisor as an indication that the organization favours or disfavors them. Thus, as the supervisor is a direct link between employees and the organization, supervisor support contributes to POS.

The field study result provided more evidence that supervisor support would positively influence employees in perceiving support that was given by the organization. It was recognized by most participants that supervisor support characteristics such as paying attention to their suggestions, care about their well-being, guidance on how a job is to be done, knowledgeable in their area as well as having human interaction skills could influence employees' perceptions of organizational support. Therefore, based on the above discussions, it is hypothesized that

**Hypothesis 1: Supervisor support will be positively related to POS**

#### **6.2.1.2 Formal procedures, interactional justice and distributive justice**

Organizational fairness concerning resources distribution, formal rules and policies concerning decisions that affect employees, quality of interpersonal treatment in resource allocation, treating employees with dignity and respect and providing employees with information concerning how outcomes are determined may affect employees' perception of organizational support (Rhoades & Eisenberger 2002) and commitment (Meyer & Smith 2000). Based on POS theory, organizational fairness could contribute to POS. This is because POS theory suggests that treatment by the organization contributes to employee's perceptions of organizational motives related to such treatment. In addition, positive discretionary activities provided by the organization that benefits employees are indicators to the employees that the organization cares about the employees' well-being. Eisenberger et al. (1986), Eisenberger, Fasolo and Davis-

Lamastro (1990), and Moorman (1991) divided organizational fairness into three categories; formal procedures or procedural justice, distributive justice and interactional justice.

### Formal procedures

Formal procedures or procedural justice is the degree to which fair procedures are used in the organization. Williams, Pitre and Zainuba (2002) revealed that procedural justice is derived from perceived equity of the organization's policies and procedures that determines resources allocation and other managerial decisions. According to social exchange theory, positive actions directed at employees such as practicing fair formal procedures in the organization could contribute to quality exchange relationships leading to beneficial outcomes for both (Settoon, Bennett & Liden 1996; Konovsky & Pugh 1994).

The equity of procedures is judged by the employees based on the amount of bias, the breadth and accuracy of information being gathered, the number of relevant parties given an opportunity to participate in decision making, how the ethical standards are applied and the consistency and universality of decision implementation (Leventhal 1980). Shore and Shore (1995) reported that repeated instances of such fairness had a positive effect on POS in which it could be an indicator to the employees of a concern for employee welfare. Previous studies suggested that procedural justice increased POS (Stinglhamber, Cramer & Mercken 2006; Masterson et al. 2000; Moorman, Blakely & Niehoff 1998; Wayne et al. 2002; Shore & Shore, 1995; and Moideenkutty et al. 2001)

The findings from the field study were in line with the literature. The interviewees expressed the view that characteristic formal procedures such as 'provided procedures for determining reward, promotion and training'; and 'designed procedures by providing feedback regarding its services and implementation' had a positive influence on how employees perceived support given to them. As a result, the following hypothesis is suggested:

**Hypothesis 2(a): Organizational formal procedures will be positively related to POS**

*Interactional justice*

Interactional justice refers to the quality of the interpersonal interaction between individuals (Masterson et al. 2000) and describes ways in which an organization's members carry out organizational procedures in the interpersonal context (Tyler & Bies 1990). This social aspect of justice includes 'treat employees with dignity', 'respect' and 'providing information on how outcome are determined'. Perceptions of interactional justice were also believed to predict the fairness of a supervisor (Moorman 1991; Masterson et al. 2000). Moorman (1991) indicated that the interpersonal behavior of a supervisor and the way the supervisor explained decisions that are made could influence organizational citizenship behavior among employees in manufacturing firms. According to Bies and Moag (1986), as interactional justice reflects the quality of interpersonal treatment that occurred during the implementation of formal procedures, perceptions of interactional justice would primarily affect attitudes and behavior toward the person carrying out the treatment (e.g. supervisor). As such, supervisors or direct leaders were perceived to be a source of interactional justice. Cropanzano, Prehar and Chen (2002) and Masterson et al. (2000) also suggested that through the social exchange concept, high-quality relationships between supervisor and employees would lead employees to engage in behavior related to citizenship behavior. With regard to POS, employees may interpret the fair treatment provided by the supervisor as an indication of support given to them. Thus, perceptions of interactional justice would be likely to influence POS.

During the field study, there was some agreement among interviewees that interactional justice could be positively related to POS. In line with the literature, the interviewees mentioned that timely feedback about any decision and implementation given by the supervisor, and their viewpoint being considered by involving employees in their decision making, could affect how they perceived support given by the organization.

Accordingly, it is hypothesized that:

**Hypothesis 2(b): Interactional justice will be positively related to POS**

*Distributive justice*

Distributive justice refers to equitable distribution of rewards and resources, including fair pay and performance evaluation (Williams, Pitre & Zainuba 2002). Shore and Shore (1995) argued that distributive justice could contribute to POS. Eisenberger et al. (1986) and Eisenberger, Fasolo and Davis-LaMastro (1990) proposed that treatment by the organization contributes to employee perceptions of organization intention on why such treatment is given. Moreover, the employee will interpret such action as an indicator that their organization cares about their well-being. Justice perceptions may be one aspect of the employee's evaluation of discretionary actions taken by the organization that are indicative of the degree of organizational support (Moorman, Blakely & Niehoff 1998). Previous researchers (Wayne et al. 2002; Moideenkutty et al. 2001) that studied POS showed that distributive justice could contribute to POS.

The findings from the field study provide some evidence that distributive justice could positively contribute to POS. The interviews expressed the position that distributive justice characteristics such as rewarding employees equally could influence how employees perceive support given to them.

Therefore it can be hypothesized that:

**Hypothesis 2(c): Distributive justice will be positively related to POS**

**6.2.1.3 Job conditions**

Job conditions, such as autonomy, participation in important work related decisions and clarity about work could influence employees' perceptions of organizational support (Rhoades & Eisenberger 2002). According to Eby et al. (1999), such work conditions provide individuals with the chance to make a difference on the job, try out new skills, exercise discretion, receive feedback on their performance and work in an environment characterized by support, participation and fair treatment.

Perceived favorableness of job conditions is critical in determining POS (Eisenberger et al. 1997). They differentiated job conditions based on the level of organizational discretion over them, such as the conditions on which an organization has high discretion (e.g. salary, benefits and training), medium discretion (e.g., low stress and pressure in job) and low discretion (task variety and opportunity to contribute to organization success).

Based on Eisenberger's work (1997), Stinglhamber and Vandenberg (2004) studied the relationship between job conditions and POS. They differentiated job conditions into intrinsically satisfying job conditions and extrinsically satisfying job conditions. Intrinsically satisfying job conditions comprised Eisenberger's low and medium discretion job conditions while extrinsically satisfying job conditions comprised Eisenberger's high discretion job conditions. According to Hackman & Oldham (1980), intrinsically satisfying job conditions are intrinsic to work activities because they are directly derived from the very nature of work experience and contribute to a sense of personal growth. In contrast, extrinsically satisfying job conditions are tangible external reinforcers such as pay, benefits, training and other rewards. A recent study among professionals on intrinsic factors conducted by Randolph, Doisy and Doisy (2005) suggested that intrinsic factors can also be categorized into intrinsic context factors and intrinsic content factors. They stated that intrinsic context factors are less tangible but inherent to the job whereby they are controlled by outside forces but affect the professional's internal satisfaction. Among the examples of intrinsic context factors are realistic work-load, balance between work and home and opportunity to practice in an environment that is in line with the professional's values. On the other hand, the intrinsic content factors are controlled primarily by the professional and affect professional sense of self-efficacy and competence. Feeling close with co-workers and feeling competency are examples of intrinsic content factors. Based on the principles of social exchange theory proposed by Blau (1964), both intrinsically and extrinsically satisfying job conditions reflected that the organization cares about the fate of its employees.

The field study results provided more support that job conditions will positively influence employees in perceiving support given to them. It was recognized by most participants that both intrinsically and extrinsically satisfying job conditions would contribute to perceived support. The interviewees expressed the view that intrinsically satisfying job conditions such as opportunity for personal accomplishment, opportunity for personal development, opportunity to take responsibility, freedom to adopt their own approach to the job, opportunity for social relationships, favorable climate for workgroup, opportunities to implement activities related to religion and personal time-off could affect how they perceived support given to them. There was also agreement amongst most of the employees that extrinsically satisfying job conditions provided by the company, such as opportunity for pay rises, and non-wage-related benefits such as medical support and insurance, could have a positive influence on POS.

Therefore, based on the above discussion, the hypotheses related to job conditions are proposed:

**Hypothesis 3(a): Intrinsically satisfying job conditions will be positively related to POS**

**Hypothesis 3(b): Extrinsically satisfying job conditions will be positively related to POS**

### **6.2.2 Perceived organizational support (POS)**

POS refers to the degree to which employees perceive their employer to be concerned with their well-being and to value their contributions to the organization (Eisenberger et al. 1986). According to POS theory, employees form general beliefs concerning how much the organization values their contributions and cares about their well-being in order to meet socio-emotional needs and they assess an organization's readiness to reward their increased efforts (Eisenberger et al. 1986; Rhoades, Eisenberger & Armeli 2001). This perception of organizational support plays a key role in influencing employees' behavior and attitudes towards their organization. On the basis of the

reciprocity norm, employees will feel obliged to care about their organization's welfare and this could be fulfilled through organizational commitment (Eisenberger et al 1986; Mowday, Porter & Steers 1982; Wayne, Shore & Liden 1997). Organizational commitment can be defined as a psychological link between an employee and his or her organization that makes it less likely that the employee will voluntarily leave the organization. POS creates feelings of obligation in employees towards their employers and thus will encourage them to care about the organization's welfare and engage in behavior that supports organizational goals and objectives.

This study will look in detail at the relationship of POS with three multi-dimensional organizational commitment dimensions: namely affective, continuance and normative commitment. POS is likely to influence each of these forms of organizational commitment. Affective commitment refers to identification with, involvement in and emotional attachment to the organization. Thus, employees with strong affective commitment remain with the organization because they want to. Reid et al. (2008) and Meyer et al. (2002) found that POS had a strong relationship with affective commitment. A meta-analysis conducted by Rhoades and Eisenberger (2002) reveals that POS is strongly and positively correlated with affective commitment. A study conducted by Ko, Price and Mueller (1997) in South Korea also noted that rewards, incentives, supervisor support, distributive justice and job autonomy were positively related to affective commitment. The relationship between POS and affective commitment can be explained by social exchange theory (Blau 1964) in which the development and maintenance of all human relationships is based on an exchange of resources which are valued by the individuals who are interacting with one another. In the case of POS and affective commitment, the socioeconomic and symbolic aspects of this exchange had been taken into consideration (Gakovic & Tetrick 2003; Shore et al. 2006). Chen, Aryee and Lee (2005), Cheung (2000), Eisenberger, Fasolo and Davis-Lamastro (1990) and Eisenberger et al. (2001) suggested that behaviors that specifically focus on organizational support could be interpreted by the employees as consideration and respect of their employer, which in turn will increase their trust and relationship in the long term.

The field study result provided some evidence that support which employees perceived to be given by the organization will make them more committed to the organization—specifically affective commitment. The interviewees viewed support given by the company, for example supervisor support, as possibly indicating company concern in terms of employees' welfare. Thus POS will make them feel a family member in the organization and acquire a sense of belonging in the organization which reflects in affective commitment.

Therefore as per the above discussion, it is expected that:

**Hypothesis 4(a): POS will be positively related to affective commitment.**

Normative commitment is defined as commitment based on a sense of obligation to the organization. Employees with a high level of normative commitment believe that they have a responsibility to continue working for their current employer. Meta-analysis conducted by Meyer et al. (2002) revealed that there is a positive relationship between POS and normative commitment. This can be explained by the norm of reciprocity introduced by Gouldner (1960). According to Eisenberger et al. (1986), an individual has the obligation to return the favours if he or she has been given favours by an individual or an organization. Therefore, when an employee perceived that their employer shows concern for their well-being and seeks to meet their needs, they are more likely to show loyalty (Gakovic & Tectrick 2003).

There is also agreement among the field study participants that POS could influence the normative commitment. Some of the participants perceived that the support given to them by the organization, for example benefits and training, could make them loyal to the company, which indicates normative commitment. Thus, POS could positively influence normative commitment.

From the discussion presented above, it can be hypothesized that:

**Hypothesis 4(b): POS will be positively related to normative commitment**

Continuance commitment refers to the individual's commitment to the organization because he/she perceives high costs of losing organizational membership (Becker's 'side-bet theory'). This could include losing the economic benefits such as loss of pension accruals, and social costs such as loss of friendships with co-workers which would occur if he/she leaves the organization. Therefore, the employee remains a member in an organization because he/she has to. Eisenberger, Fasolo and Davis-LaMastro (1990) found that POS was positively related to calculative involvement in the organization. In addition, Mankanjee, Hartzer and Uys, (2006) reported a positive relationship between POS and continuance commitment. They relate such relationship with the side-bet theory of organizational commitment. They suggested that employees stayed with the organization because they want to enhance their skill and ability and to get some experience and they probably will leave the organization once they have gained this skill and experience. However, studies conducted by Allen and Meyer (1996) and Meyer et al. (2002) showed that continuance commitment did not correlate in the same way as affective and normative commitment with diverse antecedents of organizational commitment. Rhoades and Eisenberger (2002) indicated that POS and continuance commitment relationship were more variable, from near zero to large and negative. Shore and Tetrick (1991) suggested that if an employee remains working in the organization because of the high costs associated with leaving the organization, the feeling of entrapment or continuance commitment will lessen feelings of POS. Aube, Rousseau and Morin (2007) further explained that the high level of POS might help to restore the balance between the benefits or rewards given by the organization, and the employee's contribution to the organization. In relation to this, when employees perceive a high level of POS, the cost associated with quitting their job will be perceived to be less significant. The role of POS is to reduce the feelings of entrapment that develop when employee feels obligated to continue working with the organization because of high cost of leaving the organization. Another possible explanation is that despite the perception of not being treated properly by the organization, employees stay

in an organization because he/she is afraid of the economic and social cost if he/she leaves the organization.

However, during the field study, there is some agreement among interviewees that POS will positively influence continuance commitment. The interviewees mentioned that continuance commitment was influenced by the support given by the organization. One of the interviewees explained that career development provided by the organization make him feel that he had put much of himself in the organization (which reflects continuance commitment).

Thus the following hypothesis is formulated based on the above discussion:

**Hypothesis 4(c): POS will be positively related to continuance commitment**

### **6.2.3 Value congruence**

Value congruence refers to the compatibility between people and organizations that occurs when at least one entity provides what the other needs, or they share similar fundamental characteristics, or both (Kristof 1996). A company with a strong corporate culture is believed to have values similar to those of their employees. This values congruence can influence employees by ensuring that their employees behave in a way that is necessary for the organization to survive in its environment (Barney 1986). Value similarity is assumed to affect organizational commitment through the mechanism of prediction. That is, when employees possess similar values they have clear role expectations. Meglino, Ravlin and Adkins (1989) noted that workers were more satisfied and committed when their values were congruent with the values of the supervisor.

Perception of support given by the organization could foster value congruence among employees. This is supported by Rhoades and Eisenberger (2002) who suggested that employees whose values did not match with those of the organization could get benefit from POS as POS could make the individual feel valued. The 'fit'(or match) between a particular value that a person has and the expression of that particular value in the

organization can be achieved through the support given by the supervisor to the employees. POS can play a role as one source of support that may help employees deal with low value congruence. Specifically, in POS, through a social exchange process, employees interpret the actions of management and reciprocate in kind. The processes of social exchange will also generate trust among employees (Blau 1964). POS embodies the social exchange processes which reflect the employee's interpretation and perceptions of the organization's action (Eisenberger et al. 1986). Prior studies have found that employees will feel that they are valued by the organization if they receive support from their organization (Masterson & Stamper 2003; Rhoades & Eisenberger 2002). In addition, a study by Erdogan, Kraimer and Liden (2004) also revealed that work value congruence was associated with job satisfaction if POS was low. Thus POS, for example through support given by the supervisor, may help facilitate communication and cooperation among members of the organization and thus will foster the value congruence among employees of the organization.

Therefore, based on the above discussion, it is expected that

**Hypothesis 5: POS will positively influence the value congruence between the employees and the organization**

Congruence between an individual's preferences for a particular culture and the culture of the organization of which the person is a part, is also related to organizational commitment (O'Reilly, Chatman & Caldwell 1991). An integrative analysis of person-organizational (P-O) fit theories conducted by Westerman and Cyr (2004) revealed that value congruence is directly and positively related to organizational commitment.

Abraham (1999), in research on emotional dissonance and organizational commitment, observed that if our emotions and true feelings are incongruent with organizational norms, organizational commitment will be reduced due to feelings of job dissatisfaction. Incongruence that developed between the ethical values of the employee and the organizational standard (ethical conflict) is also negatively associated with

organizational commitment (Schwepker 1999). Thus if congruency exists, it is assumed that value congruence will be positively related to organizational commitment. Vandenberghe (1999), who replicated the O'Reily, Chatman and Caldwell (1991) study on the health care industry, confirmed that congruence between the values of the hospital and a nursing recruit's preferred values was predictive of nurses staying with the organization.

This study will look at the relationship between value congruence and the components of organizational commitment, namely affective, normative and continuance commitment.

Affective commitment refers to identification with, involvement in and emotional attachment to the organization. Affective commitment is potentially related to value congruence. Meyer and Herscovitch (2001) noted that affective commitment develops when an individual becomes involved in, recognizes the values related to the organization and derives his or her identity from the organization. O'Reilly, Chatman and Caldwell (1991) found that person-organization (P-O) fit is predictive of organizational commitment. Although the type of organizational commitment that P-O fit predicts in their study was labeled 'normative', it is more closely related to Meyer and Allen's (1991) 'affective commitment'. Somers (1993), who conducted a study in a teaching hospital, suggested that person-organization value congruence is positively related to affective commitment. In addition, research on the congruence between preferred polychronicity and experience of work-unit polychronicity, conducted by Slocombe and Bluedorn (1999), reveals that polychronic congruence is significantly and positively related to belief in and acceptance of organizational goals (labeled as affective commitment by Meyer and Allen 1991). McConnell (2003), who examined the relationship among P-O value congruence and the three components of organizational commitment, reported that P-O fit was positively associated with affective organizational commitment.

Results from the field study provided some evidence that value congruence could influence affective commitment among employees of the organization. In line with the

literature, the interviewees expressed the view that if similarity exists between the company's values and their values, they will be happy to spend their career in the organization, feel like part of the family in their organization and feel attached to the organization. Therefore, value congruence will be positively related to affective commitment.

Based on the discussion presented above the following hypothesis is suggested:

**Hypothesis 6(a): The values congruence of employees with their organization has a positive relationship with their affective commitment**

Normative commitment is defined as an individual's commitment to remain in the organization because of feelings of obligation. For example, if an employee attended training invested by the company, the employee will feel morally obligated to put in an effort on the job. Employees with a high level of normative commitment believe that they have the responsibility to continue working for their current employer.

According to Meyer and Herscovitch (2001), normative commitment is developed through socialization as a result of the internalization of norms, the receipt of benefits that influence the need to reciprocate and the acceptance of a psychological contract. This form of commitment is likely to be influenced by value congruence. Slocombe and Bluedorn (1999), who conducted research on the congruence between preferred polychronicity and experience of work-unit polychronicity, suggested that polychronic congruence is significantly and positively related to the desire to remain in the organization (labeled as normative commitment by Meyer and Allen 1991). In addition, McConnell (2003) finds that P-O value congruence is positively associated with normative organizational commitment.

During the field study one of the interviewees agreed that value congruence would positively influence normative commitment. The interviewee emphasized that if

congruence between organization values and his values exists, he feels that he is more obligated to be loyal to the organization.

Based on the above discussion, it can be hypothesized that:

**Hypothesis 6(b): The values congruence of employees with their organization has a positive relationship with their normative commitment**

Continuance commitment represents the degree to which employees stay with an organization because the costs of leaving are too high. Employees with this type of commitment tend to stay in the organization because they perceive that if they leave the organization there will be economic as well as social cost. Sim and Kroeck (1994) who examined the relationship between ethical fit, employee satisfaction, commitment and turnover found that fit was related to continuance commitment. They suggested that individuals seek an organization where they fit or are comfortable, especially if they have a chosen profession. Thus, once their values and their organization's value are matched, they will stay in the company, especially if there is no other alternative job outside. McConnell (2003), who examined the relationship between person-organization value congruence and continuance commitment found that components of continuance commitment positively related to P-O fit. However, organizational tenure interacted with P-O fit to explain the continuance commitment.

The field study result provides some evidence on the relationship between value congruence and continuance commitment. One of the interviewees mentioned that if incongruence exists and there were other job alternatives from outside the company, he would consider working elsewhere. Another two interviewees who were in the management did agree that if employees cannot match the organization's values with their values, they will choose to work for another company, especially if there are many opportunities available (which represents the component of continuance commitment). Thus value congruence could have a positive influence on continuance commitment.

Therefore the following hypothesis is suggested, based on the above discussion:

**Hypothesis 6(c): The values congruence of employees with their organization has a positive relationship with their continuance commitment**

## **6.2.4 National culture**

National culture refers to shared motives, values, belief, identities and interpretation or meanings of significant events that result from common experiences of members and are transmitted across age generations (House et al. 2002). This study will focus on two types of national culture which have been shown to be relevant in the Malaysian context (Rashid, Sambasivan & Johari 2003; Hofstede 2001; House et al. 2004) namely power distance and in-group collectivism.

### **6.2.4.1 Power distance**

House et al. (2002), who use Hofstede's (2001) studies, refer to power distance as 'the extent to which members of an organization expect and agree that power should be unequally distributed in institutions and organizations'. Hofstede (2002) found that people in high power distance cultures prefer structured and closely supervised tasks and this could enhance attachment to the organizations. Individuals in high power distance countries are dependent on their superiors (Hofstede 1980 cited in Clugston, Howell & Dorfman 2000). For employees with high power distance culture, inequity is accepted and they expect that they are not to be consulted before managers make decisions. In addition, superiors in high power distance cultures also assume that subordinates are inferior; that in turn will cause relationships to seek exchanged-based security and economic rather than self-development, as explained in Theory X by McGregor (1960).

Affective commitment describes employees who have a desire to maintain membership in the organization, a desire that has developed as a result of work experiences that create feelings of comfort and personal competence (Meyer & Allen 1997). Fischer and Smith (2006) and Farh, Earley and Lin (1997) proposed that in a high power distance

culture, people are more embedded in a group in which they are used to unequal distribution of power. However, it is argued that individuals in a high power distance culture do not display high affective commitment because they want to stay in the organization for economic reasons rather than emotional attachment and identification, as required in affective commitment. Compared with low power distance society, the high power distance society also emphasizes more on status recognition. Thus, as they are more concerned about hierarchy and position on the hierarchy, it is expected that will decrease the need to develop strong affective identity with the organization. In other studies, Randall (1993) found that power distance negatively related to affective commitment. He pointed out that greater centralization might result in lower levels of organizational commitment as power distance could be associated with ‘concentration of authority’. In addition, Oudenhoven, Merchelse and de Dreu (1998) found that managers in low power distance cultures tend to exhibit stronger preferences for cooperative communication and open discussion in dealing with conflict related to a superior. A good atmosphere for open and equal relationships among group organizational members could also be related to employees who value low power distance (House et al. 2004), with this relationship resulting in a clear and more productive exchange process (Wang et al. 2005). Thus, it is expected that such behavior could create a sense of emotional attachment to the organization. In a recent study on commitment across cultures, Fischer and Mansell (2009) also proposed that power distance is negatively associated with affective commitment. It is therefore postulated that power distance could have a negative relationship with affective commitment.

From the discussion presented above, the hypothesis suggested is as follows:

**Hypothesis 7(a): Power distance is negatively associated with affective commitment**

According to Chew and Putti, cited in Silverthorne (2005), individuals in high power distance cultures stay in their organization because of the duty-bound loyalty concept. This concept is related to the concept of normative commitment, which emphasized the

feeling of obligation to continue working because of work culture and other socially accepted norms. Thus it is argued that high power distance will have a positive relationship with normative commitment. Clugston, Howell and Dorfman (2000) suggested that power distance is positively associated with normative commitment across all foci (organization, supervisor and workgroup).

However, a study which was conducted in the high power distance countries suggested that power distance could be negatively related to normative commitment. Rowlinson (2001) who conducted a study on Matrix culture in Hong Kong, verified that decentralized decision making could result in high normative commitment. Therefore, as power distance emphasizes centralized decision making, it is suggested that power distance could be negatively related to normative commitment. Leck and Saunders (1992), who studied a cross section of 300 full-time employees that attended an education course at the university, found that feeling obligation or loyalty (as criteria in normative commitment) towards an organization was positively influenced by the opportunity to voice their concern over issues related to the employment relationship. Therefore, if employees are not given the opportunity to raise these issues, the feeling of obligation will likely be decreased. This suggests that if the level of power distance is high, normative commitment will be low. In addition, Cohen and Keren (2008) stated that the basis of normative commitment is the value of obligation and duty and these values are more related to the acceptance of inequality which is reflected in a high power distance culture. Thus, high power distance will be related to lower level of normative commitment.

Based on the above discussion, the following hypothesis is suggested:

**Hypothesis 7(b): Power distance is negatively associated with normative commitment**

For continuance commitment, people have to stay in the organization from fear of economic loss or lack of job alternatives. It is expected that power distance will foster a

relationship based on dependency, in which people will have to stay due to the belief that they are subordinate in the organization and society and there are few alternative jobs elsewhere (Bochner & Hesketh 1994; Chew & Putti cited in Silverthorne 2005; Hofstede 1980). Clugston, Howell and Dorfman (2000), in their study of culture and employees' level of commitment, suggested that power distance is positively associated with continuance commitment across all foci (organization, supervisor and workgroup).

However, it is argued that individuals in high power distance organizations, which have characteristics such as being expected not to question the superior when in disagreement, will display low continuance commitment. This is because according to Hofstede (1980), people in high power distance tend to reflect Theory X characteristics. Bochner and Hesketh (1994), who further discuss Theory X and power distance, suggested that superiors in high power distance organizations who assume that subordinates are inferior will in turn cause relationships that seek exchanged-based security and economic benefits and thus will make employees consider working in another company if the job opportunities are available. Thus, power distance is expected to be negatively related to continuance commitment. In addition, Foosiri (2002) in his study of culture and organizational commitment in Thailand found that high power distance is associated with low continuance commitment.

As a result, the following hypothesis is suggested:

**Hypothesis 7(c): Power distance is negatively associated with continuance commitment**

#### **6.2.4.2 In-group collectivism**

In-group collectivism refers to 'the degree to which individuals express pride, loyalty and cohesiveness in organizations or families (House et al. 2002, p. 5). Hofstede (2001) stated that people in collectivism societies are integrated into strong cohesive in-groups which protect them in exchange for unquestioning loyalty. Collectivism is characterized by interdependence, norms that favor in-group embeddedness, security, duty, in-group

harmony and personalized relationships. Individuals in collectivist cultures form a tight social framework in which people distinguish between in-group and out-groups (Hofstede 1980). According to Triandis, Brislin and Hui (1988), individuals in collectivist cultures have few in-groups (normally only one) and everyone else is considered the out-group.

As in-group collectivism groups are integrated into a strong, cohesive in group and also attached to their workgroups, it is expected that in-group collectivism could have a positive relationship with affective commitment. Hwang and Kim (2007), in their study on affective commitment and collectivism culture, found that collectivism had been shown to be positively related to two constructs of affective commitment. Clugston, Howell and Dorfman (2000), who conducted a study on culture and its impact on commitment, indicated that collectivism is positively related to affective commitment. A study by Wasti (2002) in Turkey, which is characterized as a collectivist society, suggested that collectivism will be positively related to affective commitment. Rashid, Sambasivan and Johari (2003), in their study on organizational cultures and organizational commitment in Malaysia, indicated that consensus culture, which emphasizes loyalty, was found to be positively related to affective commitment. Thus, in-group collectivism is likely to positively influence affective commitment.

During the field study, there was some agreement among interviewees that in-group collectivism could positively influence affective commitment. Some of the interviewees said that they take pride in their superior's individual accomplishments. They mentioned that such cultural characteristics could enhance their feeling of being part of the family in the organization, develop a sense of belonging, and that they would feel emotionally attached to the organization. Thus, in-group collectivism could have had an impact on employee perceptions of affective commitment.

The above discussion leads to the following hypothesis:

**Hypothesis 8(a): In-group collectivism is positively associated with affective commitment**

Bochner and Hesketh (1994) stated that collectivists have a higher moral and social identification with the workplace than do individualists. Triandis, Brislin and Hui (1988) claimed that a collectivist's commitment is based on a sense of duty. Therefore, as in-group collectivism is integrated into strong cohesiveness and loyalty to workgroup and normative commitment is primarily moral and duty based, it is expected that in-group collectivism has a positive association with normative commitment. A study on culture across all foci of commitment, conducted by Clugston, Howell and Dorfman (2000), indicated that collectivism is positively related to normative commitment.

The field study result provided some support for the position that in-group collectivism will positively influence normative commitment. The interviewees mentioned that in-group collectivism cultural characteristics such "proud of superior's individual accomplishments" and "proud to be part of team" are part of the culture practiced in their organization. They indicated that such cultural elements could create an environment in which employees are more willing to develop a feeling of normative commitment such as "don't feel right to leave the organization" and "feel that organization deserves their loyalty". Therefore, in-group collectivism could influence normative commitment in the organization.

Based on the above discussion, the following hypothesis is proposed:

**Hypothesis 8(b): In-group collectivism is positively associated with normative commitment**

In-group collectivism appears to stimulate the dependency-based relationships whereby employees have to stay due to their belief that they are close and cohesive with each other in the organization and have only a few alternatives elsewhere. Boyacigiller and Adler (1991) reveal that collectivists' work relationships are tied together to their supervisors and workgroup. Collectivism has been shown to have a positive relationship with continuance commitment (Clugston, Howell & Dorfman 2000). Baumanis (2002)

also suggested that collectivism could positively influence continuance commitment. A study conducted in Turkey confirmed that collectivism culture which emphasizes loyalty norms increases continuance commitment (Wasti 2002). As loyalty and cohesiveness are characteristics of in-group collectivism, it is predicted that in-group collectivism could have positive association with continuance commitment

Therefore, based on the above discussion, it is expected that:

**Hypothesis 8(c): In-group collectivism is positively associated with continuance commitment**

### **6.2.5 External factors**

External factors reflect the influences from outside the organization that could influence employees towards organizational commitment. Findings from the field study provide support for the position that unfavourable external factors could negatively influence continuance commitment. Most of the participants noted that unfavourable external factors such as too much distance from their home to the company, lack of transportation system between their home and their company, and also work offers from other companies, which may make leaving the organization easier, will lower continuance commitment.

Previous researchers show that elements of external factors could affect employees' behavior (Shore 1984; Mosadeghrad, Ferlie & Rosenberg 2008). For example, Shore found that external factors such as location of the company could influence employee turnover. Further, a study among employees working in a hospital in Iran concluded that external factors could influence continuance commitment (Mosadeghrad, Ferlie & Rosenberg 2008). As continuance commitment refers to the high costs of leaving making employees stay with an organization, it is expected that they tend to stay in the organization because they perceive that they will have economic as well as social costs if they leave the organization. However, it is argued that when employees fully

recognize external factors (for example offer from other companies), the cost attached to quitting their job will be perceived as less significant.

Based on the above discussion, the following hypothesis is formulated.

**Hypothesis 9: Unfavourable external factors would lower the continuance commitment of the employees**

### **6.2.6 National culture as a moderator**

Collectivists identify themselves as having a sense of belonging to the organization for which they work and their emphasis is more on being a good member of the organization (Clugston, Howell & Dorfman 2000). Long-term orientation goals are part of the collectivist work culture (Hofstede 1997) which contributes to long-term commitment to the organization (Bass 1998). As in-group collectivism, which emphasizes pride, loyalty and cohesiveness in organizations has similar attributes to collectivism, in-group collectivism is expected to behave the same way towards commitment.

Previous research on collectivism and individualism culture had found that individuals in collectivism culture display more cooperative behavior compared with that in an individualist culture (Chatman & Barsade 1995; Chatman et al. 1998). Specifically, Chatman et al. (1998) suggested that social categorization processes had been influenced by either 'individualism or collectivism' (p. 751). As collectivist culture often encourages teamwork, group rewards and shared goals, employees in these cultures are more encouraged to emphasize the organization and commonalities among people (Chatman et al.1998).

Collectivism had also been examined as a moderator of relationships by some authors (Chatman & Barsade 1995; Walumbwa & Lawler 2003; Francesco & Chen 2004; Williamson, Burnett & Bartol 2009). For example, a study conducted by Walumbwa and

Lawler (2003) found that collectivism moderated the relationship between transformational leadership and work-related attitudes and behavior. They reported that for those high in collectivism, transformational leadership had a greater impact on work related outcomes. In addition, Williamson, Burnett and Bartol (2009) found that people with low collectivism culture (compared with high levels of collectivism) had higher levels of affective commitment when they perceived high levels of pay and autonomy. As with collectivism, in-group collectivism is expected to act as a moderator in shaping employees' behavior.

In the case of POS and commitment, it is expected that in-group collectivism would negatively moderate between these relationships. It is likely that POS could have a positive impact on both affective and normative commitment. However, it is predicted that the relationship between POS and both affective and normative commitment would be weaker for high in-group collectivism culture. In other words, perceptions of support given would have less impact in determining both affective and normative commitment for high in-group collectivism employees. This is because, for high in-group collectivism culture employees, the feeling of attachment and involvement towards the organization may be aroused through in-group collectivist loyalty and pride towards the organization. Thus, this would lessen the impact of perceptions of support given in determining employee affective commitment in the organization. For example under high in-group collectivism cultures, employees have a cultural expectation that they will behave more on behalf of the group. In this regard, although support is given by the organization, the feeling of being part of the group will override the influence of perceptions of support on emotional attachment to the organization. Thus, perceptions of support given by the organization are less influential in determining personal feelings of emotional identification with the organization (affective commitment) in high in-group collectivism.

As for normative commitment, it is also expected that in-group collectivism culture would influence the capacity of POS to have an effect on normative commitment. This is because a sense of obligation or duty towards the organization is expected to be

developed due to a feeling of pride and loyalty in the group derived from in-group collectivism. Therefore, the impact of support given in determining employee obligation towards the organization would be decreased. For example, in high in-group collectivism culture employees are integrated into strong cohesiveness and loyalty to organization. Although support is given by the organization, it is less influential in determining employees' obligation in an organization. In this regard, employees in high in-group collectivism cultures, are expected to behave more on behalf of the group which emphasized integration, cohesiveness and loyalty towards the organization. Therefore, although support is given by the organization, the feeling of cohesiveness and loyalty to the organization will override the impact of perceptions of support on commitment based on duty (normative commitment)

Therefore it is postulated that:

**Hypothesis 10(a): The relationship between POS and affective commitment will be weaker when the degree of in-group collectivism is higher**

**Hypothesis 10(b): The relationship between POS and normative commitment will be weaker when the degree of in-group collectivism is higher**

Power distance concerns the extent to which employees expect and accept the unequal distribution of power between supervisors and subordinates in an organization (Hofstede 2001). Therefore it is expected that employees will tend not to question the directives of those having higher formal status in the organization. In addition, employees in high power distance cultures prefer superiors who exercise autocratic leadership and do not expect the employees to participate in decision making (Hofstede 1980). In this regard, those in high power distance cultures perceive that they have little value to gain in attempting to influence decision making. As such, they believe that their superiors have the authority to make decisions without consulting their subordinates (Lam, Hui & Law 1999).

A number of studies have investigated power distance as a moderator of the relationship between justice and various employee outcomes (Yang, Mossholder & Peng 2007; Begley et al. 2002; Lam, Schaubroeck & Aryee 2002; Lind & Tyler 1988 cited in Fischer & Smith 2006; Tyler, Lind & Huo 2000). These studies conceptualize that perceptions of justice depend on culture as the process through which employee outcome effects occur. For example, Lind and Tyler cited in Fischer and Smith (2006) and Tyler (1989) suggested that leader–subordinates relations are central to the power distance relationship with justice and employee outcomes. Thus, in the context of POS and organizational commitment, leader–subordinate relationships could also explain how power distance could play a role as a moderating factor between these variables. It is postulated that power distance will interact with POS to explain affective and normative commitment. Specifically, based on POS theory, employees form general beliefs concerning how much the organization values their contribution and cares about their well-being in order to meet socio-emotional needs (Eisenberger et al. 1986; Rhoades, Eisenberger & Armeli 2001). The norms of reciprocity concept can be used to explain employee–employer relationships. Employees are assumed to be the recipients of favourable treatment from their employer and they will most likely reciprocate by enhancing their attitude and behavior towards the organization (Moorman, Blakely & Niehoff 1998; Rhoades, Eisenberger & Armeli 2001; Shore & Wayne 1993).

Further, from the relational model of authority perspectives Begley et al. (2002) suggested that high power distance prohibits employees from building close relationships with superiors and thus will limit favor and obligation. Without this relationship, employees will feel insecure in their relationship and thus will place more attention on how their employers value their contribution. In contrast, employees in lower power distance culture, might find it easier to develop a close relationship with their superior. Thus, such a relationship will reduce the need for the organizational support because they feel more secure in their relationship. Therefore, in high power distance culture, it is expected that POS will greatly affect an employee’s response towards both affective and normative commitment.

In the context of Malaysian medium enterprises, it is expected that high power distance among members exists. Consistent with the expectation of individuals in high power distance cultures, the relationship between employees and superiors becomes non-personalized and the discussion on the procedures and expectations related to their work becomes more formal. Employees might find it difficult to develop close relationships with their superior. Thus perception of support given will greatly affect employees' behavior. In this case, employees will be more concerned on how well their company values their contribution and their well being, which will then influence their emotional identification with the organization, which indicates affective commitment (Reid et al. 2008; Meyer et al. 2002; Rhoades & Eisenberger 2002).

As for normative commitment, it is also expected that power distance would affect the capacity of POS to have an impact on normative commitment. Due to their understanding of high power distance culture being practiced, employees are not expected to have input into decisions affecting them and are expected to have distant relationships with their superior. Therefore, employees in a high power distance culture are expected to be more concerned about the support given to them to make them obligated towards the organization (Meyer, Allen & Topolytsky 1998; Masterson 2001) compared with employees in a low power distance culture. Thus the impact of perception of support given in determining employees' obligation will be increased. It is therefore expected that power distance could moderate the relationship between POS and normative commitment.

Thus, the above explanation appears to support the notion that:

**Hypothesis 11(a): Power distance will positively moderate the relationship between POS and affective commitment.**

**Hypothesis 11(b): Power distance will positively moderate the relationship between POS and normative commitment**

## **6.3 Questionnaire development**

### **6.3.1 POS and organizational commitment questionnaire**

A questionnaire was developed to identify the elements of POS that influence organizational commitment and to what extent POS factors influence organizational commitment. In addition, national culture and value congruence influence in relation to POS and organizational commitment will be studied. This questionnaire used a Likert scale (from 1 to 6) with 1 indicating that respondents strongly disagree with the statement and 6 indicating that they strongly agree with the statement.

The questionnaire in section 1 is in eight parts (See attachment in Appendix 3). Parts A, B and C asked the respondents to choose statements regarding the possible antecedents of POS within the organization for which they were working.

Next, the respondents were requested to represent their possible feelings towards organizational support in part D of the questionnaire. In part E, the respondents were given a list of statements about their values and their organization's values in which they were asked to choose the statement that is most applicable to them.

National culture questions which focused on power distance and in-group collectivism were placed in part F of the questionnaire. The external factors that could influence the employees' decision towards organizational commitment were asked in part G. In part H, they were asked about the feelings that they had towards the company for which they worked.

Finally, the respondents were requested to provide some information about themselves in section 2 of the questionnaire. This part consisted of six categorical questions which covered areas such as gender, age category, marital status, ethnicity, highest level of education and number of years in the current organization.

### **6.3.2 Measurement instrument development**

This section will discuss the development of the measurement instrument. The instruments for this study were developed based on the literature review and findings from the field study. The constructs that were used in this study included supervisor support, formal procedures, interactional justice, distributive justice, job conditions, POS, value congruence, in-group collectivism, power distance and organizational commitment. Wherever possible, alpha values from the literature review have been included in the following section.

#### **6.3.2.1 Supervisor support**

The construct supervisor support deals with how subordinates perceived support given by their supervisors. This construct was based on literature and the field study. The first four items were adapted from Rhoades, Eisenberger and Armeli (2001). The Cronbach alpha for this scale exceed 0.9 (Rhoades, Eisenberger & Armeli 2001). These items were “my supervisor cares about my opinion”, “my supervisor really cares about my well-being”, “my supervisor strongly considers my goals and values” and “my supervisor shows very little concern for me”. Another four measurement items which were derived from the field study were “my supervisor displays involvement by monitoring the production line”, “my supervisor gives guidance on how the job is to be done”, “my supervisor is knowledgeable in his area” and “my supervisor has human relations skills”. Table 6.1 shows survey instrument items related to supervisor support.

Table 6.1: Survey instrument items related to supervisor support

Item	Variable	Measures	Source	References
S1	Cares about opinion	My supervisor cares about my opinion	Literature/ Field study	Rhoades, Eisenberger & Armeli (2001)
S2	Cares about well being	My supervisor really cares about my well-being	Literature/ Field study	Rhoades, Eisenberger & Armeli (2001)
S3	Considers goals and values	My supervisor strongly considers my goals and values	Literature/ Field study	Rhoades, Eisenberger & Armeli (2001)
S4	Shows concern	My supervisor shows very little concern for me (R)	Literature/ Field study	Rhoades, Eisenberger & Armeli (2001)
S5	Monitors my work	My supervisor displays involvement by monitoring my work	Field study	
S6	Guidance on how job is to be done	My supervisor gives guidance on how the job is to be done	Field study	
S7	Knowledgeable in his/her area	My supervisor is knowledgeable in his/her area	Field study	
S8	Has human relations skills	My supervisor has human relations skills	Field study	

(R)–reverse statement

### 6.3.2.2 Formal procedures, interactional justice and distributive justice

Formal procedures or procedural justice, interactional justice and distributive justice construct was adapted from Moorman’s (1991) organizational fairness study and the field study. This construct comprised a scale of 19 items.

Formal procedures measures the degree to which fairness of formal procedures is used in an organization while interactional justice measures the fairness of the interactions that accompany an organization’s formal procedures. Both types of procedural justice have 7-item scales (Table 6.2 and table 6.3). Another item, “my supervisor trusts his/her

employees”, which came from the field study, was added to the procedural justice construct.

Distributive justice measures the degree to which rewards received by employees are perceived to be related to performance inputs; it was measured with a 5-item scale (Table 6.4).

Table 6.2: Survey instrument items related to formal procedures

<b>Item</b>	<b>Variables</b>	<b>Measures</b>	<b>Source</b>	<b>References</b>
FP1	Procedure to collect information for making decision	My organization’s procedures are designed to collect accurate information necessary for making decisions	Literature	Moorman (1991)
FP2	Procedure to provide opportunity to challenge decisions	My organization’s procedures are designed to provide opportunities to appeal or challenge the decision	Literature	Moorman (1991)
FP3	Procedure to represent all affected by decision	My organization does not have procedures designed to represent all those affected by a decision (R)	Literature	Moorman (1991)
FP4	Procedure to generate standards so that decisions could be made with consistency	My organization does not have procedures designed to generate standards so that decisions could be made with consistency (R)	Literature	Moorman (1991)
FP5	Procedure to hear the concerns of all those affected by a decision	My organization’s procedures are designed to hear the concerns of all those affected by a decision	Literature/ Field study	Moorman (1991)

Table 6.2 (Cont.)

<b>Item</b>	<b>Variables</b>	<b>Measures</b>	<b>Source</b>	<b>References</b>
FP6	Procedure to provide feedback regarding decisions and implementation	The procedures in my organization are not designed to provide useful feedback regarding decisions and their implementation (R)	Literature/ Field study	Moorman (1991)
FP7	Procedure to allow requests for clarification about decisions	My organization's procedures are designed to allow for requests for clarification or additional information about decisions	Literature/ Field study	Moorman (1991)

(R)–reverse statement

Table 6.3: Survey instrument items related to interactional justice

<b>Item</b>	<b>Variables</b>	<b>Measures</b>	<b>Source</b>	<b>References</b>
IJ1	Consider viewpoint	My supervisor considers my viewpoint	Literature/ Field study	Moorman (1991)
IJ2	Suppresses his/her personal bias	My supervisor suppresses his/her personal bias	Literature	Moorman (1991)
IJ3	Timely feedback	My supervisor does not provide me with timely feedback about any decision and its implications (R)	Literature/ Field study	Moorman (1991)
IJ4	Treats with kindness and consideration	My supervisor treats me with kindness and consideration	Literature/ Field study	Moorman (1991)
IJ5	Concern for rights as an employee	My supervisor shows no concern for my rights as an employee (R)	Literature	Moorman (1991)
IJ6	Takes steps to deal in a truthful manner	My supervisor takes steps to deal with me in a truthful manner	Literature	Moorman (1991)
IJ7	Trusts his/her employees	My supervisor trusts his/her employees	Field study	

(R)–reverse statement

Table 6.4: Survey instrument items related to distributive justice

Item	Variables	Measures	Source	References
DJ1	Reward based on responsibilities.	I am fairly rewarded considering the responsibilities I have.	Literature	Moorman (1991)
DJ2	Reward based on experience	I am fairly rewarded in view of the amount of experience I have	Literature	Moorman (1991)
DJ3	Reward based on the amount of effort	I am not fairly rewarded for the amount of effort I put forth (R)	Literature	Moorman (1991)
DJ4	Reward based on the work that has been done	I am fairly rewarded for the work I have done well.	Literature	Moorman (1991)
DJ5	Reward based on the stresses and strains of job	Considering the stresses and strains of my job I am not fairly rewarded (R)	Literature	Moorman (1991)

(R)–reverse statement

### 6.3.2.3 Job conditions

For measuring job conditions, the Stinglhamber and Vandenberghe (2004) 14-item scale and findings from the field study were used. This scale measures the intrinsically and extrinsically satisfying aspects of job conditions. The intrinsically satisfying job conditions are reflected by the first 11 items while another three items measure the extrinsically satisfying job conditions.

Another two measurement items which were derived from the field study were “my organization provides facilities for religious purposes” and “my organization does not provide time off for personal reasons”. Table 6.5 and Table 6.6 show survey instrument items related to intrinsically satisfying job conditions and extrinsically satisfying job conditions respectively.

Table 6.5: Survey instrument items related to intrinsically satisfying job conditions

<b>Item</b>	<b>Variables</b>	<b>Measures</b>	<b>Source</b>	<b>References</b>
IJC1	Personal accomplishment	My organization provides opportunities for personal accomplishment	Literature/ Field study	Stinglhamber & Vandenberghe (2004)
IJC2	Personal development	My organization provides opportunities for personal development	Literature/ Field study	Stinglhamber & Vandenberghe (2004)
IJC3	Challenging tasks	My organization provides opportunities for challenging tasks	Literature	Stinglhamber & Vandenberghe (2004)
IJC4	Use competencies	My organization does not provide me with opportunities to use my competencies (R)	Literature	Stinglhamber & Vandenberghe (2004)
IJC5	Undertake original and creative tasks	My organization provides opportunities to undertake original and creative tasks	Literature/ Field study	Stinglhamber & Vandenberghe (2004)
IJC6	Take responsibilities	My organization does not provide opportunities to take responsibilities (R)	Literature/ Field study	Stinglhamber & Vandenberghe (2004)
IJC7	Task variety	In my organization opportunities for task variety are provided	Literature	Stinglhamber & Vandenberghe (2004)
IJC8	Freedom to adopt own approach to the job	My organization provides freedom to adopt one's own approach to the job	Literature/ Field study	Stinglhamber & Vandenberghe (2004)
IJC9	Contribute to the organization's success	My organization provides opportunity to make contributions to the organization's success	Literature/ Field study	Stinglhamber & Vandenberghe (2004)
IJC10	Climate for the work group	My organization provides a favorable climate for the work group	Literature/ Field study	Stinglhamber & Vandenberghe (2004)
IJC11	Social relationships	Opportunities for social relationships are not provided by my organization (R)	Literature/ Field study	Stinglhamber & Vandenberghe (2004)
IJC 12	Facilities for religious purposes	My organization provides facilities for religious purposes	Field study	
IJC 13	Time off for personal reasons	My organization does not provide time off for personal reasons (R)	Field study	

(R)–reverse statement

Table 6.6: Survey instrument items related to extrinsically satisfying job conditions

Item	Variables	Measures	Source	References
EJC1	Pay rises	My organization provides opportunities for pay rises	Literature/ Field study	Stinglhamber & Vandenberghe (2004)
EJC 2	Non-wage related benefits	My organization provides non-wage related benefits (for example medical support, insurance, transport assistance)	Literature/ Field study	Stinglhamber & Vandenberghe (2004)
EJC3	Career advancement	My organization does not provide opportunities for career advancement (R)	Literature/ Field study	Stinglhamber & Vandenberghe (2004)

(R)–reverse statement

### 6.3.2.4 POS

The POS construct was measured with the short version of Survey of Perceived Organizational Support (SPOS) adapted from Eisenberger et al. (1986) and the field study. This survey consists of statements concerning how employees perceived that the organization valued their contributions and cared about their well-being (Table 6.7). The scale comprises 17 of the highest loading items in the SPOS (Eisenberger et al. 1986) that are rated on a 7-point scale. This construct has been validated by Eisenberger, Fasolo and Davis-LaMastro (1990), Shore and Tetrick (1991) and Shore and Wayne (1993). In the original study conducted by Eisenberger et al. (1986), a factor analysis indicated a single factor accounting for 48% of the total variance with an inter-item reliability of 0.97.

Table 6.7: Survey instrument items related to POS

Item	Variables	Measures	Source	References
POS1	Values contribution to its well-being	My organization values my contribution to its well-being	Literature	Eisenberger et al. (1986)
POS2	Easy to replace employee	If my organization could hire someone to replace me at a lower salary, it will do so (R)	Literature	Eisenberger et al. (1986)
POS3	Appreciate extra effort	Any extra effort from me is not appreciated by my organization (R)	Literature	Eisenberger et al. (1986)

Table 6.7 (Cont.)

<b>Item</b>	<b>Variables</b>	<b>Measures</b>	<b>Source</b>	<b>References</b>
POS4	Considers goals and values	My organization strongly considers my goals and values	Literature	Eisenberger et al. (1986)
POS5	Hear complaints	Any complaints from me would be ignored by my organization (R)	Literature	Eisenberger et al. (1986)
POS6	Regards its best interests	My organization disregards my best interests when it makes decisions that affect me (R)	Literature	Eisenberger et al. (1986)
POS7	Help is available	Help is available from my organization when I have a problem	Literature	Eisenberger et al. (1986)
POS8	Cares about well-being	My organization really cares about my well-being	Literature	Eisenberger et al. (1986)
POS9	Mistake would be forgiven	An honest mistake on my part would be forgiven by my organization	Literature	Eisenberger et al. (1986)
POS10	Would notice if did the best job	Even if I did the best job possible, my organization would fail to notice (R)	Literature	Eisenberger et al. (1986)
POS11	Willing to help when needed	My organization is willing to help me when I need a special favour	Literature	Eisenberger et al. (1986)
POS12	Cares about general satisfaction at work	My organization cares about my general satisfaction at work	Literature	Eisenberger et al. (1986)
POS13	Would not take advantage of an employee	If given the opportunity, my organization would take advantage of me (R)	Literature	Eisenberger et al. (1986)
POS14	Shows concern.	My organization shows very little concern for me (R)	Literature	Eisenberger et al. (1986)
POS15	Cares about opinions	My organization cares about my opinions	Literature	Eisenberger et al. (1986)
POS16	Pride for the accomplishments at work	My organization takes pride in my accomplishments at work	Literature	Eisenberger et al. (1986)
POS17	Make job as interesting as possible	My organization tries to make my job as interesting as possible	Literature	Eisenberger et al. (1986)

(R)–reverse statement

### 6.3.2.5 Value congruence

The value congruence construct was adapted from Becker et al. (1996). This construct consists of four items measuring perceived value congruence. Brown and Trevino (2006) provide evidence for high reliability of this scale (Cronbach's alpha = 0.85). Table 6.8 shows survey instrument items related to value congruence.

Table 6.8: Survey instrument items related to value congruence

Item	Variables	Measures	Source	References
V1	Similarity of my values and the organization's values	If the values of this organization were different, I would not be as attached to this organization	Literature /Field study	Becker et al. (1996)
V2	Similarity of my values and those represented by the organization	My attachment to this organization is primarily based on the similarity of my values and those represented by the organization	Literature	Becker et al. (1996)
V3	My values and the organization's values become more similar	Since starting this job, my personal values and those of this organization have become more dissimilar (R)	Literature/ Field study	Becker et al. (1996)
V4	Prefer the organization due to its values	The reason I prefer this organization to others is because of what it stands for, that is, its values	Literature/ Field study	Becker et al. (1996)

(R)–reverse statement

### 6.3.2.6 National culture

The construct of national culture for this study was measured with the concepts of power distance and in-group collectivism. The first three items on power distance were measured based on the dimensions adapted from House et al. (2004) and the field study. Another five items were derived and reconstructed based on the Konig et al. (2007) study. Konig et al. (2007) used a scenario-based scale to measure the culture of business owners because they believed the nature of work for business owners was different from non-owners (manager). This scale consists of concrete social situations. However, for this study, the power distance construct was measured based on a Likert scale but

reconstructed from the Konig et al. (2007) study and consists of general abstract statements and was more suitable for different levels of people in the organization. The in-group collectivism measure consists of a five-item scale in which the first four items were adapted from House et al. (2004) and the field study while the last item was adapted from House et al. (2004). Table 6.9 and Table 6.10 show survey instrument items related to power distance and in-group collectivism.

Table 6.9: Survey instrument items related to power distance

<b>Item</b>	<b>Variables</b>	<b>Measures</b>	<b>Source</b>	<b>References</b>
PD1	Influence is based on the authority of position	In this organization, a person's influence is based on the authority of one's position	Literature/ Field study	House et al. (2004)
PD2	Employees are not expected to question their superior	In this organization, employees are expected to question their superior when in disagreement (R)	Literature/ Field study	House et al. (2004)
PD3	Increase social distance	In this organization, people in positions of power try to decrease their social distance from less powerful people (R)	Literature/ Field study	House et al. (2004)
PD4	Not encouraged to give suggestions on how to change the rules	In this organization, employees are encouraged to give suggestions on how to change the rules established in the organization (R)	Literature	Konig et al. (2007)
PD5	Not asked help from the employee if company faced difficult problem	In this organization the employees will be informed and asked for help if the company is faced with a difficult problem (R)	Literature	Konig et al. (2007)
PD6	Not encourage employee to give suggestions regarding the way company is run	In this organization, employees are not encouraged to make suggestions regarding the way the company is run	Literature	Konig et al. (2007)

Table 6.9 (Cont.)

Item	Variables	Measures	Source	References
PD7	Not consult employee before making decision	In this organization, employees are consulted before any decision that has important consequences for the company are made (R)	Literature	Konig et al. (2007)
PD8	Punishment	In this organization, employees will be reprimanded if they refuse to follow an instruction given	Literature	Konig et al. (2007)

(R)–reverse statement

Table 6.10: Survey instrument items related to in-group collectivism

Item	Variables	Measures	Source	References
IGC1	Employees take pride in the group manager's accomplishments	In this organization, group members take pride in the individual accomplishments of their group manager	Literature/ Field study	House et al. (2004)
IGC2	Group managers take pride in employees' accomplishments	In this organization, group managers take no pride in the individual accomplishments of group members (R)	Literature/ Field study	House et al. (2004)
IGC3	Employees feel loyalty to the organization	In this organization, employees feel loyalty to the organization	Literature/ Field study	House et al. (2004)
IGC4	Employee take pride in working in the organization	Members of this organization take no pride in working for the organization (R)	Literature/ Field study	House et al. (2004)
IGC5	Organization shows loyalty towards employees	This organization shows loyalty towards employees	Literature	House et al. (2004)

(R)–reverse statement

### 6.3.2.7 External factors

External factors reflect the influence from outside organizations on employees towards organizational commitment. This construct was measured based on five dimensions coming from the field study and literature (Table 6.11). One of the measurement items,

location of the company, was adapted from Shore (1984). Four items were derived from the field study: “distance from my home to the company”, “transportation system between home and this company’s place of business”, “offer from another company (better salary, benefit, incentives)” and “family reasons (for example school aged children, family illness etc.)”.

Table 6.11: Survey instrument items related to external factors

Item	Variables	Measures	Source	References
E1	Location	Location of the company	Literature	Shore (1984)
E2	Distance from home to the company	Distance from my home to the company	Field study	
E3	Transportation system	Transportation system between home and this company’s place of business	Field study	
E4	Offer from another company	Offer from another company (better salary, benefit, incentive)	Field study	
E5	Family reasons	Family reasons (for example school aged children, family illness etc.)	Field study	

### 6.3.2.8 Organizational commitment

The construct of organizational commitment was measured by eighteen items on three scales; namely, affective commitment (AC), continuance commitment (CC) and normative commitment (NC). The affective commitment scales measure the degree to which an individual is psychologically attached to an organization. The continuance commitment questions are concerned with the statement that an increase in commitment may be based on an employee’s recognition of the cost associated with leaving the organization. Finally, the normative commitment scales describe the feelings of obligation a person has that compel him/her to remain in the organization. The affective commitment construct is reflected by the first six items, followed by six items of continuance commitment, while another six items measure the normative commitment. This construct was adapted from Meyer, Allen and Smith (1993) and was reconstructed

based on the field study findings. Internal consistency of the three scales reported that median reliabilities ( $\alpha$ ) for affective commitment, continuance commitment and normative commitment were 0.85, 0.79 and 0.73 respectively (Allen & Meyer 1996). Survey instrument items for affective commitment, continuance commitment and normative commitment are shown in Table 6.12, Table 6.13 and Table 6.14 respectively.

Table 6.12: Survey instrument items related to affective commitment

<b>Item</b>	<b>Variables</b>	<b>Measures</b>	<b>Source</b>	<b>References</b>
AC1	Happy to spend career in the organization.	I would be very happy to spend the rest of my career in this organization.	Literature/ Field study	Meyer, Allen & Smith (1993)
AC2	Feeling as if organization's problems are their own	I really feel as if this organization's problems are my own	Literature/ Field study	Meyer, Allen & Smith (1993)
AC3	Sense of "belonging" to organization	I do not feel a strong sense of "belonging" to my organization (R)	Literature/ Field study	Meyer, Allen & Smith (1993)
AC4	Emotionally attached to organization	I do not feel emotionally attached to this organization (R)	Literature/ Field study	Meyer, Allen & Smith (1993)
AC5	"Part of the family" feeling	I do not feel like "part of the family" at my organization (R)	Literature/ Field study	Meyer, Allen & Smith (1993)
AC6	Personal meaning	This organization has a great deal of personal meaning to me	Literature/ Field study	Meyer, Allen & Smith (1993)

(R)–reverse statement

Table 6.13: Survey instrument items related to continuance commitment

<b>Item</b>	<b>Variables</b>	<b>Measures</b>	<b>Source</b>	<b>References</b>
CC1	Necessity to stay	Right now, staying with my organization is a matter of necessity as much as desire	Literature/ Field study	Meyer, Allen & Smith (1993)
CC2	Hard to leave organization	It would be very hard for me to leave my organization right now, even if I wanted to.	Literature	Meyer, Allen & Smith (1993)
CC3	Life would be disrupted if decided to leave organization	Too much in my life would be disrupted if I decided I wanted to leave my organization right now.	Literature/ Field study	Meyer, Allen & Smith (1993)
CC4	Very few opportunities if left this organization	I feel that if I left this organization I would have very few other opportunities for employment	Literature	Meyer, Allen & Smith (1993)
CC5	Had already put so much of themselves into organization,	If I had not already put so much of myself into this organization, I might consider working elsewhere	Literature/ Field study	Meyer, Allen & Smith (1993)
CC6	Scarcity of alternatives if decide to leave	One of the few serious consequences of leaving this organization would be the scarcity of available alternatives	Literature/ Field study	Meyer, Allen & Smith (1993)

Table 6.14: Survey instrument items related to normative commitment

<b>Item</b>	<b>Variables</b>	<b>Measures</b>	<b>Source</b>	<b>References</b>
NC1	Feel an obligation to remain	I do not feel any obligation to remain with my current employer (R)	Literature	Meyer, Allen & Smith (1993)
NC2	Feel not right to leave organization now.	Even if it were to my advantage, I do not feel it would be right to leave my organization now.	Literature/ Field study	Meyer, Allen & Smith (1993)

Table 6.14 (Cont.)

Item	Variables	Measures	Source	References
NC3	Feel guilty if I left organization	I would feel guilty if I left my organization now	Literature	Meyer, Allen & Smith (1993)
NC4	Organization deserves loyalty	This organization deserves my loyalty	Literature/ Field study	Meyer, Allen & Smith (1993)
NC5	Sense of obligation to the people in it.	I would not leave my organization right now because I have a sense of obligation to the people in it.	Literature	Meyer, Allen & Smith (1993)
NC6	Owe a great deal to organization	I owe a great deal to my organization	Literature	Meyer, Allen & Smith (1993)

(R)–reverse statement

### 6.3.3 Back translation

As discussed in Chapter 4, since the original instruments are written in English the questionnaire needed to be translated to Bahasa Malaysia before it could be used in Malaysia. For this study, Brislin's (1976) decentering procedure by using back translation was utilized. Brislin's back translation process involved taking the English version of the questionnaire and having it translated into Bahasa Malaysia (Appendix 4) by a recognized bilingual who was a native English speaker and familiar with Bahasa Malaysia. This is followed by the second step in which a second recognized bilingual translated the Bahasa Malaysia version questionnaire back into English. The original instruments were then compared with the back translation version to find out if there were any discrepancies in the meaning. At this stage, there were some items that had discrepancies and thus, those discrepancies were corrected. In this study, Brislin's (1976) decentering procedure was crucial because it allowed for modification of both the source language and target language and increased the opportunities to detect and correct non-equivalence (Erkut et al. 1999).

## **6.4 Pilot study**

Prior to beginning the data collection for the survey, a pilot study was conducted. A pre-test was conducted with a sample from employees in one medium enterprise in Malaysia to enhance content validity. Cavana, Delahaye and Sekaran (2001) suggested that the rationale behind this stage is to ensure the questionnaire items are measuring constructs as intended and to scrutinize face validity, reliability and factorial validity.

Fifty questionnaires were distributed to one selected Malaysian medium company and 30 valid responses were received. Each respondent took approximately 20 minutes to complete the survey. The results of the pilot study found that a number of the respondents tended to feel neutral to the questions. Converse and Presser (1986) suggested that in order to avoid losing information about the direction in which people lean, the middle alternative should be omitted. In addition, this forced choice scale was also recommended to overcome the problem of 'not sure' or 'don't know' responses (Zikmund 2003). Hussein, Karim and Selamat (2007) stated that as Asian people tend to give more neutral responses when given the options, the six-point Likert scale should be used to overcome this problem. Thus, based on the pilot study results, the questionnaire was devised using the six-point Likert scale (1, strongly disagree to 6, strongly disagree) to avoid central tendency. In addition, based on participants' suggestions, only a few wording changes of some items were made to the instrument to capture the exact meaning of the original version.

## **6.5 Administration of the survey**

Samples for the population were drawn from the Small and Medium Industries Development Corporation (SMIDEC). However, the information on the size of the company (either small or medium-sized company) cannot be derived from the list. As this study tried to focus only on medium-sized companies, the pseudo random sampling technique was chosen to select the potential companies for this study (Hair et al. 2003; Zikmund 2003).

Based on the above technique, ten companies were selected from the SMIDEC list. Then the key person of each of these ten companies was interviewed through the medium of telephone. Screening criteria were applied to ensure that the companies selected were categorized under medium enterprises. The selected company must meet the criteria of medium enterprises as defined by SMIDEC of 51 to 150 full-time employees or annual sales turnover of between RM 10 million and RM 25 million. With support from the management of the organizations, 1000 questionnaires were then distributed to all employees of the selected companies.

## **6.6 Summary**

In this chapter, detailed description of the development of the research hypotheses was presented. This is followed by discussion of the questionnaire development. The items in the questionnaire were derived from both the field study and the literature review. Through procedures of back translation and pilot studies some minor adjustments were made. Finally, details of the administration of the main survey is presented. The next chapter will present the analysis of the main survey through Partial Least Squares techniques.

# CHAPTER 7

## DATA ANALYSIS USING PARTIAL LEAST SQUARES (PLS)\*<sup>+</sup>

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### 7.1 Overview

The purpose of this chapter is to present the questionnaire survey results and to analyse these using Structural Equation Modelling. The first section provides the response rate and the general descriptive information of the survey respondents. In the second section the results of the questionnaire survey are analysed using Structural Equation Modeling. This is followed by the result of the hypothesis testing.

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\* Part of this chapter has been accepted and included in the proceedings of the following conference:

Wahab, E, Quaddus, M., and Nowak, M (2009), 'Perceived Organizational Support And Organizational Commitment: The Malaysian Culture Perspective', in *The 14<sup>th</sup> Asia Pacific Management Conferences*, Airlangga University, Surabaya , Indonesia , 18-20 November

<sup>+</sup>Part of this chapter was presented in the following conference:

Wahab. E (2009), 'Exploring The Moderating Effect Of In-group Collectivism On The Relationship Between Perceived Organizational Support And Employee Commitment' in *Curtin Business School Doctoral Colloquium 2009*, Curtin University of Technology, Perth, 2-3 October

## 7.2 Preliminary data analysis of the survey

Out of 1000 survey questionnaires sent to ten medium enterprises in Malaysia, 324 returned surveys have been received. However, after ruling out those with insufficient data 319 valid questionnaires were identified which reflected a usable response rate of 31.9%. The sample size of 319 satisfied the requirement for PLS analysis as suggested by Barclay, Higgins and Thompson (1995) and Gefen, Straub and Boudreau (2000). In order to gain some information on the types of respondents, a profile of the sample population was derived.

### 7.2.1 Descriptive information on the survey respondents

The respondents' characteristics were classified into seven categories of gender, age, marital status, ethnicity, education attained, tenure and position. Tables 7.1 to 7.7 summarize these data.

#### 7.2.1.1 Gender

Table 7.1 presents data on gender of the respondents. It is noted that the majority of the respondents (61.1%) were male; 38.9% were female.

Table 7.1: Gender of respondents

<b>Gender</b>	<b>Frequency</b>	<b>Percent</b>
Male	195	61.1
Female	124	38.9
Total	319	100

#### 7.2.1.2 Age

The different age groups of the respondents are summarized in Table 7.2. This table reports that most of the respondents (82.1 %) were between 21 and 40 years old, with 21–30 years old being the largest group (49.2%) in the sample followed by 31–40 years old (32.9%).

Table 7.2: Age of respondents

Age	Frequency	Percent
Under 21 years old	19	6
21 – 30 years old	157	49.2
31 – 40 years old	105	32.9
41 – 50 years old	31	9.7
Above 50 years old	7	2.2
Total	319	100

### 7.2.1.3 Marital status

Table 7.3 shows data on the marital status of the respondents. The breakdown of marital status for the population was 49.8% married, 49% single and 0.6% other.

Table 7.3: Marital status

Marital Status	Frequency	Percent
Married	159	49.8
Single	158	49.6
Other	2	0.6
Total	319	100

### 7.2.1.4 Ethnicity

The ethnicity of the respondents can be seen in Table 7.4. It can be observed that 73% of the returned questionnaires came from Malay respondents. This is followed by Chinese (16%), Indian (10%) and other (0.9%).

Table 7.4: Ethnicity of respondents

<b>Ethnic</b>	<b>Frequency</b>	<b>Percent</b>
Malay	233	73
Chinese	51	16
Indian	32	10
Other	3	0.9
<b>Total</b>	<b>319</b>	<b>100</b>

### 7.2.1.5 Highest education attained

Table 7.5 shows the data on education level of the respondents. This table reports that 95% of the respondents had at least secondary school level of education with 17.9% having certificate, 11.6% having diploma, 8.5% having bachelor's degree and 0.6% having master's degree.

Table 7.5: Education level of respondents

<b>Education Level</b>	<b>Frequency</b>	<b>Percent</b>
Primary school	16	5
Secondary school	180	56.4
Certificate	57	17.9
Diploma	37	11.6
Bachelor's degree	27	8.5
Master's degree	2	0.6
<b>Total</b>	<b>319</b>	<b>100</b>

### 7.2.1.6 Tenure

Table 7.6 presents the numbers of years the respondent had been with the current organization. It is indicated that most of the respondents (67.7%) have one to five years experience working in the current company. Of the respondents with six or more years in the current organization (22.3%), the group with more than ten years was the largest

with 11.6%. At the same time, 10% of the respondents had stayed in the current organization for less than one year.

Table 7.6: Respondents' length of tenure

<b>Length Of Tenure</b>	<b>Frequency</b>	<b>Percent (%)</b>
Less than 1 year	32	10
1 – 2 years	95	29.8
3 – 5 years	121	37.9
6 – 10 years	34	10.7
More than 10 years	37	11.6
Total	319	100

#### **7.2.1.7 Position**

The positions held by the respondents are shown in Table 7.7. Of the total of 319 respondents who participated in the study, 60.8% worked as a general worker. The second largest group were executive/supervisor/technician (30.4%), followed by the respondents holding managerial/administrative positions with 8.8%.

Table 7.7: Position level of the respondents

<b>Position Level</b>	<b>Frequency</b>	<b>Percent</b>
Managerial/ administrative	28	8.8
Executive/supervisor/technician	97	30.4
General worker (Production operator/ store keeper/ clerk etc.)	194	60.8
Total	319	100

### **7.3 Structural Equation Modeling**

The main survey data were analyzed through Structural Equation Modeling (SEM) techniques using PLS-Graph 3.0 ([www.plsgraph.com](http://www.plsgraph.com)). Prior to analysis, the data were first screened. The raw data were found to have some missing values. The estimated means (EM) method was employed to replace the missing values. In determining the number of cases, this study used guidelines recommended by Gefen, Straub and Boudreau (2000) which stated that the sample should have at least ten times more data-points than the number of items in the most complex formative construct in the model. The sampling rules are described in detail in Section 5.3. The main survey data, with 319 cases, met the sample size requirement and thus analysis using PLS was considered to be appropriate.

According to Barclay, Higgins and Thompson (1995), PLS has been formed to reconcile both formative and reflective indicators of constructs. The formative indicators are the “cause” of the latent construct and the construct is a function of the formative measures (Gefen, Straub & Boudreau 2000). The formative indicators reflect different dimensions of the construct and thus are not assumed to be correlated. On the other hand, reflective indicators (latent construct) are represented as a function of the construct. These reflective indicators measure the same underlying dimension and should be correlated. In this study, the external factors construct which was derived from a different dimension, is considered as a formative indicator. The remaining constructs are therefore considered to be reflective indicators that measure the identical dimensions to reflect their corresponding latent construct.

Data analysis in the Partial Least Squares (PLS) model is conducted in two stages. The first stage in PLS assesses the reliability and validity of the measurement model, while the later stage involves assessing the structural model (Barclay, Higgins & Thompson 1995). Such a sequence is necessary to assure that reliability and validity measures of the constructs can be acquired first and conclusions about the relationships among the constructs can then be made.

Any researcher that uses formative indicators should take into consideration several characteristics when using formative indicators. Bollen and Lennox (1991), Diamantopoulos and Winklhofer (2001), and Santosa, Wei and Chan (2005) point out that among the characteristics, correlations among formative indicators are not explained by the measurement model; there is no specific expectation about patterns or magnitude of correlation between formative indicators, and formative indicators do not have error terms. In addition, the use of loading for formative indicators can also be misleading (Barclay, Higgins & Thompson 1995; Chin 1998; Santosa, Wei & Chan 2005; Nunnally & Bernstein 1994). For example, variables that might be negatively related can both serve as meaningful indicators for a construct. Further, as the formative indicators construct is determined by a linear combination of its indicators, the reliability and validity for the formative indicators are considered irrelevant (Hulland 1999; Santosa, Wei & Chan 2005).

In the following section, the data analysis presented in the measurement model will only focus on reflective indicators. As for the formative indicators (represented as “external factors” in this study), the indicators’ weights will be estimated (See table 7.8). The reason for using the indicator’s weight is the fact that the item weights of the formative construct display the importance of their impact on their construct. The formative indicators are evaluated on the basis of their substantive content, by examining their weight and by examining the statistical significance of the measured weight (Chin 1998). All formative indicators in Table 7.8 are retained for estimating the PLS model.

Table 7.8: Weight of formative indicators in latent construct

<b>Construct</b>	<b>Item</b>		<b>Weight</b>
External factors	Location of the company	ef1	0.0722
	Distance from home to company	ef2	0.1282
	Transportation system between home and company	ef3	0.0309
	Offer from another company	ef4	0.7520
	Family reasons	ef5	0.3821

### **7.3.1 Assessment of measurement model**

The measurement model describes how the latent constructs are measured in terms of the observed variables and their measurement properties. It is suggested that before proceeding to the structural model, measurement model properties need to first be satisfied (Barclay, Higgins & Thompson 1995; Fornell & Larcker 1981). The following section discusses the measurement model assessment by measuring the individual item reliability, internal consistency and discriminant validity (Barclay, Higgins & Thompson 1995; Hulland 1999).

#### **7.3.1.1 Item reliability and internal consistency**

The individual item reliability was assessed by examining the item loading, namely the correlations of the measures with their respective construct. Item reliability assesses the degree to which items in the final model load on their respective constructs. For this sample, the final research model consisted of 100 observed variables. On the other hand, internal consistency is concerned with the measure of reliability of a construct. For this study, the Fornell and Larcker (1981) method was used to evaluate internal consistency and the reliability guideline of at least 0.7 as proposed by Nunnally (1978) was adopted. Lastly the average variance extracted (AVE) was used to measure convergent validity. Fornell and Larcker (1981) suggested that the AVE should be equal to or in excess of 0.5 to satisfy convergent validity.

The results of the item reliability analysis detailed in Table 7.9 show that 22 items had loading less than 0.5. Hair et al. (1998) stated that item loading below 0.5 were unreliable and suggested to be discarded. The results in Table 7.9 also revealed that composite reliability of all 13 constructs obtained a high value greater than the rule of thumb of 0.7 (Nunnally 1978). However, the AVE for ten out of thirteen constructs was found to have a value lower than 0.5. With such a low AVE the model can be problematic. The researcher then took the step of dropping out the items with a loading lower than 0.5 (Igarria et al. 1997) to see if there was any improvement on the convergent validity.

Table 7.9: Reliability and validity assessment result of initial model

<b>Construct</b>	<b>Item</b>	<b>Loading</b>	<b>Composite reliability</b>	<b>AVE</b>
Supervisor support	ss1	0.8265	0.893	0.516
	ss2	0.8233		
	ss3	0.7807		
	ss4	0.5008		
	ss5	0.6247		
	ss6	0.7378		
	ss7	0.7259		
	ss8	0.6659		
Formal procedure	fp1	0.7809	0.838	0.430
	fp2	0.6640		
	fp3	0.6306		
	fp4	0.7099		
	fp5	0.5171		
	fp6	0.5300		
	fp7	0.7123		
Interactional justice	ij1	0.7226	0.826	0.412
	ij2	0.7547		
	ij3	0.4468		
	ij4	0.4980		
	ij5	0.5749		
	ij6	0.6542		
	ij7	0.7664		
Distributive justice	dj1	0.8898	0.822	0.498
	dj2	0.8959		
	dj3	0.4376		

Table 7.9 (Cont.)

<b>Construct</b>	<b>Item</b>	<b>Loading</b>	<b>Composite reliability</b>	<b>AVE</b>
	dj4	0.5750		
	dj5	0.6100		
Internal job condition	ijc1	0.7497	0.862	0.346
	ijc2	0.8386		
	ijc3	-0.7356		
	ijc4	-0.6070		
	ijc5	0.5035		
	ijc6	0.6202		
	ijc7	0.5400		
	ijc8	0.3887		
	ijc9	0.6679		
	ijc10	0.2240		
	ijc11	0.3684		
	ijc12	0.7122		
	ijc13	0.3218		
External job condition	ejc1	0.7647	0.856	0.666
	ejc2	0.7741		
	ejc3	0.9016		
Perceived organizational support	pos1	0.7658	0.932	0.463
	pos2	0.1552		
	pos3	0.7015		
	pos4	0.7566		
	pos5	0.6447		
	pos6	0.2392		
	pos7	0.7289		

Table 7.9 (Cont.)

<b>Construct</b>	<b>Item</b>	<b>Loading</b>	<b>Composite reliability</b>	<b>AVE</b>
	pos8	0.7683		
	pos9	0.6203		
	pos10	0.6520		
	pos11	0.6459		
	pos12	0.7597		
	pos13	0.7209		
	pos14	0.6656		
	pos15	0.7893		
	pos16	0.7729		
	pos17	0.7785		
Value congruence	vc1	0.2434	0.697	0.395
	vc2	0.5986		
	vc3	0.6770		
	vc4	0.8385		
Affective commitment	ac1	0.7883	0.771	0.395
	ac2	0.7449		
	ac3	0.2333		
	ac4	0.3595		
	ac5	0.4971		
	ac6	0.8720		
Normative commitment	nc1	0.2886	0.823	0.463
	nc2	0.4220		
	nc3	0.7030		
	nc4	0.8574		
	nc5	0.8211		
	nc6	0.7819		

Table 7.9 (Cont.)

<b>Construct</b>	<b>Item</b>	<b>Loading</b>	<b>Composite reliability</b>	<b>AVE</b>
Continuance commitment	cc1	0.7600	0.861	0.514
	cc2	0.8192		
	cc3	0.7591		
	cc4	0.7668		
	cc5	0.6346		
	cc6	0.5177		
Power distance	pd1	0.4326	0.715	0.277
	pd2	0.8026		
	pd3	-0.3825		
	pd4	0.6321		
	pd5	0.4229		
	pd6	0.4168		
	pd7	0.6964		
	pd8	-0.0201		
In-group collectivism	igc1	0.6757	0.687	0.378
	igc2	0.0780		
	igc3	0.8366		
	igc4	0.1958		
	igc5	0.8290		

Twenty-two items with lower than 0.5 loadings were dropped. The measurement model was run again to assess their convergent reliability and this resulted in an increment to AVE for seven constructs. However, three constructs FP, IJC and IGC were found to have a value of AVE lower than 0.5. The researcher then took the step of discarding the items with a loading lower than 0.6 in order to improve convergent validity. Thus the model was revised again by dropping items lower than 0.6.

The measurement model was then run again to test the convergent reliability. All of the AVE for the constructs including the FP, IJC and IGC constructs, met the requirement of 0.5. According to Hulland (1999) and Carmines and Zeller (1979), for an item to be reliable, a minimum loading of 0.7 is required indicating that more than 50% of the variance of the measure is accounted for by the respective construct (i.e. there exists more shared variance of the measure than error variance). Thus, in order to meet such a requirement, items below the benchmark 0.7 were discarded.

The revised final model with 50 observed variables (45 reflective indicators and 5 formative indicators) was run again by discarding the items with loading below the benchmark 0.7. According to Nunnally and Berstein (1994), removing these items would not change or weaken the underlying construct. Discarding these items was believed to prevent the lessening of the estimates of the relationship among the constructs. The loadings of these items, composite reliability and their respective AVEs are listed in Table 7.10.

Table 7.10: Reliability and validity assessment for final model

<b>Construct</b>	<b>Item</b>	<b>Loading</b>	<b>Composite reliability</b>	<b>AVE</b>
Supervisor support	ss1	0.8864	0.896	0.684
	ss2	0.8785		
	ss3	0.8272		
	ss6	0.7018		
Formal procedure	fp1	0.8673	0.868	0.687
	fp2	0.7658		
	fp7	0.8507		
Interactional justice	ij1	0.7771	0.850	0.653
	ij2	0.8229		
	ij7	0.8239		

Table 7.10 (Cont.)

<b>Construct</b>	<b>Item</b>	<b>Loading</b>	<b>Composite reliability</b>	<b>AVE</b>
Distributive justice	dj1	0.9459	0.944	0.894
	dj2	0.9456		
Internal job condition	ijc1	0.8425	0.892	0.676
	ijc2	0.8898		
	ijc3	-0.8039		
	ijc12	0.7450		
External job condition	ejc1	0.7677	0.856	0.665
	ejc2	0.7714		
	ejc3	0.9014		
Perceived organizational	pos1	0.7828	0.934	0.638
	pos4	0.8003		
	pos7	0.7449		
	pos8	0.7846		
	pos12	0.8106		
	pos15	0.8289		
	pos16	0.8118		
Value congruence	vc3	0.7386	0.804	0.674
	vc4	0.8958		
Affective commitment	ac1	0.8378	0.875	0.700
	ac2	0.8035		
	ac6	0.8666		
Normative commitment	nc3	0.7095	0.875	0.638
	nc4	0.8495		
	nc5	0.8313		
	nc6	0.7983		

Table 7.10 (Cont.)

<b>Construct</b>	<b>Item</b>	<b>Loading</b>	<b>Composite reliability</b>	<b>AVE</b>
Continuance commitment	cc1	0.8082	0.871	0.628
	cc2	0.8500		
	cc3	0.7754		
	cc4	0.7319		
Power distance	pd2	0.8365	0.812	0.591
	pd4	0.7162		
	pd7	0.7477		
In-group collectivism	igc3	0.8909	0.882	0.790
	igc5	0.8863		

The model passed the item reliability tests with the item loading in Table 7.10 ranging in value from the lowest 0.7018 for ss6 under the supervisor construct to the highest of 0.9014 for ejc3 under the external job conditions construct. Thus, using the guidelines proposed by Hulland (1999) and Carmines and Zeller (1979), the model displayed acceptable reliability values. It should be noted that three constructs, distributive justice (DJ), value congruence (VC) and in-group collectivism (IGC), have two items per construct. This meets the minimum criterion for item loadings of having two items per construct (Rahim & Psenicka 1996; Kline 1998; Rahim, Antonioni & Psenicka 2001).

The result of convergent validity is detailed in table 7.11. The study used Fornell and Larcker's (1981) method to evaluate for internal consistency and adopted the reliability guideline of at least 0.70 as recommended by Nunnally (1978). The results showed that all constructs met the minimum value of 0.7, with the distributive justice construct exhibiting the highest reliability scores. In terms of AVE, the results also revealed that AVE values are greater than the benchmark value of 0.5 (Fornell & Larcker 1981).

Table 7.11: Convergent validity

<b>Construct</b>	<b>Fornell and Larcker Value</b>	<b>AVE</b>
Supervisor support	0.896	0.684
Formal procedure	0.868	0.687
Interactional justice	0.850	0.653
Distributive justice	0.944	0.894
Internal job condition	0.892	0.676
External job condition	0.856	0.665
Perceived organizational	0.934	0.638
Value congruence	0.804	0.674
Affective commitment	0.875	0.700
Normative commitment	0.875	0.638
Continuance commitment	0.871	0.628
Power distance	0.812	0.591
In-group collectivism	0.882	0.790

### 7.3.1.2 Discriminant validity

Discriminant validity is the extent to which a given construct differs from the other constructs (Barclay, Higgins & Thompson 1995). Two tests were conducted to ensure the discriminant validity requirements were met. The initial test of discriminant validity is that the construct should not share more variance with its measureable items than other constructs in the model. Fornell and Larcker (1981) recommended using the AVE, such that the AVE should be greater than the variance shared with other constructs in the model (Barclay, Higgins & Thompson 1995). This study used the square root of the AVE suggested by Iqbaria, Guimaraes and Davis (1995) to assess the discriminant validity.

The model is inferred to have acceptable discriminant validity if the square root of the AVE of a construct is larger than its correlation with other constructs (Barclay, Higgins

& Thompson 1995). Table 7.12 presents evidence relevant to the discriminant validity of the construct. The square root of the AVE is represented by the diagonal values while the off-diagonal values reflect the correlation with the other constructs. Thus, in order for the model to display discriminant validity, the diagonal values should be greater than the correlation measurements in the corresponding rows and column (Barclay, Higgins & Thompson 1995). Table 7.12 reveals that all items on the diagonal of the matrix are greater than the items in corresponding rows and columns. This reflects that the first discriminant validity norms were met for all constructs in the model. The correlation between CC and AC (0.53), and, CC and NC (0.54) are high in this thesis (compared to previous studies). It may be due to the cultural tendencies in Malaysia coupled with the high representation of family firms in the sample.

The discriminant validity is further assessed by using cross loading analysis. According to Barclay, Higgins and Thompson (1995) no item should load higher on another construct than on the construct it is supposed to measure. Table 7.13 details the result of the cross loading analysis performed using the model output from PLS. The result reveals that all items loaded higher on the construct that they were measuring than they did on the other constructs in the model. For example, all four items (ss1, ss2, ss3, ss6) for supervisor support (SS) construct, loaded higher on supervisor support (SS) construct, compared on the other constructs ( FP, IJ, DJ, IJC, EJC, POS, VC, AC, NC, CC, HPD & IGC). Thus all constructs in the model meet the second discriminant validity norm.

Table 7.12: Correlations among constructs

	ICR	AVE	SS	FP	IJ	DJ	IJC	EJC	POS	VC	AC	NC	CC	PD	IGC
SS	0.896	0.684	<b>0.827</b>												
FP	0.868	0.687	0.704	<b>0.829</b>											
IJ	0.850	0.653	0.658	0.656	<b>0.808</b>										
DJ	0.944	0.894	0.717	0.565	0.742	<b>0.946</b>									
IJC	0.892	0.676	0.682	0.663	0.685	0.687	<b>0.822</b>								
EJC	0.856	0.665	0.601	0.584	0.574	0.629	0.691	<b>0.815</b>							
POS	0.934	0.638	0.741	0.672	0.726	0.766	0.769	0.709	<b>0.799</b>						
VC	0.804	0.674	0.488	0.363	0.433	0.525	0.554	0.565	0.602	<b>0.821</b>					
AC	0.875	0.700	0.600	0.550	0.582	0.548	0.609	0.553	0.714	0.478	<b>0.837</b>				
NC	0.875	0.638	0.371	0.360	0.442	0.407	0.449	0.316	0.516	0.381	0.515	<b>0.799</b>			
CC	0.871	0.628	0.343	0.311	0.444	0.407	0.407	0.335	0.464	0.447	0.533	0.546	<b>0.792</b>		
PD	0.812	0.591	-0.500	-0.553	-0.582	-0.533	-0.564	-0.379	-0.648	-0.415	-0.579	-0.561	-0.441	<b>0.769</b>	
IGC	0.882	0.790	0.517	0.545	0.590	0.543	0.602	0.535	0.720	0.508	0.584	0.470	0.440	-0.604	<b>0.889</b>

Notes:

SS -Supervisor support  
 FP -Formal procedure  
 IJ -Interactional justice  
 DJ -Distributive justice  
 IJC -Intrinsic satisfying job condition  
 EJC -Extrinsic satisfying job condition  
 POS -Perceived organizational support

VC -Value congruence  
 AC -Affective commitment  
 NC -Normative commitment  
 CC -Continuance commitment  
 PD -Power distance  
 IGC -In-group collectivism

Table 7.13: Table of cross loading

	Supervisor Support (SS)	Formal Proce. (FP)	Interac. Justice (IJ)	Dist Justice (DJ)	Int Job Cond. (IJC)	Ext Job Cond. (EJC)	Perceived Org. Support (POS)	Value Cong. (VC)	Affect Commit (AC)	Normative Commit (NC)	Conti Commit (CC)	Power Dist (PD)	In-Group Collect (IGC)
ss1	<b>0.886</b>	0.636	0.605	0.642	0.619	0.528	0.656	0.455	0.560	0.370	0.338	-0.473	0.431
ss2	<b>0.879</b>	0.564	0.563	0.641	0.591	0.520	0.681	0.429	0.542	0.379	0.299	-0.463	0.514
ss3	<b>0.827</b>	0.645	0.532	0.579	0.535	0.436	0.602	0.381	0.494	0.278	0.243	-0.424	0.412
ss6	<b>0.702</b>	0.476	0.468	0.497	0.507	0.513	0.491	0.342	0.366	0.166	0.249	-0.267	0.336
fp1	0.631	<b>0.867</b>	0.564	0.519	0.609	0.569	0.618	0.388	0.520	0.356	0.333	-0.491	0.474
fp 2	0.508	<b>0.766</b>	0.512	0.409	0.509	0.380	0.483	0.189	0.377	0.276	0.152	-0.489	0.429
fp7	0.602	<b>0.851</b>	0.554	0.467	0.526	0.486	0.561	0.304	0.459	0.257	0.270	-0.402	0.452
ij1	0.580	0.584	<b>0.777</b>	0.600	0.591	0.470	0.576	0.335	0.484	0.366	0.375	-0.476	0.434
ij2	0.521	0.521	<b>0.823</b>	0.600	0.476	0.421	0.588	0.376	0.492	0.363	0.360	-0.468	0.486
ij7	0.496	0.486	<b>0.824</b>	0.598	0.595	0.501	0.595	0.340	0.437	0.343	0.341	-0.467	0.510
dj1	0.648	0.537	0.707	<b>0.946</b>	0.617	0.595	0.725	0.482	0.517	0.394	0.405	-0.509	0.505
dj2	0.609	0.531	0.696	<b>0.946</b>	0.683	0.595	0.724	0.512	0.519	0.375	0.365	-0.499	0.522
ijc1	0.568	0.583	0.574	0.601	<b>0.843</b>	0.547	0.663	0.434	0.486	0.380	0.376	-0.443	0.523
ijc2	0.605	0.593	0.596	0.608	<b>0.890</b>	0.650	0.691	0.479	0.570	0.414	0.337	-0.533	0.558
ijc3	-0.537	-0.528	-0.564	-0.552	<b>-0.804</b>	-0.492	-0.606	-0.422	-0.457	-0.326	-0.249	0.476	-0.422
ijc12	0.531	0.468	0.517	0.490	<b>0.745</b>	0.582	0.560	0.495	0.484	0.354	0.381	-0.394	0.469
ejc1	0.364	0.389	0.423	0.490	0.560	<b>0.768</b>	0.539	0.481	0.344	0.229	0.247	-0.310	0.386
ejc2	0.441	0.415	0.380	0.413	0.422	<b>0.771</b>	0.471	0.388	0.425	0.177	0.203	-0.176	0.363
ejc3	0.633	0.597	0.575	0.610	0.675	<b>0.901</b>	0.695	0.506	0.562	0.340	0.349	-0.405	0.535
pos1	0.587	0.576	0.587	0.636	0.649	0.642	<b>0.783</b>	0.517	0.594	0.433	0.435	-0.483	0.560
pos4	0.536	0.526	0.608	0.597	0.608	0.588	<b>0.800</b>	0.414	0.602	0.447	0.379	-0.502	0.588
pos7	0.572	0.524	0.540	0.514	0.552	0.482	<b>0.745</b>	0.391	0.506	0.307	0.267	-0.460	0.536
pos8	0.593	0.502	0.548	0.579	0.627	0.513	<b>0.785</b>	0.518	0.535	0.396	0.339	-0.559	0.669
pos12	0.576	0.548	0.555	0.617	0.619	0.531	<b>0.811</b>	0.489	0.613	0.422	0.349	-0.566	0.565
pos15	0.586	0.559	0.641	0.629	0.603	0.554	<b>0.829</b>	0.450	0.566	0.399	0.349	-0.593	0.573

Table 7.13 (Cont.)

	Supervisor Support (SS)	Formal Proce. (FP)	Interac. Justice (IJ))	Dist Justice (DJ)	Int Job Cond. (IJC)	Ext Job Cond. (EJC)	Perceived Org. Support (POS)	Value Cong. (VC)	Affect Commit (AC)	Normative Commit (NC)	Conti Commit (CC)	Power Dist (PD)	In-Group Collect (IGC)
pos 16	0.627	0.522	0.544	0.606	0.590	0.582	<b>0.812</b>	0.520	0.549	0.443	0.409	-0.516	0.571
pos17	0.652	0.535	0.612	0.695	0.655	0.621	<b>0.821</b>	0.528	0.583	0.428	0.414	-0.465	0.541
vc3	0.345	0.211	0.349	0.378	0.396	0.371	0.371	<b>0.739</b>	0.289	0.218	0.336	-0.302	0.343
vc4	0.448	0.363	0.369	0.477	0.505	0.537	0.587	<b>0.896</b>	0.471	0.383	0.397	-0.375	0.477
ac1	0.520	0.487	0.540	0.505	0.540	0.492	0.609	0.394	<b>0.838</b>	0.363	0.444	-0.470	0.451
ac2	0.482	0.501	0.451	0.374	0.460	0.413	0.562	0.303	<b>0.803</b>	0.432	0.326	-0.480	0.477
ac6	0.504	0.399	0.471	0.491	0.525	0.481	0.618	0.494	<b>0.867</b>	0.494	0.555	-0.503	0.535
nc3	0.212	0.176	0.245	0.241	0.272	0.185	0.281	0.100	0.255	<b>0.710</b>	0.318	-0.352	0.246
nc4	0.330	0.347	0.425	0.379	0.464	0.359	0.496	0.352	0.519	<b>0.850</b>	0.446	-0.512	0.463
nc5	0.309	0.330	0.377	0.363	0.391	0.245	0.454	0.341	0.387	<b>0.831</b>	0.457	-0.461	0.398
nc6	0.315	0.262	0.334	0.292	0.276	0.192	0.377	0.367	0.437	<b>0.798</b>	0.503	-0.445	0.353
cc1	0.405	0.344	0.373	0.387	0.438	0.435	0.488	0.478	0.575	0.513	<b>0.808</b>	-0.388	0.428
cc2	0.256	0.244	0.364	0.319	0.343	0.238	0.380	0.334	0.432	0.456	<b>0.850</b>	-0.367	0.331
cc3	0.137	0.146	0.281	0.226	0.202	0.149	0.264	0.284	0.339	0.364	<b>0.775</b>	-0.285	0.273
cc4	0.237	0.213	0.377	0.330	0.256	0.178	0.292	0.278	0.286	0.366	<b>0.732</b>	-0.340	0.334
pd2	-0.352	-0.378	-0.486	-0.413	-0.425	-0.293	-0.503	-0.342	-0.473	-0.515	-0.465	<b>0.837</b>	-0.504
pd4	-0.442	-0.493	-0.411	-0.384	-0.470	-0.291	-0.492	-0.270	-0.440	-0.328	-0.276	<b>0.716</b>	-0.411
pd7	-0.381	-0.432	-0.442	-0.440	-0.420	-0.297	-0.509	-0.343	-0.423	-0.430	-0.242	<b>0.748</b>	-0.474
igc3	0.409	0.432	0.510	0.455	0.478	0.448	0.619	0.450	0.516	0.419	0.407	-0.495	<b>0.891</b>
igc5	0.511	0.538	0.539	0.510	0.593	0.503	0.661	0.453	0.521	0.416	0.375	-0.580	<b>0.886</b>

### 7.3.2 Assessment of structural model

The structural model was assessed using the PLS bootstrapping method. This method was used to calculate the statistical significance of the loadings and path coefficients (Chin & Newsted 1999). The bootstrapping technique employs a test which finds the t-values and the results are used to interpret the significance of the paths between the constructs (Barclay, Higgins & Thompson 1995).  $R^2$  values are also produced which measure the predictive power of the model for the endogenous constructs (Barclay, Higgins & Thompson 1995; Hulland 1999). The  $R^2$  values are interpreted in a similar manner to the results of the multiple regression analysis (Barclay, Higgins & Thompson 1995). The  $R^2$  values for the main model are detailed in Table 7.14 below and show that the model explains 75.5% of the variance in POS and 36.2% of the variance in value congruence. Overall, the model explains 53.9% of the variance in affective commitment, 36.4% of the variance in normative commitment and 30.7% of variance in continuance commitment for the main model. Figure 7.1 illustrates the structural model for the main model while the path coefficients and t-statistic results of the bootstrapping techniques for main effect model are summarized in Table 7.15.

Table 7.14:  $R^2$  value for main model

<b>Construct</b>	<b><math>R^2</math></b>
POS	0.755
Value Congruence	0.362
Affective Commitment	0.539
Normative Commitment	0.364
Continuance Commitment	0.307

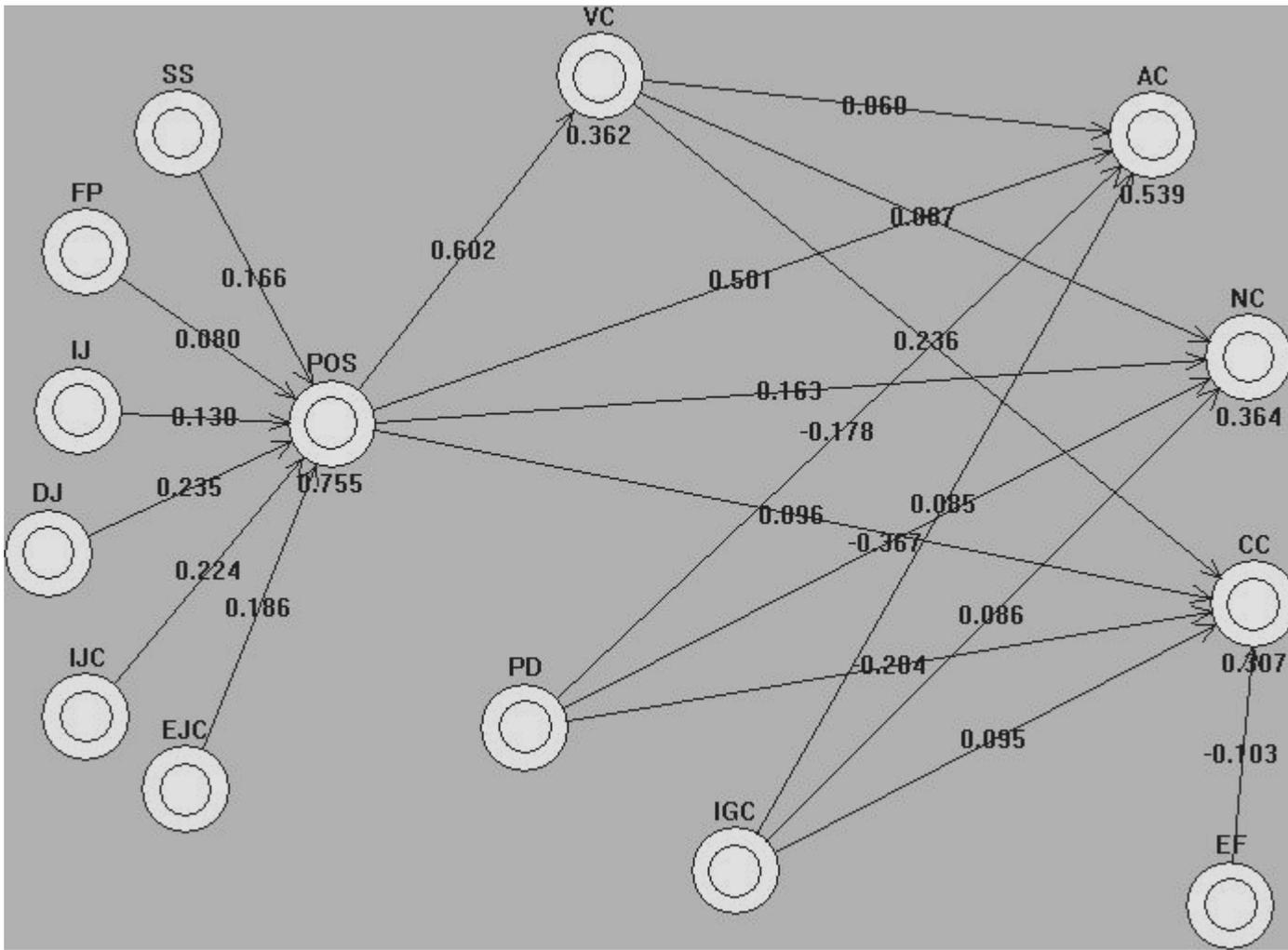


Figure 7.1: Structural model for main model

Table 7.15: Test of hypothesis for main model

<b>Hypothesis</b>		<b>Standardized Path Coefficient</b>	<b>t-value</b>
H1	Supervisor support (SS) → Perceived Organizational Support (POS)	0.166	<b>3.337***</b>
H2a	Formal Procedure (FP) → Perceived Organizational Support (POS)	0.080	<b>1.655*</b>
H2b	Interactional Justice (IJ) → Perceived Organizational Support (POS)	0.130	<b>2.197*</b>
H2c	Distributive Justice (DJ) → Perceived Organizational Support (POS)	0.235	<b>3.579***</b>
H3a	Intrinsically Satisfying Job Condition → Perceived Organizational Support (POS)	0.224	<b>3.689***</b>
H3b	Extrinsically Satisfying Job Condition → Perceived Organizational Support (POS)	0.186	<b>3.795***</b>
H4a	Perceived Organizational Support (POS) → Affective Commitment (AC)	0.501	<b>5.552***</b>
H4b	Perceived Organizational Support (POS) → Normative Commitment (NC)	0.163	<b>1.671*</b>
H4c	Perceived Organizational Support (POS) → Continuance Commitment (CC)	0.096	0.907
H5	Perceived Organizational Support (POS) → Value Congruence (VC)	0.608	<b>14.912***</b>
H6a	Value Congruence (VC) → Affective Commitment (AC)	0.060	1.181
H6b	Value Congruence (VC) → Normative Commitment (NC)	0.087	1.476

Table 7.15 (Cont.)

Hypothesis		Standardized Path Coefficient	t-value
H6c	Value Congruence (VC) → Continuance Commitment (CC)	0.236	<b>3.463***</b>
H7a	Power Distance (PD) → Affective Commitment (AC)	-0.178	<b>2.406**</b>
H7b	Power Distance (PD) → Normative Commitment (NC)	-0.367	<b>5.283***</b>
H7c	Power Distance (PD) → Continuance Commitment (CC)	-0.204	<b>2.678**</b>
H8a	In-Group Collectivism (IGC) → Affective Commitment (AC)	0.085	1.089
H8b	In-Group Collectivism (IGC) → Normative Commitment (NC)	0.086	1.277
H8c	In-Group Collectivism (IGC) → Continuance commitment (CC)	0.065	1.214
H9	External factor (EF) → Continuance Commitment (CC)	-0.103	1.331

Note:

\* indicates significance at  $t_{0.05} > 1.645$

\*\* indicates significance at  $t_{0.01} > 2.326$

\*\*\* indicates significance at  $t_{0.001} > 3.090$

### 7.3.2.1 Assessment of structural model for moderation effect

In formulating and testing interaction effects of culture in this model, a procedure explained by Chin, Marcolin and Newsted (2003) was applied. The  $R^2$  of in-group

collectivism and power distance were calculated and compared with the main effects model.

In order to test the hypotheses regarding the moderating effect of in-group collectivism and power distance on the relationship between POS and both affective and normative commitment, a partial least squares latent variable modeling approach for measuring interaction effects known as a product-indicator approach, proposed by Chin, Marcolin and Newsted (2003), was used. This approach permits observation for interaction effects of large complex models without making assumptions of multivariate normality.

For a better understanding of the moderator analysis, the example of the in-group collectivism moderating effect on the relationship between POS and affective commitment is discussed (See Figure 7.2).

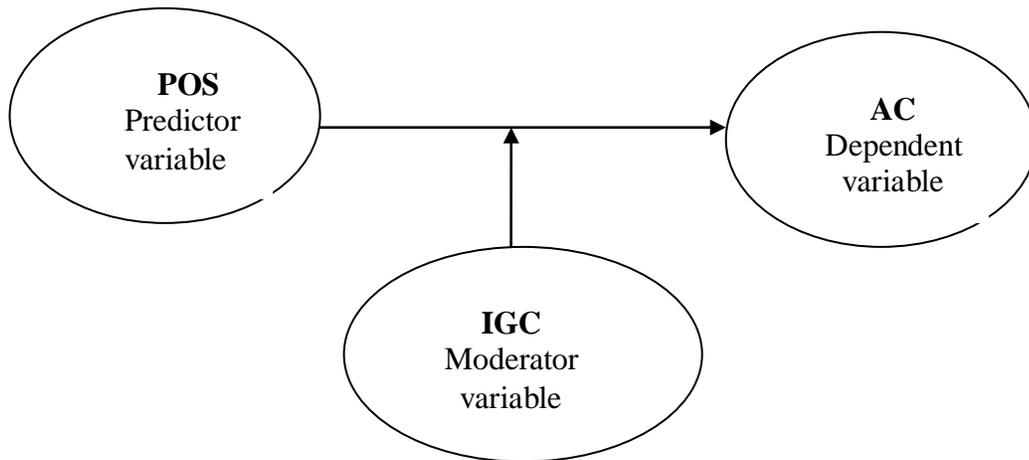


Figure 7.2: The theoretical model for the moderating effect of in-group collectivism on the relationship between POS and affective commitment

Firstly, it is essential to standardize or center the indicator. The rationale for this step is to avoid computational errors in which the correlation between the product indicators and their individual components will be lowered. For this study, the standardization was used as the measurement model focus only on reflective measures. Under this situation,

all indicators reflecting the predictor (POS) and moderator (IGC) constructs are standardized to a mean of zero and variance of one (Jaccard, Turrisi & Wan 1990; Aiken & West 1991). In order to standardize, the corresponding means from each indicator were subtracted and the result was divided by the standard deviation. Next, the data were exported to the PLS. Once the standardization or centralization of the predictor variable (POS) and moderator variable (IGC) are calculated, the product indicators are developed by creating all possible products from the two sets of indicators, usually through an explicit multiplication.

For example, for the POS\*IGC interaction construct, every POS indicator was multiplied by every IGC indicator (i.e. the interaction construct consisted of the following indicators; POS1\*IGC3, POS1\*IGC5, POS4\*IGC3, POS4\*IGC5....., POS17\*IGC5). In relation to this, eight indicators of POS and 2 indicators of IGC derived from the revised final model are used. These sixteen product indicators are used to reflect the latent interaction variable (See Figure 7.3).

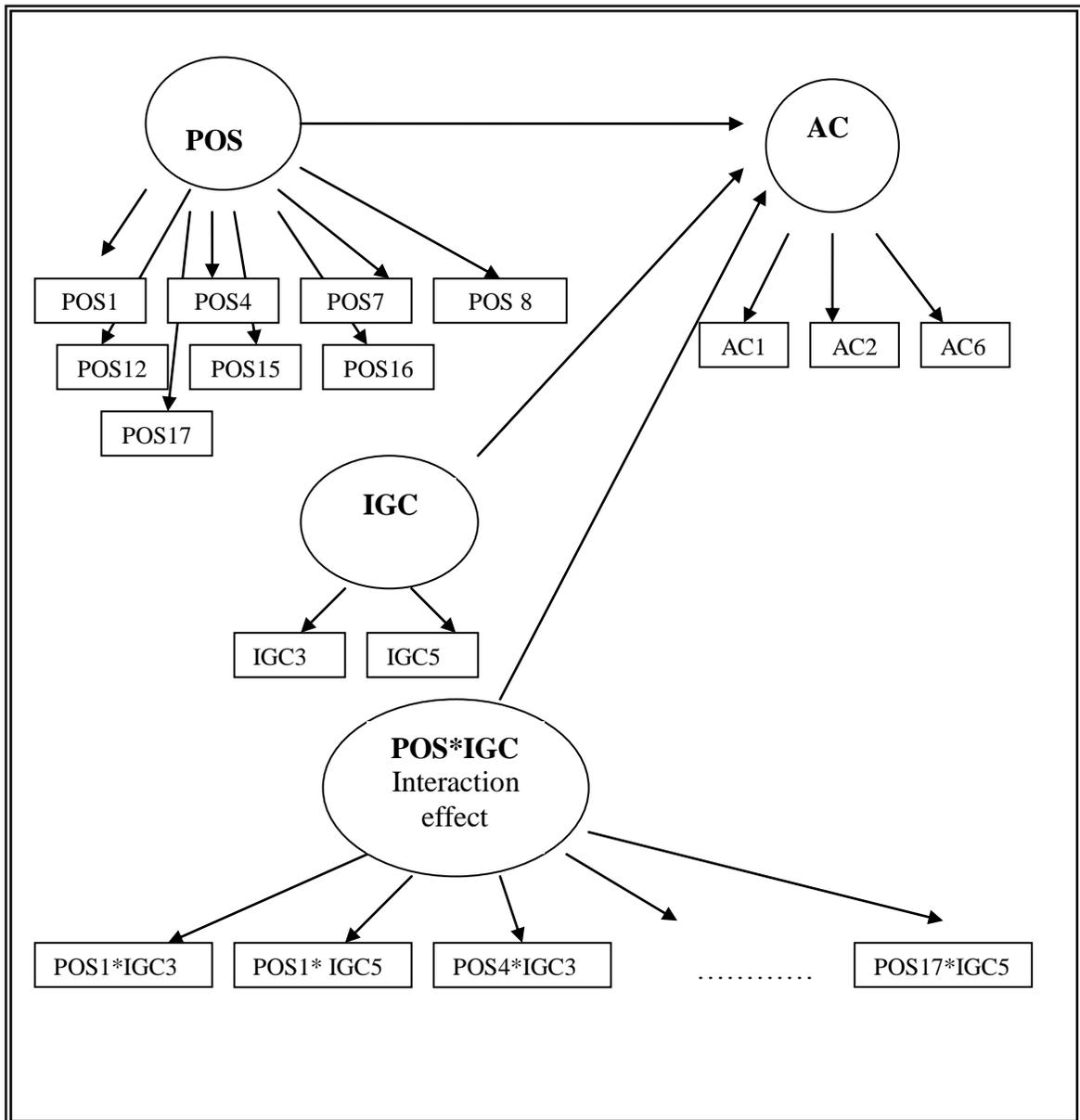


Figure 7.3: Model of products indicators for the interaction construct

To achieve a better understanding of in-group collectivism's role as a moderator, the effect of POS on affective commitment for low and high levels of in-group collectivism needs to be evaluated. Thus, the sample is divided by using quartiles of the level of in-group collectivism. The first and the last quartiles of the level of in-group collectivism are defined as high and low level in-group collectivism respectively. The reason for using the first and the last quartiles of the samples is to ensure that two subgroups are

being bimodally segmented by the moderator (Hair et al. 2006). The interaction was then plotted graphically using guidelines suggested by Aiken and West (1991). The result of the moderating effect will be explained in detail in the following chapter.

Four models were tested to assess the effect of moderating variables; model 1 exclusive of interaction effects; model 2 and model 3 with the moderating effect of in-group collectivism and power distance respectively; and model 4 with all interaction effects included. Specifically, comparison of the  $R^2$  between models, namely model 1 and model 2; model 1 and model 3; and model 1 and model 4, was undertaken to assess the moderating effect strength of power distance and in-group collectivism. The overall effect sizes  $f^2$ s for interactions were calculated from the differences in  $R^2$ s. The rationale for assessing the  $f^2$  is to assess the effect size of the interaction terms in the final model (Chin, Marcolin & Newsted 2003; Cohen 1988). The calculation for the effect size  $f^2$  is as follows:

$$f^2 = [R^2(\text{interaction model}) - R^2(\text{main effect model})] / [1 - R^2(\text{main effect model})]$$

Small, moderate and large effects require an  $f^2$  of 0.02, 0.15 and 0.35 respectively (Cohen 1988). Figure 7.4 illustrates the structural model for the interaction model while Table 7.16 summarizes the PLS results of the four models.

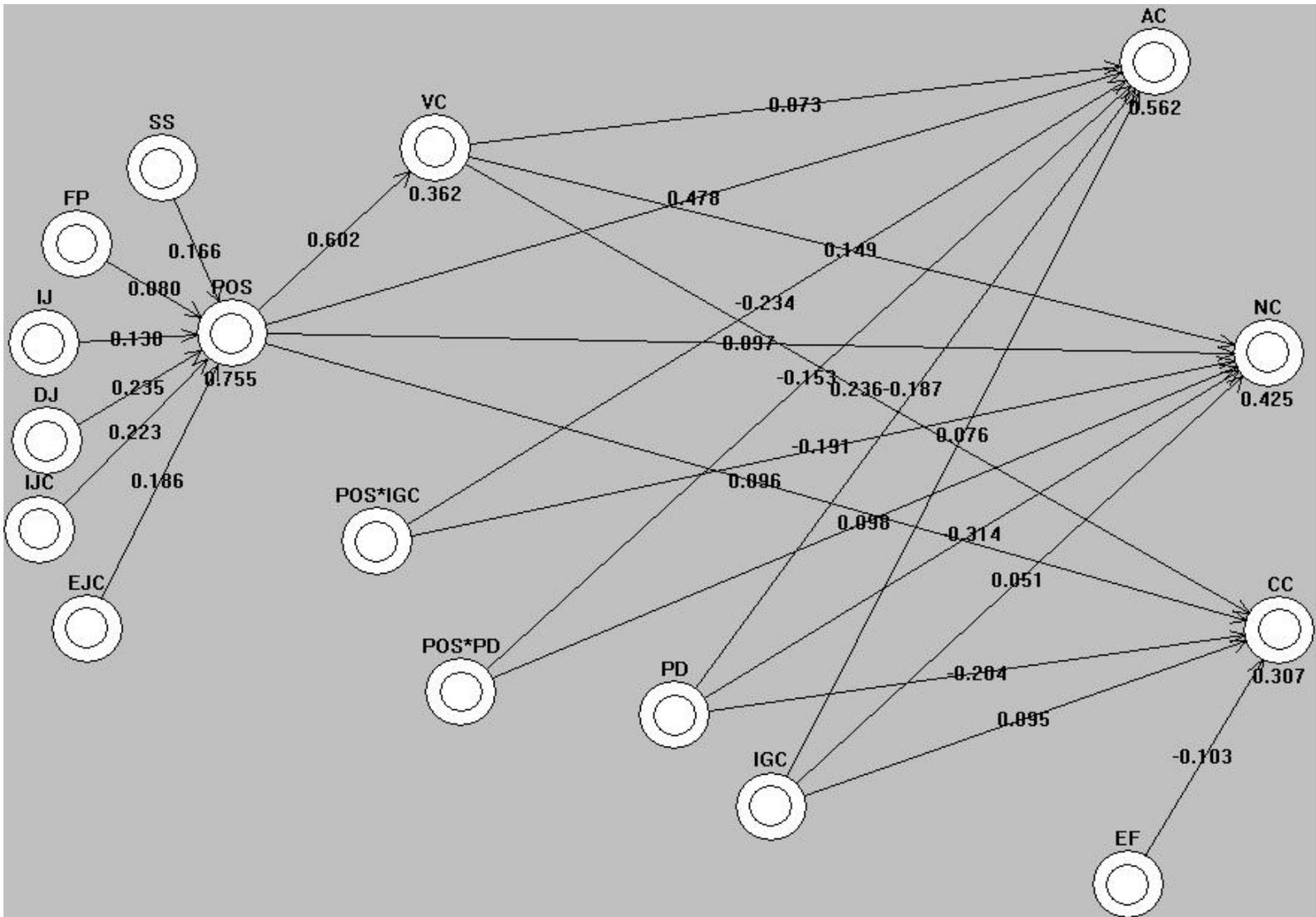


Figure 7.4: Structural model for interaction model

Table 7.16: PLS results for four models

			Model 1		Model 2		Model 3		Model 4
		Std path coe	t-value	Std path coe	t-value	Std path coe	t-value	Std path coe	t-value
H1	SS→POS	0.166	<b>3.337***</b>	0.166	<b>3.2869***</b>	0.166	<b>3.3375***</b>	0.166	<b>3.3375***</b>
H2a	FP→POS	0.080	<b>1.655*</b>	0.080	<b>1.8855*</b>	0.080	<b>1.6540*</b>	0.080	<b>1.6543*</b>
H2b	IJ→POS	0.130	<b>2.197*</b>	0.130	<b>2.3003*</b>	0.130	<b>2.1969*</b>	0.130	<b>2.1968*</b>
H2c	DJ→POS	0.235	<b>3.579***</b>	0.235	<b>4.2131***</b>	0.235	<b>3.5815***</b>	0.235	<b>3.5820***</b>
H3a	IJC→POS	0.224	<b>3.689***</b>	0.223	<b>4.0314***</b>	0.223	<b>3.6688***</b>	0.223	<b>3.6688***</b>
H3b	EJC→POS	0.186	<b>3.795***</b>	0.186	<b>3.6302***</b>	0.186	<b>3.7941***</b>	0.186	<b>3.7941***</b>
H4a	POS→AC	0.501	<b>5.552***</b>	0.469	<b>6.4301***</b>	0.491	<b>5.3365***</b>	0.478	<b>5.6230***</b>
H4b	POS→NC	0.163	<b>1.671*</b>	0.103	1.1901	0.108	1.2101	0.097	1.0641
H4c	POS→CC	0.096	0.906	0.096	1.1075	0.096	0.9063	0.096	0.9066
H5	POS→VC	0.608	<b>14.912***</b>	0.602	<b>15.2969***</b>	0.602	<b>14.9307***</b>	0.602	<b>14.9307***</b>
H6a	VC→AC	0.060	1.181	0.089	1.8148	0.070	1.3360	0.073	1.4287
H6b	VC→NC	0.087	1.476	0.144	<b>2.6404**</b>	0.144	<b>2.7252**</b>	0.149	<b>2.8504**</b>
H6c	VC→CC	0.236	<b>3.463***</b>	0.236	<b>3.7357***</b>	0.236	<b>3.4632***</b>	0.236	<b>3.4623***</b>
H7a	PD→AC	-0.178	<b>2.406**</b>	-0.158	<b>2.6977**</b>	-0.167	<b>2.2684*</b>	-0.187	<b>2.7053**</b>
H7b	PD→NC	-0.367	<b>5.283***</b>	-0.328	<b>5.0621***</b>	-0.299	<b>4.2586***</b>	-0.314	<b>4.4841***</b>
H7c	PD→CC	-0.204	<b>2.678**</b>	-0.204	<b>2.7902**</b>	-0.204	<b>2.6768**</b>	-0.204	<b>2.6785**</b>
H8a	IGC→AC	0.085	1.089	0.071	1.0130	0.082	1.0305	0.076	1.0230
H8b	IGC→NC	0.086	1.277	0.055	0.8982	0.063	0.9784	0.051	0.8295
H8c	IGC→CC	0.065	1.214	0.095	1.1888	0.095	1.2137	0.095	1.2124
H9	EF→CC	-0.103	1.331	-0.103	1.5705	-0.103	1.3307	-0.103	1.3303
H10a	POS*IGC→AC			-0.134	<b>2.5136**</b>			-0.234	<b>3.4245***</b>
H10b	POS*IGC→NC			-0.262	<b>4.3436***</b>			-0.191	<b>1.9710*</b>
H11a	POS*PD→AC					0.041	0.6484	-0.153	<b>1.9932*</b>
H11b	POS*PD→NC					0.245	<b>4.7569***</b>	0.098	0.9672
R <sup>2</sup> (ac)			0.539		0.554		0.540		0.562
<sup>2</sup> (ac)					0.033		0.002		0.05

Table 7.16 (Cont.)

			<b>Model 1</b>		<b>Model 2</b>		<b>Model 3</b>		<b>Model 4</b>
		Std path coe	t-value	Std path coe	t-value	Std path coe	t-value	Std path coe	t-value
R <sup>2</sup> (nc)			0.364		0.423		0.411		0.425
f <sup>2</sup> (nc)					0.09		0.07		0.10
R <sup>2</sup> (cc)			0.307		0.307		0.307		0.307
Notes: * p<0.05, ** p<0.01, *** p<0.001,									
Model I : Main effect					Model 3: Moderating effect of Power Distance (PD)				
Model 2: Moderating effect of In Group Collectivism (IGC)					Model 4 : All interaction effect				
SS -Supervisor support FP- Formal procedures IJ- Interactional justice DJ- Distributive justice IJC- Intrinsically satisfying job condition EJC-extrinsically satisfying job condition POS-Perceived organizational support AC- Affective commitment NC – Normative commitment CC- Continuance commitment VC – Value congruence PD – Power distance IGC- In-group collectivism EF- External factors POS*IGC- Perceived organizational support * In-group collectivism POS*PD - Perceived organizational support *Power distance									

## 7.4 Hypothesis testing

This section discusses the hypotheses of all the models which represent the main effects (model 1), the moderating effect of in-group collectivism (model 2), moderating effect of power distance (model 3) and all interaction effects of in-group collectivism and power distance (model 4). Table 7.17 shows the summary of the hypothesis testing.

Table 7.17: Summary of the hypothesis testing

<b>Hypothesis</b>		<b>Outcome</b>
H1	Supervisor support will be positively related to POS	Supported
H2a	Organizational formal procedures will be positively related to POS	Supported
H2b	Interactional justice will be positively related to POS	Supported
H2c	Distributive justice will be positively related to POS	Supported
H3a	Intrinsically satisfying job condition will be positively related to POS	Supported
H3b	Extrinsically satisfying job condition will be positively related to POS	Supported
H4a	POS will be positively related to affective commitment	Supported
H4b	POS will be positively related to normative commitment	Partly supported
H4c	POS will be positively related to continuance commitment	Not supported
H5	POS will positively influence the value congruence between the employees and their organization	Supported
H6a	The values congruence of employees with their organization has a positive relationship with their affective commitment	Not supported
H6b	The values congruence of employees with their organization has a positive relationship with their normative commitment	Partly supported

Table 7.17 (Cont.)

<b>Hypothesis</b>		<b>Outcome</b>
H6c	The values congruence of employees with their organization has a positive relationship with their continuance commitment	Supported
H7a	Power distance is negatively associated with affective commitment	Supported
H7b	Power distance is negatively associated with normative commitment	Supported
H7c	Power distance is negatively associated with continuance commitment	Supported
H8a	In-group collectivism is positively associated with affective commitment	Not supported
H8b	In-group collectivism is positively associated with normative commitment	Not supported
H8c	In-group collectivism is positively associated with continuance commitment	Not supported
H9	External factors have a negative relationship with continuance commitment	Not supported
H10a	The relationship between POS and affective commitment will be weaker when the degree of in-group collectivism is higher	Supported
H10b	The relationship between POS and normative commitment will be weaker when the degree of in-group collectivism is higher	Supported
H11a	Power distance will positively moderate the relationship between POS and affective commitment	Partly Supported
H11b	Power distance will positively moderate the relationship between POS and normative commitment	Partly supported

In table 7.17, “partly supported” means respective hypotheses was not supported in all the four models. Hypothesis 1 predicted that supervisor support would be positively related to POS. In this study, the effect of supervisor support towards POS was found to be significant in all four models. The path coefficient ( $\beta$ ) from supervisor support to perceived organizational commitment was 0.166 with t value of 3.337 ( $p < 0.001$ ) for model 1, for model 2  $\beta$  was 0.166 with t value of 3.2869 ( $p < 0.001$ ); for model 3,  $\beta$  was 0.166 with t value of 3.3375 ( $p < 0.001$ ) and  $\beta$  was 0.166 with t value of 3.3375 ( $p < 0.001$ ) for model 4 . Therefore hypothesis 1 was supported. As a result, it can be inferred that supervisor support has a direct positive effect on the POS.

Hypothesis 2a was tested to examine the impact of organizational formal procedures in medium enterprises towards organizational support perceived by the employees. The result of the study in four models shows that this influence was statistically significant,  $\beta = 0.080$ ;  $t=1.655$  ( $p<0.05$ ) for model 1;  $\beta = 0.080$ ;  $t=1.8855$  ( $p<0.05$ ) for model 2;  $\beta = 0.080$ ;  $t=1.6540$  ( $p<0.05$ ) for model 3 and  $\beta = 0.080$ ;  $t=1.6545$  ( $p<0.05$ ) for model 4. Thus, the hypothesis was supported. Hence, the study found that formal procedures have a positive and significant relationship impact on organizational support perceived by the employees.

Hypothesis 2b predicted that interactional justice would be positively related to POS. The study found that the influence of interactional justice on POS was statistically significant for the four different models. The standardized path coefficient ( $\beta$ ) for measuring the path from interactional justice to POS for model 1 was  $\beta = 0.130$  with t-value of 2.197 ( $p<0.05$ ); model 2,  $\beta = 0.130$  with t-value of 2.3003 ( $p<0.05$ ); model 3,  $\beta = 0.130$  with t-value of 2.1969 ( $p<0.05$ ); and model 4,  $\beta = 0.130$  with t-value of 2.1968 ( $p<0.05$ ). Therefore, hypothesis 2b was supported. Hence, the study found that interactional justice had a positive and significant association with POS.

It was proposed in hypothesis 2c that there is a positive relationship between distributive justice and POS. This relationship was shown to be significant in this research. The standardized path coefficient ( $\beta$ ) for measuring the path from distributive justice POS in

model 1, model 2, model 3 and model 4 were 0.235 with t- value of 3.579 ( $p < 0.001$ ), 4.2131 ( $p < 0.001$ ), 3.5815 ( $p < 0.001$ ), 3.5820 ( $p < 0.001$ ) respectively. Hypothesis 2c was thus accepted. Therefore, the notion that there is a positive and significant relationship between distributive justice and POS was supported in this study.

Hypothesis 3a claimed that intrinsically satisfying job conditions will have positive impact on POS. The hypothesized relationship was found to be significant in this research. The standardized path coefficient for this path and t values for each model were model 1,  $\beta = 0.224$ ,  $t=3.689$  ( $p < 0.001$ ); model 2,  $\beta= 0.223$ ,  $t=4.0314$  ( $p < 0.001$ ); model 3,  $\beta = 0.223$ ,  $t=3.6688$  ( $p < 0.001$ ); and model 4 ( $\beta = 0.223$ ,  $t=3.6688$  ( $p < 0.001$ )). The hypothesized relationship between intrinsically satisfying job conditions and POS was thus supported.

Hypothesis 3b proposed that there is a positive relationship between extrinsically satisfying job conditions and POS. This relationship was shown to be significant in this study. The standardized path coefficients  $\beta$  for the path from extrinsically satisfying job conditions to POS were 0.186 with t- value of 3.795 ( $p < 0.001$ ), 3.6302 ( $p < 0.001$ ), 3.7941 ( $p < 0.001$ ) and 3.7941 ( $p < 0.001$ ) for models 1, model 2, model 3 and model 4 respectively. Hypothesis 3b is supported.

Hypothesis 4a investigated the impact of POS on affective commitment. It was proposed that there is a positive relationship between POS and affective commitment. The study found that all four models were statistically significant. The standardized path coefficient ( $\beta$ ) for the path from POS to affective commitment for model 1 was 0.501 with t value= 5.552 ( $p < 0.001$ ); for model 2,  $\beta$  was 0.469 with t value = 6.4301 ( $p < 0.001$ ); for model 3,  $\beta$  was 0.491 with t value 5.3365 ( $p < 0.001$ ); and for model 4,  $\beta$  was 0.478 with t value = 5.6230 ( $p < 0.001$ ). Thus, hypothesis 4a was supported

It was proposed in Hypothesis 4b that POS will be positively related to normative commitment. There was little statistical evidence to support this proposition. The standardized path coefficient ( $\beta$ ) for this path was 0.163 with t value of 1.671 ( $p < 0.05$ )

in the main interaction model (model 1). However, this relationship was not supported in model 2 ( $\beta = 0.103$ ,  $t=1.1901$ ), model 3 ( $\beta = 0.108$ ,  $t=1.2101$ ) and model 4 ( $\beta = 0.097$ ;  $t= 1.0641$ ). Therefore, the hypothesis that POS will be positively related to normative commitment was partially supported.

Hypothesis 4c proposed that there was a positive relationship between POS and continuance commitment. The study found this relationship was not statistically significant. ( $\beta = 0.096$ ,  $t=0.907$  for model 1), ( $\beta = 0.096$ ,  $t=1.1075$  for model 2), ( $\beta = 0.096$ ;  $t=0.9063$  for model 3) and ( $\beta = 0.096$ ;  $t=0.9066$  for model 4) and therefore, the hypothesis was rejected. Hence this study does not support the positive influence of POS on continuance commitment.

Hypothesis 5 was tested to investigate the influence of POS on value congruence. The study found that the influence of POS towards value congruence was statistically significant for the four different models. The standardized path coefficients ( $\beta$ ) from POS to value congruence in model 1 was 0.608 with t value of 14.912 ( $p < 0.001$ ); in model 2,  $\beta$  was 0.602 with t value of 15.2969 ( $p < 0.001$ ); for model 3,  $\beta$  was 0.602 with t value of 14.9307 ( $p < 0.001$ ) and for model 4,  $\beta$  was 0.602 with t value of 14.9307 ( $p < 0.001$ ) and therefore, this hypothesis was supported. Hence, the study found that POS had a positive influence on the value congruence of employees.

Hypothesis 6a was concerned with exploring the positive effect of value congruence on affective commitment. The results of the study for all four models show that the influence of value congruence on the affective commitment was not statistically significant ( $\beta = 0.060$ ,  $t=1.181$  for model 1), ( $\beta = 0.089$ ,  $t=1.8150$  for model 2), ( $\beta = 0.070$ ;  $t=1.3360$  for model 3) and ( $\beta = 0.073$ ;  $t=1.4287$  for model 4) and therefore the hypothesis was rejected.

Hypothesis 6b proposed that there is a positive relationship between value congruence and normative commitment. There was some statistical evidence to support this proposition. The standardized path coefficient ( $\beta$ ) for this path was 0.087 with t value of

1.476 in the main interaction model (model 1). However, this relationship was significant in model 2,  $\beta = 0.144$  with t-value of 2.6404 ( $p < 0.01$ ); model 3,  $\beta = 0.144$  with t-value of 2.7252 ( $p < 0.01$ ); and model 4,  $\beta = 0.149$  with t-value of 2.8504 ( $p < 0.01$ ). Therefore, the hypothesis was partially supported. Thus, it can be inferred that the positive relationship between POS and normative commitment was partially supported in this study.

It was stated in hypothesis 6c that there is a positive relationship between value congruence and continuance commitment. The study found that the influence of value congruence towards continuance commitment was statistically significant for the four different models. The standardized path coefficient ( $\beta$ ) for measuring the path from value congruence to continuance commitment were 0.236 with t-value of 3.463 ( $p < 0.001$ ), 3.7357 ( $p < 0.001$ ), 3.4632 ( $p < 0.001$ ) and 3.4623 ( $p < 0.001$ ) for model 1, model 2, model 3 and model 4 respectively. Therefore, the hypothesis was supported. Hence, this study found that value congruence could exhibit a positive association with continuance commitment.

Hypothesis 7a stated that power distance is negatively associated with affective commitment. This relationship was proved to be significant for all models in this research. For model 1,  $\beta = -0.178$ , with t-value of 2.406 ( $p < 0.01$ ); model 2,  $\beta = -0.158$  with t-value of 2.6977 ( $p < 0.01$ ); model 3,  $\beta = -0.167$  with t-value of 2.2684 ( $p < 0.01$ ); and model 4,  $\beta = -0.187$  with t-value of 2.7053 ( $p < 0.01$ ). Therefore, the hypothesis was supported. The negative and significant relationship between power distance and affective commitment had been supported in this study. Thus it can be inferred that power distance is negatively associated with affective commitment.

Hypothesis 7b claimed that power distance and normative commitment would have a negative relationship. There was statistical evidence for all models to support this proposition. The standardized path coefficient ( $\beta$ ) from power distance to normative commitment in model 1 was -0.367 with t value of 5.283 ( $p < 0.001$ ); in model 2,  $\beta$  was -0.328 with t value of 5.0621 ( $p < 0.001$ ); for model 3,  $\beta$  was -0.299 with t value 4.2586

( $p < 0.001$ ); and for model 4,  $\beta$  was -0.314 with  $t$  value = 4.4841 ( $p < 0.001$ ). As such 7b, the proposition that power distance is negatively related to normative commitment was supported. From the results, it can be inferred that there was a significant negative relationship between power distance and normative commitment.

Hypothesis 7c was concerned with the relationship between power distance and continuance commitment. This study found that this relationship was statistically significant for all four models. For model 1,  $\beta = -0.204$ , with  $t$ -value of 2.678 ( $p < 0.01$ ); model 2,  $\beta = -0.204$  with  $t$ -value of 2.7902 ( $p < 0.01$ ); model 3,  $\beta = -0.204$  with  $t$ -value of 2.6768 ( $p < 0.01$ ); and model 4,  $\beta = -0.204$  with  $t$ -value of 2.6785 ( $p < 0.01$ ). Therefore this hypothesis was supported. Thus, the proposition that power distance has a negative effect on continuance commitment was supported.

Hypotheses 8a, 8b, and 8c examined the effect of in-group collectivism on affective, normative and continuance commitment respectively. There was no statistical evidence to support a relationship between in-group collectivism and the three types of commitment. Hypothesis 8a which predicted a positive relationship between in-group collectivism and affective commitment found that this relationship was not statistically significant for all models ( $\beta = 0.085$ ,  $t=1.089$  for model 1,  $\beta = 0.071$ ,  $t=1.0130$  for model 2,  $\beta = 0.082$ ;  $t=1.0305$  for model 3 and  $\beta = 0.076$ ;  $t= 1.0230$  for model 4). Therefore hypothesis 8a is rejected. Thus, it can be inferred that there was no significant relationship between in-group collectivism and affective commitment.

Similarly, the results also failed to support hypothesis 8b which predicted a positive relationship between in-group collectivism and normative commitment. Regarding this proposition, all models in the study were not statistically significant ( $\beta = 0.086$ ,  $t=1.277$  for model 1,  $\beta = 0.055$ ,  $t=0.8982$  for model 2,  $\beta = 0.063$ ;  $t=0.9784$  for model 3 and  $\beta = 0.051$ ;  $t=0.8295$  for model 4) and, therefore this hypothesis was rejected. Thus, it can be indicated that the proposed relationship was not supported in this study.

In-group collectivism also showed no significant relationship with continuance commitment. Hypothesis 8c which claimed that in-group collectivism could have a positive relationship with continuance commitment, proved not to be statistically supported ( $\beta=0.065$ ,  $t=1.214$  for model 1,  $\beta = 0.095$ ,  $t=1.1888$  for model 2,  $\beta = 0.095$ ;  $t=1.2137$  for model 3 and  $\beta = 0.095$ ;  $t=1.2124$  for model 4). Hence hypothesis 8c was rejected. As a result, it can be inferred that a positive relationship between in-group collectivism and continuance commitment was not supported in this study.

Hypothesis 9 investigated the impact of external factors on continuance commitment. The study found that this relationship was not statistically significant ( $\beta = -0.103$ ,  $t= 1.331$  for model 1), ( $\beta = -0.103$ ,  $t= 1.5705$  for model 2), ( $\beta = -0.103$ ,  $t= 1.3307$  for model 3), ( $\beta = -0.103$ ,  $t= 1.3303$  for model 4) and therefore this hypothesis was rejected. It can be inferred from this study that there was no significant relationship between external factors and continuance commitment.

Hypothesis 10a proposed that the relationship between POS and affective commitment will be weaker when the degree of in-group collectivism is higher. This claim was supported in this study. For model 2,  $\beta$  was  $-0.134$ , with  $t$ -value of  $2.5136$  ( $p<0.01$ ); while  $\beta$  was  $-0.234$  with  $t$ -value of  $3.4245$  ( $p<0.001$ ) for model 4. Therefore, hypothesis 10a was supported. Hence there is evidence to support the proposition that the relationship between POS and affective commitment will be weaker when the degree of in-group collectivism is higher.

Similarly, the results also support hypothesis 10b which predicted that the relationship between POS and normative commitment will be weaker when the degree of in-group collectivism is higher. This study found that this relationship was statistically significant. For model 2,  $\beta = -0.262$  with  $t$ -value of  $4.3436$  ( $p<0.001$ ) while  $\beta = -0.191$  with  $t$ -value of  $1.9710$  ( $p<0.05$ ) for model 4, and therefore this hypothesis was supported. Thus, it can be supported from the results that the relationship between POS and normative commitment will be weaker when the degree of in-group collectivism is higher.

Hypothesis 11a proposed that power distance will positively moderate the relationship between POS and affective commitment. In this study, the moderating effect of power distance on the relationship between POS and affective commitment for model 3 was not statistically significant; however, this proposition was significant for model 4. For model 3,  $\beta$  was 0.041 with t-value of 0.6484, while  $\beta$  was -0.153 with t-value of 1.9932 ( $p < 0.05$ ) for model 4. Therefore, this hypothesis was partly supported. Thus, it can be indicated that the proposed positive relationship was partially supported in this study.

Hypothesis 11b examined the positive moderating effect of power distance on the relationship between POS and normative commitment. There was little statistical evidence to support the proposition that power distance will positively moderate the relationship between POS and normative commitment. The standardized path coefficient ( $\beta$ ) for this path was 0.245 with t value of 4.7569 ( $p < 0.001$ ) in model 3. However, this proposition was not supported in model 4 ( $\beta = 0.098$ ,  $t = 0.9672$ ). Therefore, the hypothesis that power distance will positively moderate the relationship between POS and normative commitment was partially supported.

Overall, the analysis of the results of the hypothesis testing showed that all antecedents of POS were shown to be statistically significant. When POS was tested with three types of commitment, only affective commitment was shown to be statistically significant in all models. The study also found that the positive influence of POS on value congruence was statistically significant. The results also show that value congruence had a significant positive relationship with continuance commitment.

Two types of national culture, namely in-group collectivism and power distance, were found to have different impacts on organizational commitment. This study found that there was no statistical evidence to support a relationship between in-group collectivism and three types of commitment. In contrast, power distance was found to have a significant negative relationship with three types of commitment.

With regard to the moderating hypotheses, the two types of national culture studied also show different results. In-group collectivism negatively moderates the relationship between POS and both affective and normative commitment. However, the positive moderating effect of power distance was found to be partially significant to the relationship between POS and both normative commitment and affective commitment.

## **7.5 Summary**

This chapter presented the analysis of survey results through Structural Equation Modeling (SEM) using the Partial Least Squares (PLS) approach. A final revised POS model was presented.

Analysis in PLS is conducted in two separate stages: the measurement model and the structural model. The measurement model, which included testing individual item reliability, shows that some of the items loaded poorly on their respective constructs and were discarded from further analysis. Using the guidelines proposed by Hulland (1999) and Carmines and Zeller (1979), the final revised model displayed acceptable reliability values. Analysis of the measurement model for convergent analysis showed that all values for the final revised model exceeded the 0.7 reliability benchmark as suggested by Nunnally (1978). In terms of average value extracted (AVE), the results also revealed that AVE values were greater than the benchmark value of 0.5 (Fornell & Larcker 1981). The discriminant validity tests showed that all items loaded higher on the construct that they were measuring than they did on the other constructs in the model. Furthermore, the AVE values were greater than the correlation measurement. This indicates that the model displayed high convergent validity and high discriminant validity.

Analysis for the structural model using the PLS Bootstrap method showed that the model explained 53.9 % of the variance in affective commitment, 36.4% of the variance in normative commitment and 30.7% of the variance in continuance commitment. The results of hypothesis testing, which was based on the final revised model, found that 13 out of 20 hypotheses in the model were supported.

This study also tested the interaction effect of power distance and in-group collectivism in the model using a procedure explained by Chin, Marcolin and Newsted (2003). The  $R^2$  of power distance and in-group collectivism were calculated and compared with the main effects model. The analysis for the structural model using the PLS Bootstrap method showed that the model explained 56.0% of the variance in affective commitment, 42.7% of the variance in normative commitment and 30.7% in continuance commitment. The hypotheses testing results of the interaction effect of culture showed that 14 out of 24 hypotheses were supported while 4 out of 24 hypotheses were partially supported. In the following chapter interpretation and discussion of the results are presented.

# CHAPTER 8

## DISCUSSION OF RESULTS

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### **8.1 Introduction**

This chapter will present the interpretation and discussion of the data analysis. The results of the data analysis are interpreted by discussing the hypotheses that were proposed in Chapter six. This chapter will also discuss the moderation effect of national culture in the relationship between POS and organizational commitment. This chapter will conclude by presenting a summary of the results.

### **8.2 Interpretation of the results of data analysis**

The hypotheses were tested using the estimates of t- values and standardized path coefficients. Of the 24 hypotheses listed, 14 were found to support the hypothesized relationship, 4 were partially supported while the remaining 6 were not supported.

#### **8.2.1 Antecedents of POS**

##### **8.2.1.1 Hypothesis 1**

Supervisor support has a positive effect on the POS among employees of medium enterprises in Malaysia. The result was consistent with the results of the field study and prior studies on supervisor support and POS (Shanock & Eisenberger 2006; Eisenberger et al. 2002; Rhoades, Eisenberger & Armeli 2001; Yoon & Lim 1999; Shore & Tetrick 1991; Kottke & Sharafinski 1988; Hutchison 1997; Yoon, Han & Seo 1996).

Based on the above significant relationship, it is possible to interpret this as meaning that actions and behaviors of the supervisor towards his/her employees could be perceived by the employees as support given by the organization. In this regard, Eisenberger et al. (1986) revealed that employees view their supervisor's favorable and/or unfavourable orientation towards them as an indication of the organization's support. A similar conclusion was made by Rhoades, Eisenberger and Armeli (2001) who noted that the level of support members feel that they receive from their supervisor and the amount of commitment their supervisor holds for them is assumed to be an important variable. Thus, the support provided by the supervisor is likely to be perceived by the employees as part of organizational support.

Consistent with the field study, this study suggests that employees perceived supervisor support characteristics such as care about opinion, care about well-being, consider goal and values and gives guidance on how the job to be done, have a positive effect on how employees perceive support is given to them. Thus, the positive relationship between supervisor support and POS provides evidence that supervisor support was one of the key factors in establishing medium enterprises employees' perception about treatment given by their organization towards them.

#### **8.2.1.2 Hypothesis 2a, 2b and 2c**

Organizational fairness was split into three sub-hypotheses. All sub-hypotheses 2a, 2b and 2c were supported. The relationship is statistically significant supporting the influence of formal procedures, interactional and distributive justice on POS. The results were consistent with various empirical studies (Eisenberger, Fasolo & Davis-LaMastro 1990; Eisenberger et al. 1986; Moorman 1991; Moorman, Blakely & Niehoff 1998; Shore & Shore 1995; Moideenkutty et al. 2001).

The result for formal procedures and POS were consistent with previous studies (Stinglhamber, Cramer & Mercken 2006; Masterson et al. 2000; Moorman, Blakey & Niehoff, 1998; Wayne et al. 2002; Shore & Shore 1995; Moideenkutty et al. 2001). This study found that formal procedures designed by the organization such as "ability to

collect accurate information necessary before making decisions”, “given opportunities to appeal or challenge the decision” and “allow for requests for clarification about decisions”, influence employees in perceiving support given to them. In this regard, Shore and Shore (1995) indicated that fairness in formal procedures had a positive effect on POS because employees interpret such action as concern for welfare of the workers.

In this study, employees’ views of POS were found to be influenced by the way the employee received the interpersonal interaction, especially when dealing with procedures (interactional justice). The implication of this finding is that the way in which organizational members, especially supervisors, carry out organizational procedures in the interpersonal context is one of the important contributors to POS. This study found that interpersonal behavior of supervisors such as “considers viewpoint” and “suppress his/her personal bias” influence the POS. The possible explanation for this is that perceptions of interactional justice would be affected by the attitudes or behavior of individuals carrying out the treatment (Bies & Moag 1986). In addition, the works of Moorman (1991) and Masterson et al. (2000) also agree that interactional justice perceptions of employees were believed to be a predictor of supervisor related outcomes, or in this case fairness treatment. Thus, employees’ perception of interactional justice, were believed to impact on how they perceived support to be given to them.

With regard to distributive justice, employees of medium enterprises also relate fairness of reward given with POS. “Reward based on responsibilities” as well as “reward based on experience” are factors that could contribute to POS among Malaysian employees of medium enterprises. Evidence in the literature also exists to suggest that distributive justice could contribute to POS (Wayne et al. 2002; Moideenkutty et al. 2001). Thus, receiving fair benefits/rewards from the organization would signal to an employee that he/she is valued. This can be explained using equity theory. According to equity theory, employees’ job performance could increase or decrease based on their perception of fair rewards for job performance (Adam 1965). Thus, if employees perceive fair reward (especially based on responsibility), they may be likely to perceive that the company shows concern towards them.

The finding from the above three types of organizational fairness support the POS theory which suggested that organizational fairness treatment could contribute to the employees' perceptions of organizational motives underlying such treatment. POS theory also revealed that any activities done by an organization that could benefit employees could be perceived by the employees as indication that their company cares about the employees' well-being (Eisenberger, Fasolo & Davis-LaMastro 1990). Thus, the finding of this study provides evidence especially in the contexts of Malaysian medium enterprises that organizational fairness, such as formal procedures, interactional and distributive justice could influence on how employees perceive support given to them.

#### **8.2.1.3 Hypothesis 3a and 3b**

Job conditions were also identified by employees of Malaysian medium enterprises as another antecedent of POS. Both intrinsically and extrinsically satisfying job conditions, were found to affect POS positively. According to Stinglhamber and Vendenberghe (2004) and Hackman and Oldham (1980), intrinsically satisfying job conditions are intrinsic to the activities of work. This is because they believe that intrinsically satisfying job conditions originally came from the work experience and thus could be an important factor in developing a sense of personal growth and development. In this study, employees stated factors such as "opportunities for personal accomplishment", "opportunities for personal development" , "opportunities for challenging tasks" and "opportunities to be involved in religious activities" could affect POS. "Opportunities to be involved in religious activities" is the item derived from the qualitative field study. This item, which can be classified under intrinsic context factors (Randolph, Doisy & Doisy 2005), is a factor that is less tangible but inherent to the job, in which they are controlled by outside forces (the organization) but which affects the employee's internal satisfaction. Religious forms of support by the organization can assist in the career adjustment of religious adults, especially to cope with work stress (Ano & Vasconcelles 2005), and influence the formation of vocational interests and values among employees (Duffy & Sedlacek 2007).

Strong support was found in this study for the notions proposed by researchers such as Stinglhamber and Vendenberghe (2004) and Allen et al. (2008) that intrinsically satisfying job conditions could influence POS. Employees' perceptions of support given will be increased and they are committed to the employer if they perceive that employer/organization has voluntarily offered them favourable intrinsically satisfying job conditions (Stinglhamber & Vendenberghe 2004).

Similarly, extrinsically satisfying job conditions such as opportunities for a pay rise, non-wage-related benefits (for example medical support, insurance, transport assistance) and career advancement opportunities were also identified as influences on how employees perceived support given to them. This finding is supported by the literature (Stinglhamber & Vendenberghe 2004; Rhoades, Eisenberger & Armeli 2001; Eisenberger et al. 1997; Wayne, Shore & Liden 1997; Guzzo, Noonan & Elron 1994). Extrinsic job satisfaction aspects play a role as tangible external reinforcers and improve employees' perceptions of organizational support. According to Eisenberger et al. (1997) and Guzzo, Noonan and Elron (1994), such job conditions are valued by employees because they increase their feelings of comfort at the workplace. This is also consistent with organizational support theory in which employees give positive feedback to the rewards provided by the organization. Blau (1964) proposed that, based on the social exchange concept, both employees and employers are perceived to be obligated in the exchange. As such, as with intrinsically satisfying job conditions, perceptions of organizational support will improve if they perceive that their organization provides the extrinsically satisfying job conditions voluntarily.

The implication of this findings is that medium sized companies, especially in the Malaysian manufacturing sector, should be focusing on both intrinsic and extrinsic job conditions because these are both significant predictors of POS.

## **8.2.2 POS and organizational commitment**

### **8.2.2.1 Hypothesis 4a**

POS was found to have positive association with affective commitment. This finding concurs with findings of the field study and those of other researchers (e.g. Reid et al. 2008; Meyer et al. 2002; Rhoades & Eisenberger 2002; Gakoviv & Tetrick 2003; Shore et al. 2006; Chen, Aryee, & Lee 2005; Cheung 2000) who had reported that support given by the organization is interpreted by employees as consideration and respect by their employer which will increase their trust and relationship in the long-term.

Employees in this study described how perceptions of organizational support given by the organization would influence affective commitment feelings such as “feeling as if organization’s problems are their own problem”, “feeling that the organization has a great personal meaning to them” and “happy to spend the rest of their career in the organization”. This finding indicates that the feeling of POS definitely leads employees to develop a sense of affective commitment towards the organizations.

The relationship between POS and affective commitment can be explained by the social exchange theory (Blau 1964) which proposed that all human relationships are based on exchange relationships. This relationship should be valued by both parties who are interacting. Therefore organizational behavior associated with support given such as providing opportunities for pay rises and career advancement, will be understood by employees as respect from the organization which consequently will increase employee trust in the future. The POS and affective commitment relationship in the organization can also be described using social identity theory. Fuller et al. (2003), who refer to Tyler’s (1999) social identity theory, stated that an employee feels appreciated if he/she believes that his/her employer values his/her effort towards the organization. Shore and Shore (1995) believe that acknowledgment of employees’ job and status in the organization could assist in fulfilling the employee socio-emotional needs such as need for esteem, recognition and affiliation. This action will thus increase the sense of belonging and pride of employees in the organization (Meyer & Allen 1991).

Thus, this study suggest that Malaysian medium organizations need to be aware of how employees perceive that support is given to them, as this will increase their level of affective commitment. Malaysian medium enterprises wanting to improve their employees' affective commitment should focus on factors which influence employees' support perception such as valuing their employees' contribution, considering their goals and values, caring about employees' well-being, caring about their general satisfaction at work, caring about employees' opinions, taking pride in employees' accomplishments and trying to make employees' job as interesting as possible.

#### **8.2.2.2 Hypothesis 4b**

POS was also found to have a positive association with normative commitment. This finding is in line with previous research (Gakovic & Tetrick 2003; Meyer et al. 2002) which suggested when an employee perceived that his/her employer showed concern for their well-being and sought to meet their needs, they are more likely to have a sense of obligation towards the organization. Thus, the extent to which employees perceive that the organization is giving them support will make them feel obligated to stay in the organization.

In this study, employees suggested that perceptions of organizational support given by the organization would lead to the feelings of obligations to continue employment in the organization. This finding indicates that POS influences normative commitment such as “feel guilty if left the organization”, “feel that organization deserves their loyalty”, “feel a sense of obligation to the people in the organization” and “feel that they owe a great deal to the organization”.

However, POS was not significantly associated with normative commitment when the moderating effect of both power distance and in-group collectivism were tested on this relationship. The explanation for the moderating effect of power distance and in-group collectivism on the relationship between POS and normative commitment will be discussed in detail in section 8.2.7.

#### **8.2.2.3 Hypothesis 4c**

POS was not found to have a significant relationship with continuance commitment in this study. Thus it can be concluded that support given by the organization could not contribute to the positive relationship with continuance commitment, in the sense that POS could not make an employee stay merely because of the cost of leaving the organization. This result is contrary to the postulated hypothesis and prior studies (Eisenberger, Fasolo & Davis-LaMastro 1990; Makenjee, Hartzer & Uys 2006) which reported that POS was positively related to continuance commitment in the organization. However, the results of this study are in line with the findings of Rhoades and Eisenberger (2002) and Aube, Rousseau and Morin (2007) that showed a non-significant relationship between POS and continuance commitment. This is also supported by Allen and Meyer (1996) and Meyer et al. (2002) who found that continuance commitment did not correlate in a similar way to affective and normative commitment with diverse antecedents of organizational commitment. Rhoades and Eisenberger (2002) indicated that the POS and continuance commitment relationship was more variable, from near zero to large and negative. The absence of a relationship between POS and continuance commitment in this study could be explained by the fact that this study took place at medium sized companies and the nature of work that is focused on is specialized which limits the skills development of employees which would be applicable to other companies. Therefore, continuance commitment may be related to the specialized skills developed in their employ within the company and have no significant relationship to the POS received from the employer.

### **8.2.3 POS and value congruence**

#### **8.2.3.1 Hypothesis 5**

There was strong statistical evidence to support the influence of POS on value congruence. The result was consistent with previous studies (Rhoades & Eisenberger 2002; Shore & Tetrick 1991) which suggested that POS can play a role as one source of

support that may help employees deal with lower value congruence. Participants of this study believed that POS attributes displayed by the organization could assist employers to ensure that employees' personal values and those of the organization became more congruent. The findings of this study concur with those of the literature in that POS could help foster value congruence among members of the organization. It can therefore be surmised that in order to improve employees' value congruence, Malaysian medium enterprises need to be aware of employees' perceptions associated with support given.

## **8.2.4 Value congruence and organizational commitment**

### **8.2.4.1 Hypothesis 6a and 6b**

Inconsistent with prior studies (Somers 1993; Slocombe & Bluedorn 1999; McConnell 2003), value congruence was not found to have a significant influence on affective and normative commitment. The findings also show that the knowledge gained from the field study was not consistent with the attitude of the larger population. One possible explanation for the failure to find the links between perceived value congruence and both affective and normative commitment is that employees need to maintain a certain level of differentiation between themselves as individuals and their social group (Brewer 1991). Employees are motivated to maintain their sense of commonality, as well as their sense of individuality. In this study, employees emphasized their individuality by reporting differences between their own and their organization's values, especially towards affective and normative commitment. Thus, similarity between employees' personal values and the organization's values do not necessarily lead them to develop a sense of personal meaning and obligation to their organization.

However, in the case of normative commitment, value congruence was found to be significantly associated with normative commitment when the moderating effect of both power distance and in-group collectivism is tested in this relationship. The explanation for the moderating effect of power distance and in-group collectivism on the relationship

between value congruence and normative commitment will be discussed in detail in section 8.2.7.

#### **8.2.4.2 Hypothesis 6c**

In contrast to hypothesis 6a and 6b, value congruence exhibits a positive association with continuance commitment, which is in line with Sims and Kroeck (1994) and McConnell (2003) studies. It is probable that employees' jobs in medium sized companies were specialized and offered few opportunities for them to develop skills that could be applied in other types of the organization. This is because the survey company from which some respondent were drawn was specialized in nature and thus offered few opportunities for general training. Therefore, in the case of continuance commitment, especially in view of no other job alternatives outside, employees try to match their personal values with those of the organization. The findings of this study suggested that congruency in values between employees and organization is more likely to result in continuance commitment, which could make employees feel it is necessary to stay, hard to leave the organization and disruptive if they decided to leave the organization. It can therefore be said that employee–organization values congruency, coupled with no other job alternatives, are key influencing factors that could make employees exhibit continuance commitment.

### **8.2.5 Culture and organizational commitment**

#### **8.2.5.1 Hypothesis 7a**

In line with the proposed hypothesis and qualitative field study, the results of this study reflected that high power distance culture characteristics such as “not encouraged to question their superior when in disagreement”, “not given opportunities to give suggestions” and “not consulted before any decision that has important consequences for the company”, could make employees disinclined to spend the rest of their career in the organization. This study supported the result of cross cultures studies which argue that power distance could have a negative relationship with affective commitment (Fischer &

Mansell 2009; Randall 1993). Randall (1993) advocates that ‘concentration of authority’ and ‘centralization’ derived from power distance result in lower levels of affective commitment. Therefore, based on the current pattern of Malaysian medium enterprises, it is suggested that employees in high power distance settings show low levels of affective commitment.

#### **8.2.5.2 Hypothesis 7b**

The result of the power distance and normative commitment relationship was also consistent with previous studies (Rashid, Sambasivan & Johari 2003; Rowlinson 2001). As such, the employees’ sense of obligation to the organization would be high if a low power distance culture had been practiced. Participants in this study described high power distance criteria such as “not given opportunity to give suggestions on how to change rules established in the organization” and “not to question their superior when in disagreement” would result in low normative commitment feelings such as “don’t owe a great deal to the organization”, “don’t have a sense of obligation to the people in the organization”, “not feel guilty leaving the organization” and “don’t feel that the organization deserves their loyalty”. In the Malaysian medium enterprise setting, it is possible the gap between upper and lower levels is bigger, which cannot lead to normative binding to the organization. Rowlinson (2001) revealed that the decision-making practices that focus on decentralization could encourage normative commitment behavior. In addition, the opportunity to contribute meaningfully to the organization by being given the opportunity to make suggestions regarding rules established in the organization are likely to make employees feel more loyal to the organization (Leck and Saunders 1992). Therefore, this finding indicates that where power distance culture is not perceived to exist, employees are more likely to feel normative commitment.

#### **8.2.5.3 Hypothesis 7c**

Based on the findings of Rashid, Sambasivan and Johari (2003) and Foosiri (2002), the impact of power distance culture towards continuance commitment among employees was tested by hypothesis 7c. The structural model showed these relationships to be

significant. This study provides evidence that in the presence of high power distance culture, employees are not likely to display continuance commitment behavior. This is not unreasonable because superiors in high power distance organizations assume subordinates are inferior; that in turn will cause employees to seek exchanged-based security (Bochner & Hesketh 1994) and thus will make employees consider work in other companies if the job opportunities are available.

#### **8.2.5.4 Hypothesis 8a, 8b and 8c**

There was no statistical evidence to support a relationship between in-group collectivism and the three types of commitment. Inconsistent with prior studies (Wasti 2002; Clugston, Howell & Dorfman 2000; Boyacigiller & Adler 1991; Baumanis 2002; Hwang & Kim 2007) which looked at organization commitment in collectivism culture, in-group collectivism was not found to be significantly linked with affective, normative and continuance commitment. The internalization process might be one possible explanation of why in-group collectivism culture might not be relevant to organizational commitment in Malaysian medium sized organizations. Due to the size of the medium company, the relationship among employees becomes personalized and in this regard, Venkatesh & Davis (2000) stated that part of the belief structure of the employees might come from the opinion of their referents (peers). Thus the longer an individual works with the organization, the less this in-group collectivism becomes a direct predictor of organizational commitment. This may explain why in-group collectivism will not be positively linked to these three types of commitment in Malaysian medium enterprise.

### **8.2.6 External factors and continuance commitment**

#### **8.2.6.1 Hypothesis 9**

External factors were not found to be a significant factor in leading to the feeling of necessity to stay by employees of medium enterprises. This finding was inconsistent with a previous study (Shore 1984) which claimed that external factors are likely to influence employees' turnover. This result was also contrary to the initial indication of

the qualitative field study that found external factors to be a limiting factor for continuance commitment. This suggests that the relevance of external factors such as location of the company, transportation system and family reasons with respect to continuance commitment may be company specific in the case of the two companies in the qualitative study.

## 8.2.7 National culture as moderator

### 8.2.7.1 Hypothesis 10a

In line with the hypothesis 10a, the moderating effect of in-group collectivism on the relationship between POS and affective commitment was found to be significant in this study. As discussed in the previous chapter, to facilitate the interpretation of in-group collectivism, the interaction was plotted graphically. The relationship between POS and affective commitment at two levels of in-group collectivism is shown in Figure 8.1.

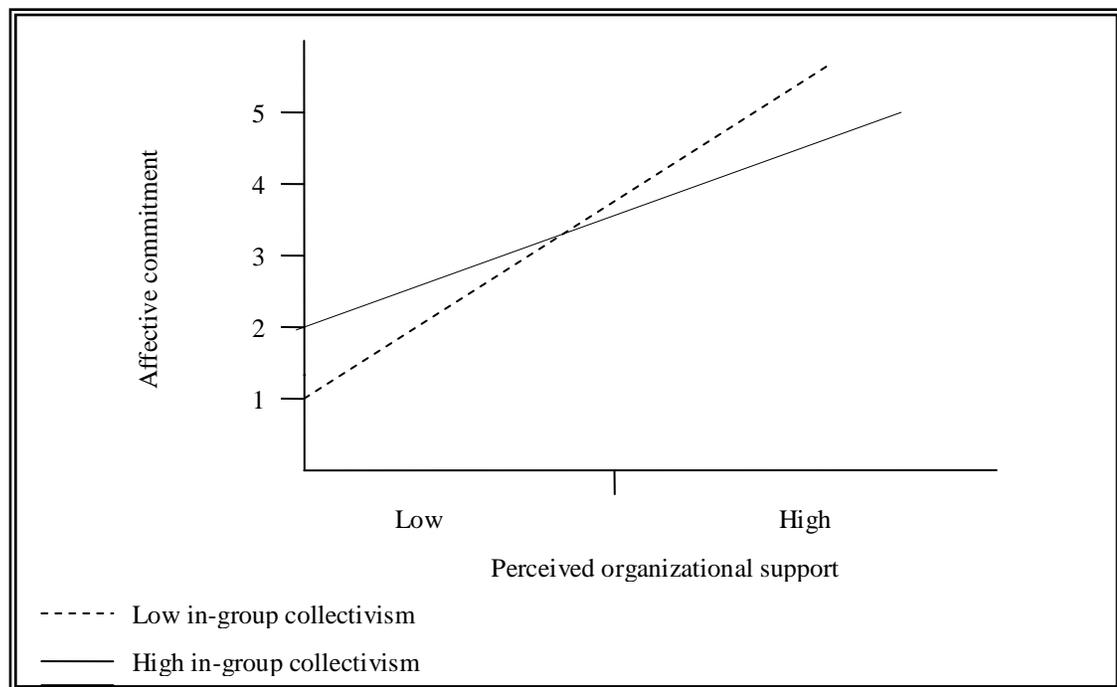


Figure 8.1: The moderating role of in-group collectivism on the relationship between POS and affective commitment

Figure 8.1 indicates that POS and affective commitment are negatively moderated by the level of in-group collectivism. More specifically, the greater the level of in-group collectivism, the less the influence of POS on affective commitment. The results imply that when in-group collectivism culture is practiced in an organization, employee's feelings of attachment and involvement in the organization are less influenced by their personal perceptions of support, which is in line with the proposed study. The possible reason is because employees in high level in-group collectivism cultures emphasize feelings of loyalty to the organization more than those experiencing low levels of in-group collectivism. Thus, in-group collectivism culture may stimulate identification with the organization, causing employees to become less aware of the support given to them. This moderating effect could also be explained by the fact that in-group collectivism (through feelings of loyalty) reinforces social identities associated with membership (Alvesson 2000) and thus makes them less dependent on the support provided by the organization. In contrast, when the level of in-group collectivism is low, the perception of support given to them might lead to affective commitment. It is probable that when the level of in-group collectivism is low, the sense of identification with the organization will only be influenced by how employees perceive support given to them. Consistent with Williamson, Burnett and Bartol's (2009) assumption that the collectivist orientation of employees can play a role in shaping employee behavior, this study suggests that in-group collectivism is crucial in determining the extent to which POS influences affective commitment.

#### **8.2.7.2 Hypothesis 10b**

This study found support for the notion proposed by authors such as Chatman and Barsade (1995), Walumbwa and Lawler (2003), Francesco and Chen (2004), and Williamson, Burnett and Bartol (2009) that collectivism can act as a moderator in shaping employee behavior. This study found that in-group collectivism could negatively moderate the relationship between POS and normative commitment. As displayed in Figure 8.2, the result indicates that the higher the levels of in-group collectivism practiced in the organization, the lower the impact of POS on normative commitment. In other words, perceptions of support given would lessen as a determinant

of normative commitment for high in-group collectivism employees. Thus this study suggested that when the level of in-group collectivism is high, individuals' sense of obligation towards the organization is less influenced by their personal perception of support. However, when the level of in-group collectivism is low employees will be more concerned about how employers value their contribution, which will thus create a sense of obligation towards the organizations. As a conclusion, this study suggested that the relationship between POS and normative commitment will be weaker when the level of in-group collectivism is higher.

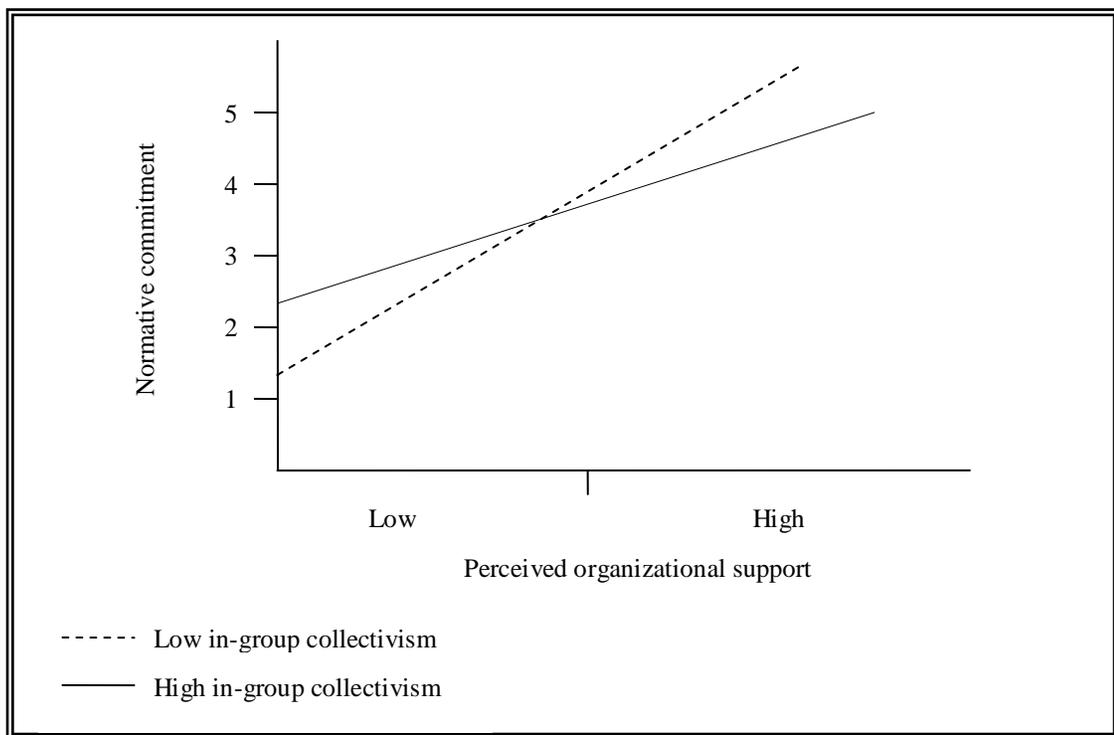


Figure 8.2: The moderating role of in-group collectivism on the relationship between POS and normative commitment

With regard to the significant result of value congruence towards normative commitment when the moderating effect of in-group collectivism is tested, this study implies that similarity between employees' and the organization's values, coupled with the high level of in-group collectivism, could lessen the impact of POS on normative commitment. A possible explanation of this finding is that, although employees' commitment could be derived from value congruence (Arthur 1994; Meyer & Allen 1991), the in-group

collectivism (through socialization processes) might play the main role in creating loyalty, which thus could increase employees' obligation towards the organization (Allen & Meyer 1990). Therefore, the inference can be drawn that, in the presence of in-group collectivism and value congruence, the impact of employees' perception of support on obligation towards the organization will lessen.

Based on the above two moderating hypotheses (hypothesis 10a and 10b), this study lends some supports to the interactionist perspective that job attitudes are not solely determined by person or situation variables, but theorized to be a function of both characteristics of employees and attributes of employee work environment (Schneider 1987). In the case of Malaysian medium enterprise, in-group collectivism orientation can play a role in determining the extent to which perceived organization support influences both affective and normative commitment

#### **8.2.7.3 Hypothesis 11a**

There was mixed support for the hypothesized moderating effect of power distance on the relationship between POS and affective commitment. Contrary to the hypothesis, the findings revealed that power distance does not influence the capacity of POS to have an effect on affective commitment.

In contrast, the result from this study also revealed that if both high power distance and in-group collectivism culture is practiced in an organization, power distance was found to negatively moderate the relationship between POS and affective commitment. In other words, if an organization emphasized high power distance together with in-group collectivism as part of its work culture, the effect of POS towards affective commitment could be decreased. This implies that although employees have a distance relationship with their superior, social identities within an organization that develop through in-group collectivism will create a sense of belonging and may make them less aware with regard to the support given to them. According to Johns (2006), group social context can either facilitate or constrain individuals' behavior and attitudes. For Malaysian medium enterprises group social context can be derived from in-group collectivism. Thus, for

this study, it seems that together with in-group collectivism practices, high power distance may restrict the superior interaction pattern associated with a positive POS, which in turn results in relatively less affective commitment being displayed by employees of medium enterprise. This finding is in agreement with Yang, Mossholder and Peng (2007) who found support for the negative moderating effect of power distance.

#### 8.2.7.4 Hypothesis 11b

There was also mixed support for the hypothesized moderating effect of power distance on the relationship between POS and normative commitment. In line with the hypothesis, the high power distance interaction with POS in predicting normative commitment is evident in this study. As illustrated in Figure 8.3, power distance was found to moderate the influence of POS on normative commitment.

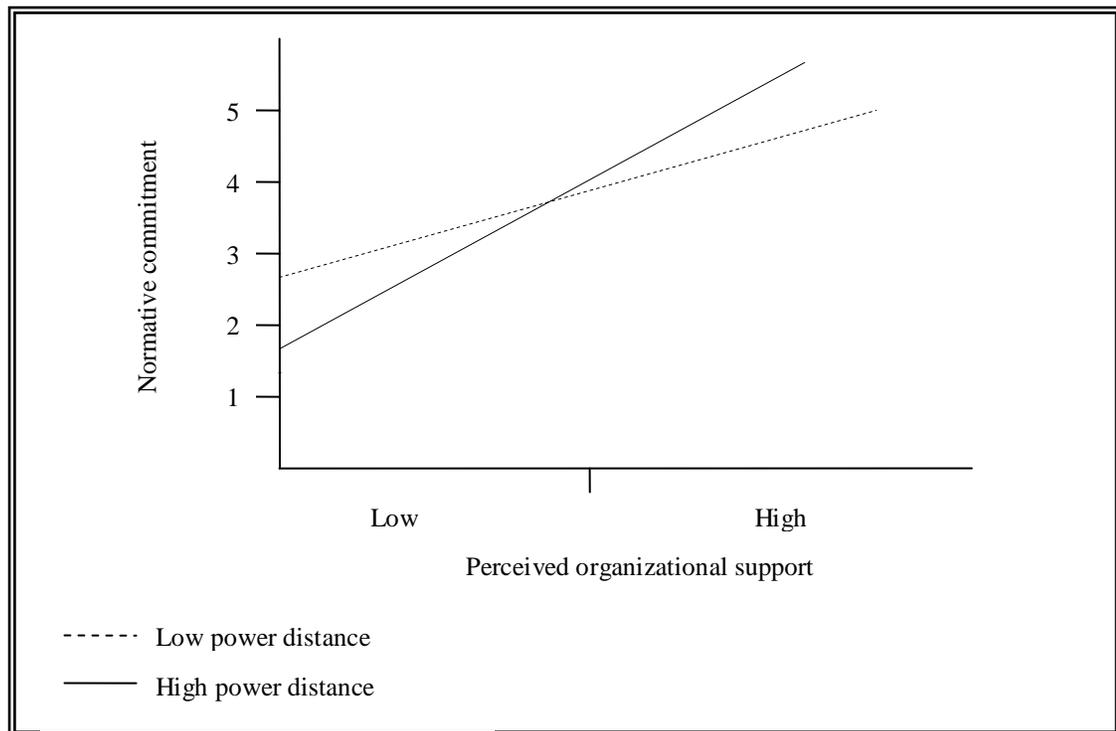


Figure 8.3: The moderating role of power distance on the relationship between POS and normative commitment

In line with Yang, Mossholder and Peng (2007), Begley et al. (2002), Lind and Tyler cited in Fischer and Smith (2006), and Tyler, Lind and Huo's (2000) proposition that leader-subordinates relations are central to power distance relationships between justice and employee outcomes, this study supported the view that perceptions of support depend on the level of power distance as the process through which the normative commitment effect occurs. Those higher in power distance organizations, who have more distant relationships with superiors, could be more aware of how support is given to them and thus make them obligated to the organization.

In contrast, the result from this study also revealed that if both high power distance and in-group collectivism culture are practiced in an organization, power distance does not influence the capacity of POS to influence normative commitment. The lack of support for the moderating effect of power distance when both power distance and in-group collectivism culture are practiced is due to the fact that if in-group collectivism is practiced in an organization, POS could increase normative commitment regardless of the power distance culture practices in the organization. In this regard Meyer, Allen and Topolnytsky (1998 p. 83) stated that organizational commitment is *'influenced by organizational socialization experiences that emphasize the appropriateness of continued services or by the receipt of benefits from the organization (e.g., investment in education or training) that create a sense of obligation to reciprocate'*. This study suggests that when employees were provided with support from the organization, they will feel morally indebted to their organization although their expectation and acceptance of unequal distribution of power between superior and employees in the organization exists.

### **8.3 Summary**

Overall, the findings resulting from the study of the POS towards organizational commitment in Malaysian medium enterprises suggest that supervisor support, interactional justice, procedural justice, distributive justice and both intrinsically satisfying job conditions and extrinsically satisfying job conditions play a significant role in influencing employees' perceptions of support given.

National culture also influences employees' commitment to organizations. The results of the study suggest that employees in high power distance culture show low levels of affective, normative and continuance commitment. However, the influence of in-group collectivism on commitment is found to be non-significant in this study. The results of the study also suggest that external factors are not affecting continuance commitment among employees of medium enterprises.

This study also supports the argument that in-group collectivism could play a role as moderator between POS and both affective and normative commitment. Thus, this study suggests that in-group collectivism culture shapes employees' perception of support towards both affective and normative commitment.

With regard to power distance's role as a moderating factor, this study suggests that medium enterprises that practice high power distance could increase the possibility of employees becoming more aware of how support is given to them, which in turn makes them obligated to the organization.

This study indicated that in the Malaysian context, the results of the study were contrary to the literature. In relation to this, employees of Malaysian medium enterprise may provide a different context for commitment. For example, the present study demonstrated that value congruence of employees with their organization does not impact on their affective commitment, which contrasts with person-organization (P-O) fit theory. In addition, in the context of Malaysian medium enterprise, this study found that regardless of the support given, the feeling of continuance commitment could be perceived to be less important by the employees. There is also lack of evidence to support the proposition that in-group collectivism culture practiced in the Malaysian context was a direct predictor of three types of organizational commitment. The results of this study however confirmed the negative moderating effect of in-group collectivism on the relationship between POS and both affective and normative commitment. It is

therefore reasonable to conclude that in the context of Malaysian medium enterprise, in-group collectivism culture will impact the perception of support in determining employees' affective and normative commitment in the organization.

Finally, in-group collectivism and power distance culture practiced in Malaysia have different impacts on various types of commitment. For example, perceptions of how support is given could influence employees' affective commitment in an organization. However, in the presence of high power distance and high in-group collectivism culture, perceptions of how support is given will not be likely to influence employees to display affective commitment behavior. In the case of normative commitment, regardless of whether high power distance and high in-group collectivism are practiced, the feeling of normative commitment will be influenced by how employees perceived support given to them.

In the following chapter, the thesis will conclude by discussing the summary, the contributions and limitations of the study as well as the direction for the future research.

# CHAPTER 9

## CONCLUSIONS AND FUTURE DIRECTION

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### 9.1 Introduction

The final chapter of this thesis provides a summary of this study. The first section discusses a summary of the research findings. Next, the study's contributions to the body of knowledge relating to the literature of POS, organizational commitment and culture as well as to policy makers and human resource practitioners of medium enterprises in Malaysia, is discussed. This chapter also presents the limitations of the study. Finally, this chapter concludes with a discussion of future research direction.

### 9.2 Summary of research

The research examined medium enterprise employees' perceptions of support and organizational commitment. The impact of national culture and values congruence towards organizational commitment has also been examined. This study also investigated the moderating effects of both in-group collectivism and power distance on the relationship between POS and organizational commitment.

The results of the research indicated that all antecedents of POS, namely supervisor support, procedural justice, interactional justice, distributive justice and both intrinsically and extrinsically satisfying job conditions were found to have a positive influence on employees' perception of support. The findings of the study also confirmed

the significant positive impact of POS on affective commitment. However, the influence of POS on normative commitment was partly supported while POS was not found to be significant in relation to continuance commitment.

The results of the study also showed the influence of POS on value congruence. Continuance commitment was found to be influenced by value congruence. In contrast, both affective and normative commitment, were not found to be significant in relation to value congruence in Malaysian medium enterprise. Likewise, external factors were also not found to be a significant factor with continuance commitment in this study.

The study found that national culture had different impacts on organizational commitment. Power distance culture had a significant negative influence on organizational commitment. However, in-group collectivism's cultural impact on organizational commitment was not found to be significant in this study. The impact of employees' perceptions of support on normative commitment in Malaysian medium enterprise will lessen in the presence of in-group collectivism culture and values congruence.

This study also found different results with regards to the moderating role of both types of national culture. This study found that in the Malaysian context, only in-group collectivism culture moderated the relationship between POS and both affective and normative commitment. In contrast, the moderating effect of power distance between POS and both affective and normative was found to be partially significant. Finally, if medium enterprise practices both power distance and in-group collectivism culture, the effect of POS towards affective commitment will be decreased.

In summary, contrary to literature, employees of Malaysian medium enterprise may provide different context towards commitment. This study indicated that value congruence of employees with their organization does not impact their feeling of affective commitment. This study also found that the feeling of continuance

commitment is not significantly related to the POS given in Malaysian medium enterprises.

In-group collectivism culture practiced in the Malaysian context was not found to be a direct predictor of three types of organizational commitment. The results of this study also indicated that relationship between POS and both affective and normative commitment was negatively moderated by in-group collectivism, which reflects the importance of in-group collectivism culture towards POS in determining employees' affective and normative commitment in Malaysian medium enterprise.

In-group-collectivism and power distance were also found, in these Malaysian medium enterprises to have different impacts on various types of commitment. Feelings of normative commitment will be influenced by how employees perceived support given to them regardless of high power distance and high in-group collectivism have been practiced. In contrast, perceptions of support given will not be likely to influence employees to display affective commitment if employees perceived that high power distance and high in-group collectivism culture exist.

## **9.3 Contributions**

### **9.3.1 To the literature**

One of the significant contributions of this research is to the literature on culture and organizational commitment. Although a great deal of work has been carried out on culture and organizational commitment, it is unfortunate that there has been a lack of study reported on in-group collectivism and power distance culture dimensions as proposed by GLOBE study and organizational commitment. As there is little literature on the relationship between GLOBE national culture and organizational commitment, this study further adds to the literature by exploring how two GLOBE national culture constructs impact on organizational commitment in Malaysian medium enterprises. Another significant contribution of this study is related to the incorporation of POS, value congruence and organizational commitment. Specifically, exploring the

relationship between POS, value congruence and continuance commitment is an innovation in this study as little research been conducted previously on this relationship. Thus, this study further adds to the literature by exploring how national culture and values congruence impact on employee's perceptions of organizational support and, through this, organizational commitment.

In addition, the findings of this research extend culture literature by showing that culture can act as a moderator of the relationship between POS and both affective and normative organizational commitment. One conclusion is that the culture dimension and its potential for moderating effects on commitment merits consideration in any future study of organizational commitment.

This study applied organizational support theory as a basis for understanding social exchange with regard to perceptions of support and organizational commitment among Malaysian medium enterprises. Although research on organizational commitment has been conducted in the western setting, few studies have been conducted in developing countries such as Malaysia (Cohen 2003). Thus, this study adds to the literature by testing a comprehensive research model of POS and organizational commitment that was developed from literature and further enriched through qualitative and quantitative study in Malaysian medium enterprise.

Further this, this study provides support to the interactionist perspective that job attitudes are not solely determined by person or situation variables, but are theorized to be function of both characteristics of employees and attributes of employees work environment (Schneider 1987). This study lends support on the interactive effect of culture on the formation of employee commitment. Specifically, in-group collectivism orientated culture can play a role in shaping employee's organizational commitment by influencing how individuals react to support given by the organization.

### **9.3.2 Policy implications for human resources practitioners and businesses**

The result of the study suggested that medium enterprises should place more emphasis on employee support perception to make employees affectively committed to the organization. It is therefore essential for management of medium enterprises to highlight the importance of securing perception of high POS among workers. In order to enhance employee commitment, human resource practitioners of medium enterprises should have diverse approaches to providing support to workers including development and supervision programs, performance appraisal programs and career development (Meyer & Smith 2000). These exercises allow medium enterprises to display their recognition of employees' contribution and their concern for employees' well-being, and thus enhance the commitment of the employees to the organization.

Another implication of the study is that although POS is important in predicting employees' commitment to the organization, this factor alone is not always enough. Factors such as values congruence are also important in promoting continuance commitment. The findings of this study suggested that employees' values congruence is expected to be achieved if Malaysian medium enterprises are more concerned with employees' perception associated with the support given. In addition, medium enterprises should also be aware that employee–organization values congruence is a key influencing factor that could make employees exhibit continuance commitment. In this view, management of medium enterprises should continuously upgrade employees' support which will thus increase perceptions of support given in order to foster value congruence among members of the organization and thus normative and continuance commitment of employees.

Although this study highlighted the importance of providing support to the employee to foster commitment to the organization, it might be difficult for some medium enterprises to provide a high level of support because of limited financial resources. In such a context, culture is likely to compensate for the effect of a lack of POS on commitment. The result of the current study shows the relevance of promoting the high in-group collectivism culture among employees of medium enterprises to reinforce employees'

organizational commitment. In this regard, human resources practitioners of medium enterprises could get benefit by considering the in-group collectivism orientation during the selection process. Individuals with high in-group collectivism may continue to hold feelings of affective commitment towards organizational commitment in spite of a lack of organizational support. Human resources managers could selectively identify employees who exhibit the characteristics of in-group collectivism, which thus could increase the likelihood of developing commitment. For example, questions related to in-group collectivism issues can be asked of candidates during interviews.

This study also assists Malaysian companies, especially medium enterprises to have clear understanding of how employees perceive support given to them and how this could assist them in making employees committed to the organization. In relation to this study, data in this area could provide insight into real issues for medium enterprises through the qualitative method. The quantitative research in this study further helped in the interpretation of the qualitative study. Medium enterprises would find this study useful in providing them with the information to make employees committed to the organization as well as indicating the possible hindrance that could restrict employees' commitment. For example the author may work with National SME Development Council and or the Ministry of Human Resources to support SMEs in developing human resources strategies for medium enterprises. In this regard, the SME Development Council, through its agencies such as the SME Bank Advisory Centre and Malaysian Industrial Development Authority (MIDA), could be advised to include materials on perceptions of support and the link to employee commitment to the organization in the training and development modules offered to medium enterprises

The management of Malaysian medium organization would be interested in using the result of this study because previous studies had provided a link between commitment and employee outcomes such as employee turnover intentions, absenteeism and performance. For example previous studies found that organizational commitment related to employee absenteeism and turnover (Mowday, Porter & Steers 1982), employee turnover, absenteeism, tenure and job performance (Mowday, Porter & Steers

1997) and, turnover and tardiness rates (Angle & Perry 1981). In addition, studies conducted in Malaysia found association between organizational commitment and job satisfaction (Pearson & Chong 1997; Samad 2006b), turnover intentions (Samad 2006b) and intentions to leave (Yin 2008)

Further to this, the understanding of relevant antecedent factors that influence POS, values congruence and cultural orientation towards organizational commitment in medium enterprises could lead to the development of strategic planning at the organizational as well as national level. Thus the skilled employee shortage within medium enterprises in Malaysia could be decreased. Information provided from this study could benefit policy makers in developing strategic human resources in future. For example, medium enterprise should be encouraged to continuously train their supervisors, as the way supervisors behave towards employees will be indicative of organization support. In this regard, companies could consider giving some incentives for supervisors who participate in supervisor training programmes. In addition, medium enterprises should consider establishing formal training for human resource managers, specifically on job design and job characteristics (such as extrinsic and intrinsic job characteristics) to create a clear understanding on functions operating within an organization and to facilitate and improve human capital retention.

In summary, policy makers and human resources practitioners of Malaysian medium enterprises should simultaneously consider values congruence and perception of supports, as well as cultural orientation, to foster organizational commitment of the workforce. Understanding the relationship between employee perceptions of support and organizational commitment, as well as the role of value congruence and culture in relation to employee organizational commitment are crucial in assisting human resource practitioners to maintain a high level of commitment among employees in future.

## **9.4 Research limitations**

One of the limitations of this study is the risk of sample bias. The potential for bias might occur with regard to the distributions of questionnaire in the organization. This is because the researcher had no control over the distribution of the questionnaire since the researcher had requested the contact person of each company to assist in questionnaire distribution. Thus the random distribution of questionnaires across various departments and divisions was not verified.

The second limitation is related to cultural bias in the current study. As this research is conducted among different levels of employees in medium enterprises in Malaysia, the original questionnaire, which was written in English, needed to be translated to a Bahasa Malaysia version. Although Brislin's back translation process and decentering processes had been taken into consideration in developing the questionnaire, the risk of problems related to the differences in language and culture remained.

The third issue of concern that might restrict this study is the scope of the study. The current study focuses only on medium enterprises in the manufacturing sector in the Selangor region in Malaysia. Thus this may not be representative of the broader sectors and regions in Malaysia. The conclusions reached in this study were applicable only to medium enterprises, which also might limit the opportunities to generalize the findings and conclusions of the study.

Finally, generalizations of the findings were of limited universal application since Malaysia is a multi-racial and religious country. Thus the national cultural practices studied here might be different and unique to the Malaysian context, which in turn would have a different impact on perceptions of support and organizational commitment. Therefore, the results might not be representative of developing countries, but rather specific only to countries with a multi-racial population.

## 9.5 Future research direction

Possible extensions of this research can be explored in the future. As previously noted, this study has limitations in relation to generalization of the findings. The application of this research can be further examined in the non-profit organizations and different sectors in Malaysia. A more representative sample drawn from organizations of different sizes and types representing the three major ethnic groups in Malaysia, namely Malay, Chinese and Indian, would provide scope for generalization of the findings.

In a future study, the investigator should consider undertaking longitudinal research to investigate the constructs in the research model, given the cross-sectional nature of the research. For example, as there is mixed support for the effect of power distance culture on the relationship between POS and both affective and normative commitment, since longitudinal study may be able to identify changing culture and thus provide more evidence as to the nature of the relationship with regard to those constructs. This would pave the ways towards creating a better understanding of POS and organizational commitment.

It is recommended that future study should focus on how power distance culture (in this case high power distance culture) could impact on continuance commitment. In addition, findings from this research suggest that perceptions of value congruence among employees could be associated with continuance commitment. It is therefore suggested that investigation on value congruence (using the analytic strategy to assess the 'fit') and its association with continuance commitment be conducted. Continuance commitment can be one form of organizational commitment

Further research can also investigate the perception of support towards organizational commitment from the point of view of the government as their role in medium enterprises is to provide funds through its agencies.

The present study underlines the moderating effect of in-group collectivism on the relationship between POS and organizational commitment. Given this result, it would be

useful in future research to assess the moderating roles of other variables related to the notion of group, for example group norms and group development.

Finally, future research should examine how other cultural attributes may moderate the effect of POS on job attitudes. The interactionist approach developed in this study may provide a useful theoretical lens for understanding how other cultural values (e.g. uncertainty avoidance and future orientation) shape individuals' reactions to their work environment.

## **9.6 Summary**

The final chapter summarizes the current study and offers its contributions to the literature and Malaysian medium enterprises. This chapter also highlights the limitations involved in this study, especially in relation to research methodology and generalization of the current study. A brief discussion of the future direction for conducting the research concludes this thesis.

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## Appendix 1: Interview questions

### Interview questions ( Management people)

I want to talk about the support your company provides to its employees in the workplace and how that might assist the company to retain/keep its employees.

1. How does your company provide support for its employees? Could you provide some examples of what support the company provides? Do you think that these actions can help you to retain your workers (employees)? Do you consider some of these actions are more effective than others (or which are most effective)?
2. Do you consider the quality of supervision and supervisor support affects employees' commitment to remain in your company? Could you tell me how?
3.
  - a. Do you have formal procedures for determining reward and promotion?
  - b. Is formal training provided? How do you decide who is trained? Do you think training issues influence your employees' decision to stay in the organization?
  - c. Do working conditions relative to other employees in this area affect your ability to retain employees?
4. What are the constraints on your company when it seeks to improve working conditions and support for employees?
5. How would you describe the way your workers/employees interact with their supervisors and management? Are they willing to challenge decisions, question and offer their own ideas?  
Probe: Could you give an example
6. How would you describe the way an employee interacts with fellow employees?  
Probe: Is the group important to the way employees respond to tasks? Give an example. Do you think that group members take pride in the accomplishments of their group?
7. Can you describe other aspects of the way your employees interact in the workplace with management, their tasks and each other? How do these characteristics affect employees' loyalty to the company?
8. Do you consider your company has an identifiable set of values (attitude towards customers, employees and ethic) it seeks to adhere to? What are these? Would these values influence worker loyalty to the company/decision to stay or quit?  
Probe: Could you tell me how?

### Interview questions (Employee)

I want to talk about the support your company provides to you in the workplace and how that might retain/keep you in the organization.

1. How does your company provide support for you? Could you provide some examples of what support the company provides? Do you think that these actions can help to keep you in the organization? Do you consider some of these actions are more effective than others (or which are most effective)?
2. Do you consider the quality of supervision and supervisor support affects your commitment to remain in your company? Could you tell me how?
3.
  - a. Does your company have formal procedures for determining reward and promotion?
  - b. Does your company provide formal training? How does your company decide who is to be trained? Could this action influence your decision to stay in your company?
  - c. Do working conditions relative to other employees in this area affect your commitment to remain in your company?
4. How would you describe the way you work together with your supervisor and management? Are you willing to challenge decisions, question and offer your own ideas?  
Probe: Could you give an example?
5. How would you describe the way you work together with fellow workers and team members?  
Probe: Is the group important to the way you respond to tasks? Give an example. Do you think that your group members take pride in the accomplishments of your group? Give an example.
6. Can you describe other aspects of the way you interact in the workplace with management, your task and each other? Do you think your Malay/Chinese cultural background and attitudes affect your feelings of loyalty to the company?
7. Do you consider your company has an identifiable set of values (attitude towards customers, employees and ethics) to adhere to? What are these? Would these values influence your loyalty to the company/decision to stay or quit?  
Probe: Could you tell me how?

**Appendix 2: Model of POS and organizational commitment for P1–P10**

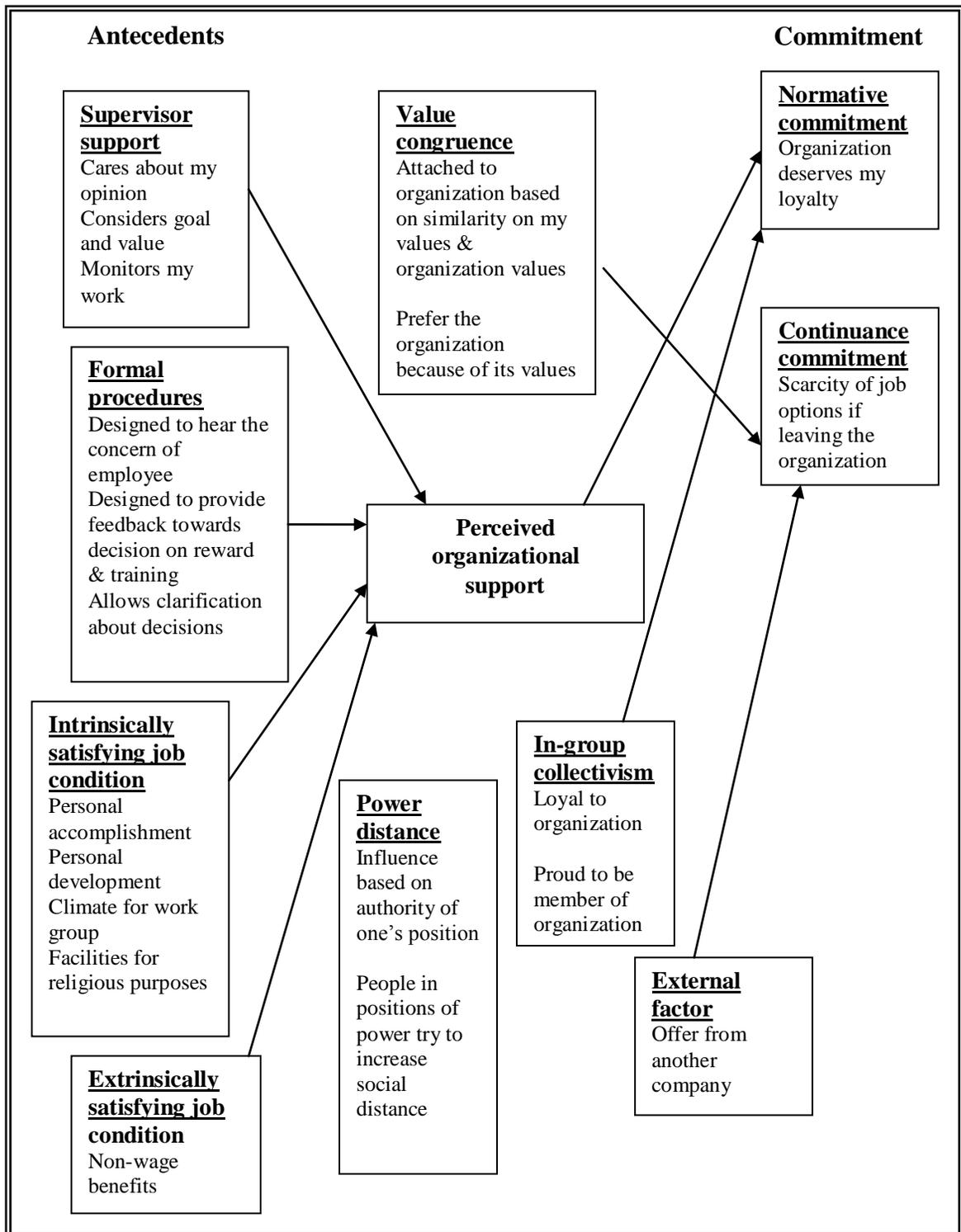


Figure A2.1: POS and organizational commitment model for participant P1

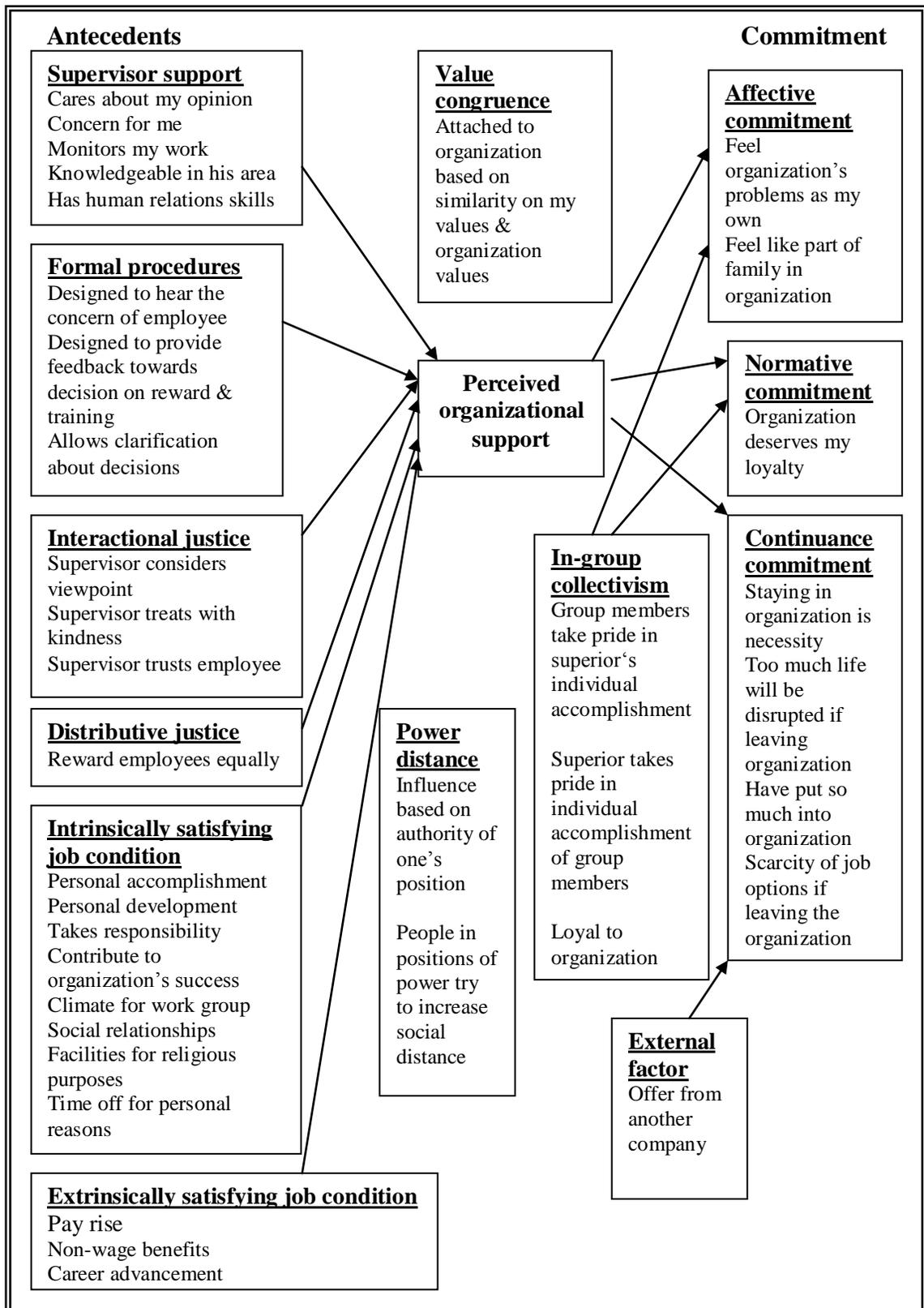


Figure A2.2: POS and organizational commitment model for participant P2

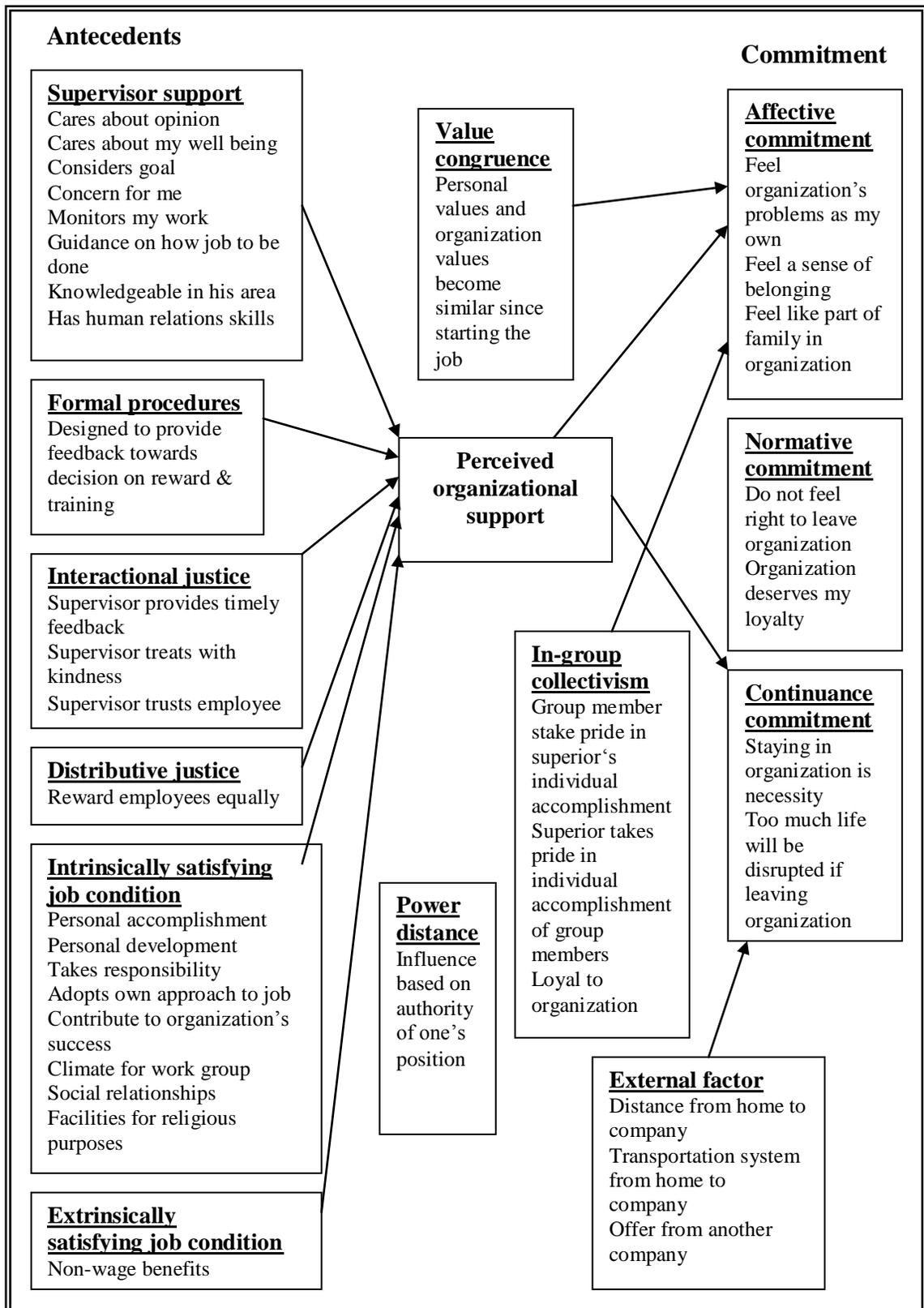


Figure A2.3: POS and organizational commitment model for participant P3

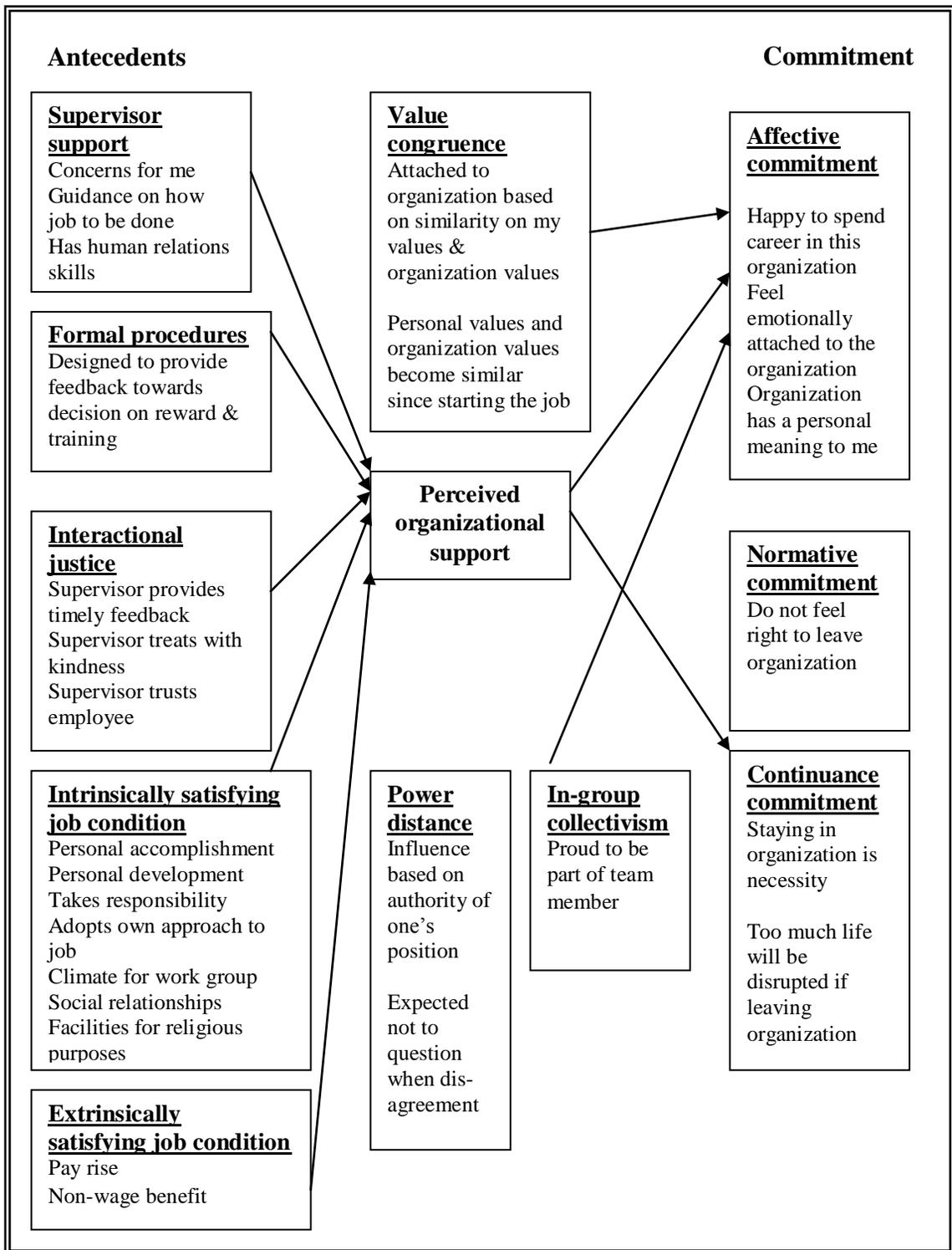


Figure A2.4: POS and organizational commitment model for participant P4

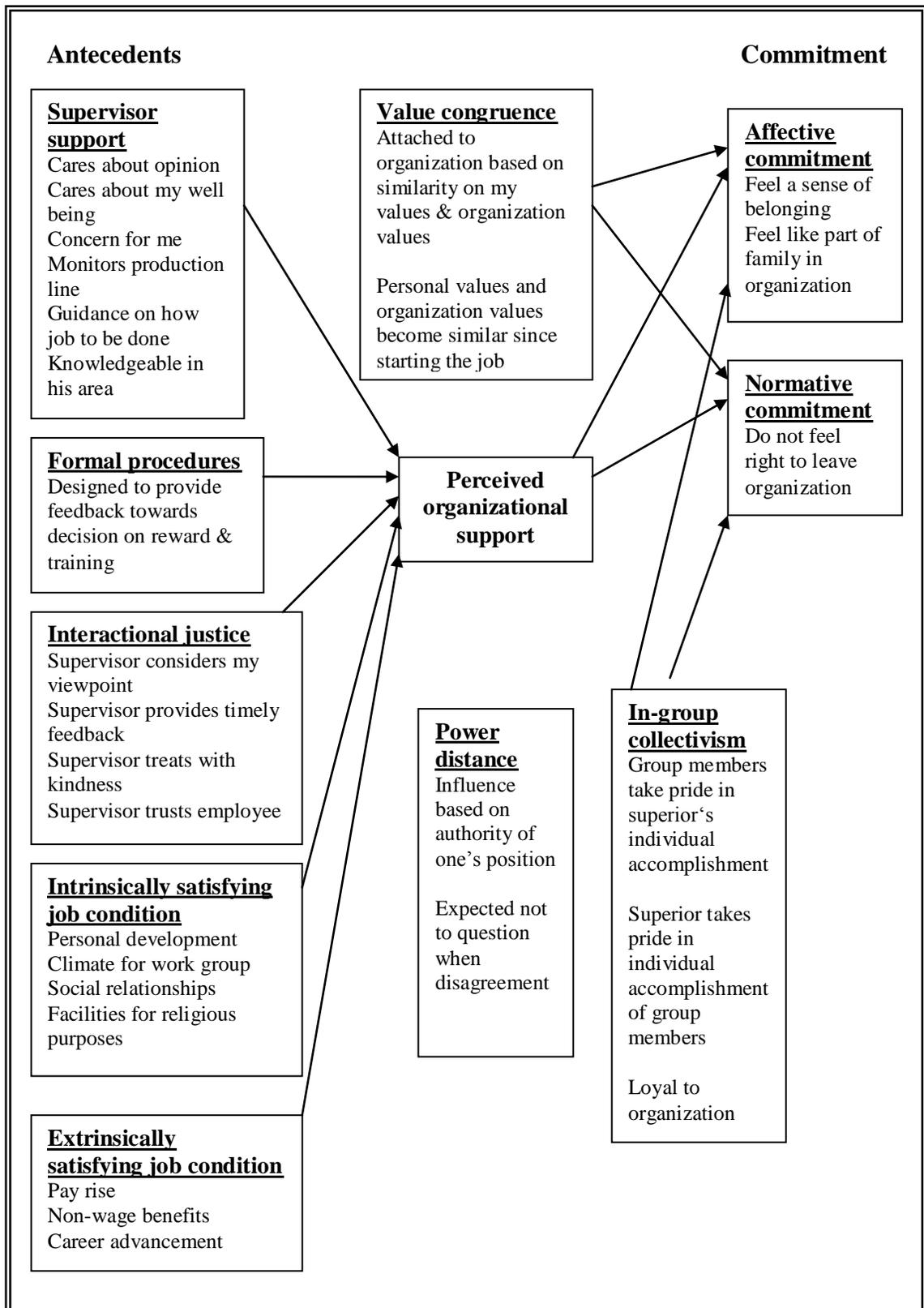


Figure A2.5: POS and organizational commitment model for participant P5

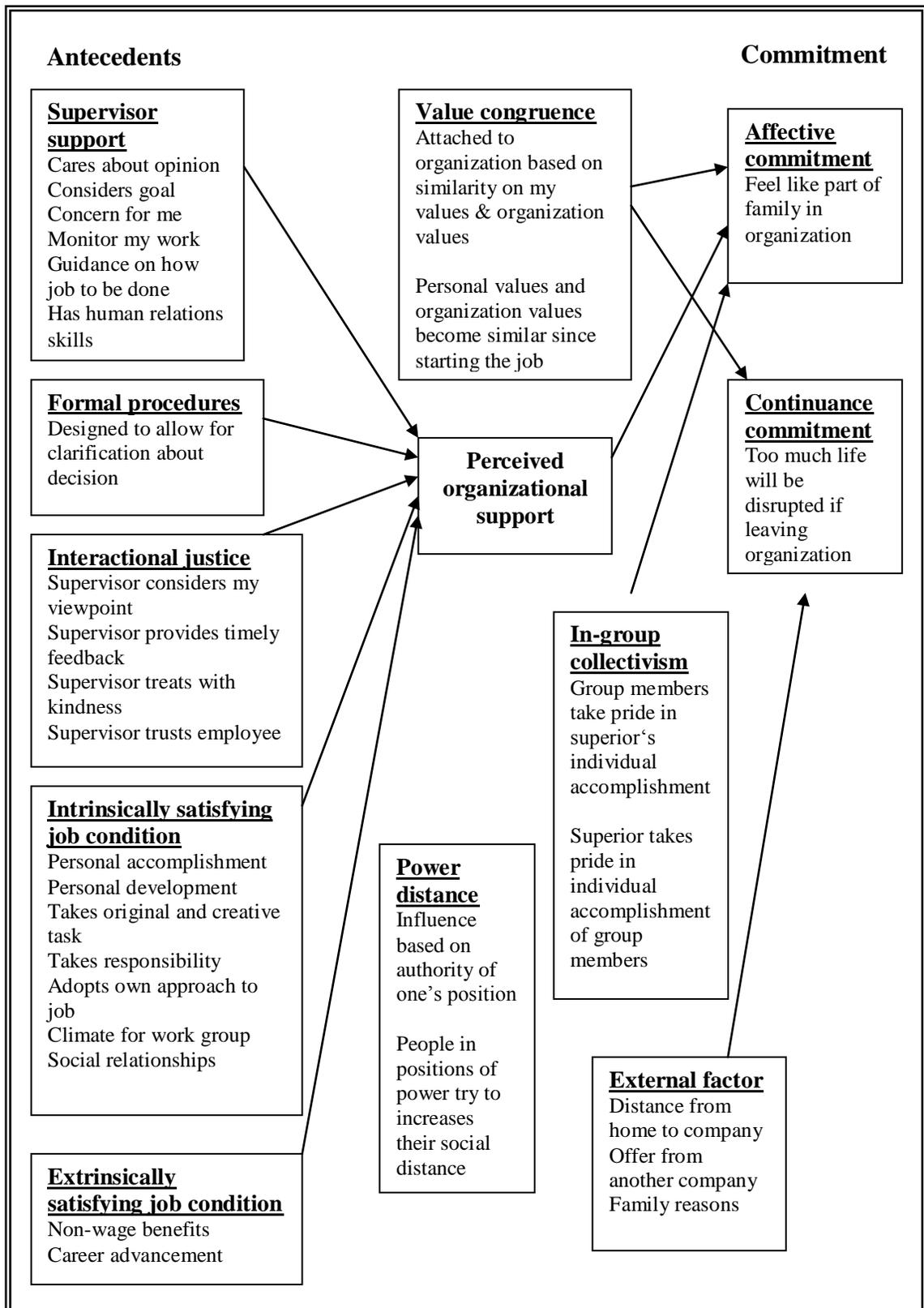


Figure A2.6: POS and organizational commitment model for participant P6

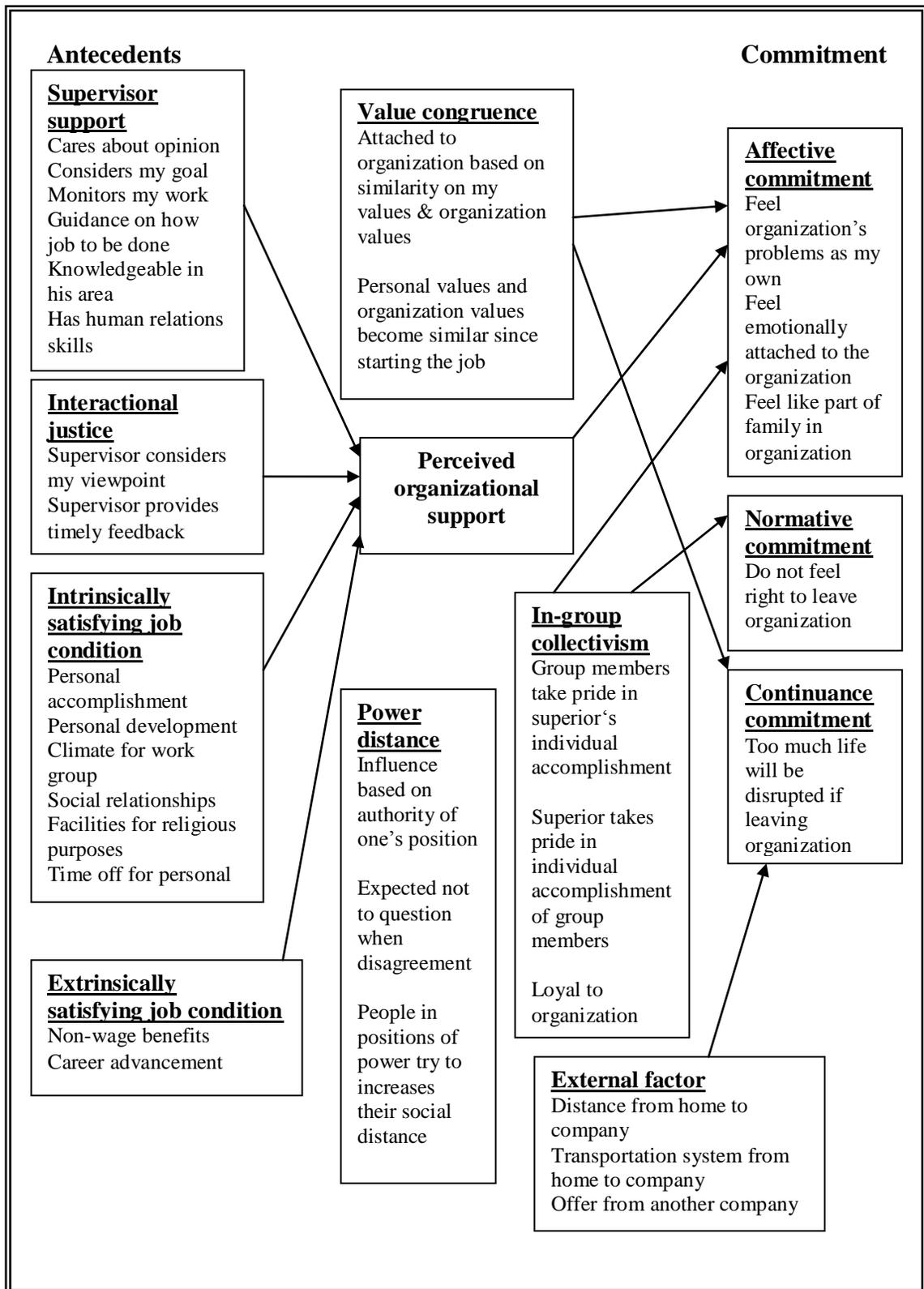


Figure A2.7: POS and organizational commitment model for participant P7

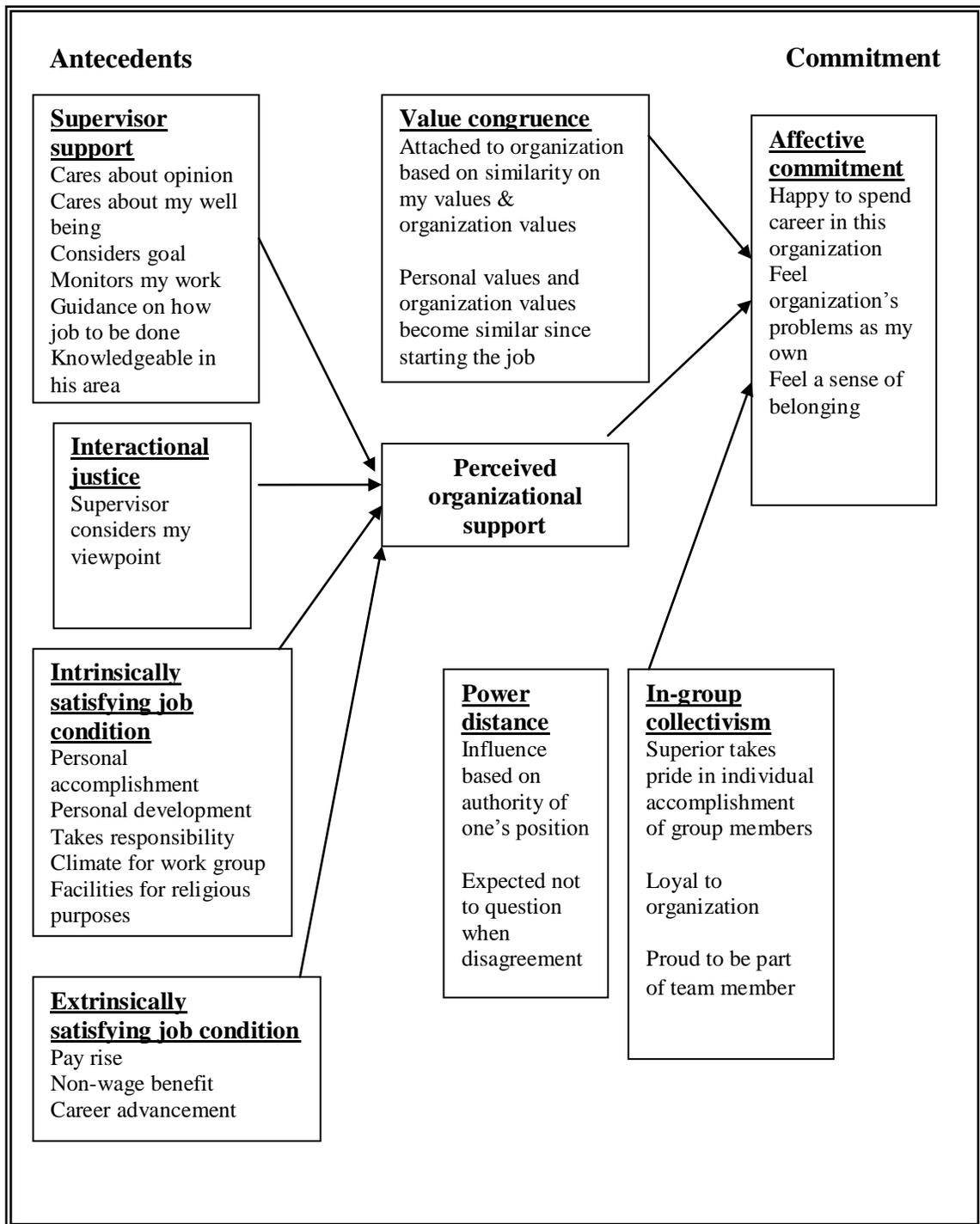


Figure A2.8: POS and organizational commitment model for participant P8

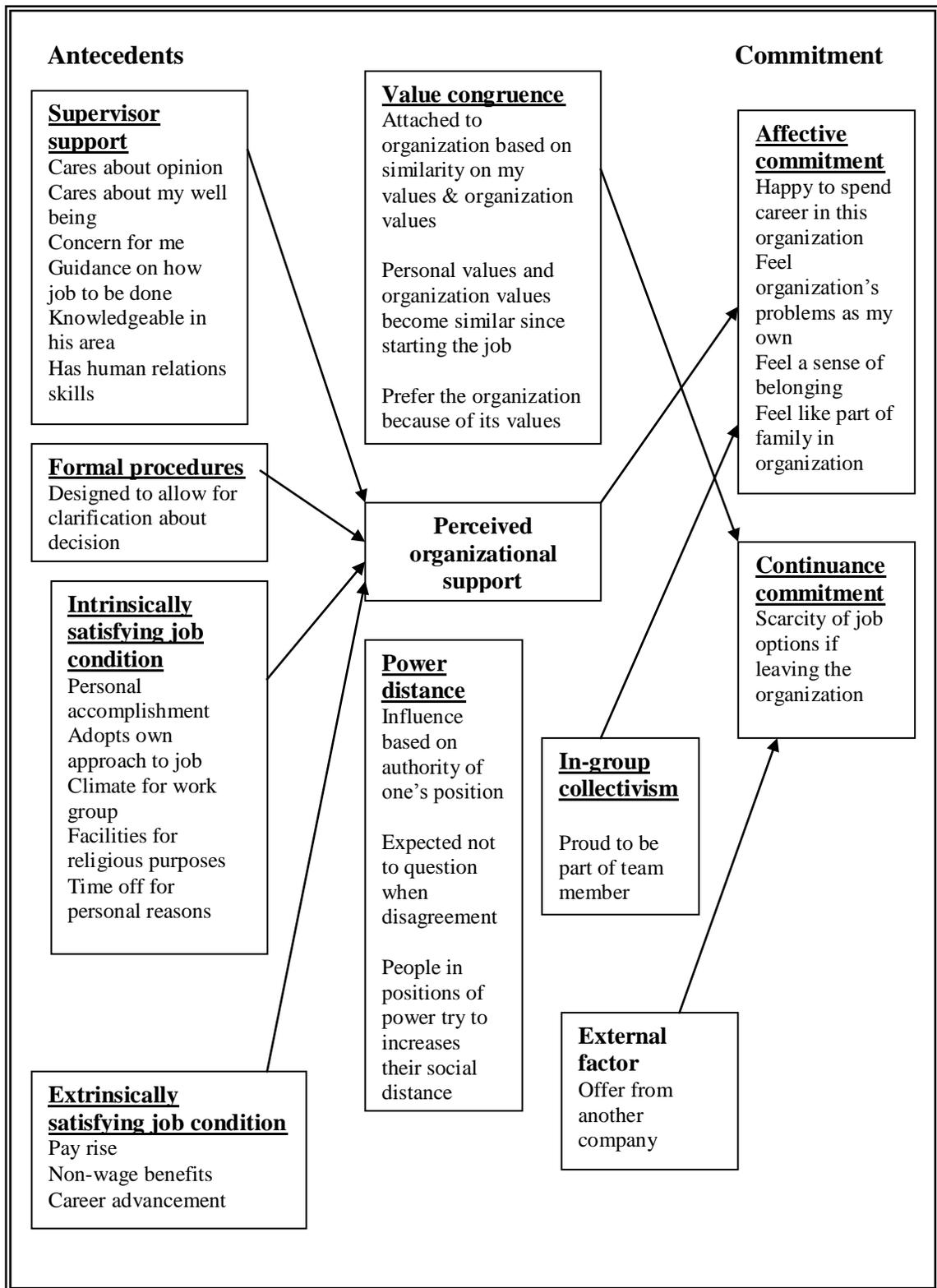


Figure A2.9: POS and organizational commitment model for participant P9

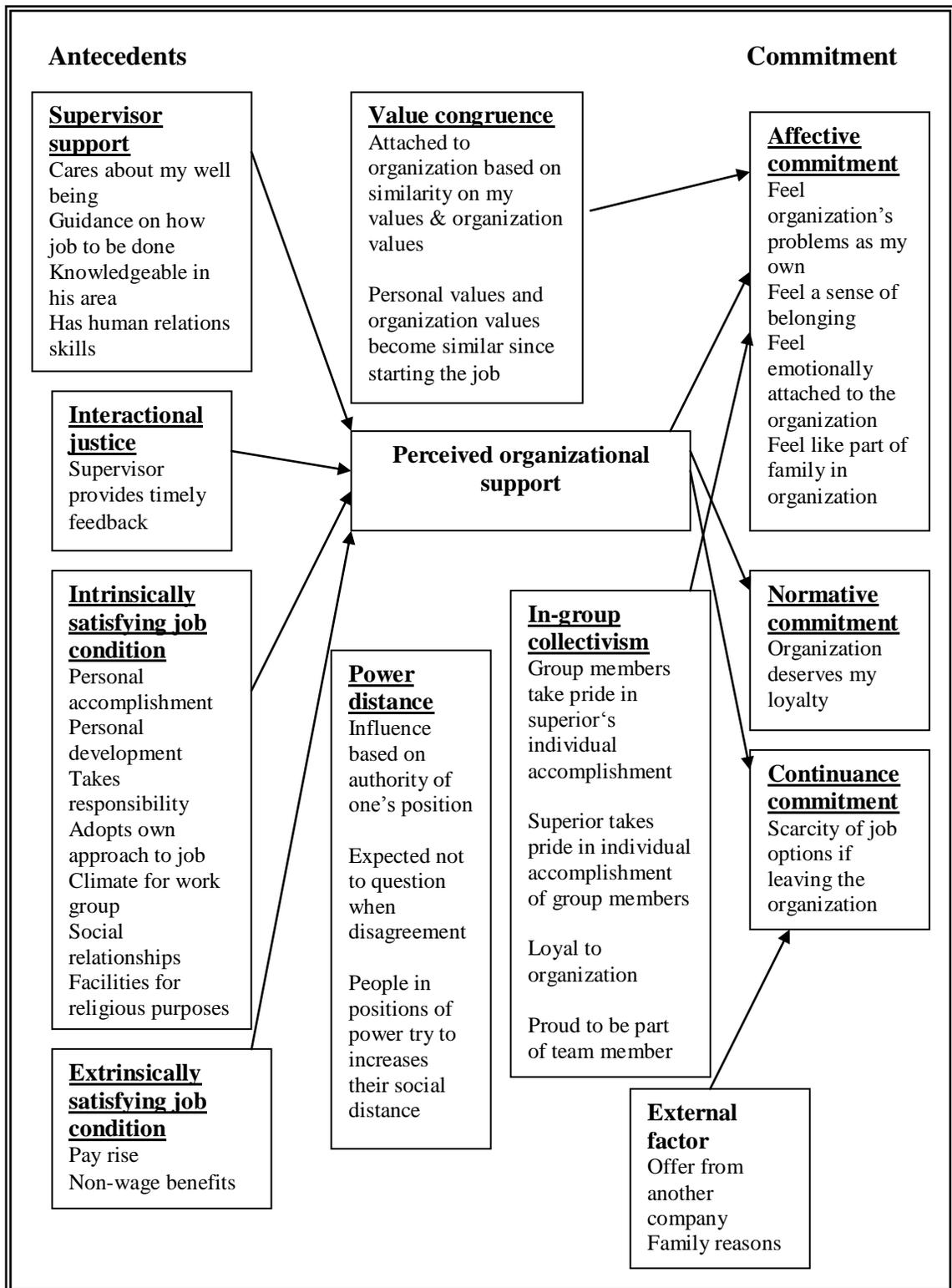


Figure A2.10: POS and organizational commitment model for participant P10

## Appendix 3: Questionnaire in English

### PARTICIPATION INFORMATION SHEET

Dear survey participant,

My name is Eta Wahab. I am currently conducting research for my Doctor of Philosophy (Ph.D) degree at Curtin University of Technology, Australia.

***Purpose of research***

I am interested in finding out the support that companies provide to employees in the work place and how that might assist companies to retain/keep employees in the organization especially among manufacturing industries in Malaysia. This research will assist company with employee retention policies for the future.

***Your role***

Your role in this survey is to answer the questions to the best of your knowledge. There is no right or wrong answer. We are only interested in your opinion on the issues..

***Consent to participate***

Your involvement in the research is entirely voluntary. You have the right to withdraw at any stage without it affecting your rights or my responsibilities.

***Confidentiality***

Responses to all questions will be kept strictly **confidential**. Completed questionnaires will be seen only by yourself and the researchers. Any data subsequently presented will be aggregated and therefore will not identify any particular individual or company.

***Further information***

This study has been approved by the Curtin University Human Research Ethics Committee. If needed, verification of approval can be obtained by either writing to the Curtin University Human Research Ethics Committee, c/- Office of Research & Development, Curtin University of Technology, GPO Box U1987, Perth, WA, 6845, or telephoning: 61-8-9266 2784. If you would like further information about the study, my contact details are provided below. Alternatively, you can contact my supervisor, Professor Mohammed Quaddus, on 61-8-9266 2862 or [mohammed.quaddus@gsb.curtin.edu.au](mailto:mohammed.quaddus@gsb.curtin.edu.au). and Professor Margaret Nowak on 61-8-92667719 or [margaret.nowak@gsb.curtin.edu.au](mailto:margaret.nowak@gsb.curtin.edu.au)

**Thank you very much for your cooperation in carefully completing this questionnaire. Your participation is greatly appreciated.**

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**Section 1: Please give your opinion on the following statements by circling a number from 1 to 6**

**PART A**

Listed below are statements that reflects supervisor support within the organization for which you are working. Please indicate the extent to which you agree with the following statements with 1 indicating that you strongly disagree with the statement and 6 indicating you strongly agree with the statement

		Strongly Disagree			Strongly Agree		
1.	My supervisor cares about my opinion	1	2	3	4	5	6
2.	My supervisor really cares about my well-being	1	2	3	4	5	6
3.	My supervisor strongly considers my goals and values	1	2	3	4	5	6
4.	My supervisor shows very little concern for me	1	2	3	4	5	6
5.	My supervisor displays involvement by monitoring my work	1	2	3	4	5	6
6.	My supervisor gives guidance on how the job is to be done	1	2	3	4	5	6
7.	My supervisor is knowledgeable in his/her area	1	2	3	4	5	6
8.	My supervisor has human relations skills	1	2	3	4	5	6

**PART B**

Listed below are statements that reflects organizational fairness within the organization for which you are working. Please indicate the extent to which you agree with the following statements with 1 indicating that you strongly disagree with the statement and 6 indicating you strongly agree with the statement

		Strongly Disagree			Strongly Agree		
1.	My organization's procedures are designed to collect accurate information necessary for making decisions	1	2	3	4	5	6
2.	My organization's procedures are designed to provide opportunities to appeal or challenge decisions	1	2	3	4	5	6
3.	My organization does not have procedures designed to represent all those affected by a decision	1	2	3	4	5	6

4.	My organization does not have procedures designed to generate standards so that decisions could be made with consistency	1	2	3	4	5	6
5.	My organization's procedures are designed to hear the concerns of all those affected by a decision	1	2	3	4	5	6
6.	The procedures in my organization are not designed to provide useful feedback regarding decisions and their implementation	1	2	3	4	5	6
7.	My organization's procedures are designed to allow for requests for clarification or additional information about decisions	1	2	3	4	5	6
8.	My supervisor considers my viewpoints	1	2	3	4	5	6
9.	My supervisor suppresses his/her personal bias	1	2	3	4	5	6
10.	My supervisor does not provide me with timely feedback about any decision and its implications	1	2	3	4	5	6
11.	My supervisor treats me with kindness and consideration	1	2	3	4	5	6
12.	My supervisor shows no concern for my rights as an employee	1	2	3	4	5	6
13.	My supervisor takes steps to deal with me in a truthful manner	1	2	3	4	5	6
14.	My supervisor trusts his/her employees	1	2	3	4	5	6
15.	I am fairly rewarded considering the responsibilities I have.	1	2	3	4	5	6
16.	I am fairly rewarded in view of the amount of experience I have	1	2	3	4	5	6
17.	I am not fairly rewarded for the amount of effort I put forth	1	2	3	4	5	6
18.	I am fairly rewarded for the work I have done well.	1	2	3	4	5	6
19.	Considering the stresses and strains of my job I am not fairly rewarded	1	2	3	4	5	6

**PART C**

Listed below are statements that reflects job conditions within the organization for which you are working. Please indicate the extent to which you agree with the following statements with 1 indicating that you strongly disagree with the statement and 6 indicating you strongly agree with the statement

		<b>Strongly Disagree</b>			<b>Strongly Agree</b>		
1.	My organization provides opportunities for personal accomplishment	1	2	3	4	5	6

2.	My organization provides opportunities for personal development	1	2	3	4	5	6
3.	My organization provides opportunities for challenging tasks	1	2	3	4	5	6
4.	My organization does not provide me with opportunities to use my competencies	1	2	3	4	5	6
5.	My organization provides opportunities to undertake original and creative tasks	1	2	3	4	5	6
6.	My organization does not provide opportunities to take responsibilities	1	2	3	4	5	6
7.	In my organization opportunities for task variety are provided	1	2	3	4	5	6
8.	My organization provides freedom to adopt one's own approach to the job	1	2	3	4	5	6
9.	My organization provides opportunity to make contributions to the organization's success	1	2	3	4	5	6
10.	My organization provides a favorable climate for the work group	1	2	3	4	5	6
11.	Opportunities for social relationships are not provided by my organization	1	2	3	4	5	6
12.	My organization provides facilities for religious purposes	1	2	3	4	5	6
13.	My organization does not provides time off for personal reasons	1	2	3	4	5	6
14.	My organization provides opportunities for pay rises	1	2	3	4	5	6
15.	My organization provides non-wage related benefits (for example medical support, transport assistance)	1	2	3	4	5	6
16.	My organization provides opportunities for career advancement	1	2	3	4	5	6

**PART D**

Listed below are statements that represent possible feelings that individuals may have towards organizational support. Please indicate the extent to which you agree with the following statement with 1 indicating that you strongly disagree with the statement and 6 indicating you strongly agree with the statement.

		Strongly Disagree			Strongly Agree		
1.	My organization values my contribution to its well-being	1	2	3	4	5	6
2.	If my organization could hire someone to replace me at a lower salary, it will do so	1	2	3	4	5	6

3.	Any extra effort from me is not appreciated by my organization	1	2	3	4	5	6
4.	My organization strongly considers my goals and values	1	2	3	4	5	6
5.	Any complaints from me could be ignored by my organization	1	2	3	4	5	6
6.	My organization disregards my best interests when it makes decisions that affect me	1	2	3	4	5	6
7.	Help is available from my organization when I have a problem	1	2	3	4	5	6
8.	My organization really cares about my well-being	1	2	3	4	5	6
9.	An honest mistake on my part would be forgiven in my organization	1	2	3	4	5	6
10.	Even if I did the best job possible, my organization would fail to notice	1	2	3	4	5	6
11.	My organization is willing to help me when I need a special favour	1	2	3	4	5	6
12.	My organization cares about my general satisfaction at work	1	2	3	4	5	6
13.	If given the opportunity, my organization would take advantage of me	1	2	3	4	5	6
14.	My organization shows very little concern for me	1	2	3	4	5	6
15.	My organization cares about my opinions	1	2	3	4	5	6
16.	My organization takes pride in my accomplishments at work	1	2	3	4	5	6
17.	My organization tries to make my job as interesting as possible	1	2	3	4	5	6

### **PART E**

Following is a list of statements about your values and your organization's values. Please indicate the extent to which you agree with the following statements with 1 indicating that you strongly disagree with the statement and 6 indicating you strongly agree with the statement.

		<b>Strongly Disagree</b>			<b>Strongly Agree</b>		
1.	If the values of this organization were different, I would not be as attached to this organization	1	2	3	4	5	6
2.	My attachment to this organization is primarily based on the similarity of my values and those represented by the organization	1	2	3	4	5	6
3.	Since starting this job, my personal values and those of this organization have become more dissimilar	1	2	3	4	5	6

4.	The reason I prefer this organization to others is because of what it stands for, that is, its values	1	2	3	4	5	6
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**PART F**

Following is a list of statements on culture in the company for which you are working. Please indicate the extent to which you agree with the following statement with 1 indicating that you strongly disagree with the statement and 6 indicating you strongly agree with the statement.

		<b>Strongly Disagree</b>				<b>Strongly Agree</b>	
1.	In this organization, a person's influence is based on the authority of one's position	1	2	3	4	5	6
2.	In this organization, employees are expected to question their superior when in disagreement	1	2	3	4	5	6
3.	In this organization, people in positions of power try to decrease their social distance from less powerful people	1	2	3	4	5	6
4.	In this organization, employees are encouraged to give suggestions on how to change the rules established in the organization.	1	2	3	4	5	6
5.	In this organization the employees will be informed and asked for help if the company is faced with a difficult problem	1	2	3	4	5	6
6.	In this organization, employees are not encouraged to make suggestions regarding the way the company is run	1	2	3	4	5	6
7.	In this organization, employees are consulted before any decision that has important consequences for the company are made	1	2	3	4	5	6
8.	In this organization, employees will be reprimanded if they refuse to follow an instruction given	1	2	3	4	5	6
9.	In this organization, group members take pride in the individual accomplishments of their group manager	1	2	3	4	5	6
10.	In this organization, group managers take no pride in the individual accomplishments of group members	1	2	3	4	5	6
11.	In this organization, employees feel loyalty to the organization	1	2	3	4	5	6
12.	Members of this organization take no pride in working for the organization	1	2	3	4	5	6
13.	This organization shows loyalty towards employees	1	2	3	4	5	6

### **PART G**

Following is a list of external factors that could influence the employees' decision towards organizational commitment. Indicate the extent to which you agree with the following statements with 1 indicating that you strongly disagree with the statement and 6 indicating you strongly agree with the statement.

External factors that could influence my decision towards organizational commitment are:

		<b>Strongly Disagree</b>			<b>Strongly Agree</b>		
1.	location of the company	1	2	3	4	5	6
2.	distance from my home to the company	1	2	3	4	5	6
3.	transportation system between home and this company's place of business	1	2	3	4	5	6
4.	offer from another company (better salary, benefit, incentive)	1	2	3	4	5	6
5.	family reasons (for example school aged children, family illness etc.)	1	2	3	4	5	6

### **PART H**

Listed below are statements that represent possible feelings that individuals may have about the company or organization for which they work. With respect to your feelings about the organization for which you are now working, please indicate the extent to which you agree with the following statements with 1 indicating that you strongly disagree with the statement and 6 indicating you strongly agree with the statement.

		<b>Strongly Disagree</b>			<b>Strongly Agree</b>		
1.	I would be very happy to spend the rest of my career in this organization.	1	2	3	4	5	6
2.	I really feel as if this organization's problems are my own	1	2	3	4	5	6
3.	I do not feel a strong sense of 'belonging' to my organization	1	2	3	4	5	6
4.	I do not feel emotionally attached to this organization.	1	2	3	4	5	6
5.	I do not feel like "part of the family" at my organization.	1	2	3	4	5	6
6.	This organization has a great deal of personal meaning to me.	1	2	3	4	5	6

7.	Right now, staying with my organization is a matter of necessity as much as desire	1	2	3	4	5	6
8.	It would be very hard for me to leave my organization right now, even if I wanted to.	1	2	3	4	5	6
9.	Too much in my life would be disrupted if I decided I wanted to leave my organization right now.	1	2	3	4	5	6
10.	I feel that if I left this organization I would have very few other opportunities for employment	1	2	3	4	5	6
11.	If I had not already put so much of myself into this organization, I might consider working elsewhere	1	2	3	4	5	6
12.	One of the few serious consequences of leaving this organization would be the scarcity of available alternatives	1	2	3	4	5	6
13.	I do not feel any obligation to remain with my current employer	1	2	3	4	5	6
14.	Even if it were to my advantage, I do not feel it would be right to leave my organization now.	1	2	3	4	5	6
15.	I would feel guilty if I left my organization now	1	2	3	4	5	6
16.	This organization deserves my loyalty	1	2	3	4	5	6
17.	I would not leave my organization right now because I have a sense of obligation to the people in it.	1	2	3	4	5	6
18.	I owe a great deal to my organization	1	2	3	4	5	6

**Section 2: Please answer the questions below by placing an 'X' for the appropriate response.**

**1. Please indicate your gender**

- Male.....
- Female.....

**2. Which of the following age category describes you?**

- Under 21 .....
- 21 - 30 .....
- 31 - 40 .....
- 41 - 50 .....
- Above 50 .....

3. **Your marital status**
- Married.....
- Single.....
- Other (Please specify)  
.....
4. **Your ethnic category**
- Malay.....
- Chinese.....
- Indian .....
- Other (please specify)  
.....
5. **What is your highest level of education?**
- Primary school .....
- Secondary school.....
- Certificate (polytechnic, college, etc.)...
- Diploma.....
- Bachelor's degree.....
- Master's degree.....
- Other (please specify)  
.....
6. **How long have you worked for this organization?**
- Less than 1 year.....
- 1 – 2 years.....
- 3 - 5 years.....
- 6 - 10 years.....
- More than 10 years.....
7. **Which of the following job categories describes you?**
- Managerial/administrative.....
- Executive/supervisor/technician.....
- General worker (production operator/store  
keeper/clerk etc.) .....

**THAT COMPLETES THE QUESTIONNAIRE. THANK YOU FOR  
TAKING THE TIME TO COMPLETE IT.**

## Appendix 4: Questionnaire in Bahasa Malaysia

### MAKLUMAT PENYERTAAN

Tuan/puan yang dihormati,

Nama saya Eta Wahab. Saya sedang melanjutkan pengajian peringkat Doktor Falsafah (PhD) di *Curtin University of Technology*, Australia dan sedang menjalankan kaji selidik.

#### **Tujuan Kaji Selidik**

Saya berminat untuk mengetahui bentuk sokongan yang diberikan oleh syarikat kepada para pekerjaanya di tempat kerja dan bagaimana ini boleh membantu syarikat mengekalkan para pekerjaanya, terutamanya syarikat dalam industri pengeluaran di Malaysia. Kaji selidik ini diharap akan dapat membantu syarikat menggubal dasar untuk mengekalkan para pekerjaanya pada masa hadapan.

#### **Peranan Anda**

Peranan anda dalam kaji selidik ini adalah untuk menjawab soal selidik yang dikemukakan mengikut pengetahuan anda. Dalam soal selidik ini, tiada jawapan yang dianggap betul atau salah. Kami hanya berminat untuk mengetahui pendapat anda tentang sesuatu isu.

#### **Persetujuan Penyertaan**

Penglibatan anda dalam kaji selidik ini adalah secara sukarela. Anda berhak untuk menarik diri pada bila-bila masa tanpa menjejaskan hak anda atau tanggungjawab saya.

#### **Kerahsiaan**

Jawapan bagi semua soalan akan **dirahsiakan**. Hanya anda dan penyelidik sahaja yang boleh meneliti borang soal selidik yang telah lengkap diisi itu. Sebarang data yang dikemukakan selepas itu akan disatukan dan ini tidak akan merujuk mana-mana individu atau syarikat.

#### **Maklumat Lanjut**

Kaji selidik ini telah mendapat kelulusan daripada *Curtin University Human Research Ethics Committee*. Sekiranya perlu, pengesahan kelulusan boleh diperolehi sama ada dengan menulis kepada *Curtin University Human Research Ethics Committee*, c/o- Office of Research & Development, Curtin University of Technology, GPO Box U1987, Perth, WA, 6845, atau menelefon: 61-8-9266 2784. Sekiranya anda memerlukan maklumat lanjut tentang kaji selidik ini, saya boleh dihubungi menerusi butiran yang tertera di bawah. Anda juga boleh menghubungi penyelia saya, Profesor Mohammed Quaddus, melalui talian 61-8-92662862 atau e-mel : [mohammed.quaddus@gsb.curtin.edu.au](mailto:mohammed.quaddus@gsb.curtin.edu.au) dan Profesor Margaret Nowak melalui talian 61-8-92667719 atau e-mel : [margaret.nowak@gsb.curtin.edu.au](mailto:margaret.nowak@gsb.curtin.edu.au)

**Terima kasih kerana sudi memberikan kerjasama dalam melengkapkan soal selidik ini. Penyertaan anda amat dihargai**

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**Seksyen 1: Sila berikan pendapat anda tentang kenyataan berikut dengan membulatkan satu nombor dari 1 hingga 6**

**BAHAGIAN A**

Kenyataan di bawah menggambarkan sokongan penyelia dalam organisasi di tempat anda bekerja. Sila nyatakan sejauh mana anda bersetuju dengan kenyataan berikut dengan 1 menunjukkan anda amat tidak bersetuju dengan kenyataan tersebut manakala 6 menunjukkan anda amat bersetuju dengan kenyataan tersebut.

		Amat tidak bersetuju			Amat bersetuju		
		1	2	3	4	5	6
1.	Penyelia mengambil perhatian terhadap pendapat saya	1	2	3	4	5	6
2.	Penyelia benar-benar mengambil berat tentang kesejahteraan diri saya	1	2	3	4	5	6
3.	Penyelia amat mengambil kira matlamat dan nilai saya	1	2	3	4	5	6
4.	Penyelia kurang mengambil berat terhadap saya	1	2	3	4	5	6
5.	Penyelia menunjukkan penglibatan dirinya dengan memantau kerja saya	1	2	3	4	5	6
6.	Penyelia memberikan panduan tentang cara melaksanakan sesuatu kerja	1	2	3	4	5	6
7.	Penyelia arif dalam bidangnya	1	2	3	4	5	6
8.	Penyelia memiliki kemahiran dalam perhubungan manusia	1	2	3	4	5	6

**BAHAGIAN B**

Kenyataan di bawah menggambarkan keadilan organisasi yang wujud dalam organisasi di tempat anda bekerja. Sila nyatakan sejauh mana anda bersetuju dengan kenyataan berikut dengan 1 menunjukkan anda amat tidak bersetuju dengan kenyataan tersebut manakala 6 menunjukkan anda amat bersetuju dengan kenyataan tersebut.

		Amat tidak bersetuju			Amat bersetuju		
		1	2	3	4	5	6
1.	Prosedur organisasi saya diwujudkan untuk mengumpulkan maklumat tepat bagi membuat keputusan	1	2	3	4	5	6
2.	Prosedur organisasi saya diwujudkan bagi memberi peluang untuk mengemukakan rayuan atau mencabar keputusan	1	2	3	4	5	6
3.	Organisasi saya tidak mempunyai prosedur untuk mewakili mereka yang terjejas akibat sesuatu keputusan yang telah dibuat oleh organisasi	1	2	3	4	5	6

4.	Organisasi saya tidak mempunyai prosedur untuk memastikan keputusan dapat dibuat dengan konsisten	1	2	3	4	5	6
5.	Prosedur organisasi saya diwujudkan untuk mendengar pendapat mereka yang terjejas akibat sesuatu keputusan yang dibuat oleh organisasi	1	2	3	4	5	6
6.	Prosedur dalam organisasi saya tidak diwujudkan untuk memberikan maklum balas berguna tentang sesuatu keputusan dan pelaksanaannya	1	2	3	4	5	6
7.	Prosedur organisasi saya diwujudkan bagi mendapatkan penjelasan atau maklumat tambahan tentang sesuatu keputusan.	1	2	3	4	5	6
8.	Penyelia saya memberikan pertimbangan terhadap pandangan saya	1	2	3	4	5	6
9.	Penyelia saya tidak menunjukkan sikap berat sebelahnya	1	2	3	4	5	6
10.	Penyelia saya tidak memberi saya maklum balas tepat pada masanya tentang sebarang keputusan dan kesannya	1	2	3	4	5	6
11.	Penyelia saya melayan saya dengan baik dan timbang rasa	1	2	3	4	5	6
12.	Penyelia saya tidak mempedulikan hak saya sebagai pekerja	1	2	3	4	5	6
13.	Penyelia saya berusaha untuk bersikap jujur apabila berurusan dengan saya	1	2	3	4	5	6
14.	Penyelia saya mempercayai pekerjanya	1	2	3	4	5	6
15.	Saya diberikan ganjaran secara adil dengan mengambil kira tanggungjawab yang dipikul	1	2	3	4	5	6
16.	Saya diberikan ganjaran secara adil mengikut pengalaman yang saya miliki	1	2	3	4	5	6
17.	Saya tidak diberikan ganjaran secara adil atas segala usaha yang saya berikan	1	2	3	4	5	6
18.	Saya diberikan ganjaran secara adil atas kerja yang saya laksanakan dengan baik	1	2	3	4	5	6
19.	Dengan mengambil kira tekanan dan beban kerja yang dihadapi, saya tidak diberikan ganjaran secara adil	1	2	3	4	5	6

### **BAHAGIAN C**

Kenyataan di bawah menggambarkan keadaan kerja dalam organisasi di tempat anda bekerja. Sila nyatakan sejauh mana anda bersetuju dengan kenyataan berikut dengan 1 menunjukkan anda amat tidak bersetuju dengan kenyataan tersebut manakala 6 menunjukkan anda amat bersetuju dengan kenyataan tersebut.

		Amat tidak bersetuju			Amat bersetuju		
1.	Organisasi saya memberikan peluang untuk pencapaian peribadi	1	2	3	4	5	6

2.	Organisasi saya memberikan peluang untuk pembangunan diri	1	2	3	4	5	6
3.	Organisasi saya memberikan peluang untuk tugas yang mencabar	1	2	3	4	5	6
4.	Organisasi saya tidak memberi saya peluang untuk menggunakan kecekapan saya	1	2	3	4	5	6
5.	Organisasi saya memberikan peluang untuk melaksanakan tugas yang tersendiri dan kreatif	1	2	3	4	5	6
6.	Organisasi saya tidak memberikan peluang untuk memikul tanggungjawab	1	2	3	4	5	6
7.	Peluang untuk kepelbagaian tugas diberikan dalam organisasi saya,	1	2	3	4	5	6
8.	Organisasi saya memberikan kebebasan untuk menerapkan pendekatan sendiri terhadap sesuatu kerja	1	2	3	4	5	6
9.	Organisasi saya memberikan peluang untuk menyumbang ke arah kejayaan organisasi	1	2	3	4	5	6
10.	Organisasi saya mewujudkan suasana yang menggalakkan untuk kerja berkumpulan	1	2	3	4	5	6
11.	Peluang untuk perhubungan sosial tidak diberikan oleh organisasi saya	1	2	3	4	5	6
12.	Organisasi saya menyediakan kemudahan untuk tujuan keagamaan	1	2	3	4	5	6
13.	Organisasi saya tidak memberikan pelepasan waktu kerja untuk urusan peribadi	1	2	3	4	5	6
14.	Organisasi saya memberikan peluang untuk kenaikan gaji	1	2	3	4	5	6
15.	Organisasi saya memberikan faedah bukan berbentuk kewangan (contohnya, sokongan perubatan, bantuan pengangkutan)	1	2	3	4	5	6
16.	Organisasi saya memberikan peluang untuk kemajuan kerjaya	1	2	3	4	5	6

#### **BAHAGIAN D**

Kenyataan di bawah menggambarkan perasaan yang mungkin wujud dalam diri individu terhadap sokongan organisasi. Sila nyatakan sejauh mana anda bersetuju dengan kenyataan berikut dengan 1 menunjukkan anda amat tidak bersetuju dengan kenyataan tersebut manakala 6 menunjukkan anda amat bersetuju dengan kenyataan tersebut.

		Amat tidak bersetuju			Amat bersetuju		
1.	Organisasi saya menghargai sumbangan saya demi kemajuan organisasi	1	2	3	4	5	6

2.	Jika organisasi saya dapat mencari orang lain dengan memberikan gaji yang lebih rendah untuk menggantikan saya, ia akan melakukannya	1	2	3	4	5	6
3.	Sebarang usaha tambahan yang saya berikan tidak dihargai oleh organisasi saya	1	2	3	4	5	6
4.	Organisasi saya amat mengambilkira matlamat dan nilai saya	1	2	3	4	5	6
5.	Sebarang aduan yang saya kemukakan tidak dipedulikan oleh organisasi saya	1	2	3	4	5	6
6.	Organisasi saya tidak mempedulikan kepentingan saya apabila ia membuat keputusan yang melibatkan saya	1	2	3	4	5	6
7.	Organisasi saya memberikan bantuan apabila saya menghadapi masalah	1	2	3	4	5	6
8.	Organisasi saya benar-benar mengambil berat terhadap kesejahteraan diri saya	1	2	3	4	5	6
9.	Dalam organisasi saya, kesilapan tidak sengaja yang saya lakukan akan dimaafkan	1	2	3	4	5	6
10.	Meskipun saya melakukan yang terbaik dalam kerja saya, organisasi saya tidak mengetahuinya	1	2	3	4	5	6
11.	Organisasi saya sedia membantu saya apabila saya memerlukan pertolongan tertentu	1	2	3	4	5	6
12.	Organisasi saya mengambil berat terhadap kepuasan saya bekerja	1	2	3	4	5	6
13.	Sekiranya boleh, organisasi saya akan mengambil kesempatan terhadap tenaga saya	1	2	3	4	5	6
14.	Organisasi saya amat kurang mengambil berat terhadap saya	1	2	3	4	5	6
15.	Organisasi saya mengambil perhatian terhadap pendapat saya	1	2	3	4	5	6
16.	Organisasi saya berbangga dengan pencapaian saya dalam kerja	1	2	3	4	5	6
17.	Organisasi saya cuba menjadikan kerja saya seberapa menarik mungkin	1	2	3	4	5	6

### **BAHAGIAN E**

Berikut ialah senarai kenyataan tentang nilai anda dan nilai organisasi anda. Sila nyatakan sejauh mana anda bersetuju dengan kenyataan berikut dengan 1 menunjukkan anda amat tidak bersetuju dengan kenyataan tersebut manakala 6 menunjukkan anda amat bersetuju dengan kenyataan tersebut.

		Amat tidak bersetuju			Amat bersetuju		
1.	Sekiranya nilai organisasi ini berbeza, saya tidak akan terus terikat dengan organisasi ini	1	2	3	4	5	6

2.	Keterikatan saya dengan organisasi ini terutamanya berdasarkan persamaan nilai saya dengan nilai yang ada pada organisasi	1	2	3	4	5	6
3.	Sejak memulakan kerja ini, nilai peribadi saya dengan nilai organisasi menjadi semakin berbeza	1	2	3	4	5	6
4.	Saya lebih suka organisasi ini berbanding organisasi lain kerana dasar organisasi ini, iaitu nilainya	1	2	3	4	5	6

### **BAHAGIAN F**

Berikut ialah senarai kenyataan tentang budaya dalam syarikat anda. Sila nyatakan sejauh mana anda bersetuju dengan kenyataan berikut dengan 1 menunjukkan anda amat tidak bersetuju dengan kenyataan tersebut manakala 6 menunjukkan anda amat bersetuju dengan kenyataan tersebut.

		Amat tidak bersetuju			Amat bersetuju		
1.	Dalam organisasi ini, pengaruh seseorang adalah berdasarkan kuasa yang ada pada kedudukan seseorang	1	2	3	4	5	6
2.	Dalam organisasi ini, pekerja boleh menyoal ketua mereka apabila berlaku percanggahan pendapat	1	2	3	4	5	6
3.	Dalam organisasi ini, orang yang mempunyai kuasa cuba mengurangkan jarak sosial mereka dengan orang yang tidak mempunyai kuasa	1	2	3	4	5	6
4.	Dalam organisasi ini, pekerja digalakkan supaya mengemukakan cadangan tentang cara untuk mengubah peraturan yang ada dalam organisasi	1	2	3	4	5	6
5.	Dalam organisasi ini, pekerja akan dimaklumkan dan bantuan mereka diperlukan sekiranya syarikat menghadapi kesukaran	1	2	3	4	5	6
6.	Dalam organisasi ini, pekerja tidak digalakkan untuk mengemukakan cadangan tentang cara menguruskan syarikat	1	2	3	4	5	6
7.	Dalam organisasi ini, pekerja dirujuk sebelum sebarang keputusan yang memberikan kesan ketara terhadap syarikat dibuat	1	2	3	4	5	6
8.	Dalam organisasi ini, pekerja akan ditegur jika mereka enggan mengikut arahan yang diberikan	1	2	3	4	5	6
9.	Dalam organisasi ini, anggota kumpulan berbangga dengan pencapaian individu pengurus kumpulan mereka	1	2	3	4	5	6

10.	Dalam organisasi ini, pengurus kumpulan tidak berasa bangga terhadap pencapaian individu anggota kumpulan	1	2	3	4	5	6
11.	Dalam organisasi ini, pekerja mempunyai perasaan taat setia terhadap organisasi	1	2	3	4	5	6
12.	Anggota dalam organisasi ini tidak berasa bangga berkhidmat untuk organisasi	1	2	3	4	5	6
13.	Organisasi ini menunjukkan rasa taat setia kepada pekerjanya	1	2	3	4	5	6

### **BAHAGIAN G**

Berikut ialah senarai faktor luaran yang boleh mempengaruhi keputusan pekerja terhadap komitmen organisasi. Sila nyatakan sejauh mana anda bersetuju dengan kenyataan berikut dengan 1 menunjukkan anda amat tidak bersetuju dengan kenyataan tersebut manakala 6 menunjukkan anda amat bersetuju dengan kenyataan tersebut.

		Amat tidak bersetuju			Amat bersetuju		
1.	lokasi syarikat	1	2	3	4	5	6
2.	jarak dari rumah ke syarikat	1	2	3	4	5	6
3.	sistem pengangkutan dari rumah ke tempat kerja	1	2	3	4	5	6
4.	tawaran daripada syarikat lain (gaji, faedah, insentif yang lebih baik)	1	2	3	4	5	6
5.	sebab keluarga (contohnya, anak yang bersekolah, anggota keluarga yang sakit, dsb.)	1	2	3	4	5	6

### **BAHAGIAN H**

Kenyataan di bawah menggambarkan perasaan yang mungkin wujud dalam diri individu tentang syarikat atau organisasi mereka. Berdasarkan perasaan anda tentang organisasi di tempat anda bekerja sekarang, sila nyatakan sejauh mana anda bersetuju dengan kenyataan berikut dengan 1 menunjukkan anda amat tidak bersetuju dengan kenyataan tersebut manakala 6 menunjukkan anda amat bersetuju dengan kenyataan tersebut.

		Amat tidak bersetuju			Amat bersetuju		
1.	Saya berasa amat gembira jika dapat meneruskan kerjaya saya dengan organisasi ini.	1	2	3	4	5	6
2.	Saya benar-benar merasakan bahawa masalah organisasi ini seolah-olah masalah saya juga	1	2	3	4	5	6

3.	Saya tidak begitu mempunyai rasa “kekitaan” yang kuat dengan organisasi ini	1	2	3	4	5	6
4.	Saya tidak berasa terikat dari segi emosi dengan organisasi ini.	1	2	3	4	5	6
5.	Saya tidak merasakan bahawa diri saya “sebahagian daripada keluarga” dalam organisasi ini.	1	2	3	4	5	6
6.	Organisasi ini begitu bermakna bagi diri saya.	1	2	3	4	5	6
7.	Pada masa ini, saya berasa perlu dan ingin terus berada dalam organisasi ini	1	2	3	4	5	6
8.	Sukar bagi saya untuk meninggalkan organisasi ini pada masa sekarang meskipun saya ingin berbuat demikian.	1	2	3	4	5	6
9.	Banyak perkara dalam kehidupan saya akan terganggu sekiranya saya memutuskan untuk meninggalkan organisasi ini sekarang.	1	2	3	4	5	6
10.	Saya rasa sekiranya saya meninggalkan organisasi ini, saya tidak mempunyai banyak peluang lain untuk mendapat pekerjaan	1	2	3	4	5	6
11.	Jika tidak disebabkan banyaknya usaha yang telah saya curahkan untuk organisasi ini, saya mungkin memikirkan untuk bekerja di tempat lain	1	2	3	4	5	6
12.	Satu daripada beberapa akibat serius yang dihadapi jika meninggalkan organisasi ini adalah tidak banyak alternatif yang ada untuk saya	1	2	3	4	5	6
13.	Saya tidak berasa bertanggungjawab untuk terus berkhidmat dengan majikan saya sekarang	1	2	3	4	5	6
14.	Walaupun ini adalah untuk kebaikan saya, saya tidak merasakan bahawa saya wajar meninggalkan organisasi ini sekarang	1	2	3	4	5	6
15.	Saya akan berasa bersalah jika saya meninggalkan organisasi ini sekarang	1	2	3	4	5	6
16.	Organisasi ini memerlukan kesetiaan saya	1	2	3	4	5	6
17.	Saya tidak akan meninggalkan organisasi saya sekarang kerana saya mempunyai rasa tanggungjawab terhadap orang di dalamnya.	1	2	3	4	5	6
18.	Saya amat terhutang budi kepada organisasi ini	1	2	3	4	5	6

**Seksyen 2: Sila jawab soalan di bawah dengan menandakan 'X' pada kotak yang berkenaan.**

1. **Sila nyatakan jantina anda**
  - Lelaki.....
  - Perempuan.....
  
2. **Anda tergolong dalam kategori usia yang mana?**
  - Di bawah 21 .....
  - 21 - 30 .....
  - 31 - 40 .....
  - 41 - 50 .....
  - Di atas 50 .....
  
3. **Taraf perkahwinan anda**
  - Berkahwin.....
  - Bujang.....
  - Lain-lain (sila nyatakan)  
.....
  
4. **Kategori etnik anda**
  - Melayu.....
  - Cina.....
  - India .....
  - Lain-lain (sila nyatakan)  
.....
  
5. **Apakah tahap pendidikan tertinggi anda?**
  - Sekolah rendah .....
  - Sekolah menengah.....
  - Sijil (politeknik, kolej, dsb.).....
  - Diploma.....
  - Ijazah sarjana muda.....
  - Ijazah sarjana.....
  - Lain-lain (sila nyatakan)  
.....
  
6. **Berapa lamakah anda telah berkhidmat dalam organisasi ini?**
  - Kurang daripada 1 tahun.....
  - 1 – 2 tahun.....
  - 3 - 5 tahun.....
  - 6 - 10 tahun.....
  - Lebih daripada 10 tahun.....

7. **Anda tergolong dalam kategori kerja yang mana?**
- Pengurusan/pentadbiran.....
  - Eksekutif/penyelia/juruteknik.....
  - Pekerja am (operator pengeluaran/  
penyelenggara stor/kerani, dsb.) .....

**SOAL SELIDIK TAMAT DI SINI. TERIMA KASIH KERANA SUDI  
MELUANGKAN MASA UNTUK MELENGKAPKAN SOAL SELIDIK  
INI.**