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Affective Organizational Commitment and Turnover Intention of academics in Malaysia

Tek-Yew Lew,

Department of Marketing and Management, School of Business,
Curtin University Sarawak Malaysia
Miri, Sarawak.
lew.tek.yew@curtin.edu.my

Abstract- This study aims to test the structural model that explains the relationships between career development opportunities, POS, felt obligation, affective organizational commitment and turnover intention of academics working for one of the foreign offshore campuses of Australian universities in Malaysia. This study is driven theoretically by the social exchange theory and the organizational support theory. The survey method and the structural equation modeling (SEM) data analysis method were used. The proposed structural model was supported by this study.

Keywords: *Perceived organizational support, affective organizational commitment, turnover intention.*

I. INTRODUCTION

Increasingly organizations are interested to develop committed workforce to reduce employee turnover and absenteeism, while improving the employees' performance and job-related attitudes [19], [20], [25]. There is also growing evidence that employees' positive attitudes and discretionary behaviors are important factors affecting organizational performance [26]. Hence, gaining a better understanding of the motivational basis for such work attitudes and behaviors is regarded as an important component of research agendas relating to management practice in the future especially in the context of professional employees [5]. Hence, this paper is written to emphasize on the importance of adopting theories from the human resource management (HRM) and organizational behavior (OB) disciplines to understand the process of developing a committed professional workforce in contemporary organizations.

Social exchange theory [6] suggests that the exchange relationship between two parties often goes beyond economic exchange and includes social exchange. Hence, organizational studies argue that employer and employee exchange not only impersonal resources such as money, but also socioemotional resources such as approval, respect, recognition and support [10]. In organizational researches, the social exchange theory [6], the norm of reciprocity [14] and the concept of perceived organizational support have been applied to describe the psychological process underlying the employee attitudes and behaviours [30], [36]. The concept of perceived organizational support (POS) which refers the extent to which the organization values their employees' contributions and cares about their well-being have been used to describe the social exchange relationship between the employer and the employee [12]. Based on the norm of reciprocity [14], employees who perceive high levels of POS are more likely to reciprocate the organization with positive attitudes such as higher levels of affective commitment and favorable work behaviours such as commitment to organizational goals and lower intention to leave [12], [13]; [11]. The arguments above based on the social exchange theory, the concept of perceived organizational support (POS) which is the commitment of the organization to the employee and the norm of reciprocity is further developed into the organizational support theory [28].

II. PROBLEM STATEMENT

The higher education industry is very worthy for research as it is now an important sector playing a key role in improving productivity and occupational skills, engaging many academics and students and has numerous links with industrial and community activities as well as enhance the nation's ability to compete in a volatile global knowledge economy [34], [15].

While committed academics are the key towards the successful private universities in Malaysia [15] and since academics have a high need for support and recognition, there is very little empirical studies thus far which have been conducted to examine the role of perceived organizational support (POS) to enhance the level of affective commitment of academics using the academics working with the private institutions of higher learning [29], [7], [16].

III. THE INFLUENCE OF HRM PRACTICES ON ORGANIZATIONAL COMMITMENT

There is no consensus in the HR literature on which HRM practices is considered appropriate [24]. Despite this lack of consistency, the Social Exchange Theory [6], the norm of reciprocity [14] and the Organizational Support Theory [28] suggest that the influence of HRM practices on employees' attitudes and behaviors is significant. Hence, this study use the organizational support perspectives to examine the influence of career development opportunities on employees' perceived organizational support (POS), which in turn will influence the employees' organizational commitment and turnover intention .

A review of the literature suggests the potential effects of several HR practices on employee commitment and motivation. They include selective hiring, appraisal, compensation, training and development activities [32], [38], [37]. However, past studies in the area of HRM have been almost exclusively undertaken in the Western world and very few were undertaken in Malaysia [24].

Providing career development opportunities via training and development of employees is increasingly recognized as an important aspect of best HRM practices. Employees have a desire to extend their potential and capabilities in the organizations, to satisfy their need for growth [1], [18]. Hence, organizations need to provide employees with career development opportunities that would meet their need for personal growth in order to create employee beliefs in higher POS. Organizations that provide career development opportunities such as recognition, training and promotion indicates that the organizations are concerned for their employees and recognize their contributions to the organization, which contributes to POS [13], [28]. Further, these HR practices are often viewed as discretionary treatment by the organization as it goes beyond normal company policies or any labour laws of the country, which suggests organizational caring and support [11].

IV. THE ROLE OF POS ON THE HRM-ORGANIZATIONAL COMMITMENT LINK

There are multiple mechanisms that the organization can employ to create employee beliefs that the organization value their contributions and cares about their well-being [28]. HRM practices might serve as one means by organizations to show their care and support or commitment to the employees and in turn, foster affective commitment and reciprocal attachment by employees. Specifically, employees may refer the supportive HRM practices as discretionary behavior of the organizational agents to determine how greatly the organization values them [12]. In addition, HR practices serve as signals to employees about the extent to which the organization values and cares about them as individuals [37]. This findings suggest that HRM practices might only contribute to employees' affective commitment if they are viewed by employees as evidence of the organization's commitment to them.

Organizational Support Theory [12], [11], [23], [28] also suggest two types of HR practices that are related to POS. First, discretionary practices which the organization is not obligated to offer that imply organizational caring and commitment towards the well being of the employees but not made compulsory by company policy, union contract or laws of the country (for example, career development opportunities and work/family support) and second, organizational recognition for the employee's contribution (for example, pay satisfaction).

Research suggests that employees interpret organizational actions such as HR practices [30], [37] as indicative of the personified organization's support and commitment to them by the organization's high level of caring and concern. In return, employees will reciprocate this kind deed by increasing their own commitment to the organization by being highly involved in the organization and showing their willingness to work hard to accomplish the organization's goals. This stream of thought is in line with the research findings of other researchers [3], [38] who argued that how employees interpret and make sense of their employer's HR practices will affect their psychological contract with their employer which in turn, affects their commitment to that employer. In sum, the proposed model is shown in Figure 1 below:-

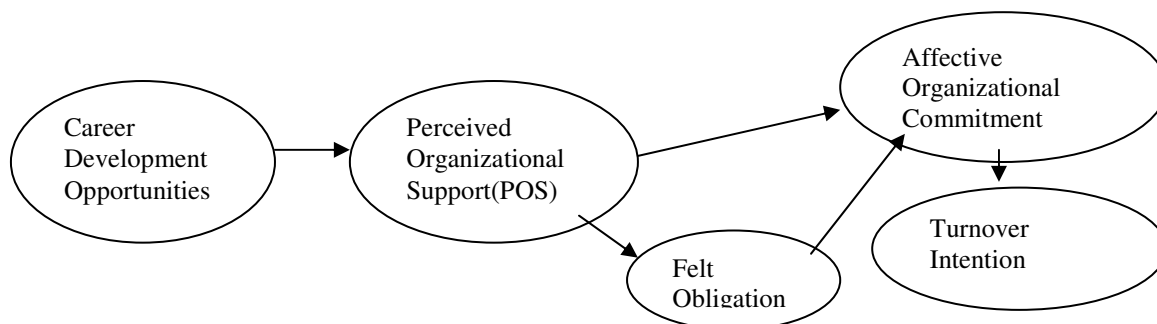


Figure 1: The Hypothesized Model

V. RESEARCH OBJECTIVE

This study aims to test the structural model that explains the relationships between career development opportunities, POS, felt obligation, affective organizational commitment and turnover intention of academics working for one of the foreign offshore campuses of Australian universities in Malaysia.

VI. METHOD

A. Procedures

At least 200 survey forms were distributed to the academic staff of the private university in Malaysia which have approved this study. In total, 134 employees responded, generating an overall response rate of about 67%.

B. Measures

Through extensive literature review, the variables of this study were measured based on established instruments which have been used by seminal and key past studies as discussed below. All the variables will be measured by the subjects' responses based on the 5-point Likert-type scales (1=strongly disagree to 5= strongly agree).

C. Data Analysis Method

The structural equation modeling (SEM) is chosen to analyze the data because it is a popular statistical technique used by empirical journal articles in the social sciences to test the relationships of independent and dependent variables, is powerful to "redesign" the proposed relationships in the hypothesized model to form several nested models and is more effective in finding the "best fitting" model to the data as suggested by the modification indexes [8], [17], [31], [33].

VII. RESULTS

Statistical procedures were conducted to develop the best fitting structural model using confirmatory factor analysis and the best fitting structural model for the hypothesized model is represented in Figure 2 below. In sum, the standardized factor loadings for all the indicators of the constructs were above 0.67 and the average variance explained (AVE) for all the constructs was at least 0.63. In this model, F2 refers to career development opportunities, F4 refers to POS, F6 refers to felt obligation, F8 refers to affective commitment and F9 refers to turnover intention.

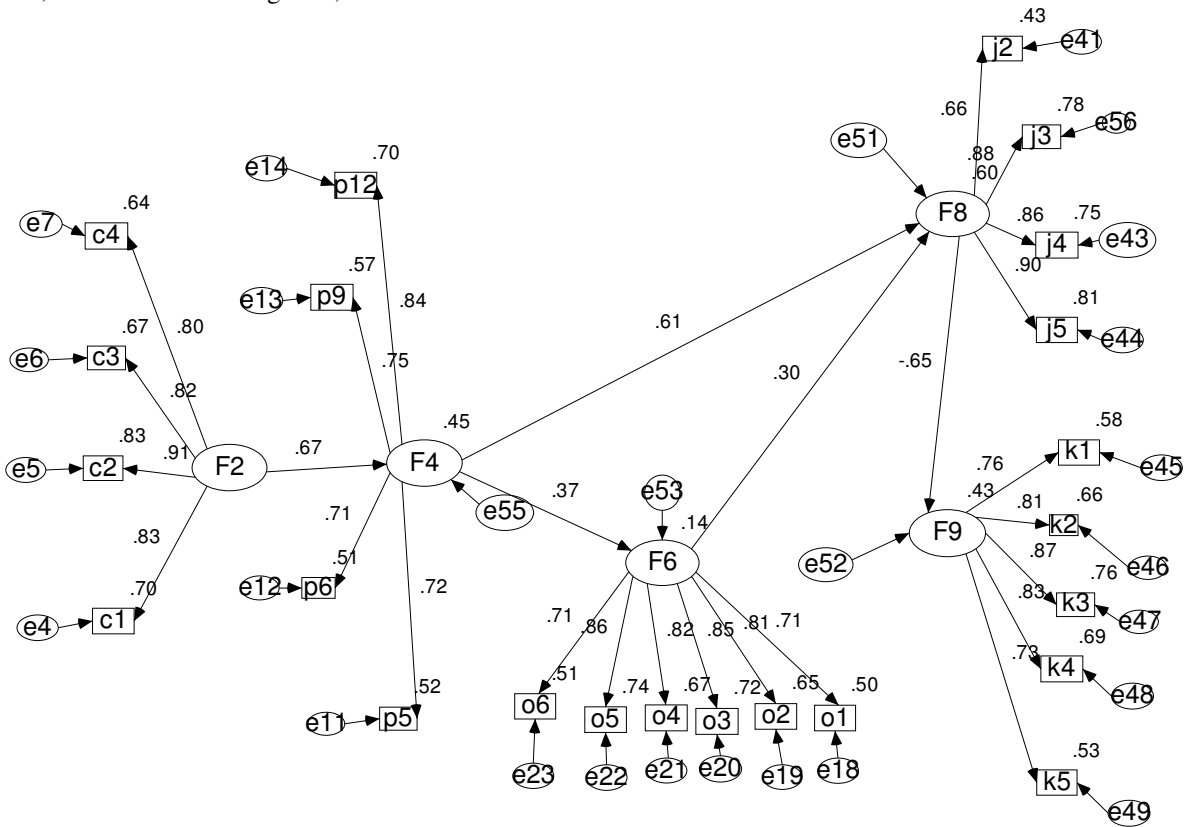


Figure 2. The Best Fitting Structural Model For The Hypothesized Model

In Fig. 2, all paths estimates between the respective constructs were significant at the 0.001 level. All the standardized factor loadings of the indicators were at least 0.67 and significant at the 0.001 level. The skewness and kurtosis values for all the indicators were also less than 3.0 and 10.0 respectively, indicating that the data did not demonstrate significant departure from normality.

The model fit indexes for the best fitting structural model are $\chi^2/df=1.431$; GFI = 0.834, AGFI= 0.796, CFI= 0.953 and the RMSEA = 0.057. Hence, the $\chi^2/df = 1.431$ has met the recommended cutoff point of less than 3.0; the CFI

has met the recommended cutoff point of more than 0.9 and RMSEA has met the recommended cutoff point of less than 0.08. Hence, the structural model represents a better and more parsimonious model fit.

The model fit indexes for the measurement model for the structural model are $\chi^2/df = 1.706$; GFI = 0.805, AGFI = 0.761, CFI = 0.923 and the RMSEA = 0.073. Hence, the $\chi^2/df = 1.706$ has met the recommended cutoff point of less than 3.0; the CFI has met the recommended cutoff point of more than 0.9 and RMSEA has met the recommended cutoff point of less than 0.08. In the measurement model, none of the indicators cross-loaded on other factors and all the indicators loaded significantly ($p < 0.001$) onto their respective latent factors. As a result, the concern of common method error was minimized. Thus, the 5-factor measurement model is confirmed and the examination of the best fitting structural model is valid and justified [4].

VIII. DISCUSSION

This study supported a best fitting structural model which included the interrelationships between five constructs, namely career development opportunities, POS, felt obligation, affective organizational commitment and turnover intention.

Consistent with the results of a few previous studies [2], [21], [37], in this study, perception of career development opportunities was found to have a significant positive impact on POS. The magnitude was also strong with $\beta = 0.67$. This finding suggests that organizations that provide employees with opportunities to extend their potential and build up their capabilities, which help meet the employees' needs for personal growth, are likely to be perceived as supportive and caring about the employees' well-being.

Social exchange theory [6] suggests that individuals who receive favorable treatments from others are likely to return the other party's favour based on the norm of reciprocity [14]. Organizational support theory [12] further proposes that in the employee-employer exchange relationship, employees who believe that they have received high levels of support from the organization tend to reciprocate with positive work attitudes and behaviors that benefit the organization. This study suggest that POS has not only a direct influence on organizational commitment, but also an indirect impact via felt obligation. However, the influence of POS on turnover intention is only through the indirect effect via affective organizational commitment.

POS was found to have both a direct impact on affective organizational commitment ($\beta = 0.61$), and an indirect impact mediated by felt obligation. As [12] pointed out, POS represents employees' beliefs in the organization's commitment to them, and thus employees with higher POS would repay the organization with stronger commitment to the organization. In addition, higher levels of POS create a sense of felt obligation to reciprocate the organization's support by caring about the organization's well being and helping achieve its objectives [10]. Thus, affective organizational commitment which refers to an individual's identification with and involvement in the employing organization [27], may also stem from such a sense of felt obligation. While this mediating process plays a partial role, test of alternative models suggests that felt obligation did not fully mediate the effect of POS on affective organizational commitment. Rather, POS, which represents employees' belief in the organization's commitment to them, has a direct positive impact on the employees' organizational commitment.

Consistent with previous research, this study supported the relationship that lower commitment to the organization may lead to increased intention to quit (for example, [25], [19], [9], [23] with a $\beta = -0.65$). Further, affective organizational commitment fully mediated the relationship between POS and turnover intention. In other words, the influence of POS on turnover intention is only through the indirect effect via affective organizational commitment, which is consistent with the findings of [23].

IX. CONCLUSION

This study, along with [10], provide empirical support for organizational support theory's [12] contention that discretionary HRM practices such as career development opportunities which signal the organization's commitment to the employees influence the employees' perceptions of organizational support (POS) which in turn, induce positive work attitudes and behaviors based on the norm of reciprocity.

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