THE EFFECT OF PERSONAL VALUES ON ORGANIZATIONAL COMMITMENT

By

Salzainna Binti Zainul Abidin

Research report in partial fulfillment of the requirements for the degree of Masters of Business Administration

FEBRUARY 2004
DEDICATION

My parents, En. Zainul Abidin Che Din and Puan Salhah Ismail, for their unconditional love, support and patience

My grandmother and Aunty, Hajah Gayah and Siti Rohaya

My sisters and Brother, Salzaida, Salzairema and Mohd Faiz

Brothers In-Law, Baharin and Azhar

My lecturers, Professor Dr. Mohamed Sulaiman and En. Mohd Shafie
ACKNOWLEDGEMENTS

Alhamdulillah. My heartfelt appreciation goes to my family who had supported me thru my studies.

I wish to express my heartfelt gratitude to my supervisor, Prof. Dr. Mohamed Sulaiman, for his invaluable support, assistance and supervision that provided me with invaluable insights throughout the course of this research.

I wish to express my gratitude to Associate Professor Dr. Yusserie for his invaluable support and kindness

I also wish to express my gratitude to my boss, En. Mohd Niana Merican for his kindness and support.

Special thanks to my friends, Puan Fatilah and family, Rajan, Suganthi, Ismila, Ganesh, Abbas, Lily Julianty and Sarimah for their friendship and support.

Thank you, Associate Professor Mr. Ramayah and En. Mohd Shafie for you kind assistance with my thesis.
TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Chapter</th>
<th>SECTION</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acknowledgement</td>
<td></td>
<td>i</td>
</tr>
<tr>
<td>Table of Contents</td>
<td></td>
<td>ii</td>
</tr>
<tr>
<td>List of Tables</td>
<td></td>
<td>v</td>
</tr>
<tr>
<td>List of Figures</td>
<td></td>
<td>vii</td>
</tr>
<tr>
<td>Abstrak</td>
<td></td>
<td>viii</td>
</tr>
<tr>
<td>Abstract</td>
<td></td>
<td>xi</td>
</tr>
<tr>
<td>Chapter 1</td>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>1.0 Introduction</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>1.1 Background of the study</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>1.2 Statement of Problem</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>1.3 Research Objectives</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>1.4 The Research Questions</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>1.5 Definition of Key Terms</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>1.5.1 Terminal Values</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>1.5.2 Instrumental values</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>1.5.3 Organizational Commitment</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>1.6 Significance of Study</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>1.7 Scope of Study</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>1.8 Organization Background</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>1.9 Organization of Chapters</td>
<td>7</td>
</tr>
<tr>
<td>Chapter 2</td>
<td>Literature Review</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>2.0 Introduction</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>2.1 Studies on Values</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>2.2 Relationship Between Instrumental and Terminal Values</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>2.3 Studies of Values as A Motivational Functions</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>2.4 Studies on The Adjustive Function of Values</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>2.5 Studies On The Ego-Defensive Function of Values</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>2.6 Studies on the Knowledge or Self –Actualization Function Values</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>2.7 The Studies on Work Values</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>2.8 Studies on Commitment</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>2.9 Studies on Gender and Commitment</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>2.10 Studies of Perceptions of Commitment</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>2.11 Studies on Organizational Commitment and Job Satisfaction</td>
<td>19</td>
</tr>
<tr>
<td></td>
<td>2.12 Studies on Culture Values Vs Work Commitment</td>
<td>20</td>
</tr>
</tbody>
</table>
Chapter 3  Research Methodology

3.0 Introduction 25
3.1 Type of Study 25
3.2 Theoretical framework 25
3.3 Hypotheses 26
3.4 Research Site 27
3.5 Unit Analysis 27
3.6 Sample Size 28
3.7 Data Collection Method 28
3.8 Questionnaire Design 28
3.9 Statistical Analysis 31
3.10 Factor Analyses 31
3.10.1 Reliability 32
3.10.2 Analysis Plan 32
3.10.3 Pearson Correlation and Hierarchical Regression 33
3.11 Summary 33

Chapter 4  Results

4.0 Introduction 34
4.1 Respondent Profile 34
4.2 Analysis 36
4.3 Goodness of Measures 37
4.3.1 Factor Analysis on Terminal Values 37
4.3.2 Factor Analysis on Instrumental Values 38
4.3.3 Factor Analysis on Instrumental and Terminal Values 39
4.3.4 Factor Analysis on Organizational Commitment 39
4.4.4 Descriptive Statistics 41
4.4.5 Revised Hypothesis 42
4.4.6 Hypothesis 43
4.4.7 Reliability Test 45
4.4.8 Pearson Correlation 46
4.4.9 Regression 47
4.4.10 The Validity of The Model 58
4.4 Summary of the findings 59
Chapter 5  Discussion and Conclusion

5.0  Introduction  62
5.1  Recaptulation  62
5.2  Discussion  62
  5.2.1  Instrumental values of workers are related to organizational commitment  63
  5.2.2  Terminal values of workers are related to organizational commitment  64
  5.2.3  Organizational commitment  65
5.3  Implications of the Study  66
5.4  Limitation of Study  68
5.5  Suggestion for Future Research  69
5.6  Conclusion  70

REFERENCES

APPENDICES

App. I  Frequency
App. II  Factor Analysis
App. III  Reliability
App. IV  Hierarchical Regression
App. V  Pearson Correlations
# LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 3.1</td>
<td>Distribution of Questionnaires Items</td>
<td>31</td>
</tr>
<tr>
<td>Table 4.1</td>
<td>Respondent’s Profile</td>
<td>30</td>
</tr>
<tr>
<td>Table 4.2</td>
<td>Rotated Factor and Factor Loading Of Terminal Values</td>
<td>37</td>
</tr>
<tr>
<td>Table 4.3</td>
<td>Rotated Factor and Factor Loading Of Instrumental Values</td>
<td>38</td>
</tr>
<tr>
<td>Table 4.4</td>
<td>Rotated Factor and Factor Loading Of Organizational Commitment</td>
<td>40</td>
</tr>
<tr>
<td>Table 4.5</td>
<td>Descriptive Statistics</td>
<td>41</td>
</tr>
<tr>
<td>Table 4.6</td>
<td>Reliability Coefficients</td>
<td>45</td>
</tr>
<tr>
<td>Table 4.7</td>
<td>Pearson’s Correlational Matrix</td>
<td>46</td>
</tr>
<tr>
<td>Table 4.8</td>
<td>Test of Total Personal Values on Overall Organizational Commitment</td>
<td>48</td>
</tr>
<tr>
<td>Table 4.9</td>
<td>Test of Personal Values on Normative Organizational Commitment</td>
<td>49</td>
</tr>
<tr>
<td>Table 4.10</td>
<td>Test of Personal Values on Continuance Organizational Commitment</td>
<td>51</td>
</tr>
<tr>
<td>Table 4.11</td>
<td>Test of Personal Values on Satisfaction Organizational Commitment</td>
<td>54</td>
</tr>
<tr>
<td>Table 4.12</td>
<td>Test of Personal Values on Affective Organizational Commitment</td>
<td>56</td>
</tr>
</tbody>
</table>
Table 4.13  Summary of Hypothesis  59
Table 4.14  Summary of Supported Hypotheses  61
## LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 1</td>
<td>Schematic Diagram of the Research Model</td>
<td>26</td>
</tr>
<tr>
<td>Figure 2</td>
<td>Revised Theoretical Framework</td>
<td>42</td>
</tr>
</tbody>
</table>
ABSTRAK

ABSTRACT

The main purpose of this study is to access the relationship between personal values and organizational commitment. The scope of the study focuses on the study by Rokeach, “The Nature of Human Value” and Commitment by Meyer and Allen (1991). This study may shed light to the organization to place greater emphasis on the strategic management of Human Resources in order to gain competitive edge in International markets. There were 234 respondents from the targeted organization which is Penang Port Sdn Bhd, who voluntarily participated in answering the questionnaires. The results of the data were performed by using SPSS 2 - Step hierarchical regression. The study investigates the relationship between Personal Values and Organizational Commitment. From the survey questionnaire, it was found that there is a relationship between Personal Values and Organizational Commitment. The most significant value is the instrumental value which is the work values. This study also indicated that there is a negative relationship between wisdom and organizational commitment. All the findings are discussed in the final chapter. Management of the Organization could use the study to formulate Human Resources policies and strategies how to maximize the productivity and efficiency of the employees in achieving organizational goals. This study also could give some insight into formulation of organizational values for employees to be an asset that add-value to achieve a competitive edge.
1.0 Introduction

Why study values and organizational commitment? Values are important to the study of organizational behavior because they lay the foundation for the understanding of attitudes and motivation and because they influence our perceptions and behaviors. Individuals enter an organization with preconceived notions of what “ought” and what “ought not” to be. Organizational commitment is one of the three research attitudes. A person could have thousands of attitudes, but organizational behaviors researchers focus to three attitudes that are job satisfaction, job involvement and organizational commitment (Cook, Hunsaker & Coffey, 1997).

1.1 Background of the study

One fundamental characteristic that both employees and organizations share is “values”. Values, according to Dose (1997), “are evaluative standards relating to work or the work environment by which individuals discern what is “right” or assess the importance of preferences. One can easily generate examples to show that individuals would probably be more comfortable in an environment that is consistent with their values. Similarly, an individual who values orderliness and cautiousness is likely to shrink in an environment that encourages experimentation and creativity (Dose, 1997).

Murphy (1991) and Enz (1989) found that individuals with different value systems often have trouble working together and understanding each other’s motives. Matching managerial values with shared values of the organization may also be a key element in successful human resource management (Enz, 1989). Enz (1989) also
found that decisions in recruiting, promotion, evaluation, selection, compensation and incentives could be influenced by managerial value systems and patterns.

Hence values of employees are said to contribute to the success of the organization. Employees would also be more committed if their values fit to the organizational values.

1.2 Statement of Problem

There has been few studies attempting to relate personal values of employees to organizational commitment, not only in Malaysia but also world wide. This might be claimed as a pioneer project in this area.

1.3 Research Objectives

The objective of this study is to examine the effect of personal values (instrumental and terminal values) on commitment (organizational). The study uses gender, age, position, and experience and education level as control variables in order to eliminate their effects on the relationship between the independent variables (personal values) and dependent variable (commitment). The study focuses on two major objectives which are summarized as follows:

1) To identify the relationship between terminal values and organizational commitment.
2) To identify the relationship between instrumental values and organizational commitment.
3) To identify the related personal values that contribute to the organizational commitment.
1.4 The Research Questions

The purpose of this study is to obtain practical answers to these research questions:

i. To what extent do personal values (instrumental and terminal) affect organizational commitment?

ii. What kind of values lead to higher organizational commitment?

iii. Do sex, age, education level, position and experience contribute to the relationship between values and organizational commitment?

1.5 Definition of Key Terms

A Value is known as “Conception of the Preferable” (Kluckhorn, 1951). Kluckhorn defines value as “conception of the desirable,” and not something “merely desired.” Personal values are defined as people’s belief of about what they consider to be right or wrong, good or bad, desirable or undesirable facets of work situation (Rokeach, 1973). There are two types of values: terminal and instrumental, (Rokeach, 1973).

1.5.1 Terminal values

There are two kinds of Terminal Values, which are Personal and Social (Rokeach, 1973). The terminal values may be self-centered or society-centered, intrapersonal or interpersonal in focus. Such end-states as salvation and peace of mind, for instance, are intrapersonal while world peace and brotherhood are interpersonal. A person’s value may vary reliably from one another in the priorities that place on such social and personal values. The difference of their attitudes and behavior from one another depends on whether personal or their social values have
the same priority. Rokeach (1973) provides a list of 18 terminal values which are used in this study.

1.5.2 Instrumental Values

There are also two kinds on instrumental values which are moral values and competence values (Rokeach, 1973). The concept of moral values is a subset to the general concept of values. Moral values define a certain kinds of instrumental values, to those that have an interpersonal focus which when violated, arouse pangs of conscience or feelings of guilt for wrongdoing. Other instrumental values, those that may be called competence or self – actualization values, have a personal rather than interpersonal focus and do not seem to be especially concerned with morality. Their violation leads one to feel that he or she is behaving immorally, whereas behaving logically, intelligently or imaginatively leads one to feel that he is behaving competently (Rokeach, 1973).

1.5.3 Organizational Commitment

Organizational commitment has been widely defined as identification and involvement with the organization centering on firstly, believing in the organization’s values and goals, secondly, exerting effort on behalf of the organization, and thirdly, a desire to remain with the organization (Mowday, Steers & Porter, 1979).

Meyer and Allen (1991) determined that an employee simultaneously experiences commitments to the organization that are based on emotional attachment (affective commitment), a feeling of obligation to the organization (normative commitment), and perceptions that the costs of leaving the organizations are prohibitively high i.e. continuance commitment.
1.6  **Significance of the Study**

There are few studies to investigate personal values of the employees in one particular organization. The significance in studying and investigating the personal values are as stated below:

a) Personal values influence a worker’s perception of situations and problems he faces.

b) Personal values influence a worker’s decision and solutions to problems.

c) Personal values influence the perception of individual and organizational success as well as their achievement.

d) Personal values influence the ways in which a worker looks at other individuals and groups of individuals: thus they influence interpersonal relationships.

e) Some personal values may contribute towards one’s performance, some may be irrelevant and some may be anti-ethical to achievement efforts.

f) Personal values set the limits for the determination of what is and what is not ethical behavior by workers as individuals or as a team.

Therefore, this study will show how close is the relationship between personal values of employees and their commitments to their organizations.

It is significant to study the relationship of personal values and commitment for the following reasons below:

i. The study will try to confirm the hypothesis associated with personal values and organizational commitment.

ii. The findings of the study will add new insights and hope to generate further studies in the same framework.
iii. The study will also assist human resource managers to understand their workers’ personal values better and assist them to formulate policies to increase their workers’ performance.

1.7 Scope of Study

The study was conducted on workers of various levels in Penang Port Sdn Bhd. The individuals being studied include supporting workers, executives, officers, technical executives and middle and higher level of managers. The study was confined to Penang Port employees in order to find ways of integrating the workers to achieve higher success through work commitment that are aligned to the organizational performance and also as a basis for enhancing organizational commitment. Also by confirming the study to one organization, the problem of differing organizational culture is eliminated.

1.8 Organization Background

The Port of Penang is operated, managed and maintained by Penang Port Sdn Bhd (PPSB), which was established on the 7th December 1993 under the Company’s Act 1965. Prior to this the Port was operated as a government department. The Ministry of Finance Incorporated currently wholly owns PPSB (100%). It is located along the northwest coast of Peninsular Malaysia and the Asia-Pacific region. PPSB is responsible for the provision, management and maintenance of cargo handling facilities, marine, ferry, dockyard, fire-fighting and ancillary services. The number of employees of Penang Port Sdn Bhd is 1600. There are three Strategic Business Units i.e. Conventional Cargo, Container and Business Logistics, which report to Senior General Manager. There are two Corporate Services Unit i.e Human Resources and
Corporate Services. There are two unions that are strongly supported by the employees. They are the Support Union and Officers’ Association.

1.9 Organization of Chapters

This research is divided into five chapters. Chapter 1 introduces the subject of the study. It explains the background of the study, research problem, objectives and defines the main subject matters of the study. Chapter 2 discusses previous studies, their findings on personal values and organizational commitment. Methodology which is presented in a conceptual model is shown in chapter 3. The chapter focuses on the methodology, which covers the discussion on research site, sample and procedure, measures and the statistical analysis used. Results of the research are shown in chapter 4. Finally chapter 5 concludes the study. Here discussion on the results of the findings are presented and outlines the limitations of the study. The chapter also discusses the implications and gives suggestions for future studies in this field.
2.0 Introduction

This chapter presents the review of literature on the studies conducted on values and organizational commitment. There have been many studies on values and also numerous studies on organizational commitment. But as this literature will show, there have been no studies relating personal values to organizational commitment.

2.1 Studies on Values

One of the most important names in value studies is Rokeach. According to Rokeach (1972) values are concerned with conduct and desire and the end state. “To say that a person has a value is to say that he has an enduring belief that a specific mode of conduct or end state of existence that is personally and socially preferable. Once a value is internalized, it becomes consciously or unconsciously, a standard or criterion of guiding action….. for morally judging on one self or other” (Rokeach, 1973)

Robbins (1993) defined values as representing the basic conviction that a “specific mode 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. Values contain judgmental elements in that they carry an individual’s ideas about what is right, good or desirable.”

Schermehorn (1982) defined values as global beliefs that guide actions and judgments across a variety of situations. To Schermerhorn values are important because they may influence things such as attitude, perception, needs and motivation.
Values can also shed and give insights of differences among various societal and organizational culture.

Robbins (1993) also discovered that a significant portion of values is genetically determined. The rest is attributable to factors like national culture, parental dictates, teachers, friends and environmental influence.

Rokeach (1968) stated that there are three types of beliefs which have previously been distinguished. They are (a) descriptive or existential belief, those capable of being true or false: (b) evaluative beliefs, wherein the object of belief is judged to be good or bad and (c) prescriptive or proscriptive belief, wherein some means or end of action is judged to be desirable or undesirable. A value is a belief of the third kind – a prescriptive or proscriptive belief. Allport (1961) also stated that a value is a belief upon which a man acts by preference.

The number of values human beings possess is assumed small and, thus we should be able to identify and measure them. Through the years certain theoretical considerations appears in the studies identifying somewhat in approximating the total number of values. Freud (1922) has proposed two, Maslow (1954) five, and Murray (1938) twenty-eight. Hence, it was found that based on the studies it is estimated and suggested that the total number of terminal values may range somewhere between Freud’s two and Murray’s twenty-eight and that the total number of instrumental values may be several times this number (Rokeach, 1973).

Rokeach (1972) created the Rokeach Value Systems (RVS) that consist of two sets of values each containing eighteen individual value items. The first set is known as terminal values, which refer to desirable end-states of existence. The second set is Instrumental values which refer to preferable modes of behavior or means achieving terminal values.
2.2 Relationship between Instrumental and Terminal values

According to White (1959), a person who is more oriented towards personal end-states may, for example, defensively place a higher priority on moral behaviors. A person who is more oriented towards the social may also have a strong drive for personal competence, reflected in a greater priority placed on competence values. There is no simple one-to-one connection between the two kinds of terminal and instrumental values.

It was cited by Rokeach (1973) that theoreticians (e.g., Fallding, 1965; Rokeach, 1973; Williams, 1968) have focused on two types of values, namely instrumental and terminal values. Thus, Rokeach has proposed a functional relationship between instrumental and terminal values, that is, instrumental values describe behaviors that facilitate attainment of terminal values.

Gorsuch (1970) has correctly pointed out that the terminal-instrumental distinction may not go quite far enough, since any value which is not the ultimate value could be considered an instrumental value. Nevertheless, there is a conceptual advantage to defining all terminal values. It may refer only to idealize end-states of existence and to define all instrumental values which is only to idealize modes of behavior. It may well be that one terminal value, so defined, is instrumental to another terminal value or vice versa. We could also look at one instrumental value as instrumental value to another instrumental value. Hence it was suggested that the best strategy at an early stage of conceptualization is to undertake all instrumental values to become modes of behavior that are instrumental to the attainment of all values concerning end-states of existence (Rokeach, 1973).
2.3 Studies of Value as A Motivational Functions

Values have a strong motivational component. It is a part of cognitive, affective and behavioral components. Instrumental values are also said to be motivating because the idealized modes of behavior they are concerned with are perceived to be instrumental to as it relates to the attainment of desired end-goals (Rokeach, 1973). Terminal values are also known to be motivating because they represent the super goals. It is also known to be as biologically urgent goals. Rokeach (1973) also cited as what McDougall (1962) has called the master sentiment – the sentiment of self-regard. Smith, Bruner and White (1956) and by Katz (1960) had presented a more detailed description of the ways in which values serve this sentiment of self-regard may profitably begin with certain formulations. These formulations were primarily concerned with the functions of attitudes rather than values. In other words these writers are saying that attitudes serve value-expressive, adjustment, ego-defense, and knowledge functions (Rokeach, 1973).

2.4 Studies on The Adjustive Function of Values

There are content of certain values that are directly concerned with the modes of behavior and end-states that are utilitarian-oriented or also said to be adjustment-oriented (Rokeach 1973). McLaughlin (1965) had suggested that adjustment-oriented values are really “pseudo-values” because they are “espoused by an individual as a way of adapting to group pressures”. However Kelman (1961) has a different view of the adjustive function of values. He stated that the desirability of compliance to group pressures may be a genuine value in its own right, no less internalized than other values.
2.5 Studies On The Ego-Defensive Function Of Values.

“Values no less than attitudes may serve ego-defensive needs” were stated by Psychoanalytic Theory (Rokeach, 1973). Adorno et al (1950) did a research on the authoritarian personality, suggested that an overemphasis on such modes of behavior as cleanliness and politeness and on such end-states as family and national security may be especially helpful to ego defense. Other researchers such as Allen and Spilka (1967), Allport (1954), Allport and Ross (1967), Glock and Stark (1965), Kirkpatrick (1949), Lenski (1961) and Rokeach (1969) also suggested that religious values more often than not serve ego-defensive functions.

2.6 Studies on the Knowledge or Self-Actualization Function of Values.

Katz (1960) defines the knowledge function as involving “the search for meaning, the need to understand the trend toward better organization of perception and belief to provide clarity and consistency “. There are certain instrumental and terminal values which implicate explicitly or implicitly the function of self-actualization. Thus, value end-states are regarded as wisdom and sense of accomplishment. These modes of behavior are behaving independently, consistently, and competently.

2.7 The studies on Work Values

There are studies on work values that are viewed as a major component of organizational culture and are often described as principles responsible for successful management of organizations. However, there appears to be resurgence of interest in the underlying attitudinal structure of individuals in organizations (Meglino & Ravlin, 1998). It gives the meaning that people who is attached to work is very important on
the part of the individual, organization, and social level. Work values are also known as work ethic that relates to belief, attitude, preferences, and interests of individual and are conceptually different from other job aspects that are related such as job satisfaction, motivations, and role perception.

Bae and Chung (1997) investigated the relationship between work values and organizational commitment of Korean industrial workers in comparison to those in United States and Japan. The results showed that Korean workers were more committed and had high expectations of their companies. Their high commitment was derived from their values, as they showed highest achievement aspirations, work commitment and company familism.

2.8 Studies on Commitment

Since the 1970’s, two views of commitment concept have dominated the literature. The first view refers to organizational commitment as a behavior. In the behavioral approach, the focus of the research is on overt manifestations of commitment. An employee becomes committed to an organization because of “sunk costs” (e.g. fringe benefits, salary as a function of age or tenure), and it is too costly for the person to leave (Blau & Boal, 1987). This approach is evident in works by Becker (1960), and Slancik (1977).

The second view refers to organizational commitment study by Mowday et al. (1979). These authors define organizational commitment as the relative strength of an individual’s identification with and involvement in a particular organization that is characterized by three factors; (1) a strong belief in and acceptance of the organization’s goals and values, (2) a willingness to exert considerable effort on behalf of the organization, and (3) a strong desire to maintain membership in the
organization. This definition does not exclude the possibility that a person is committed to other aspects of the environment, such as family and friends. These definitions indicate that an employee who is committed to an organization would display all three of these attributes. On the contrary, the employee who is not committed to an organization would not display these attributes. As such, an organization can then predict turnover based on the measurement of an employee’s attitude.

Meyer and Allen (1987) stated that commitment is characterized as an attitude of attachment to an employing organization. Researchers focus primarily on the identification of antecedents contributing to the development of organizational commitment and the impact on job attitudes and behavior that commitment may have. According to Angle and Lawson (1993) there are antecedents to commitment that can split into components of personal characteristics and situational factors.

Etzioni (1961) determined that there are three dimensions to organizational commitment – moral involvement, calculative involvement and alienative involvement – each representing an individual’s response to organizational power. Moral involvement is defined as a positive orientation of high density. This is based on employees’ internalization and identification with organizational goals. Calculative involvement, defined as either a negative or a positive orientation of low intensity, is a commitment or attachment to an organization based on an employee receiving inducements from the organization. This is described by Etzioni as analogous to inmates in a prison, people in concentration camps, and enlisted men in basic training. These are situations in which individuals perceive a lack of control or the ability to change their environment. These people remain in the organization only because they
feel they have no other options. Each dimension represents a possible description of an individual’s attachment to an organization.

Penley and Gould (1988) state there are two predominant views of organizational commitment: instrumental and affective. The instrumental view relates to the system of compensation and rewards received by an individual in return for that person’s accomplishment within an organizational. The affective view goes well beyond the instrumental view in that it relates to a person’s level of emotional attachment and personal sense of obligation to fulfill duties within an organization. Calculative commitment is treated as the instrumental form of organizational commitment and moral and alienative commitment are treated as affective forms of organizational commitment. Penley and Gould’s research provides empirical evidence that these three types of commitment exist in an organization and that employees possess a mixture of commitment types.

Allen and Meyer (1990) provide empirical support that organizational commitment is a multidimensional concept. Their model of organizational commitment consists of three components; the effective component (an employee’s emotional attachment to identification with, and involvement in an organization); the continuance component (commitment associated with leaving an organization) and the normative component (an employee’s feelings of obligation to remain with an organization). Allen and Meyer’s model provides a comprehensive insight into the link between employees and organizations. This model will delineate whether an employee wants to, needs to, or should remain with an organization.

Gellatly (1995) has found Organizational commitment has been linked to absenteeism, turnover intentions (McDonald, 1993; Meyer, Allen & Smith, 1993) and actual turnover (Whitener & Waltz, 1993), as well as other attitudes and behaviors
(e.g. job satisfaction, see Hackett, Bycio, & Hausdorf (1994); organizational commitment (Meyer, Paunonen, Gellatly, Goffin, & Jackson, 1989). Thus, there is a growing body of evidence to illustrate that employee commitment has an impact on the organization.

Another major study that examined the relationship between value congruency and commitment was that of Chatman and her colleagues (Chatman, 1989, 1991: Caldwell & O’Reilly, 1990; O’Reily, Chatman & Caldwell, 1991). They have found evidence, using q-sort methodology, to suggest that a value fit between the person and the organization is related to commitment.

There were many issues that arise from the definition of commitment. The other issue that needs to be addressed relates to the multidimensional nature of commitment. Until recently, commitment has typically been defined as a one-dimensional concept (Meyer, Allen, & Smith, 1993). Illustrative of such a one-dimensional approach is the work by Posner (1992) looking at person-organization value fit and commitment. O’Reilly et al. (1991) recognized the multidimensional nature of commitment and found that normative, value-based commitment was predicted by person-organization fit but instrumental compliance-based commitment was not. Furthermore, recently Meyer and Allen (1991) have presented compelling evidence to suggest that commitment comprises three distinct components, instead of two. The third form of commitment is named as affective commitment which is described as the emotional attachment a person feels for the organization. Finally, continuance commitment develops “as employees recognize that they have accumulated investments”…. These would be lost if they were to leave the organization, or as they recognized that the availability of comparable alternatives is limited (Meyer et al., 1993).
Affective commitment is associated with higher productivity (Meyer et al., 1989), more positive work attitudes (Allen & Meyer, 1996) and a greater likelihood of engaging in organizational citizenship (Meyer & Allen, 1991). Thus, other beneficial effects for the organization accompany the positive feelings that affectively committed individuals have towards their organization. Similar findings emerge for normative commitment (Meyer & Allen, 1997).

2.9 Studies on Gender and Commitment

Male managers are reported as saying that women managers are not committed enough for senior positions (Wajcman, 1996; Schein et al., 1996). However, there is no clear guideline by what they really mean by “not committed enough”. The statement is rather ambiguous. Further to that Devine (1992) and Evetts (1993, 1994) had indicated that such attitudes were found in engineering management in the UK, an in Sweden (Wahl, 1995). It could be that these statements are said that males are using lack of commitment as rhetoric. Rhetoric allows a justification to be made for power and exchange relationships, hiding possible discrimination underneath (Gowler & Legge, 1983). Another way of explanation may be that men and women define commitment as different meanings which impact on how they view commitment at work.

A meta-analysis of previous organizational commitment, antecedents and correlates research, found almost no difference in male and female managers’ commitment (Mathieu & Zajac, 1990), but recommended further research into moderators such as age, job satisfaction, roles states, leader behaviors and organizational characteristics. Aven et al. (1993) undertook a further meta-analysis focusing just on gender and attitudinal commitment, using data from 27 samples with
over 14,000 subjects. As a result, they found that attitudinal (affective) commitment was not related to gender, nor was job role experience a moderator of the relationship. Their key finding was that gender did not have a significant impact on an individual’s belief in the organizational goals, or on the willingness to exert additional effort on behalf of the organization. We could judge the behavior from another angle i.e. certain personal values determine peoples’ behavior towards their commitment to an organization.

2.10 Studies Of Perceptions Of Commitment

Recent research by Shore et al. (1995) has shown that those people who are perceived to be more affectively/attitudinally committed (willing to work hard and to internalize the organizational goals) are more likely to be seen to have high potential. They are then more likely to be given career development rewards (Allen et al., 1994) than those with perceived high continuance commitment, which also have no other options of employment. Therefore, this kind of commitment is significant when talking of commitment as an organizationally desirable attribute in managers. The said that previous research has not unpacked what “commitment” means to managers themselves. The definitions are vague to the extent that the managers need to determine themselves of what “committed” means. Thus, commitments are defined as an act that fit to the organizations; if the person fits or have the same values as the organizational values (Allen et al, 1994).

2.11 Studies on Organizational Commitment and Job Satisfaction

Organizational commitment and job satisfaction are popular topics in the study of work-related attitudes: however, contradiction exists as to the causal relationship.
The majority of theoretical and empirical evidence suggested that job satisfaction is an antecedent to organizational commitment (Bagozzi, 1980; Bartol, 1979; Brown & Peterson, 1994; Mathieu & Hamel, 1989; Reichers, 1985). However, some support exists for the role of job satisfaction as an outcome of organizational commitment (Bateman & Strasser, 1984). More recently, Koslowsky et al. (1991) found no evidence to support a causal relationship but determined that a high correlation exists. This finding was consistent with a number of studies that include both variables (Knoop, 1995; Mathieu & Zajac 1990; Shore & Martin, 1989).

Locke and Henne (1986) further defined job satisfaction as the pleasurable emotional state resulting from the achievement of one’s job values in the work situation. According to Mottaz (1987), satisfaction with one’s job reflects a person’s affectiveness response resulting from an evaluation of the total job situation. In sum, the job satisfaction construct can be considered to be a function of work related rewards and work values (Aizzat & Ramayah, 2003).

Committed employees take pride in organizational membership, believe in the goals and values of the organization, and therefore, exhibit higher levels of performance and productivity (Steinhaus & Perry, 1996). Because low productivity, absenteeism, and turnover, are costly for organizations, it is important for organizations to determine what affects organizational commitment and to nurture it (Aizzat & Ramayah, 2003). That means that managers must have certain guidelines and policies to retain committed workers in the organization.

An attitude – intention-behavior relation model developed by Bagozzi (1992) and tested by Schmit and Allscheid (1995) may support the linkage among job satisfaction, organizational commitment and service effort. The model suggested that behavior is a coping activity that results from an individual’s appraisal of a situation.
and a subsequently emotional response. This causal sequence was supported by early work from Ajzen and Fishbein (1980) and more recently by Lazarus (1991). By Harrison and Hubbard (1998) discovered that as age and tenure increase, so does commitment.

2.12 Studies on Culture Values Vs Work Commitment

An analysis of culture may be made at three levels (Schein, 1992). According to Schein, level 1 is the artifacts, level 2 consists of values and beliefs, and level 3 provides the underlying basic assumptions. The strongest component of the organizational culture is the belief and attitude of the employees, which develops through the process of socialization. It is transmitted and maintained through interactions among organizational members across boundaries (Shinoba, 1997). Thus employees may have a belief that the majority of people are not working sincerely in this organization and nobody cares whether they work or not; it is the personal connection rather than merit that is rewarded. On the other hand, employees may share a different belief and perception, such as “the harder and more sincerely one works here, the more he/she is benefited”. It is expected that the two sets of belief may result in different organizational outcomes. Meaning that employees behavior towards their jobs could be interpreted as their commitment to the organization.

Although a causal relationship between culture and effectiveness is difficult to establish, it has been reported that successful, innovative, and effective organizations are marked by a culture of pride and a climate of success in which organizational norms support success-oriented effort. It depends upon the values, which the leaders enact in the daily life of the organization (Peters and Waterman, 1982; Atkinson,
1999). Hence culture and value do show that there exist a relationship between them and directly or indirectly relate to the commitment of oneself to the organization.

2.13 A Multi-Dimensional Model of Organizational Commitment

According to Hartman and Bambacas (2000), Allen and Meyers’s organizational Commitment Scale (Meyer & Allen, 1984; Allen & Meyer, 1990; Meyer & Allen, 1991) is an alternative to the Organizational Commitment Questionnaire (OCQ). They further discuss that the scale being used incorporates an affective component similar to the OCQ which are a continuance component that assesses perceived costs and alternatives of leaving; and a normative component that assesses feelings of obligation to remain with an organization. Allen and Meyer’s scale is designed to measure the multi-dimensional nature of commitment through three separate concepts which are affective, normative and continuance organizational commitment. It was thought to contribute to a psychological state which characterizes an employee’s relationship with the organization, and has implications for their continuing membership, and may be affected by different antecedents or have potentially different consequences with regard to absenteeism, job performance, and citizenship (Reichers, 1986; Meyer & Allen, 1991). Hartmann and Bambacas (2000) summarized that Meyer and Allen had argued that employees with high affective commitment continue because they want to, those with high normative commitment because they think they should, and those with high continuance commitment because they need to.

Hartmann and Bambacas (2000) define affective commitment as a feeling of belonging and sense of attachment to the organization. It has been related to personal characteristics, organizational structures, and work experiences, for example pay,
supervision, role clarity, and skill variety. They further cited that continuance commitment relates to perceived costs of leaving, both financial and non-financial (Becker, 1960) and perceived lack of alternatives (Ritzer & Trice, 1969); Hrebriniak & Alutto, 1972). Normative commitment is concerned with the obligation employees feel to remain with an organization and builds upon (Hartmann & Bambacas, 2000) …what Wiener (1982) described as generalized cultural expectations that “a man” should not change his job too often or “he” may be labeled untrustworthy and erratic. Normative commitment may last only until the “debt” is perceived to be paid and hence is subject to rationalization if other circumstances change (Meyer & Allen, 1991).

Hartmann and Bambacas (2000) discussed that organizational commitment were widely defined by the literature review. Organizational Commitment Questionnaire (OCQ) has been critized as being too simplistic and failing to recognize the multiple dimensions of commitment (Reichers, 1986). Benkhoff (1997) noted that although Mowday, Steers, and Porter claim one factor, other researchers (Kowlowsky, Caspy, & Lazar, 1990; Wong, Hui, & Law, 1998) have identified between one and three factors, thereby casting doubt on the uni-dimensionality of the concept. Benkhoff recommended that the model represented by the OCQ be abandoned and dimensions of organizational commitment be explored separately. Furthermore, short measures of global attitudes have also produced outcomes comparable to the OCQ which, because it measures attitudes, belief and intentions, is considered conceptually confusing (McCaul, Hinsz, & McCaul, 1995).

In addition to the form of commitment, there are issues of the focus of commitment (Hartmann & Bambacas, 2000). Is organizational commitment a global reaction to the organization as a whole or a response and commitment to experiences
in parts of the organization (Ward & Davis, 1995; Becker, Billings, Eveleth & Gilbert, 1996), and is there a role for both global and constituency-specific commitments (Hunt & Morgan, 1994). Organizational commitment is now seen as more complex than first thought (Iles, Forster, & Tinline, 1996), which may not be unexpected given the changes and increasing diversity which have occurred in the working world since the OCQ was developed in the 1970s.

Two meta-analysis of the correlates of organizational commitment (Mathieu & Zajac, 1990; Cohen & Hudecek, 1993) have highlighted inconclusive results for antecedent variables such as age, marital status, occupational status and tenure, as well as other aspects such as working conditions (Brewer, 1996), turnover (Cohen & Hudecek, 1993), performance (Becker et al., 1996), perceptions of organizational climate (McElroy, Morrow, Crum, & Dooley, 1995), and stress (Savery & Syme, 1996). Meyer and Allen (1991) argued that results are variable and difficult to summarize because of the use of different approaches and uncertainty about which aspects of organizational commitment are being assessed.

2.14 Summary of Literature Review

Generally from the above literature review, we could say that the studies of personal values and commitment have the following characteristics:

1) Studies on personal values are generally:
   a. Comparative studies between different levels of groups
   b. Age and educational levels influenced the results
   c. Certain theoretical consideration brings us to conclude the approximation of the total number of values which may range between two to twenty-eight.
d. There are two sets of values being studied that are terminal and instrumental values and the relationship between both values.

e. Studies on the functions of values as motivational functions, the adjustive functions, ego-defensive and the knowledge or self-actualization.

2) Studies on commitment:

   a) Two views of commitment concept as a behavior and as the relative strength of an individual’s identifications with and involvement in a particular organization.

   b) Three dimensional – moral involvement, calculative involvement and alienative involvement.

   c) Two predominant views are instrumental and affective.

   d) A multidimensional concept – effective components, continuance and normative components of organizational commitment.

   e) The studies of gender, perception (individual or collective) and job satisfaction relationships towards commitment.

   f) The relationship of culture values to work commitment.