

**EMPLOYEES' ORGANIZATIONAL COMMITMENT: A STUDY OF
NAVANAKORN INDUSTRIAL ESTATE IN
PHATUMTANI PROVINCE, THAILAND**

Khukrit Silalaiy

*Faculty of Education, Ramkhamhaeng University,
Bangkok 10240, Thailand*

Corresponding author: ritt25@hotmail.com

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Abstract

This study aims to investigate and compare the organizational commitment of the employees of Navanakorn Industrial Estate (NIE) in Phatumtani province. The samples for this study comprised 400 NIE employees, based on simple random sampling. The study utilized the organizational commitment questionnaire, which requires 3 factors: affective commitment, continuance commitment and normative commitment. Questionnaires with a 0.955 level of reliability were used to collect the data. Descriptive method research was used to analyze the data by means of frequency distribution, percentage, mean, and standard deviation. The hypothesis testing was done by applying t-test and one-way analysis of variance. The results revealed that the overall organizational commitment of the NIE employees in Phatumtani province was at the good level. The employees gaining different rates of monthly income had different levels of organizational commitment at the significant level of .05. The results of the multiple comparisons revealed that salary rate affects commitment organization.

Keywords: Commitment; organization; employee; Navanakorn Industrial Estate; Phatumtani

Introduction

Today, human resources is considered a crucial factor in being highly competitive in the market. With the continuous and rapid development of products, the development of human resource has subsequently become a significant factor helping to drive an organization to effectively achieve its set goals. However, in order to gain cooperation from the personnel in the organization, there should be incentives and activities helping boost their confidence allowing them to be ready for cooperation and contribution. This also includes how to boost the employees' potential to help support their work, as well as promote their organizational commitments. Normally, organizational commitment can be categorized into 3 dimensions: continuance commitment, normative commitment, and affective commitment (Meyer and Allen, 1991; Turner and Chelladurai, 2005; Greenberg, 2005; Boehman, 2006; Canipe, 2006). Boosting employees' intentions and performance is essential to the organizational management of human resource. Organizational determination means "the various dimensions related to the employees' loyalty toward the organization, willingness, and the level of goals as well as being part of the organization together with the willingness to maintain organizational members" (Bateman and Strasser, 1984). When personnel have organizational bonds, they will be encouraged, motivated, and supported in order to be ready to dedicate themselves to effective work in the organization. They will also feel that they are part of the organization, or own the organization. So, organizational commitment is vital in pushing the organization forward in the right direction. However, if the personnel feel uncomfortable, worried, or dissatisfied with their jobs, they will not exhibit loyalty or a positive relationship. Thus, they may decide to leave the organization, which can cause a lack of work progress and continuity. Besides, if the organization has a high staff turnover, organizational reliability will lessen. To make the organization work smoothly, efficiently and effectively is a very valuable and vital factor. Organizations need human resources (Mosadeghrad, 2003).

Organizational commitment does not come from the individual. The organization itself and its administrators should willingly take part in promoting and responding to the demands of personnel, e.g. providing the

appropriate welfare, additional advancements, rewards, or working atmosphere. Therefore, if personnel feel comfortable or happy with their jobs, they will feel fun and be able to produce better creative works. Moreover, they will be proud of what they do and be able to work happily alongside their colleagues. In addition, their work will be accepted, and the personnel will obtain more working inspiration and be responsible for their duties. These are some significant factors encouraging a love and willingness to work for the organization. These behaviors, then, result in organizational commitment.

Furthermore, there are other factors affecting organizational commitment. Thus, from the above-mentioned statements, the researcher has become interested in investigating the organizational commitment of employees, for the results from the study will help set a plan developing human resources in the organizations in order to boost organizational commitment. Also, the organization will employ permanent personnel who are both skillful and loyal, driving the organization to effectively achieve its set goals.

Organizational commitment is crucial for organizational operations. If personnel have strong commitment to their organizations, the organization will be able to succeed in its goals. Organizational commitment consists of dedication to the assigned works, and the commitment can be presented in different ways; e.g. producing valuable and creative works that can impress the organization and its service users (Gubman, 1998). Organizational commitment is the process whereby personnel decide to commit themselves to their organizations on a profound level. This commitment emphasizes the individual's overall feelings combined with the organizational goals, member value, and intention to do hard work for the overall goals of the organization. It has been found that personnel with a high level of organizational commitment tend to participate in organizational activities. On the other hand, personnel with less organizational commitment tend to have low working proficiency, making personnel feel distant from their workplace. So, these behaviors lead to a high staff turnover (Steers and Porter, 1983).

Luthans (2007) identifies organizational commitment as being the attitudes reflecting employee loyalty to their organization and which is an ongoing process in which corporate participants express concern for the organization and its success and well-being. Henkin and Marchiori (2003)

define organization commitment as the feelings of the employee, which forces them to be part of their organization and realize the goals, values, norms and ethical standards of the organization. Shaw et al. (2003) identified three dimensions of organizational commitment: commitment, continuity and binding rules. Positive engagement, sincerity and excellence of employees for their organization fell under emotional commitment. Continuance commitment can be regarded as when the individual is committed to the organization because of specific benefits like pensions, insurance, medicals and other fringe benefits. Employee commitment with the organization because of the ethical standards or social norms is called normative commitment. According to Tella et al. (2007), organizational commitment is the strongest motivator that greatly affects the individual's intention to perform well, increase his efficiency, and improve his skills. Organizational commitment is important for organizations because it is a good predictor of organizational goals and objectives, productivity, absenteeism and turnover. Meyer and Allen (1991) explained that organizational commitment comprises 3 characteristics: affective commitment, continuance commitment, and normative commitment. The first affective commitment means knowing the job descriptions; e.g. acknowledging work freedom, particularity of work, its importance and ability to handle different kinds of work, organizational reliability, administrative participation, manager's bonds and intentions during interaction, commitment to the organization as well as the willingness to devote oneself to one's organization. Secondly, continuance commitment consists of several factors, such as age, working experience, job satisfaction, resignation possibility, and acknowledging the difference of responsibilities based on individual competency shown by the mean of personal loyalty to the organization. Lastly, normative commitment is the factor concerning the relationship with colleagues, organizational reliance, and administrative participation in order to make a decision. Moreover, it helps create relationships allowing staff to show their loyalty to their organizations in return.

Research Objective and Conceptual Framework

The objective of this study is to investigate and compare organizational commitment of the employees of NIE in Phatumtani province.

The framework of 3 elements on organizational commitment from Meyer and Allen (1991), namely affective commitment, continuance commitment, and normative commitment, were determined as follows:

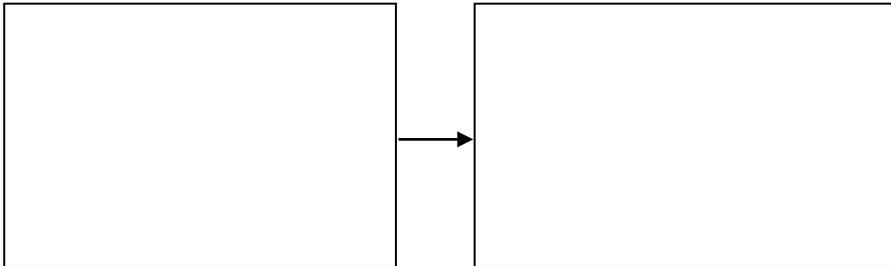


Diagram 1 Conceptual Framework

Research Hypotheses

Based on the conceptual background, the following hypotheses were proposed:

- H1. Different gender creates different commitments
- H2. Different age creates different commitments
- H3. Different educational background creates different commitments
- H4. Different working experience creates different commitments
- H5. Different rate of salary creates different commitments

Research Methodology

Regarding the research instrument applied in this study, the researcher reviewed a variety of concepts, theories, and research related to organizational commitment. The correctness of the content, suggestions, and content validity were done according to the Index of Consistency (IOC). The consistency between the questions and the main idea is between 0.6 to 1.00. The valid questionnaires were tested on 40 samples, and rated to find out the reliability based on Cronbach's alpha coefficient. The final questionnaires completed by the study sample had a .955 level of reliability. Only the completed questionnaires were analyzed and rated according to the specified criterion.

The number 400 samples were from 40,559 populations by the simple random sampling by Yamane (1973). Opinions were analyzed in accordance with the average outlined by Best (1981) as follows: an average between 4.50 to 5.00 is the highest level of commitment, 3.50 to 4.49 is a high level of commitment, 2.50 to 3.49 is a medium level of commitment, 1.50 to 2.49 is less commitment, and 1.00 to 1.49 is the least commitment.

To analyze the collected data, the statistical program was used to analyze and correct the data before encoding. The completed data was systemically and finally stored, analyzed by the computer program in consonance with the objective of the study.

Research Results

According to the research on the organizational commitment of the employees of NIE in Phatumtani province, its analyzed data were displayed into 2 parts comprising: 1) personal factor by mean of number distribution and percentage, and organizational commitment by mean of average and standard deviation, and 2) the analysis on both personal factor and organizational commitment by mean of t-test and one-way ANOVA.

Table 1: Number and Percentage of Personal Factors

Samples Data (n=400)	Number	Percentage (%)
1. Gender		
Male	211	52.75
Female	189	47.25
2. Age		
Under 30	302	75.50
Between 31 to 40	78	19.50
41 and over	20	5.00

Table 1: Continued

	Samples Data (n=400)	Number	Percentage (%)
3.	Educational Background		
	Lower than Bachelor Degree	77	19.25
	Bachelor Degree	277	69.25
	Higher than Bachelor Degree	46	11.50
4.	Working Experiences		
	Less than 2 years	186	46.50
	Between 2 to 5 years	121	30.25
	Between 6 to 9 years	34	8.50
	More than 9 years	59	14.75
5.	Salary		
	Less than 15,000 THB	52	13.00
	Between 15,000 to 20,000 THB	99	24.75
	Between 20,001 to 25,000 THB	82	20.50
	More than 25,001 THB	167	41.75
	Total	400	100

According to Table1, it was found that most of the sample is male (52.8%). Regarding their age, 75.5% are aged under 30, and 19.5% are between 31 and 40 respectively. Most of the sample also hold bachelor degree (69.3%). Concerning working experience, 46.5% from the sample had a working experience of less than 2 years. Also, the salary of the majority of the sample is greater than 25,001 THB at 41.8%, followed by 24.8 % with a salary between 15,000 to 20,000 THB.

Table 2: Mean and Standard Deviation of Organizational Commitment

Organizational Commitment	\bar{x}	S.D.	Results
Affective Commitment	3.94	.53	High
Continuance Commitment	4.14	.50	High
Normative Commitment	3.78	.63	High
Total Average	3.95	.50	High

As can be seen from Table 2, it is found that the overall level of the organizational commitment is at high ($\bar{x} = 3.95$, S.D. = .50). When classified, it is found that the highest commitment goes to continuance commitment ($\bar{x} = 4.14$, S.D. = .50), while affective and normative commitment consist of ($\bar{x} = 3.94$, S.D. = .53) and ($\bar{x} = 3.78$, S.D. = .63), respectively.

The hypothesis testing, personal factors, and organizational commitment of the employees of NIE in Phatumtani province can be described as follows.

Table 3: The Results on Personal Factors and the Organizational Commitment of the Employees

Hypothesis	Hypothesis Testing
H1 Different gender creates different commitments	Hypothesis denied
H2 Different age creates different commitments	Hypothesis denied
H3 Different educational background creates different commitments	Hypothesis denied
H4 Different working experience creates different commitments	Hypothesis denied
H5 Different rate of salary creates different commitments	Hypothesis accepted

From Table 3, the results on personal factors and the organizational commitment of the employees of NIE in Phatumtani province revealed that the differences on gender, age, educational background, and working experience created the same commitments. However, the different rates of salary created different commitments at a significant level at .05 as shown in Table 4.

Table 4: Comparison of the Organizational Commitment of the Employees of NIE in Phatumtani Province as Classified by Salary

Variance	Sum of Squares	df	Mean Square	F	Sig.
Affective Commitment					
Between Groups	7.244	3	2.415	9.007	.000*
Within Groups	106.162	396	.268		
Total	113.406	399			
Continuance Commitment					
Between Groups	7.522	3	2.507	10.679	.000*
Within Groups	92.982	396	.235		
Total	100.504	399			
Normative Commitment					
Between Groups	8.773	3	2.924	7.682	.000*
Within Groups	150.755	396	.381		
Total	159.528	399			
Overall					
Between Groups	7.226	3	2.409	10.495	.000*
Within Groups	90.890	396	.230		
Total	98.116	399			

* p<.05

Analysis of the multiple comparisons of the organizational commitment of the employees of NIE in Phatumtani province classified by salary by Scheffé (1959). Results are shown in Table 5.

Table 5: Multiple Comparisons of the Organizational Commitment of the Employees of NIE in Phatumtani Province as Classified by Salary

Salary		> 15,000	15,000	- 20,001	- > 25,001
		THB	20,000 THB	25,000 THB	THB
Affective Commitment	mean	3.862	3.862	3.876	4.095
	> 15,000 THB	3.862	-		
	15,000 - 20,000 THB	3.862	-		*
	20,001 - 25,000 THB	3.876		-	*
	> 25,001 THB	4.095			-
Continuance Commitment	mean	4.006	3.978	4.096	4.291
	> 15,000 THB	4.006	-		*
	15,000 - 20,000 THB	3.978	-		*
	20,001 - 25,000 THB	4.096		-	*
	> 25,001 THB	4.291			-

Table 5: Continued

Salary		> 15,000	15,000	- 20,001	- > 25,001
		THB	20,000 THB	25,000 THB	THB
Normative Commitment	mean	3.886	3.539	3.659	3.922
	> 15,000 THB	3.886	-	*	
	15,000 - 20,000 THB	3.539	-		*
	20,001 - 25,000 THB	3.659		-	*
	> 25,001 THB	3.922			-
Overall	mean	3.928	3.779	3.878	4.103
	> 15,000 THB	3.928	-		
	15,000 - 20,000 THB	3.779	-		*
	20,001 - 25,000 THB	3.878		-	*
	> 25,001 THB	4.103			-

* p<.05

From Table 5, the results from the multiple comparisons of the organizational commitment of the employees of NIE in Phatumtani province as classified by salary are as follows: affective commitment found that employees with more than 25,001 THB on income have higher affective commitment than employees with incomes of between 15,000 to 20,000 THB and 20,001 to 25,000 THB with statistical significance at .05 (p<.05). As

regards continuance commitment, employees with more than 25,001 THB in income have higher continuance commitment than employees with incomes of less than 15,000 THB, 15,000 - 20,000 THB and 20,001 - 25,000 THB with statistical significance at .05 ($p < .05$). Concerning normative commitment, employees with more than 25,001 THB in income have higher normative commitment than employees with incomes of 15,000 - 20,000 THB and 20,001 - 25,000 THB with statistical significance at .05 ($p < .05$). In addition, it was found that employees with incomes of less than 15,000 THB have higher normative commitment than employees whose income is 15,000 - 20,000 THB with statistical significance at .05 level ($p < .05$). Finally, overall, it was found that employees with incomes of more than 25,001 THB have higher organizational commitment than employees with incomes of 15,000 - 20,000 THB and 20,001 - 25,000 THB with statistical significance at .05 ($p < .05$).

Discussion

Analysis on the organizational commitment of the employees of NIE in Phatumtani Province was done through the investigation of 3 factors: affective commitment, continuance commitment, and normative commitment. It was found that the organizational commitment of the employees was at a high level. Conversely, the different rates of their salaries significantly created different commitments of the employees at the level of 0.05. This evidence supports the study of Luthans (2006) who examined employee's organizational commitment, and found that, in order to promote and encourage personnel to be loyal and become part of the organization, the organization's executives should willingly inspire personnel by the means of offering long term contracts and supporting personnel's work. Furthermore, being accepted and receiving appropriate rewards can result in the personnel's contribution to their organizational achievements (Richards, 2004).

Most employees agree that salary is an important factor that affects the productivity of the organization and the proper payroll system helps employees become more committed to the organization. If the employee has a better choice, they may leave the job or change the job as desired. Relationships between satisfaction with pay, job stress, and willingness to

rotate factors at the organizational level will result in employee turnover (Li-Mei et al. 2018). Salary has an effect on the organization's commitment first when salary increases. Employee salaries are factors that affect the commitment of employees in the organization and the work environment of the employees is also conducive to the commitment to the organization (Umair, 2016).

In addition to increasing income, encouraging employees to receive training and job development to improve new knowledge skills are factors that affect the commitment of the employee. Using new technology in the organization helps to develop the skills necessary for progress and create opportunities for self-improvement in a higher position encourage employees to work better, achieve more results, and they want to get more jobs. To increase loyalty among employees in the workforce the focus should be on improving the factors in creating employee loyalty to the organization, such as the work culture of the organization, the opportunity to develop the skills of employees and promote participation in employee decisions (Hatwal and Chaubey, 2014) and create an environment in an organization that promotes employee work and motivates them along with their commitment to work. In particular, health care should be improved by providing activities to help employees reduce fatigue from work. In addition, the organization should consider the impact of the relationships among colleagues. Increasing teamwork to create a friendly work environment will increase the organization's commitment and allow employees to participate in the organization.

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