A Comparative study on Organisational Commitment between a growing company and a downsized company.

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Abstract

This study compares the difference between organizational commitment in a growing organisation and a downsized one. Specifically the research looks at the statistical difference in affective commitment, continuance commitment, and normative commitment between the two organisations. There is substantial literature that indicates that workers in companies which have downsized have less organisational commitment. The research also shows that organisational commitment is directly linked to job performance, absenteeism, citizenship behaviours and intentions of turnover.

There has been limited research done on organisational commitment in growing companies. Participants were gathered from two relevant companies based in Ireland, with shared similarities but a major difference was that one is growing and one has downsized. Research was gathered via online quantitative survey. A statistical difference was found to be in Affective Commitment. No significant difference was found in Normative and Continuance commitment.
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Chapter 1: Introduction

Organisational commitment is considered to be one of the most richly researched and maturely developed construct relating to workplace behaviour (Morrow & McElroy 1993). It has been extensively researched due to the negative impact that low level commitment can have on an organisation, such as unexplained absences, increased turnover, lower performance, decreased motivation, and lower job participation (Klein, Becker, & Meyer, 2009). Despite the vast research in organisational commitment, there are aspects of this construct which are deficient in the body of research (Klein, et al., 2009).

The focus of this research is to compare organisational commitment between an organisation which is growing and one which has downsized. There has been little to no comparative research similar to this done on organisational commitment. This chapter will present the context of the research in terms of previous literature on the topic and how it intends to bridge the gap in knowledge. The structure of this dissertation will also be provided within this chapter.

1.1 Organisational Commitment

There are many factors which can influence an employee’s level of commitment. These include commitment to their occupation, manager, work group, union, profession, or career (Meyer & Allen, 1997). Organizational commitment is defined as an employee’s commitment to their company. It has also been described as a psychological state which binds the employee to their organisation resulting in the employee remaining with the organisation (Meyer and Allen, 1997).

Allen and Meyer (1990) designed a framework which measured three different components of organizational commitment: (a) Affective commitment (AC) relates to the level of emotional attachment and involvement the employee has towards their organisation. Those with a high level of affective commitment remain with the organization because they have a desire to stay. (b) Continuance commitment (CC) relates to whether the employee believes that the costs of them leaving the organization would be greater than the costs of remaining. Therefore employees who believe that by leaving the organization they will incur costs greater than the costs of remaining with the organisation, stay because they need to rather than want to. (c) Normative commitment (NC) relates to feeling obliged to remain with the organization. Employees who experience high levels of normative commitment stay with the organisation because they feel they ought to (Meyer and Allen, 1991).
Meyer & Allen (1991) argued that AC, CC and NC should be considered three components instead of types due to the fact that employees have varying degrees of each type. Employees can have strong levels of commitment in one, two or even all three components of organisational commitment and in various combinations. “For example, one employee might feel both a strong attachment to an organization and a sense of obligation to remain. A second employee might enjoy working for the organization but also recognize that leaving would be very difficult from an economic standpoint. Finally, a third employee might experience a considerable degree of desire, need, and obligation to remain with the current employer” (Meyer & Allen, 1997, p. 13). As a result there is no rationale for the addition of results across all scales in order to achieve an overall score for organizational commitment as each component should be considered individually (Meyer & Allen, 1997).

1.2 Downsizing

Downsizing can be defined as the planned process of eliminating jobs or positions. An organization will usually implement a downsizing restructure when it wishes to cut costs as well as inefficiency’s which have developed over time. Downsizing can affect all kinds of organisation sectors from public to private (Appelbaum, Delage, Labib & Gault, 1997). Downsizing within an organisation has the following objectives; increased productivity, less bureaucracy, improves communications, faster decision making as well as cutting overhead costs. There can be many reasons which the organisation decides to go down the path of downsizing-an attempt to avoid closure/bankruptcy, preparation for acquisitions or privatization, or as a means to reduce costs and gain competitive advantage (Appelbaum et al.1997).

Research has shown that downsizing can have a negative impact on organisational commitment. There has been a large volume of work done since the late 1980’s on those who have survived organisational downsizing and the effects this has on the employees. Research has shown these survivors’ are more likely to have increased absenteeism, lower commitment levels, low morale and an increase in turnover intention (Cheng-Fei & Yu-Fang 2008).

Due to recessions across the world in recent years there was an increase in organisational downsizing as companies were becoming increasingly under pressure to cut their costs (Datta, Guthrie, Basuil and Pandey, 2011). Across Europe, the US and even countries such as Japan and China were downsizing within their organisations in bids to remain competitive during the recession. During this
time there was an increase in media coverage and research being done on downsizing and its impact on the employees who were left behind (Datta et al, 2011). While downsizing may have an effective impact on the organisations survival, it can have a negative effect on the employee’s which are left behind (Vahtera, Kivimaki & Pentra, 1997). Extensive research was done by Freeman (1994) across a four year period looking at corporate downsizing. The result of this research was that downsizing had a negative effect on organisational effectiveness (Freeman, 1994). Survivor syndrome refers to those that remain in organisations after downsizing occurs. They can have symptoms such as, low motivation, fear and guilt and low levels of commitment (Beylerian & Kleiner, 2003).

1.3 Growing organisations

There has recently been an increasing interest in growing organisations particularly in relation to strategy. Despite the increase of research in this area, there is little known about on why some organisations outperform others despite similar circumstances and with similar resources (Tuck & Hamilton, 1993). An organisation which is considered “growing” will usually be marked by growing through revenue increase, increase in customers, and increase in capital funding or increase in profit. However the most commonly accepted “growing organisation” usually refers to an increase in employees (Hoy, Mc Dougald & Dsuza, 1992). An organisation is easily marked as growing when there is an increase in employees which can be used to measure firm size and used to describe if a firm is small, medium or large based on number of employees. Additionally growth in employees is a good way to measure the health of an organisation because employment numbers will be unaffected by issues such as inflationary adjustment (Hoy et al, 1992).

1.4 Rationale for the study

There are several gaps in the literature which needs to be highlighted. One gap is that there has been limited research done on organisational commitment in growing organisations. The reason for this is that the focus of growing organisations tends to focus on small to medium organisations. The reason for this is growing large organisations organically tends to be rare as they are more likely to grow through acquisitions. There has been no evidence of a comparative research measuring the difference in commitment between a growing company and a downsized one. In order to be able to measure the difference between the two companies, the statistical difference will be measured across the three
components which are affective, normative and continuance commitment. There has been research conducted on downsizing organisations and organisational commitment. So essentially there has been no measurement of statistical difference done thus far. The aim of this research is to be able to definitively say if there is a statistical difference between the two organisations.

1.4 Conclusion

This chapter has introduced the concepts of organisational commitment and the three components which are affective, normative and continuance commitment. This chapter briefly introduced organisational commitment and why it is important for the organisation. An introduction was given to downsizing and how it can negatively impact organisational commitment. Finally growing organisations were introduced and noted as being an area which is lacking in the literature. The overall aim is to be able to definitively say if there is a difference between the two organisations in terms of commitment. The following is an outline of the structure of the dissertation, in how it intends to answer this question

1.5 Structure of dissertation

Chapter one briefly introduces the research and what the aim of the research is. Chapter two looks at the various research on organisational commitment as well as downsizing and growing organisations. It also highlights where there is a gap in the literature. Chapter three looks at the research questions as well as highlighting what the potential outcome may be based on the literature. Chapter four is the methodology which explains in detail how the research was carried out as well as treated and analysed. Chapter five is the data analysis section which includes all the tables of results. Chapter six is the discussion chapter of the various results. Chapter 7 is the conclusion of the dissertation.
Chapter 2: Literature review

2.1 Introduction

The objective of this chapter is to explore the research done so far within the context of organisational commitment. It will begin by looking at what is organisational commitment. Following this it will look at the theoretical framework and the two main approaches to organisational commitment. Research findings on organisational behaviour looks at the research that has been done on organisational commitment and their outcomes. A description of the Allen and Meyer OCQ (1990) is given in detail. Major research on Affective, Continuance and Normative commitment is discussed. Downsizing is discussed as to why it is used as a strategy by organisations. The Impact of downsizing is discussed which includes the impact of downsizing on commitment. Finally the research looks at growing organisations although it is limited due to lack of research having been done on organisational commitment.

2.2 Organisational Commitment

The term "commitment" has been extensively studied, researched and measured and yet remains a concept which is difficult to define (Morrow, 1983; Reichers, 1985).

There are three main approaches in attempting to define commitment (Buchanan, 1974; Mowday, Porter & Steers, 1982). The first approach is known as the exchange approach also known as “side bets” which views commitment as the result of mutual transactions between the organization and the employee. A Second approach is from a psychological stance which defines commitment as an individual’s attitude towards their organization as well as how their identity is linked to the organisation. This attitude comprises of three components which are; how the individual identifies with the organisations goals, how involved they are in work related activities, and how strong their desire is to remain in the organization (Buchanan, 1974; Mowday, Porter & Steers, 1982). The final approach is the attributions approach which describes commitment as the binding of a person to behaving in a particular manner (Reichers, 1985). Organizational commitment research can be found in the literature from the 1960’s such as Becker (1960s) who believed that an employee would remain with an organisation until they perceived the cost of staying was higher than the cost of leaving and was primarily seen as a behavioural issue. The construct of organisational commitment became more refined throughout the 1970’s and commitment moved from being behaving in a committed way to an attitudinal way (Klein, et al, 2009)
other organisational behaviour constructs such as, job performance, job satisfaction and turnover. (Klein, et al., 2009). Meyer and Allen (1997) began their research on commitment during the 1980’s from which they concluded the commitment should be considered as a construct which is multifaceted and complex. All past researchers on commitment agreed that commitment is what binds an individual to the organization and as a result decreases the rate of turnover which can be costly to the organisation (Meyer et al, 2004). The differences arose when characterizing commitment in relation to the following themes; employee’s affective attachment to their company, obligation to stay with the company, and what they perceive as the cost of leaving it (Meyer et al, 2004).

2.3 Theoretical framework

There are two main theoretical frameworks of OC; the multivariate predictive framework and the multiple commitment framework. Both these were developed in order to gain a more comprehensive construct (Lee,2007).

The multivariate predictive framework proposed a model which consisted of two components the first being the antecedents of commitments, and the second being the outcomes of commitment (Steers, 1977). Recent research on OC is based heavily on this multivariate predictive framework (Lee,2007) The research attempts to link different organizational variables such as involvement in groups, burnout, promotional opportunities and salary to organizational commitment. The multiple commitment framework is an alternative framework which suggests OC can be understood as a group of multiple commitments to the organisation (Reichers, 1985). These multiple commitments are to various groups, both inside the organization as well as outside. This framework is based on the theory that organizations should be considered as coalitional entities as well as reference groups (Gouldner, 1957). These two conceptual frameworks of organizational commitment demonstrate that two complementary perspectives rather than two opposite approaches and as a result they can be integrated with each other (Lee, 2007).
2.4 Research findings on Organisational Behaviour

Organisational commitment has been strongly linked with job satisfaction, motivation and good attendance in comparison to poor organisational commitment being linked with absenteeism and high turnover (Bennet & Durkin, 2000). Employees who are committed to their organisation are less likely to use withdrawal behaviour such as not participating and are more adaptable to change (Iverson and Buttigieg, 1998). Organizational commitment is a topic which has been frequently studied by both practitioners and researchers as organizations are under pressure to sustain competitive advantage and as a result are reliant on committed employees (Allen and Meyer, 1997). Committed employees are likely to stay with the organization and actively contribute to its goals and objectives (Meyer et al., 2000).

In 1979 Jermier & Berkes while researching leadership behaviour, did a study, on over 800 police officers. As part of this study they were investigating the link between employee job satisfaction and whether they were committed to the organisation. Their findings showed that those who had greater job satisfaction had also greater levels of organisational commitment (Jermier & Berkes, 1979). Angle & Perry (1981) conducted a research to decipher if organizational commitment had an impact on employee turnover. The research was conducted on 1,244 bus drivers. The results revealed a negative relationship between organizational commitment and turnover. Therefore those who with the intention to leave the job were not really committed to their organization. In 1995, Liou conducted a study on the relationship between organisational commitment as a broad construct and resultant outcomes such as job performance, supervisory trust and job satisfaction among 109 workers. In each of these three studies a positive correlation was reported with high organisational commitment.

There has been some debate over whether organisational commitment is a positive or negative thing. Randall (1987) suggests commitment to the organisation is not a positive attribute, as it means that employees will just accept the status quo even if they shouldn’t, also commitment to a single organisation impacts their ability to adapt to change or innovate. Also organisations will have to spend in order to gain commitment from employees and this may be too expensive for an organisation to maintain over time (Randall, 1987). Employees who are so committed to a singular organisation for a long period of time, might not keep up to date with their skills and as a result the employees skills may become outdated or obsolete in the event of a layoff (Hirsch, 1987). However there has been a
large body of work which suggests that organisational commitment is both a positive thing for the organisation as well as the employee. For Dutton & Rosso (2008) employee commitment vitally important for organisations as without it, employees are much more likely to have frequent unexplained absenteeism, decreased levels of productivity, lower levels in performance and also an increase in likelihood of turnover, which can prove costly for organisations.

Certain personal characteristics have been investigated frequently as antecedents of commitment within the organisation. Characteristics such as age, gender were researched to investigate if these would have an impact on the research. The research found Older employees and had longer tenure with the company were more committed than younger employees (Kacmar, Carlson, & Brymer, 1999; Lok & Crawford, 2001) This is due to older workers having accumulated pension plans and other benefits, that its beneficial for them to remain with the organisation (Meyer & Allen, 1984). In the past research reported that men had less organisational commitment than women (Mathieu & Zajac, 1990). More recent studies, however, found no relationship between gender and organizational commitment (Meyer and Allen, 1997).

2.5 Allen and Meyer OCQ

The Allen and Meyer Organisational Commitment Questionnaire (1990) measures organisational commitment in terms of affective commitment, continuance commitment and normative commitment. The Allen and Meyer OCQ is considered to be a reliable measurement of organisational commitment which has been empirically tested (Mowday, Porter, & Steers, 1982). Furthermore the Allen and Meyer OCQ has been used in organisational commitment research more than any other scale (Klein, et al, 2009).

2.5.1 Affective Commitment is defined as an individual’s desire to be part of their organisation. The bond they feel towards their organization can be characterized as their identity and involvement in the organization as well as whether they enjoy working for their organisation (Allen & Meyer, 1990; Meyer & Allen, 1997; Mowday et al, 1982; O'Reilly & Chatman, 1986). There is strong research support for AC model due to its ability to measure correlates, effects, antecedents, and cross-cultural

2.5.2 Continuance Commitment is the concept that the employee needs to stay with their organization, due to the implications that they will lose out by leaving. These can be financial costs such as those associated with leaving or the forgoing of benefits associated with staying in the organization (Becker, 1960; Allen & Meyer, 2000). Employees that stay with the organization do so out of a need rather than want. As a result CC is directly linked with employee turnover intentions (Meyer & Allen, 1997). Turnover is considered to be costly to organisations as it can cost 3-6 times an employee’s salary to hire and train a new person for the same role (Lipkin and Perrymore, 2009).

2.5.3 Normative Commitment is the extent to which the individual feels obligated to stay with the organization (Meyer & Allen, 1991). NC was initially defined as the internalising of norms regarding loyalty in the workplace which eventually expanded to become an obligation to remain in the workplace, without reference conforming to social norms regarding loyalty (Allen & Meyer, 1996; Meyer et al., 1993). Across the various definitions, the core essence of normative commitment is the sense of obligation the employee feels. For Meyer and Allen (1991) those with high normative commitment are motivated by obligation and duty to do what is right for the organisation. NC is ultimately determined by the familial, cultural, and social background of the employee as well as their experiences, values and attitudes before joining the organizations (Meyer and Allen, 1997).

2.6 Research done on Affective, Normative and Continual Commitment

Meyer and Allen (1991) argued that each of these areas were important to explore as each have very different implications for resulting behaviour. All three components of commitment; AC, CC, and NC are used to describe the multidimensional construct of organizational commitment, however AC is treated as the most effective means of measuring organizational commitment. AC is often considered to be the most important for organisations because an employee with strong AC have stronger motivation for performance and participation in the organisation, give more meaningful contribution and have less unexplained absenteeism (Meyer & Allen, 1997). In comparison with CC and NC, whilst important, are ineffective on their own. If an employee is solely remaining with the
organisation out of CC or NC alone, they are more likely to resent their organisation and as result decreases in job performance (Meyer and Allen, 1997).

Dunham, Grube, & Castaneda (1994) conducted nine studies to examine how participation of management and their feedback impacted over 2000 workers level of AC, CC, and NC. They discovered that when their supervisors gave them feedback about their job performance and gave the employees the authority to be part of the decision making, there was stronger levels of AC compared to the CC and NC in the employees. Thus the research showed that by allowing them to contribute to the decision making within the organisation, this increased the employees wanting to stay with the organisation, rather feeling they ought to or that they have to.

Cohen (2003;2006) compiled a study on the relationship between affective, continuance, and normative commitment and other types of commitment constructs such as job involvement, work involvement, and commitment to career within the nursing community. Findings from this research demonstrated that AC is closely linked with the other types of commitment. Therefore those who stay with their organization out of a desire to do so, were much more likely to demonstrate stronger levels of commitment to their career, their job and their work. In a study on 232 employees Irving, Coleman, & Cooper (1997) researched the correlation between AC, and NC and the resulting outcome measures such as job satisfaction and turnover intentions. Their results showed a positive relation between job satisfaction in AC and NC. In contrast job satisfaction was shown to be negatively related to continuance CC. A combination of all three types of commitment were shown to be negatively linked to intention to leave and CC being the strongest negative relationship (Irving, et al.1997)

2.7 Corporate Downsizing

Organizational downsizing has been described as actions, undertaken by an organization as a means to improve efficiency, productivity and competitiveness (Mirabal and DeYoung 2005). For Noer (2001) downsizing is a deliberate decision made by the organisation to reduce their workforce to increase organisational performance. Kroth (2008) stated that organizations employ downsizing strategy in order to change the organisations structure and bring improvements to the organisation. The need for these improvements is often due to re-structuring business processes, increased pressure
of global competition and also due to the impact of information technology (Burke & Nelson, 2002) as well as being a part of a lean strategy (Ngirande & Nel, 2012). After downsizing there are usually less employees although there is an expectation that the same amount of work will need to be done, therefore it has an impact on the workforce, (Cameron, 1994)

Research done by Dunford et al (1998) on 653 Australian companies showed that a downsizing strategy was implemented by the organisations in order to improve customer service, reduce labour costs, reduce inefficiencies and increase productivity. Their research showed that only a few organisations actually achieved their goals that the intended with the downsizing such as improved productivity, reduction in the cost of labour and improvement in their customer service (Dunford et al. 1998). There are two reasons why downsizing fails; firstly it was not correctly managed, planned or implemented efficiently and secondly there was resistance and resentment in the survivors that remained (Appelbaum, 1997).

There is some debate over reasons why survivors of downsizing are committed to staying with the company. The two main theory’s that dispute this are Side Bet Theory (Becker,1960) and Identity Theory (Burke,1991) Side bet theory is a theoretical approach which states that an employee will remain within the organization until the time where they feel the cost to them is greater to stay then leave (Baruch,2000). Therefore if they were really experiencing negative feelings after downsizing they would leave straight away. The second theory is identity theory whereby the more important the perception of a person’s job role is equivalent to the more stress they will feel in the workplace (Baruch,2000).This theory implies that it’s nothing to do with survivor syndrome but all about the person’s self-identification. Both these frameworks demonstrate that is the individual’s attributes and attitudes to the work that will reflect how they are motivated (Baruch,2000).

2.8 Impact of downsizing on commitment

Numerous research has been done showing that downsizing produces negative consequences, often seen as “survivor syndrome” where the employee has an increase in anxiety and risk aversion (Brockner &Wisenfeld,1996). Extensive research has shown that downsizing results in a reduction in surviving employee’s commitment to their organisation (Cameron et al., 1994)

Morton and Orman (2010) found that there are consequences on the employee who survives downsizing such as increase in turnover; a decrease in teamwork; an increase in stress, anxiety,
absenteeism, and lower performance levels. According to Burke and Nelson (2002) employees can suffer with survivor syndrome, and begin to demonstrate dysfunctional kinds of behaviour such as low productivity, decreased morale, increase in unexplained absenteeism, dissatisfaction with role. Campbell & Paper (2006) noted that these survivors are more likely to lose interest in their jobs after organisational downsizing.

According to one of the studies of Baruch (2000) research showed there was no impact on survivors of downsizing due to the fact that people are no longer being surprised by corporate downsizing and expect it more in comparison to the past when it was more shocking particularly in the 1980’s where jobs were considered permanent for the rest of their working life (Baruch,2000). Brockner (1992) in comparison found evidence for survivor syndrome in all organisations implementing downsizing regardless if the organisation handled it effectively or not An alternative study by Baruch (2000) showed that instead of survivors feeling negative about the downsizing they might feel the opposite way. They might feel happy they survived and that there company appreciates them and wants them to stay (Baruch,2000).

Appelbaum and Donia’s, (2001) research shows that in some cases, employees who remain after downsizing might see an increase in their morale as their organisation has chosen to keep them, resulting in an increase in their commitment. Cameron (1994) research shows evidence that organisational downsizing does not lower morale if their experience of the downsizing are positive. Meron (1994) investigated 30 downsized organisations and discovered that organisations had no negative impact on employee morale if workforce reduction was approached in an open, fair way which included training. Chipunza and Berry’s (2010) research shows that the survivors commitment to the organization after downsizing was satisfactory in comparison to Baker (2006) who stated that that survivors felt that they were at an advantage after downsizing in that they were able to keep this increased their performance and motivation (Jamal &Khan,2013). Travagione and Cross (2006), found that those who survived had a reduction in performance, commitment and motivation.
2.9 Growing Organisations

It is a common view that within the field of business and economics that company’s exist to grow, (Wiklund & Shepherd, 2003). Penrose stated that growth could be measured in two ways, it could be the increase in sales, outputs and exports or it could be the increase in size of organisation due to development (Penrose, 1959). The most common definition of a growing organisation usually relates to an increase in employees (Hoy et al, 1992). Growth of employees can be organic, through alliances, joint ventures, mergers and acquisitions (Delmar et al, 1998).

There is a vast majority of organisational growth based on SME’s research within strategy, entrepreneurship and organization (Pasanen, 2007). Delmar et al (1998) studied the population of Swedish organisations that had at least 20 or more employees in terms of growth. Their research showed that small companies were more like to grow organically than larger organisations

There are three main growth strategies organisations will take to expand; by organic route: which is when an organisation develops and utilises their own resources or the hybrid route: where organisations shares or borrows their resources and finally by an inorganic route where organisations buy another organisation to acquire the necessary resources. Each growth strategy has its own advantages and disadvantages (Agnihotri, 2014). In organic growth the organisation has full control over their operations in comparison to joint ventures, where the control is shared between the two firms (Harzing, 2002). Whilst acquisitions provide the quickest results for a growth strategy such as market expansion, it can also have problems such as cultural integration, which is not existent in organic expansion (Slangen, 2006). Although organic expansion is the slowest route to growth (Slangen, 2006)

According to Dyer et al. (2004) Companies utilise mergers and acquisitions to cut cost, increases competitive advantage or to increase scale although many companies find it difficult to sustain growth. However due to the quick results that can be seen, they often chose acquisitions as a way to increase profits, sales and stock prices (Dyer et al. 2004).

2.10 Cause of growing organisations

There are three key factors which influence the growth of organisations; the company itself, access to resources and as part of a growth strategy implemented by the organisation (Storey, 1994).
Eisenhardt and Schoonhoven (1990) research showed that growing small organisations is a function of environmental changes, entrepreneurial strategy and access to resources. According to Wiklund and Shepherd (2005) organisations with easy access to resources allows them to experiment with risky strategies that other organisations with less access to resources have. Morgan and Strong (2003) found it is more likely that conservative strategies will contribute to organisational growth.

According to Lockett and Thompson (2004) it is the primary objective of managers to utilize available resources in order to gain the maximum amount of profits. The Organisation has limitations on the profits it can make based on its current productivity, therefore in order to increase its profits, it most grow (Lockett & Thompson,2004). When an organisation increases it creates a new means of profitability to the firm (McKelvie et al. 2006). Organic growth is usually seen as part of SME’s rather than larger organisations as this is rare with the latter. The reason that organisational growth is less seen in larger organisations is because they usually grow through acquisitions (Penrose, 1995.)

2.11 Gap in Literature

There is a large gap in the literature on growing organisations. The majority of the research done is based on small organisations, rather than large organisations in terms of organic growth. This is due to large organisations more likely to grow through mergers and acquisitions. The research on growth of SME’s cannot necessarily be applied to a large organisations because they are affected by different issues. Large organisations will have quicker access to financial and people resources compared to SME’s. SME’s are unlikely to be concerned with issues such as market shares. As a results both types of organisation face different issues (Lockett & Thompson,2004)

2.12 Conclusion

There is a large body of research on organisational commitment. Organisational commitment is important to the organisation as it is directly linked to job performance, productivity, motivation and loyalty. When there is a lack of organisational commitment there is an increase of turnover intention. There are two main frameworks of organizational commitment the multivariate predictive framework and the multiple commitment framework; and these should be considered as two complementary perspectives. Research on organisational commitment was discussed as well as the various literature
which argues that organisational commitment is a positive or negative thing. Allen and Meyer model (1990) is described in detail as well discussed further using the various research that was done on this model. The research then moved to Downsizing and how it is defined. The impact of downsizing was discussed, especially how it impacts organisational commitment. Growing organisations were also defined and discussed. Growing organisations have been highlighted as a topic where there is a limited body of research. There has been no relevant research done on organisational commitment in a growing organisation, therefore it has been highlighted as a gap in the literature.
Chapter 3

3.1 Research Question

A Comparative study on Organisational Commitment between a growing company and a downsized one.

- Is there a statistical difference in AC between a company which is growing and one which has downsized?
- Is there a statistical difference in CC between a company which is growing and one which has downsized?
- Is there a statistical difference in NC between a company which is growing and one which has downsized?

3.1.1 Affective Commitment

AC is described as an individual’s desire to be part of their organisation. The AC scale measures the bond the employee feel towards their organization. It measures how strong the feel towards their organisation and how involved they are in participating with the organisation. As per the research high AC is linked with good performance, good participation as well as positive feelings of job satisfaction. Low AC is associated with unexplained absenteeism as well as directly related to increased employee turnover (Hackett et al., 1994). Based on the literature AC would be lower in the company which has downsized (Meyer & Allen, 1997).

3.1.2 Continuance Commitment

CC is the where the employee remains with their organization out of a need rather than want, due to the implications that they will lose out by leaving. These can be financial costs such as those associated with leaving or the forgoing of benefits associated with staying in the organization (Becker, 1960; Allen & Meyer, 2000) This can be a negative issue if the employees are scoring high in CC and low in AC and NC as they may be just attending work but not demonstrating any of the positive qualities associated with commitment. High CC is associated with low turnover intentions. Low CC
is associated with high turnover intentions. There is no link between CC and other performance indicators and as a result it’s considered the least desirable form of commitment. Also it is likely to be higher in a company which has downsized (Meyer & Allen, 1997).

### 3.1.3 Normative Commitment

NC is the extent to which the individual feels obliged to remain with the organization (Meyer & Allen, 1991). An employee who is high in NC will be motivated to do what is right for the organisation. NC is ultimately determined by the familial, cultural, and social background of the employee as well as their experiences, values and attitudes prior to joining the organization (Newman et al., 2011). It is depicted as the obligation the employee feels towards the organisation and is closely linked with AC. High NC is linked with good performance, good participation, organisational citizenship and attendance. However due to the link of feeling obliged they are unlikely to be as motivated as those with high AC. NC is likely to be lower in a company which has downsized (Meyer & Allen, 1997).
Chapter 4: Methodology

4.1 Introduction

According to Quinlan (2011) the Methodology is the most important consideration when undertaking a research project. Appropriate methodologies must be considered and relevant to the research. Figure 4.1 demonstrates how the methodology fits in among the research process (Quinlan, 2011). This chapter focuses on how the research was conducted. Rationale will be provided for the choice of using quantitative methods via surveys. Background to Company X is discussed in order to provide understanding why it is labelled a growing company. Company Y is also discussed as to why it was given the label of a downsized organisation. The questionnaire chosen was Allen and Meyer OCQ (1990) as this is considered to be a highly regarded tool for measuring organisational commitment. How the research was gathered in both companies using Survey monkey, data was cleaned up and entered into SPSS where it was analysed. Among the chapter challenges and ethical considerations will be considered.

Figure 4.1
4.2 Research questions

Research methodology needed to be considered before attempting to answer the following research questions:

Is there a statistical difference in AC between a company which is growing and one which has downsized?
Is there a statistical difference in CC between a company which is growing and one which has downsized?
Is there a statistical difference in NC between a company which is growing and one which has downsized?

4.3 Research Philosophy

A popular method way of looking at research philosophy is by using the research onion. This research onion (figure 4.2) was created by Saunders, Lewis and Thornhill (2007) and shows the various layers that need to be considered before undertaking a research project. Research Philosophy refers to how knowledge is developed and the nature of this knowledge (Saunders, et al. 2009).

There are four main schools of philosophy Pragmatism, Positivism, Realism and Interpretivism.

The most important determinant of choosing the research philosophy is the research question in that certain approaches may be better for answering particular questions than others. Based on the focus of this research in comparing statistical differences, a positivism approach was taken. A positivism approach requires research be conducted in an objective way in that the researcher is independent of the study. The positivism approach requires the researcher to work with facts rather than opinions on the research. Whilst a positivism approach is usually associated with quantitative approach, both quantitative and qualitative methods can be used (Saunders et al,2009)
4.4 Research strategy

Research strategy is an important consideration to make after deciding on philosophical approach. Based on the research questions, after considering all alternatives, the most appropriate strategy would be to conduct quantitative research using surveys. Surveys are the most practical and economical way of gathering data from a large group of participants. Surveys are even more practical and effective when conducting a comparative research due to the ease of distribution and collection data as well as using standardized questionnaires makes for easier comparison (Saunders et al, 2007). One of the disadvantages when using surveys is that there is a reliance of the good will of the respondent, therefore it is important to consider the number of questions needs to be kept relatively short so the participant does not give up half way through leaving the questionnaire invalid (Saunders et al., 2009).
et al, 2007). As the research was to be conducted in two organisations for comparison, a survey was considered to be the most appropriate method.

In deciding whether to undertake a quantitative, qualitative or mixed approach method, quantitative method was chosen. A quantitative method was necessary because the focus of this research was to measure statistical difference. A mixed method of quantitative and qualitative method would have been an interesting method to measure statistical difference in the two companies and qualitative interviews could shed some light on why the responses might have been answered in such a way. However due to limited time frame and as this was a comparative study in which research needed to be conducted in two organisations, it would not have been possible to do both this from a time perspective (Saunders et al, 2007). Therefore quantitative alone was used.

4.5 Sampling

A challenging component to undertaking the research was in gaining access to the relevant samples. This was a time consuming process as companies to be considered needed to meet certain criteria. It was important to compare two similar types of organisations in order to be able to compare organisational commitment. Both company X and Y are well known multinationals within the private sector in Ireland. Large companies were needed in order to be able to get a good sample size. Permission was sought to conduct research in each company from senior management which were connections on LinkedIn. This was time consuming as each company needed to see the questionnaire and get relevant internal approvals processes as well as assurances before being able to confirm that it was ok to proceed. They were advised that it would be just a brief questionnaire on organisational commitment and that the company names would be anonymous.

Due to the length of time it took before all approvals came in, there were repercussions on length of time there would be to conduct the research, leaving limited time for the survey to be open. Below is background information on company X and Company Y to demonstrate similarities, differences as well as why they were labelled as either “growing” or “downsized” without revealing the organisations names.
4.5.1 Company X

Company X is an organisation which operates a file sharing and storage solutions service with headquarters based in San Francisco, California. Company X offers services such as cloud storage, enterprise collaboration tools and client software. Company X allows users access a designated folder on their computers, which it synchronizes so that the customer can view their files from any device, as well as their website. They use a freemium business model in that they offer a free account with limited storage space and then offer paid subscriptions if they wish to avail of further storage.

In 2016, company X expanded into Europe and set up a European headquarters in Hamburg as well as setting up a site in Amsterdam. They are currently expanding due shifting focus from personal storage towards obtaining more business customers which has increased to over 200,000 customers.

4.5.2 Company Y

Company Y is a multinational which provides, business collaborations, communications solutions, contact centres, networking solutions and other related services to companies across the world. Currently it services over 1 million customers globally. Company Y’s headquarters are based in Santa Clara in California with operation centres located globally.

Company Y has employees across various locations in Dublin and throughout Ireland providing onsite support. There are several hundred employees based in major multinationals in Dublin and 11,000 employees worldwide.

Research was conducted on the Dublin branches and this is where the majority of downsizing has taken place. Over the past year company Y has downsized 20%-30% of its staff in Dublin, with job losses including several senior management roles. Media coverage on this downsizing in Ireland has been minimal, however there has been reports from the US that the company is having financial difficulty with huge debts that require them to pay in 2017. There also has been some media coverage that there has been layoffs in all the branches outside of the US in places such as India were they have scaled down huge operation centres.
4.6 Questionnaire

The questionnaire used was Allen and Meyer model (1990) called the Organisational Commitment Questionnaire. This specific version was used which had 8 questions for each scale. Prior versions of this questionnaire only measured Affective and Continuance commitment. In the OCQ commitment levels were explored under the three scales of commitment; affective, continuance and normative. Participants could answer a series of statements such as “I would be very happy to spend the rest of my career with this organisation”. The responses were measured using a Likert scale with responses labelled 1 to 7 (1 = strongly disagree, 2 = disagree, 3 = slightly disagree, 4 = undecided, 5 = slightly agree, 6 = agree and 7 = strongly agree). This questionnaire was chosen because it is considered to be highly reputable for measuring organisational commitment (Mowday et al, 1979) as well as being used in commitment research more than any other scale (Klein, et al, 2009).

4.7 Questionnaire Distribution

Once the decision was made on the questionnaire design, it was then entered into Survey Monkey. Once the survey was created, it was replicated and both were labelled with the relevant company name in order to be able to compare the two company’s results. The manager from each organisation was provided with their relevant link for the survey to be distributed along with the attached letter with description (Appendix 2). In both cases the managers agreed to distribute the survey as well as send the reminders. The survey was open for one week before being closed due to limited time frame.

4.8 Data Analysis

Once the surveys were closed the data was exported into Microsoft Excel. The data was then organised with company X being labelled 1 and company Y being labelled 2. The five age groups were numbered from 1-5. All responses were numbered using the Likert scale. Finally the data was entered into IBM SPSS Statistics 22.0 and all relabelled. Reverse scoring was done on the relevant
questions. Before any data analysis was done, the data was split into the two groups; company X and company Y. AC, NC and CC were tested separately as they are three separate components of which there is no gains to be gotten for the addition of the three. Demographics was the first data done in order to compare gender but more importantly age of participants as this can impact findings. Cronbach’s Alpha was tested on AC, CC and NC scales to see if they could be considered reliable. Following that each scale was tested for normality and the relevant test was conducted in order to compare the difference between company X and company Y. Finally a comparison of means was done for each question in order to look at the results in more detail.

4.9 Ethical considerations

The biggest ethical consideration of this research was to ensure that participants were kept anonymous. Organisational commitment could be considered sensitive in nature especially in an organisation that has downsized. Therefore only the researcher had access to the survey monkey questionnaire results. Also no question was asked that could personally identify any participant, for this reason only their age and gender were asked. This was intentional so that the employees would not feel concerned that results would be shared with management or that they would be identified. By emphasizing the fact that results are anonymous is linked with an increase in likelihood of more responses (Rugg and Petre, 2007). According to Saunders et al (2011) if a participant believed that the outcome of the research could have a negative outcome for them, they were more likely to not answer in an accurate way for fear of repercussions.

A limitation in conducting the actual research was that the questionnaires were sent to a senior manager in each company for distribution, both of whom agreed to distribute as well as send the reminders to employees. Because these were senior managers in each company the employees may have felt pressure to fill in the questionnaires. Also they may have felt that the details would be shared with their managers in a way that could identify them. However in an attempt to counteract this, a letter was emailed with the survey advising them that individual results would not be shared and reassure them that only person who would have access to the results would be the researcher for use in the dissertation only. An email address and phone number was provided in case they had any questions or concerns and no participants made contact.
4.10 Conclusion

In summary this chapter focused on how the research was carried out. Research was conducted using quantitative methods as the research needed to measure the statistical difference between the two companies. Company X is currently expanding due to branching out from targeting customers to include business customers as a result it is labelled a growing company. Company Y lost a large number of employees due to downsizing and faces an uncertain future, thus it was given the label as “downsized”. The questionnaire chosen was Allen and Meyer OCQ (1990) as this is considered to be a highly regarded tool for measuring organisational commitment. Research was gathered via management in both companies using links which they were provided from Survey monkey. The data was cleaned up and entered into SPSS where it was analysed. The challenges of gathering the data was discussed as well as ethical considerations and a limitation in data collection.
Chapter 5: Data Analysis

5.1 Introduction

This chapter outlines the findings from the questionnaire that was distributed. All results were split according to whether they were in company X or company Y as these were the Independent variables. The data will first look at the demographics such as age and gender of participants. This will be followed by a test for reliability using Cronbach’s Alpha on AC, CC and NC as well as overall reliability on the scales. As AC, CC and NC are being examined separately, each one being tested individually for normality and significance.

5.2 Variables.

The data to be analysed contains two independent variables; company X and company Y. The dependent variables are Affective commitment, continuance commitment and normative commitment. According to Allen and Meyer (1990) there is nothing to be gained from adding the three scales and that they should be considered individually.

5.3 Responses to questionnaire.

Table 5.1 shows the total number of responses to the Organisational Commitment Questionnaire. Company X had 45 responses and Company Y had 48 responses and the total number of responses were 93. Table 5.2 shows that all questions were answered and no blanks were left, therefore for company X and Y all cases are valid.
### Total Participants

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<tr>
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<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
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<td></td>
<td></td>
<td></td>
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<td>48.4</td>
<td>48.4</td>
<td>48.4</td>
</tr>
<tr>
<td>company y</td>
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<td>51.6</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>93</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 5.1

### Case processing

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Table 5.2

### 5.4 Gender

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</thead>
<tbody>
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<td></td>
<td></td>
</tr>
<tr>
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<td>100.0</td>
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<td>company y</td>
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<td></td>
<td>Total</td>
<td>48</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 5.3
Table 5.3 shows the breakdown in gender. Company X had 26 male respondents which accounted for 57% of responses and 19 female respondents which accounted for 42% overall responses. Company Y had 39 male respondents which accounted for 81.3% of overall responses and 9 female responses which accounted for 18.8% overall responses. In both organisations there was a higher percentage of male responses.

5.5 Age of Respondents
There were five categories of age groups; 18-24, 25-34, 35-44, 45-54 and 55-64. Table 5.4 shows the breakdown of each groups for both companies. Company X had 10 respondents aged 18-24 (22.2%), 16 respondents aged 25-34 (35.6%), 14 respondents aged 35-44 (31.1%), 2 respondents aged 45-54 (4.4%) and 3 respondents aged 55-64 (6.7%). Company Y had 7 respondents aged 18-24 (14.6%), 8 respondents aged 25-34 (16.7%), 24 aged 35-44 (50%), 7 respondents aged 45-54 (14.6%) and 2 respondents 55-64 (4.2%).

<table>
<thead>
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<th>Age of Respondents</th>
<th>Frequency</th>
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<th>Valid Percent</th>
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<td>55-64</td>
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<td>100.0%</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td><strong>company y</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
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<td>48</td>
<td>100.0%</td>
<td>100.0%</td>
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</tr>
</tbody>
</table>

Table 5.4
5.6 Reliability:
Cronbach’s Alpha is a test to measure if a surveys items can be considered reliable and consistent. This is needed to ensure items are measuring the same latent concept. It is generally accepted if a Cronbach’s Alpha is greater than a .70 that it can be inferred that it has internal reliability and consistency although greater than .95 should be used as the benchmark (Lambert & Darcy, 2013).

Affective Commitment
Table 5.5 shows the Cronbach Alpha for company X is .731 and company Y is .825. Therefore it can be inferred that the AC survey items are internally reliable and consistent. Table 5.6 shows the mean scale statistics for AC Company X has a mean of 37.5556 in comparison to company Y which as a mean of 31.7500.

Reliability Statistics AC

<table>
<thead>
<tr>
<th>company</th>
<th>Cronbach’s Alpha</th>
<th>N of Items</th>
</tr>
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<tbody>
<tr>
<td>company x</td>
<td>.731</td>
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</tr>
<tr>
<td>company y</td>
<td>.825</td>
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Table 5.5

Scale Statistics Affective Commitment

<table>
<thead>
<tr>
<th>company</th>
<th>Mean</th>
<th>Variance</th>
<th>Std. Deviation</th>
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<tbody>
<tr>
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<td>company y</td>
<td>31.7500</td>
<td>93.553</td>
<td>9.67229</td>
<td>8</td>
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</tbody>
</table>

Table 5.6
Continuance Commitment

Table 5.7 shows that company X has a Cronbach’s Alpha of .854 which is above the accepted .70 therefore it can be inferred that it is consistent and reliable. Company Y has a Cronbach’s Alpha of .663 and as a result is below the accepted level of .70 so it cannot be considered consistent and reliable. As this test was below .70 a further test was conducted to measure if the removal of any questions would increase the Cronbach’s Alpha. Table 5.8 shows the despite removal of any of the 8 questions for company Y, regardless the result would still be below .7. Table 5.9 shows a slight difference in the mean of CC for company X is 41.6000 and for Y is 39.9583

<table>
<thead>
<tr>
<th>company</th>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
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<tbody>
<tr>
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<td>.854</td>
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</tr>
<tr>
<td>company y</td>
<td>.663</td>
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</tbody>
</table>

Table 5.7

<table>
<thead>
<tr>
<th>Company Y</th>
<th>Scale Mean if Item Deleted</th>
<th>Scale Variance if Item Deleted</th>
<th>Corrected Item-Total Correlation</th>
<th>Squared Multiple Correlation</th>
<th>Cronbach's Alpha if Item Deleted</th>
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<tbody>
<tr>
<td>CC1</td>
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<td>.198</td>
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Table 5.8

**Scale Statistics Continuance Commitment**

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<td>7.16064</td>
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</table>

Table 5.9

**Normative Commitment**

Table 5.9 shows that the Cronbach’s Alpha for company X is .797 and for company Y is .855 therefore it can be considered that the NC scale items are reliable and consistent. Table 5.11 compares the means of NC, with company X having a mean of 39.7111 and company Y being 36.2917.

**Reliability Statistics NC**

<table>
<thead>
<tr>
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<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>company x</td>
<td>.797</td>
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</tr>
<tr>
<td>company y</td>
<td>.855</td>
<td>8</td>
</tr>
</tbody>
</table>

Table 5.10

**Scale Statistics Normative Commitment**

<table>
<thead>
<tr>
<th>company</th>
<th>Mean</th>
<th>Variance</th>
<th>Std. Deviation</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>company x</td>
<td>39.7111</td>
<td>54.937</td>
<td>7.41198</td>
<td>8</td>
</tr>
<tr>
<td>company y</td>
<td>36.2917</td>
<td>94.849</td>
<td>9.73906</td>
<td>8</td>
</tr>
</tbody>
</table>

Table 5.11
Total reliability of AC, CC and NC

Overall the affective, continuance and Normative scales added together have given a Cronbach Alpha of .723 for company X and .847 for company Y. Therefore the scale overall can be considered reliable and consistent.

Reliability Statistics

<table>
<thead>
<tr>
<th>company</th>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>company x</td>
<td>.723</td>
<td>24</td>
</tr>
<tr>
<td>company y</td>
<td>.847</td>
<td>24</td>
</tr>
</tbody>
</table>

Table 5.12

5.7 Affective Commitment Tests

The first test to be conducted on Affective Commitment after the Cronbach Alpha is the test for normality. The most reliable test for normality is considered to be the Shapiro-Wilk test. If p > 0.5 is it deemed to be normally distributed. In the table 5.12 P=.139 for company X and p=.136 for company Y. Therefore it can be considered that AC is normally distributed and a parametric test can be used.

Tests of Normality AC

<table>
<thead>
<tr>
<th>company</th>
<th>Kolmogorov-Smirnov(^a)</th>
<th>Shapiro-Wilk</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Statistic</td>
<td>df</td>
</tr>
<tr>
<td>company x</td>
<td>COMPOSITE A C</td>
<td>.100</td>
</tr>
<tr>
<td>company y</td>
<td>COMPOSITE A C</td>
<td>.122</td>
</tr>
</tbody>
</table>

Table 5.13

Affective Commitment: Independent Samples t-Test
An Independent Samples t-Test is a measure to test if the averages of two groups to see if they are significantly different. The table 5.14 shows the group statistics and the mean of company x and company y which shows the mean results were higher in company x than company y in terms of affective commitment. If the p<.05 the null hypothesis, which is that there is no difference between Affective Commitment in company x and company y is rejected. Table 5.15 shows the results of an Independent samples t-Test. Levene’s Test of Equality of Variances tests the homogeneity of variance. As the p=.021<0.05, this means that the homogeneity of variances has been violated therefore equal variances cannot be assumed. P=.001<.05 so therefore there is a statistical difference between affective commitment in company X and company Y.

### Group Statistics

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>company x</td>
<td>45</td>
<td>37.556</td>
<td>6.94313</td>
<td>1.03502</td>
</tr>
<tr>
<td>company y</td>
<td>48</td>
<td>31.750</td>
<td>9.67229</td>
<td>1.39607</td>
</tr>
</tbody>
</table>

Table 5.14

### Independent Samples t-Test

<table>
<thead>
<tr>
<th></th>
<th>Levene’s Test for Equality of Variances</th>
<th>t-test for Equality of Means</th>
<th>95% Confidence Interval of the Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>Sig</td>
<td>df</td>
</tr>
<tr>
<td>COMPOSITEA</td>
<td>5.493</td>
<td>.021</td>
<td>91</td>
</tr>
<tr>
<td></td>
<td>3.241</td>
<td>.001</td>
<td>85.229</td>
</tr>
</tbody>
</table>

Table 5.15
5.8 Continuance Commitment Tests

The first test to be conducted on CC after the Cronbach Alpha is the test for normality. Once again the most reliable test for normality the Shapiro-Wilk test. If \( p > 0.5 \) is it deemed to be normally distributed. In the table 5.16 \( P=0.000 \) for company X and \( p=0.000 \) for company Y. Therefore it can be considered that CC deviates from normality thus a non-parametric test is needed.

### Tests of Normality CC

<table>
<thead>
<tr>
<th>company x COMPOSITEC</th>
<th>Kolmogorov-Smirnov(^a)</th>
<th>Shapiro-Wilk</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Statistic</td>
<td>df</td>
</tr>
<tr>
<td>company x COMPOSITEC</td>
<td>.165</td>
<td>45</td>
</tr>
<tr>
<td>company y COMPOSITEC</td>
<td>.175</td>
<td>48</td>
</tr>
</tbody>
</table>

Table 5.16

### Continuance Commitment: Mann Whitney U-Test

The Mann-Whitney U test is a non-parametric alternative to the Independent Samples t-Test. It is used to compare the median rank of the two groups against each other. The table 5.17 shows that the mean rank of company X at 51.98 is higher than company Y at 42.33. In table 5.18 Mann- Whitney U-Test shows \( U=856 \) and \( p=0.085>0.05 \) which shows that there is no statistical significance.

### Ranks

<table>
<thead>
<tr>
<th>company</th>
<th>N</th>
<th>Mean Rank</th>
<th>Sum of Ranks</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMPOSITEC company x</td>
<td>45</td>
<td>51.98</td>
<td>2339.00</td>
</tr>
<tr>
<td>company y</td>
<td>48</td>
<td>42.33</td>
<td>2032.00</td>
</tr>
<tr>
<td>Total</td>
<td>93</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 5.17
Test Statistics

<table>
<thead>
<tr>
<th></th>
<th>COMPOSITE CC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mann-Whitney U</td>
<td>856.000</td>
</tr>
<tr>
<td>Wilcoxon W</td>
<td>2032.000</td>
</tr>
<tr>
<td>Z</td>
<td>-1.725</td>
</tr>
<tr>
<td>Asymp. Sig. (2-tailed)</td>
<td>.085</td>
</tr>
</tbody>
</table>

Table 5.18

5.9 Normative Commitment Tests

The first test to be conducted on NC after the Cronbach Alpha, is the test for normality. Once again the Shapiro-Wilk test is considered to be the most reliable. If p > 0.5 is it deemed to be normally distributed. In the table 5.19 P=.865 for company X and p=.436 for company Y. Therefore it can be considered that NC is normally distributed and a parametric test can be used.

Tests of Normality

<table>
<thead>
<tr>
<th>company</th>
<th>Kolmogorov-Smirnov\textsuperscript{a}</th>
<th>Shapiro-Wilk</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Statistic</td>
<td>df</td>
</tr>
<tr>
<td>company x</td>
<td>COMPOSITEN</td>
<td>.063</td>
</tr>
<tr>
<td>company y</td>
<td>COMPOSITEN</td>
<td>.070</td>
</tr>
</tbody>
</table>

Table 5.19
Normative Commitment: Independent Samples t-Test

The NC Independent Samples t-test results can be seen in table 5.21 Levene's Test of Equality of Variances tests the homogeneity of variance. As the p=.046<0.5, this means that the homogeneity of variances has been violated therefore equal variances cannot be assumed. P=.061>.05 so therefore there is no statistical difference between normative commitment in company X and company Y.

<table>
<thead>
<tr>
<th></th>
<th>company</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMPOSITEN</td>
<td>company x</td>
<td>45</td>
<td>39.7111</td>
<td>7.41198</td>
<td>1.10491</td>
</tr>
<tr>
<td>C</td>
<td>company y</td>
<td>48</td>
<td>36.2917</td>
<td>9.73906</td>
<td>1.40571</td>
</tr>
</tbody>
</table>

Table: 5.20

Independent Samples t-Test

<table>
<thead>
<tr>
<th></th>
<th>Levene's Test for Equality of Variances</th>
<th>Levene's Test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMPOSITEN</td>
<td>Equal variances assumed</td>
<td>Equal variances not assumed</td>
</tr>
<tr>
<td></td>
<td>F</td>
<td>Sig.</td>
</tr>
<tr>
<td></td>
<td>4.091</td>
<td>.046</td>
</tr>
<tr>
<td></td>
<td>1.912</td>
<td>.059</td>
</tr>
</tbody>
</table>

Table: 5.21
5.10 Mean statistics

A final test was conducted to compare the means of AC, NC and CC in both company’s in order to be able to gain more understanding of the results. Table 5.22 shows the mean of each question for company X and company Y in terms of affective commitment.

<table>
<thead>
<tr>
<th>Item Statistics Affective Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>company</td>
</tr>
<tr>
<td>company x AC1</td>
</tr>
<tr>
<td>AC2</td>
</tr>
<tr>
<td>AC3</td>
</tr>
<tr>
<td>AC4</td>
</tr>
<tr>
<td>AC5</td>
</tr>
<tr>
<td>AC6</td>
</tr>
<tr>
<td>AC7</td>
</tr>
<tr>
<td>AC8</td>
</tr>
<tr>
<td>company y AC1</td>
</tr>
<tr>
<td>AC2</td>
</tr>
<tr>
<td>AC3</td>
</tr>
<tr>
<td>AC4</td>
</tr>
<tr>
<td>AC5</td>
</tr>
<tr>
<td>AC6</td>
</tr>
<tr>
<td>AC7</td>
</tr>
<tr>
<td>AC8</td>
</tr>
</tbody>
</table>

Table 5.22
Table 5.23 is the mean of each question for CC. Table 5.24 is the mean of each question for NC.

**Item Statistics Continuance Commitment**

<table>
<thead>
<tr>
<th>company</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>company x CC1</td>
<td>5.0889</td>
<td>1.81937</td>
<td>45</td>
</tr>
<tr>
<td>CC2</td>
<td>5.0889</td>
<td>1.63516</td>
<td>45</td>
</tr>
<tr>
<td>CC3</td>
<td>5.0444</td>
<td>1.42949</td>
<td>45</td>
</tr>
<tr>
<td>CC4</td>
<td>5.5111</td>
<td>1.56121</td>
<td>45</td>
</tr>
<tr>
<td>CC5</td>
<td>5.1111</td>
<td>1.36885</td>
<td>45</td>
</tr>
<tr>
<td>CC6</td>
<td>5.3333</td>
<td>1.47710</td>
<td>45</td>
</tr>
<tr>
<td>CC7</td>
<td>5.2222</td>
<td>1.41243</td>
<td>45</td>
</tr>
<tr>
<td>CC8</td>
<td>5.2000</td>
<td>1.50151</td>
<td>45</td>
</tr>
<tr>
<td>company y CC1</td>
<td>3.0417</td>
<td>1.63679</td>
<td>48</td>
</tr>
<tr>
<td>CC2</td>
<td>5.1875</td>
<td>2.16997</td>
<td>48</td>
</tr>
<tr>
<td>CC3</td>
<td>5.1875</td>
<td>1.69676</td>
<td>48</td>
</tr>
<tr>
<td>CC4</td>
<td>5.2083</td>
<td>1.55684</td>
<td>48</td>
</tr>
<tr>
<td>CC5</td>
<td>4.8542</td>
<td>1.18483</td>
<td>48</td>
</tr>
<tr>
<td>CC6</td>
<td>5.8542</td>
<td>1.50162</td>
<td>48</td>
</tr>
<tr>
<td>CC7</td>
<td>5.0833</td>
<td>1.88875</td>
<td>48</td>
</tr>
<tr>
<td>CC8</td>
<td>5.5417</td>
<td>1.27092</td>
<td>48</td>
</tr>
</tbody>
</table>

Table 5.23
## Item Statistics Normative Commitment

<table>
<thead>
<tr>
<th>company</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>company x</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NC1</td>
<td>5.3556</td>
<td>1.41671</td>
<td>45</td>
</tr>
<tr>
<td>NC2</td>
<td>5.3111</td>
<td>1.36219</td>
<td>45</td>
</tr>
<tr>
<td>NC3</td>
<td>5.2000</td>
<td>1.27208</td>
<td>45</td>
</tr>
<tr>
<td>NC4</td>
<td>5.2222</td>
<td>1.39624</td>
<td>45</td>
</tr>
<tr>
<td>NC5</td>
<td>4.9778</td>
<td>1.54462</td>
<td>45</td>
</tr>
<tr>
<td>NC6</td>
<td>4.8222</td>
<td>1.45053</td>
<td>45</td>
</tr>
<tr>
<td>NC7</td>
<td>4.6222</td>
<td>1.59956</td>
<td>45</td>
</tr>
<tr>
<td>NC8</td>
<td>4.2000</td>
<td>1.47093</td>
<td>45</td>
</tr>
<tr>
<td>company y</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NC1</td>
<td>5.0000</td>
<td>2.25973</td>
<td>48</td>
</tr>
<tr>
<td>NC2</td>
<td>5.3750</td>
<td>1.56593</td>
<td>48</td>
</tr>
<tr>
<td>NC3</td>
<td>4.3333</td>
<td>1.81405</td>
<td>48</td>
</tr>
<tr>
<td>NC4</td>
<td>4.0625</td>
<td>1.87260</td>
<td>48</td>
</tr>
<tr>
<td>NC5</td>
<td>3.9792</td>
<td>1.87355</td>
<td>48</td>
</tr>
<tr>
<td>NC6</td>
<td>5.0833</td>
<td>1.35007</td>
<td>48</td>
</tr>
<tr>
<td>NC7</td>
<td>4.2917</td>
<td>1.39845</td>
<td>48</td>
</tr>
<tr>
<td>NC8</td>
<td>4.1667</td>
<td>1.49230</td>
<td>48</td>
</tr>
</tbody>
</table>

Table 5.24

### 5.13 Summary of Findings

This chapter outlined the findings from the questionnaire results. The data began by examining demographics such as age and gender of participants. This was followed by a test for reliability using
Cronbach’s Alpha on AC, CC and NC as well as overall reliability on the scales. The results of the Cronbach Alpha tests revealed reliability overall and in each individual scale except for CC in company Y at .663 is lower than the acceptable .70. A further test was conducted on this particular scale whereby it was discovered that regardless of which question would be removed, the Cronbach’s Alpha would still remain below .70. A test of normality called Shapiro-Wilk was conducted on AC which showed that AC was normally distributed. As a result of this a parametric test called Independent Samples t-Test could be used to test for statistical difference. The Independent T test showed that there was a significant difference between the two companies and that company X, which is the growing company had higher levels of commitment. The results of the Shapiro-Wilk on CC showed that CC was not normally distributed as a result a non-parametric test was required. A Mann Whitney test showed no significant difference between the two companies. Finally a Shapiro-Wilk test of normality was conducted on NC which showed that NC was normally distributed. As a result a parametric test was conducted which was once again an independent T test. The results from this test showed that there was no statistical difference in NC in company X and company Y.
Chapter 6: Discussion

6.1 Introduction.

Both gender and age of participants were surveyed as part of the questionnaire. Whilst there is no research that suggests gender can impact research results on organisational commitment, there is research to suggest that age of participants has strong influence on results and this will be discussed. The data was analysed by testing for reliability using Cronbch’s Alpha on AC, CC and NC as well as overall reliability of the scales. The results of the Cronbach Alpha tests revealed reliability overall and in each individual scale except for CC in company Y at .663, which is lower than the acceptable.70. A further test was conducted on this particular scale whereby it was discovered that regardless of which question would be removed, the Cronbach’s Alpha would still remain below .70. This is a key item which needs to be discussed in this chapter. The results of AC showed that there is a statistical difference between company X and company Y. There was no statistical differences between CC and NC. These results will be discussed within this chapter. Finally limitations will be discussed as well as potential solutions for overcoming these limitations.

6.2 Gender

Similarly company X had and company Y had more males than female’s responses. This was likely due to the nature of the work organisations being male orientated. This should not have had much impact on the research as links between gender and commitment are neither strong nor consistent (Meyer & Allen,1997) Any links between gender and organisational commitment are coincidentally related (Aven, Parker &Mc Evoy,1993).
6.3 Age of participants

The age of participants were also included in the questionnaire in order to be able to compare the age groups of participants in company X and company Y as this could impact the commitment results. It is said that each generation has a culture of its own due to their experiences in their developmental years which has influenced how they interpret the world (Lancaster & Stillman, 2012). The time frame in which we were born can influence our behaviour such as work ethic, job performance and organisational commitment (Johnson, 2010). Never before have so many different generations occupied a workforce due to factors such as delayed retirement, career changes later in life and job re-entry (Carver & Candela, 2008). Those born between 1965 and 1980 are considered to be generation X (Hoffman, 2008). Generation Y are those who were born between 1981 and 2000 (Hoffman, 2008). This research will just focus on these two generations as this is where the majority of participants fell. In analysing the data company X which was the growing company had a response rate of 57.8% from generation Y group and in comparison to company Y which had just 31% from generation Y. Therefore majority of participants in company X are considered generation Y and majority of participants in company Y are generation X. It should not be underestimated the impact that this may have had on the research as there is much research done on the fact that generation Y are less committed than generation X.

Explanation of this phenomena. There has been much research done on the impact of generation X and Y on organisational commitment. Generation Y tend to be more sociable and interested in building friendships within the organisation, not to forget the impact of social media on this generation (Johnson, 2010). This group have a strong desire to find fulfilling work and need a highly stimulating environment to avoid boredom and as a result it is extremely challenging for organisations to gain their commitment (Armour, 2005). For Lieber (2010) Generation Y employees are less likely to be loyal to management or the company but more likely to be loyal to their peers. Due to constant changes in the workplace environment, recessions, challenges of gaining employment after college, it would make sense that Generation Y feels less committed to the current job market (Thompson & Gregory, 2012). As a result of all this Generation Y have broken away from lifelong loyalty to the organisation that the other generations have shown (Lipkin & Perrymore, 2009). Therefore age is an important consideration in terms of this research.
6.4 Tests of reliability

The Cronbach Alpha test were conducted to measure overall reliability and consistency. The results of the AC, CC and NC were .731, .854 and .797 for company x and .825, .663 and .855 for company Y. All of which is above the .70 except for cc in company Y at .663. An overall score for company x was .723 and .847 for company Y. So overall the scales as a whole could be considered consistent and reliable. Therefore continuous commitment scale for company Y needs to be looked at further to understand why the results of this specifically was lower. No removal of any question would bring this result up higher.

Due to the reliability being much lower in company Y, it would suggest that the reason for this lies within the questionnaire and the difference between a downsizing company and a growing one. Wasti (2002) is critical of the wording of Meyer and Allen model, specifically in relation to continuous commitment section. Wasti argues that the wording of this section of the questionnaire is too vague, whilst agreeing that continuous commitment is linked with perceived costs, having vague questions about costs that have not been specified may influence the respondent. This may have been the case for the company that had downsized. For example those who remain with company may be doing so in order to get a redundancy payment, therefore financially they will benefit by staying. However no question alludes to this option. The closest question to this would be Q8 “one of the major reasons I continue to work for this company is that leaving would require considerable personal sacrifice- another organisation may not match the overall benefits I have here” (Q8) However this question is more focusing on current benefits rather than the future benefit of a redundancy payment. This might explain some inconsistent responses in the scale. Much research has been done using the OCQ and reliability across the scales is usually above .70 (Allen & Meyer, 1997)

6.5 Affective Commitment Results

AC is described as an employee’s desire to be part of their organisation. The AC scale measured the bond the employee feel towards their organization and how involved they are in terms of participation. For Meyer and Allen (1997) those who have a high level of AC are more motivated to give meaningful contribution to the organisation because they wish to be there. For Allen and Meyer (1990) Affective commitment is the most important component of commitment, rather than continuance or normative, due to being closely linked with positive workplace behaviours such as
productivity. High AC is associated with strong job performance, desire to participate as well as positive feelings of job satisfaction. Low AC is correlated with unexplained absences as well as being directly linked to increased employee turnover (Hackett et al., 1994). This research showed that there is a statistical difference in AC between company X and company Y. AC was higher in the company X which is the company that is growing. This result corroborates what previous research has discovered about downsizing organisations. From comparing the mean results of questions in AC across company X and company Y it is apparent that Q1 has a lowest mean response of 2.547 in company Y in comparison to company X which has a mean of 4. Q1 is “I would be very happy to spend the rest of my career with this organisation”. As company Y has an uncertain future, this may have led to show a low score for this question.

6.6 Continuous Commitment Results

CC is the whereby an employee stays with their organization out of needing to rather than wanting to, due to the implications that if they leave it will cost them. These can be financial costs associated with leaving such as not being able to get the same standard of salary elsewhere or the forgoing of benefits associated with staying in the organization (Becker, 1960) It is a negative issue if the employees are scoring high in CC and low in AC and NC as they may be just attending work without demonstrating any of the positive qualities associated with commitment such as good job performance and motivation. For Wasti (2008) CC is the least desirable form of commitment because it implies that the employee only remains with the organisation because they feel it will cost them financially if they leave. High CC is directly associated with low turnover intentions and low CC is associated with high turnover intentions. As there is no link between CC and other positive performance indicators, it is considered the least desirable form of commitment.

CC of an employee to their organisation is based on a combination of internal and external factors. External factors can vary from issues such as current economic climate as whether they believe their skill set will help them gain employment elsewhere. Internal factors can influential are seniority level, company benefits such as bonuses, and good relationships with their co-workers, which they could potentially lose if they were to leave the company (Britt & Jex, 2008).

The results of the CC showed that there was no statistical difference between company X and company Y. This is surprising as based on research it would be much higher in a company that was downsized and lower in a growing company. Interestingly both Company X and company Y were
both high in CC. In looking at the mean comparison of questions, it is apparent that CC results are higher than AC and NC.

6.7 Normative Commitment

NC depicts the extent to which the individual feels obligated to remain with the organization (Meyer & Allen, 1991). NC develops as the employee feels a moral obligation to remain with their employer regardless of whether it is helping their career aspirations or feelings of fulfilment (Marsh & Mannari 1977). Employees who are high in NC will be motivated to do what is right for the organisation. High NC is linked with good performance, good participation, organisational citizenship and attendance. However due feelings of obligation they are unlikely to be as motivated as those with high AC. The research showed that there was no statistical difference in NC in company X and NC in company Y. NC was relatively high in both company’s when examining mean per question.

6.8 Implications

The results which have been discovered as part of this research are surprising in that they do not follow the expectations that have been gotten from the research. Whilst there has been no comparative of two similar types of company’s via statistical difference done before. Past research implies several expectations. Much of the research shows that downsized organisations have lower levels of commitment, in case of AC, this was true. The fact that there was no statistical difference in CC and NC is surprising. One possible reason, which was mentioned as a potential impact on results was the age of participants. As the majority of company X were generation Y and company Y were generation X, this may explain why the research yielded these unexpected results. Perhaps this might indicate that organisational commitment is heavily influenced by age of commitments rather than whether the company has downsized or growing. This may demonstrate that the age of participants is of greater influence rather than whether a company is “growing” or “downsizing”. The research showed that whilst there was no statistical difference in CC between the two organisations both groups had a high level of CC. This suggests that employees are remaining with the organisation out of needing to rather than wanting to. The fact that CC is higher in both organisations shows that employees are choosing to stay with their organisation because they will feel a cost of leaving will be high. However research shows that this is a negative type of commitment as CC is associated with lack of turnover intentions but without the good qualities associated with organisational commitment.
6.9 Contribution to Current Knowledge

This research affirms research already done that states organisational commitment is lower in organisations which have downsized. Essentially it ties in with the current plethora of research and backs up previous studies. The research done on continuous commitment is surprising as previous research suggests continuous commitment would be higher in a downsized organisation rather than a growing one. This might imply that factors such as generation which was highlighted that it could influence CC and highlights interesting further study would be required. No significant difference in normative study although the results show that that normative commitment was relatively high in both organisations. The goal of this research was to be able to confirm if there is a difference between these two companies in terms of organisational commitment and the research shows that to some extent there is a difference in AC but not in CC or NC.

6.10 Limitations

Sample size

One of the limitations with this research was the low number of participants. Company X had 48 participants and company Y had 45. Ideally 100 participants for each survey would be recommended. In major comparative studies on organisation commitment, research would not be included if it had less than the 100 participants (Hattrup, Mueller and Aguirre, 2008). Due to the long approval process that it took to obtain to gain access, it meant that a limited amount of time was given for employees to fill out the survey. As the survey was conducted during the summer a lot of employees were likely to be on annual leave. Ideally 2-3 weeks with several reminders sent would be better rather than a week with reminders sent.

Methodology
A limitation was choice of methodology. A quantitative method was chosen as it was needed in order to measure the statistical difference. However a mixed method approach would have been helpful. The quantitative approach yielded surprising, unexpected results. The limitation of quantitative research is that it cannot show causality. So it is challenging to say what specifically caused the surprising results. Conducting quantitative as well as qualitative research would have been very beneficial for the research. It could have been used to determine specifically why there were certain outcomes. A mixed method approach was not chosen due to time constraints. As the research is a comparative piece research would have been needed to be conducted twice. A lot of time would be needed to organise participants from each company as well as time to interview both groups of people. Therefore if there had been much more time, this would have been the chosen method.

Meyer and Allen’s OCQ

A final limitation was the use of just Meyer and Allen’s OCQ. The questionnaire itself has some limitations specifically around its wording. The wording of a research questionnaire is very complex due to multiple factors. The questionnaire needs to be worded in such a way that the respondent can understand the question that is being asked, that the questions are not leading the respondent to the answer, that questions don’t influence the respondent to answer further questions in a certain way, not be too general and also free from researcher bias (Rowley, 2014). Whilst the dominant model used for organisation research on commitment is the Meyer and Allen model, it has come under some criticism for the wording of its questionnaire. Wasti (2002) is critical of the wording of Meyer and Allen model, specifically in relation to continuous commitment section. Wasti argues that the wording of this section of the questionnaire is too vague, whilst agreeing that continuous commitment is linked with perceived costs, having vague questions about costs that have not been specified may influence the respondent. There has been much debate on the wording of continuous commitment over the past 30 years as well as whether continuous commitment should be considered a higher order construct that has two sub dimensions (Jaros & Culpepper, 2014). One research paper did focus on specifically the work of volunteers, in the chamber of commerce, and discovered that lack of payment meant that the continual commitment piece would not be an appropriate construct to measure their commitment (Dawley et al., 2005). Dawley et al. (2005) believed that continuous commitment is too focused on the economic side of commitment and does not focus enough on the social and psychological in comparison to Wasti (2002) who debates that it’s not specific enough. Therefore
whilst it is considered to be a reliable measure of commitment, it would have been advantageous to have expanded the questionnaire with further questions other highly regarded questionnaires.

6.11 Conclusion

Both gender and age of participants were surveyed as part of the questionnaire. Whilst there is no research that suggests gender can impact research results on organisational commitment, there is research to suggest that age of participants has strong influence on results. In company X the participants were generation Y and in company Y the participants were generation X. This may have had some impact on the overall results. A statistical difference was found in AC between company X and company Y. AC was found to be higher in the organisation that was growing. This was as expected based on various literature that employees in downsizing experience decreased levels of commitment. There was no statistical difference found in CC between the two organisations. This was surprising as it was expected that this would be higher in the organisation that has downsized. It was discovered that in both organisations, CC was higher than AC and NC which implies that they are only remaining with the company as it will be costly for them to leave. This is negative for the organisation because this type of commitment retains the employee in terms of turnover intention, without any of the good qualities of commitment such as productivity, citizenship and meaningful contribution. NC showed that there was no statistical differences between the two companies which was also surprising. However in both organisations NC was high which might explain why there was no difference. These results answered the research question in that there is a difference in commitment between the two organisations, but only in terms of AC and not CC or NC.

The first limitation that was outlined was sample size as the sample of participants was quit low, the solution for this limitation would be next time to have a longer length of time to keep the survey open. The second limitation was having used just a quantitative method due to the lack of being able to explain causality for the results. The solution for this limitation would be to conduct the research again using a mixed methods approach of quantitative and qualitative. A final limitation was the questionnaire itself. Whilst being a highly regarded measurement of organisational commitment, it is not without some limitations. A solution to this would have been to expand the questionnaire with further questions.
Chapter 7: Conclusion

This chapter will note some key highlights from the overall research. It will explore what the research sought out to do and whether it achieved these aims. It will also highlight future ideas that the research

The Aim of this research was to conduct a comparative study on organisational Commitment between a growing company and a downsized one. In order to conduct this comparative study it was broken down into three questions

- Is there a statistical difference in AC between a company which is growing and one which has downsized?
- Is there a statistical difference in CC between a company which is growing and one which has downsized?
- Is there a statistical difference in NC between a company which is growing and one which has downsized?

In order to be able to conduct a comparative research, two organisations which were similar in nature had to be chosen, permission needed to be requested to conduct the research as well as approval on the survey itself. This was a lengthy process. The research was conducted using quantitative survey as this was deemed to be the most practical way to gather the data. Once the data was gathered it was cleaned and analyses using SPSS software.

Whilst there has been no previous comparative studies on organisational commitment between a growing organisations against a downsized organisation there was no expectation of what the result would be. However based on the research done previously on downsizing it was presumed that AC and NC would be lower in company Y and CC would be higher.

The results therefore were not as expected. A statistical difference was found in AC between company X and company Y. AC was found to be higher in the organisation that was growing which was as
expected based on various literature that employees in downsizing experience decreased levels of commitment. There was no statistical difference found in CC between the two organisations which was surprising as it was expected that this would be higher in the organisation that has downsized. It was discovered that in both organisations, CC was higher than AC and NC which implies that they are only remaining with the company as it will be costly for them to leave. This is not necessarily a positive thing organisation because this type of commitment retains the employee in terms of turnover intention, without any of the positive qualities of commitment such as productivity, citizenship and meaningful contribution. NC showed that there was no statistical differences between the two companies which was also surprising although in both organisations NC was relatively high which might explain why there was no difference. The overall aim of this dissertation was to be able to definitively say if there was a difference between the two organisations in terms of commitment. Based on this research we can confirm that there is a significant statistical difference between the two organisations in affective commitment but not in normative or continuance commitment.

Several limitations were uncovered throughout the dissertation. There was a potential limitation in that the managers of both companies agreed to send the reminders out about the survey. This was a potential limitation as it may have placed the participants under pressure to complete the survey. However this was counteracted by letting the participant know in the letter attached with survey link that anonymity would be assured (Appendix 2). The first limitation that was outlined was sample size as the sample of participants was quite low, the solution for this limitation would be next time to have a longer length of time to keep the survey open. The second limitation was having used just a quantitative method due to the lack of being able to explain causality for the results. The solution for this limitation would be to conduct the research again using a mixed methods approach of quantitative and qualitative. A final limitation was the questionnaire itself. Whilst being a highly regarded measurement of organisational commitment, it is not without some limitations. A solution to this would have been to include further questions from other questionnaires.

However the aim of the research was to investigate the difference in organisational commitment between a growing organisation and one that has downsized. This aim was met as the research proves there is some organisational difference between organisational commitments in terms of affective commitment, however there is no statistical difference in their continuance and normative commitment.
7.1 Future Research

An interesting area for future research would be on organisations that are growing organically. There was a deficiency in the literature on growing organisations. The majority of literature on growing organisations is based on SME’s rather than large organisations because it is rarer for a larger organisation to grow. The literature on SME’s is not relevant to large organisations as they both face different concerns and are not comparable in terms of financing, resourcing and market shares. However due to improvements in technology it may be easier for larger organisations to grow organically in the future. Therefore research on those topic would be a valuable consideration.

It was mentioned as a limitation that it would be ideal to repeat the same research, however use both quantitative and qualitative measurements. This would prove to be beneficial. There is a limitation with Quantitative methodology in that it can only measure scientific differences. As the research did not yield results that were expected it would have been good to have qualitative research in order to have better understanding of the results. Organisational commitment is important because committed employees are necessary for a competitive advantage. If this research was repeated using a mixed method approach it would be of significant value to the current body of research.
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Appendix 1

The Organisational Commitment Questionnaire (OCQ) (Allen and Meyer, 1990)

1) What is your gender? Male or Female

2) What age are you?
   18 to 24
   25 to 34
   35 to 44
   45 to 54
   55 to 64

Instructions

Listed below is a series of statements that represent feelings that individuals might have about the company or organization for which they work. With respect to your own feelings about the particular organization for which you are now working, please indicate the degree of your agreement or disagreement with each statement by circling a number from 1 to 7 using the scale below (Allen and Meyer, 1990)

1 = strongly disagree

2 = disagree

3 = slightly disagree

4 = undecided

5 = slightly agree

6 = agree

7 = strongly agree

1) I would be very happy to spend the rest of my career with this organization.

2) I enjoy discussing my organization with people outside it.

3) I really feel as if this organization's problems are my own.

4) I think that I could easily become as attached to another organization as I am to this one. (R)

5) I do not feel like 'part of the family' at my organization. (R)

6) I do not feel 'emotionally attached' to this organization. (R)

7) This organization has a great deal of personal meaning for me.

8) I do not feel a strong sense of belonging to my organization. (R)


1) I am not afraid of what might happen if I quit my job without having another one lined up. (R)

2) It would be very hard for me to leave my organization right now, even if I wanted to.

3) Too much in my life would be disrupted if I decided I wanted to leave my organization now.

4) It wouldn't be too costly for me to leave my organization now. (R)

5) Right now, staying with my organization is a matter of necessity as much as desire.

6) I feel that I have too few options to consider leaving this organization.

7) One of the few serious consequences of leaving this organization would be the scarcity of available alternatives.

8) One of the major reasons I continue to work for this organization is that leaving would require considerable personal sacrifice - another organization may not match the overall benefits I have here.

1) I think that people these days move from company to company too often.

2) I do not believe that a person must always be loyal to his or her organization. (R)

3) Jumping from organization to organization does not seem at all unethical to me. (R)

4) One of the major reasons I continue to work for this organization is that I believe that loyalty is important and therefore feel a sense of moral obligation to remain.

5) If I got another offer for a better job elsewhere I would not feel it was right to leave my organization.

6) I was taught to believe in the value of remaining loyal to one's organization.

7) Things were better in the days when people stayed with one organization for most of their careers.

8) I do not think that wanting to be a 'company man' or 'company woman' is sensible anymore. (R)

*(R) = Reverse Scored

9.3 Appendix 3: Reverse Scoring for the OCQ

1 = 7

2 = 6

3 = 5

4 = 4

5 = 3

6 = 2

7 = 1
Appendix 2: Cover Letter which was provided with Survey email

Dear Sir/Madame

I am currently studying a Master’s in Business Administration (MBA) in the National College of Ireland. I am researching the topic of Organisational Commitment for my dissertation.

Please be advised that all responses will be anonymous and used for the purpose of contributing to research for a dissertation.

Should you have any queries, please email me at cmcnally@yahoo.ie or phone me on 086 358 8092

Many thanks for your contribution, it is greatly appreciated.

Caitriona Mc Nally