

## Key concepts and terms

- *Commitment*
- *High-commitment model*
- *Mutuality*
- *Organizational engagement*
- *Pluralist*
- *Psychological contract*
- *Unitarist*

## LEARNING OUTCOMES

On completing this chapter you should be able to define these key concepts. You should also understand:

- The meaning of organizational commitment
- The importance of commitment
- Commitment and engagement
- Problems with the concept of commitment
- The impact of high commitment
- Factors affecting commitment
- Developing a commitment strategy

## Introduction

Commitment represents the strength of an individual's identification with, and involvement in, a particular organization. It is a concept which has played an important part in HRM philosophy. As Guest (1987: 503) suggested, HRM policies are designed to 'maximize organizational integration, employee commitment, flexibility and quality of work'. Beer et al (1984: 20) identified commitment in their concept of human resource management as a key dimension because it 'can result not only in more loyalty and better

performance for the organization, but also in self-worth, dignity, psychological involvement, and identity for the individual’.

## The meaning of organizational commitment

Commitment refers to attachment and loyalty. It is associated with the feelings of individuals about their organization. The three characteristics of commitment identified by Mowday et al (1982) are:

- a strong desire to remain a member of the organization;
- a strong belief in and acceptance of the values and goals of the organization;
- a readiness to exert considerable effort on behalf of the organization.

Appelbaum et al (2000: 183) rephrased this definition as: ‘Organizational commitment is a multidimensional construct that reflects a worker’s identification with the organization (loyalty), attachment to the organization (intention to stay), and willingness to expand effort on the organization’s behalf (discretionary effort).’

An alternative, although closely related, definition of commitment emphasizes the importance of behaviour in creating commitment. Three features of behaviour are important in binding individuals to their acts: the visibility of the acts, the extent to which the outcomes are irrevocable, and the degree to which the person undertakes the action voluntarily. Commitment, according to Salancik (1977) can be increased and harnessed to obtain support for organizational ends and interests through such ploys as participation in decisions about actions.

## The importance of commitment

The importance of commitment was highlighted by Walton (1985b). His theme was that improved performance would result if the organization moved away from the traditional control-orientated approach to workforce management, which relies upon establishing order, exercising control and achieving efficiency. He proposed that this approach should be replaced by a commitment strategy which would enable workers to respond best – and most creatively – not when they are tightly controlled by management, placed in narrowly defined jobs, and treated like an unwelcome necessity, but, instead, when they are given broader responsibilities, encouraged to contribute and helped to achieve satisfaction in their work. He described the commitment-based approach as follows (ibid: 79):

Jobs are designed to be broader than before, to combine planning and implementation, and to include efforts to upgrade operations, not just to maintain them. Individual responsibilities are expected to change as conditions

change, and teams, not individuals, often are the organizational units accountable for performance. With management hierarchies relatively flat and differences in status minimized, control and lateral coordination depend on shared goals. And expertise rather than formal position determines influence.

Expressed like this, a commitment strategy sounds idealistic ('the American dream' as Guest, 1990, put it) but does not appear to be a crude attempt to manipulate people to accept management's values and goals, as some have suggested. In fact, Walton did not describe it as being instrumental in this manner. His prescription was for a broad HRM approach to the ways in which people are treated, jobs are designed and organizations are managed. He believed that the aim should be to develop 'mutuality', a state that exists when management and employees are interdependent and both benefit from this interdependency. The importance of mutuality (the belief that management and employees share the same concerns and it is therefore in both their interests to work together) and its relationship to commitment was spelt out by Walton (1985a: 64) as follows. The new HRM model is composed of policies that promote mutuality – mutual goals, mutual influence, mutual respect, mutual rewards, mutual responsibility. The theory is that policies of mutuality will elicit commitment which in turn will yield both better economic performance and greater human development.

But a review by Guest (1991) of the mainly North American literature reinforced by the limited UK research available led him to the conclusion that: 'High organizational commitment is associated with lower labour turnover and absence, but there is no clear link to performance.' Swailes (2002: 164) confirmed that: 'Despite the best efforts of researchers ... the evidence for a strong positive link between commitment and performance remains patchy.'

It is probably unwise to expect too much from commitment as a means of making a direct and immediate impact on performance. It is not the same as motivation. It is possible to be dissatisfied with a particular feature of a job while retaining a reasonably high level of commitment to the organization as a whole. But it is reasonable to believe that strong commitment to work may result in conscientious and self-directed application to do the job, regular attendance, the need for less supervision, and a high level of discretionary effort. Commitment to the organization will certainly be related to the intention to stay with the organization.

## Commitment and engagement

The notion of commitment as described above appears to be very similar, if not identical, to that of organizational engagement, which, as described in Chapter 9, focuses on attachment to or identification with the organization as a whole. Are there any differences?

Some commentators have asserted that there is a difference by referring to commitment as a distinct although closely linked entity. As cited by Buchanan (2004: 19), the US Corporate Executive Board divides engagement into

two aspects of commitment: (1) rational commitment, which occurs when a job serves employees' financial, developmental, or professional self-interest; and (2) emotional commitment, which arises when workers value, enjoy and believe in what they do, and which has four times the power of its more pragmatic counterpart to affect performance. The Corporate Executive Board (2004: 1) indicated that engagement is 'the extent to which employees commit to someone or something in their organization, how hard they work, and how long they stay as a result of that commitment'. Wellins and Concelman (2005: 1) suggested that 'to be engaged is to be actively committed'. And Macey and Schneider (2008: 8–9) observed that:

Organizational commitment is an important facet of the state of engagement when it is conceptualized as positive attachment to the larger organizational entity and measured as a willingness to exert energy in support of the organization, to feel pride as an organizational member, and to have personal identification with the organization.

Clearly, organizational engagement and commitment are closely associated, and commitment was included by the Institute for Employment Studies in their model (Chapter 9, Figure 9.1) as an element of engagement. Appelbaum et al (2000: 183) noted that: 'The willingness to exert extra effort is the aspect of organizational commitment that has been shown to be most closely related to an employee's job performance.' Robinson et al (2004: 7) suggested that the closest relationship of commitment to engagement was 'affective commitment, ie the satisfaction people get from their jobs and their colleagues and their willingness to go beyond the call of duty for the sake of the organization'. Salanova et al (2005) saw commitment as part of engagement but not equivalent to it.

The analysis of the concept of commitment as undertaken in this chapter is based on a considerable body of work exploring its nature and significance and therefore helps to illuminate the somewhat elusive notion of engagement. But there are problems with commitment, as discussed below.

## **Problems with the concept of commitment**

A number of commentators have raised questions about the concept of commitment. These relate to three main problem areas: (1) the imprecise nature of the term; (2) its unitary frame of reference; and (3) commitment as an inhibitor of flexibility.

### ***The imprecise nature of the term***

Guest (1987: 513) raised the question of what commitment really means:

The case for seeking high commitment among employees seems plausible but the burgeoning research on the topic has identified a number of problems. One of

these concerns the definition of the concept. The first issue is – commitment to what? Most writers are interested in commitment to the organization, but others have examined career commitment and job commitment. Once the general concept of commitment is utilized, then union commitment, workgroup commitment and family commitment should also be considered. The possibility of multiple and perhaps competing commitments creates a more complex set of issues.

### ***Unitary frame of reference***

The concept of commitment, especially as put forward by Walton, can be criticized as being simplistic, even misguided, in adopting a unitary frame of reference which assumes that organizations consist of people with shared interests. It has been suggested by people like Cyert and March (1963), Mangham (1979) and Mintzberg (1983) that an organization is really a coalition of interest groups where political processes are an inevitable part of everyday life.

Legge (1989: 38) also raises this question in her discussion of strong culture as a key requirement of HRM, which she criticized because it is said to function through ‘a shared set of managerially sanctioned values... that assumes an identification of employee and employer interests’.

As Coopey and Hartley (1991: 20) put it: ‘Commitment is not an all-or-nothing affair (though many managers might like it to be) but a question of multiple or competing commitments for the individual.’ A pluralist perspective recognizes the legitimacy of different interests and is more realistic.

It could be argued that values concerned with performance, quality, service, equal opportunity and innovation are not necessarily wrong because they are managerial values. But pursuing a value such as innovation could work against the interests of employees by, for example, resulting in redundancies. And flexibility may sound a good idea but beyond the rhetoric, as Sisson (1994: 5) observed, the reality may mean that management can do what it wants. It would be quite reasonable for any employee encouraged to behave in accordance with a value supported by management to ask ‘What’s in it for me?’ It can also be argued that the imposition from above of management’s values on employees without their having any part to play in discussing and agreeing them is a form of coercion.

### ***Commitment and flexibility***

It was pointed out by Coopey and Hartley (1991: 21) that: ‘The problem for a unitarist notion of organizational commitment is that it fosters a conformist approach which not only fails to reflect organizational reality, but can be narrowing and limiting for the organization.’ They argued that if employees are expected and encouraged to commit themselves tightly to a single set of values and goals they will not be able to cope with the ambiguities and uncertainties which are endemic in organizational life in times of change. Conformity to ‘imposed’ values will inhibit creative problem solving, and



high commitment to present courses of action will increase both resistance to change and the stress which invariably occurs when change takes place.

If commitment is related to tightly defined plans then this will become a real problem. To avoid it, the emphasis should be on overall strategic directions. These would be communicated to employees with the proviso that changing circumstances will require their amendment. In the meantime, however, everyone can at least be informed in general terms where the organization is heading and, more specifically, the part they are expected to play in helping the organization to get there. And if they can be involved in the decision-making processes on matters that affect them (which include management's values for performance, quality and customer service), so much the better.

Values need not necessarily be restrictive. They can be defined in ways which allow for freedom of choice within broad guidelines. In fact, the values themselves can refer to such processes as flexibility, innovation and responsiveness to change. Thus, far from inhibiting creative problem solving, they can encourage it. But they will not do so if they are imposed from above. Employees need to have a say in defining the values they are expected to support.

## Factors affecting commitment

Kochan and Dyer (1993) indicated that the factors affecting the level of commitment in what they call mutual-commitment firms are as follows:

- strategic level: supportive business strategies, top management value commitment and effective voice for HR in strategy making and governance;
- functional (human resource policy) level: staffing based on employment stabilization, investment in training and development and contingent compensation that reinforces cooperation, participation and contribution;
- workplace level: selection based on high standards, broad task design and teamwork, employee involvement in problem solving and a climate of cooperation and trust.

The research conducted by Purcell et al (2003) identified the following key policy and practice factors that influence levels of commitment:

- received training last year;
- satisfied with career opportunities;
- satisfied with the performance appraisal system;
- think managers are good in people management (leadership);
- find their work challenging;
- think their firm helps them achieve a work–life balance;
- satisfied with communication or company performance.

## Developing a commitment strategy

A commitment strategy can be based on the high-commitment model incorporating policies and practices in areas of HR such as job design, learning and development, career planning, performance management, reward management, participation, communication and employee well-being.

HR should play a major part in developing a high-commitment organization. The ten steps it can take are:

- Advise on methods of communicating the values and aims of management and the achievements of the organization so that employees are more likely to identify with it as one they are proud to work for.
- Emphasize to management that commitment is a two-way process; employees cannot be expected to be committed to the organization unless management demonstrates that it is committed to them and recognizes their contribution as stakeholders.
- Impress on management the need to develop a climate of trust by being honest with people, treating them fairly, justly and consistently, keeping its word, showing willingness to listen to the comments and suggestions made by employees during processes of consultation and participation.
- Develop a positive psychological contract (the set of reciprocal but unwritten expectations which exist between individual employees and their employers) by treating people as stakeholders, relying on consensus and cooperation rather than control and coercion and focusing on the provision of opportunities for learning, development and career progression.
- Advise on the establishment of partnership agreements with trade unions which emphasize unity of purpose, common approaches to working together and the importance of giving employees a voice in matters that concern them.
- Recommend and take part in the achievement of single status for all employees (often included in a partnership agreement) so that there is no longer an 'us and them' culture.
- Encourage management to declare a policy of employment security and ensure that steps are taken to avoid involuntary redundancies.
- Develop performance management processes which provide for the alignment of organizational and individual objectives.
- Advise on means of increasing employee identification with the company through rewards related to organizational performance (profit sharing or gainsharing) or employee share ownership schemes.
- Enhance employee job engagement (ie identification of employees with the job they are doing) through job design processes which aim to create higher levels of job satisfaction (job enrichment).

## KEY LEARNING POINTS

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### The meaning of commitment

Commitment refers to attachment and loyalty. It is associated with the feelings of individuals about their organization.

The three characteristics of commitment identified by Mowday et al (1982) are:

- a strong desire to remain a member of the organization;
- a strong belief in and acceptance of the values and goals of the organization;
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### The impact of high commitment

In his seminal *Harvard Business Review* article 'From Control to Commitment', Richard Walton (1985b) stated that 'eliciting employee commitment will lead to enhanced performance, the evidence shows this belief to be well founded'.

The importance of commitment was highlighted by Walton. His theme was that improved performance would result if the organization moved away from the traditional control-orientated approach to workforce management, which relies upon establishing order, exercising control and achieving efficiency. He proposed that this approach should be replaced by a commitment strategy.

### Problems with the concept of commitment

There are four main problem areas: (1) the imprecise nature of the term, (2) its unitary frame of reference, (3) commitment as an inhibitor of flexibility, and (4) the extent to which high commitment does in practice result in improved organizational performance.

### Engagement and commitment

Organizational engagement and commitment are closely associated.

Commitment was included by the Institute for Employment Studies in their model as an element of engagement.

But commitment is a somewhat wider concept in that it is concerned with both job engagement and organizational engagement.

### The factors affecting the level of commitment (Kochan and Dyer,1993)

- strategic level: supportive business strategies, top management value commitment and effective voice for HR in strategy making and governance;
- functional (human resource policy) level: staffing based on employment stabilization, investment in training and development and contingent compensation that reinforces cooperation, participation and contribution;
- workplace level: selection based on high standards, broad task design and teamwork, employee involvement in problem solving and a climate of cooperation and trust.

## HR's role in enhancing commitment

HR should play a major part in developing a high-commitment organization. The 10 steps it can take are:

- Advise on methods of communicating the values and aims of management.
- Emphasize to management that commitment is a two-way process.
- Impress on management the need to develop a climate of trust.
- Develop a positive psychological contract.
- Advise on the establishment of partnership agreements with trade unions.
- Recommend and take part in the achievement of single status for all employees.
- Encourage management to declare a policy of employment security.
- Develop performance management processes.
- Advise on means of increasing employee identification with the company.
- Enhance employee job engagement through job design processes.

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## Questions

- 1 What is commitment?
- 2 What is mutuality?
- 3 What are the three characteristics of commitment?
- 4 Why is commitment important?
- 5 What impact can high levels of commitment have on performance?
- 6 What is the relationship between commitment and engagement?
- 7 What did the research conducted by Purcell et al (2003) tell us about the factors affecting commitment?
- 8 Is a belief in the virtues of commitment based on an unrealistic unitary view of employment relationships?
- 9 Do high levels of commitment result in lack of flexibility and if so, what can be done about it?
- 10 What are the essential features of a commitment strategy?