

link

LINK Working Paper Series

WP 02-03

Assessing the Importance of Multi-Dimensional Commitment to International HRM: Evidence from Employees in the Irish Financial Services Industry

**Edel Conway
Kathy Monks**

The Learning, Innovation and Knowledge Research Centre
DCU Business School
Dublin City University
Glasnevin
Dublin 9
Ireland

link.dcu.ie

THE LEARNING, INNOVATION AND KNOWLEDGE (LINK) RESEARCH CENTRE WORKING PAPER SERIES
<http://www.link.dcu.ie/publications/workingpaperseries/>

© 2003, Assessing the Importance of Multi-Dimensional Commitment to International HRM: Evidence from Employees in the Irish Financial Services Industry, Edel Conway and Kathy Monks

Authors are responsible for the accuracy of citations, quotations, diagrams, tables and maps.

The views expressed here do not necessarily reflect those of Learning, Innovation and Knowledge (LInK) Research Centre.

All or part of this work may be reproduced for the purposes of study, research, criticism or review provided that the author and the Learning, Innovation and Knowledge (LInK) Research Centre are fully acknowledged.

THE LEARNING, INNOVATION AND KNOWLEDGE (LINK) RESEARCH CENTRE WORKING PAPER SERIES

WP 02-03

<http://www.link.dcu.ie/publications/workingpaperseries/>

© 2003, LInK, Edel Conway and Kathy Monks

Contact: edel.conway@dcu.ie

Assessing the Importance of Multi-Dimensional Commitment to International HRM: Evidence from Employees in the Irish Financial Services Industry



EDEL CONWAY
KATHY MONKS

ABSTRACT

A key feature of the HRM literature in recent years has concerned the identification of HR practices associated with high performance or high commitment management. Despite references to ‘high commitment’ in this literature, little research has examined the impact of these practices on the attitudes and commitment of employees. This is despite claims that commitment is best viewed as a multi-dimensional construct, with different outcomes for both individuals and for organisations pursuing high commitment strategies. This pursuit of two disparate research agendas makes it difficult to add sense to what might represent best practice from an employee perspective, and what might constitute high commitment HR practices. This paper extends both HRM and commitment research perspectives by examining employee experiences of HR practices and linking these experiences to multiple dimensions of commitment. Findings are based on a survey of employees (N = 288) within three multinational firms operating in the Irish Financial Services sector. The findings show that while attitudes towards some HR practices impact considerably on affective commitment, their impact on the continuance or normative dimensions is considerably weaker. In light of the findings, the paper evaluates the suitability of using a three-dimensional framework in research on high commitment management.

Key Words: High Performance Work Systems; Commitment; Employee Experience

INTRODUCTION

A central theme within the HRM literature in recent years has focused on performance and commitment-enhancing HR practices. This focus has been based on research evidence that considers either (a) the impact of systems of HR practices on firm performance or (b) the impact of attitudes towards certain HR practices on organisational commitment, viewed primarily as a singular, uni-dimensional construct. To date, any consolidation between both research streams has been notably lacking in the literature, with little indication of whether or how employee attitudes towards HR practices impact on multiple dimensions of commitment. This paper attempts to incorporate both research approaches by identifying the HR practices that have been associated with firm performance and examining their impact on both the attitudes and the commitment of employees.

The paper sets out to resolve a number of key issues that have received somewhat limited attention within the literature. First, it examines whether attitudes towards HR practices are more important predictors of multiple dimensions of commitment, than individual variables. Second, it investigates the extent to which attitudes towards HR practices predict different dimensions of commitment. Third, it examines whether attitudes towards HR practices are better predictors of affective commitment, than either continuance or normative commitment. The usefulness of linking attitudes towards HR practices to existing conceptualisations of multi-dimensional commitment, particularly in research contexts outside the US, is then explored.

RESEARCH ON 'HIGH COMMITMENT' MANAGEMENT

Research examining the impact of HR practices on performance has its roots in both the configurational and the universal theoretical frameworks. The configurational approach adopts a 'systems' perspective and attempts to identify patterns or 'bundles' of HR practices, which when used in association with each other, or with a particular strategy, predict better performance (Huselid, 1995). This perspective posits that the combination of practices comprising the HR system is of greater value - both in terms of organisational performance and in fostering appropriate employee behaviours - than the adoption of particular practices in isolation. The universal or 'best practice' approach posits that certain HR practices lead to higher performance and therefore should be adopted by all organisations, irrespective of the basis upon which they seek to compete (Pfeffer, 1994; 1998). Delery and Doty (1996) suggest that HR practices that have been consistently related to firm performance - either theoretically or empirically - may be regarded as 'strategic' or generic 'best' HR practices. A summary of these practices is provided in Table 1.

[Insert Table 1 about here]

A number of predominately US based studies have reported associations between 'systems' of these HR practices and outcomes such as turnover, absenteeism, productivity levels and firm performance (e.g. Huselid, 1995; MacDuffie, 1995). A smaller number of studies have investigated the extent to which 'high commitment management' is evident within organisations (e.g. Arthur, 1994; Wood and DeMenezes, 1998; Roche, 1999), investigating similar practices and, in some cases, reporting similar firm-level outcomes. Arising from this firm level research, the literature now refers to the adoption of what are now termed 'high performance' HR practices and perhaps much more loosely, 'high commitment' HR practices. These practices can be broadly classified in terms of their impact on employees' skills and ability, motivation, and the way that work is structured (Huselid, 1995).

The Nature of Employee Commitment

Over the last three decades, organisational commitment has emerged as a key concept in the study of work attitudes and behaviour (Meyer and Allen, 1997). Yet, there exists a considerable degree of diversity and controversy regarding how the construct should be defined and subsequently measured. Most definitions concern an individual's identification with the goals and values of an organisation (e.g. Buchanan, 1974; Porter et al., 1974). However, others consider both identification and involvement as forming the basis of a moral attachment to the organisation (e.g. Hall and Schneider, 1972; Wiener, 1982). Others identify what can be broadly termed as cost-based commitment, where an individual assesses the perceived 'gains' associated with continued membership of an organisation, and the perceived 'costs' associated with leaving (e.g. Becker, 1960; Rusbult and Farrell, 1983).

Due to the lack of consensus regarding how commitment should be defined, it has been suggested that researchers recognise the complexity of the construct and view commitment as multi-faceted (Benkhoff, 1997). Meyer and Allen (1991: 67) propose one such conceptualisation of commitment comprising three separable components, each of which reflect a unique underlying psychological state. They provide a description of each of these commitment forms as follows:

Affective commitment refers to the employee's attachment to, identification with, and involvement in the organisation. Employees with a strong affective commitment continue employment with the organisation because they want to do so. Continuance commitment refers to an awareness of the costs associated with leaving the organisation. Employees whose primary link to the organisation is based on continuance commitment remain because they need to do so. Finally, normative commitment reflects a feeling of obligation to continue employment. Employees with a high level of normative commitment feel that they ought to remain with the organisation.

Meyer and Allen suggest that individuals may display each of these three forms of commitment to varying degrees. Thus, the widely held definitions which emphasise commitment to organisational goals are problematic because according to this definition, people can be committed to an organisation for reasons other than a

commitment to its goals. Due to its predominately firm level focus, research investigating 'high commitment' management has not adequately recognised the complexity of the commitment construct and has failed to measure it. The concept of commitment depicts an individual attitude and high commitment can only be assumed to exist if the actual commitment levels among a workforce are assessed.

Can Commitment Be Managed?

To better substantiate claims that commitment can be managed through HR practices, it is necessary to establish the relative impact of both attitudes towards HR practices and individual variables on multiple dimensions of commitment. Though a large number of research studies have investigated these antecedents, there has been little consensus regarding the relative importance of both individual and organisational (situational) variables on commitment. Some studies suggest that organisational variables are more important than individual ones (Angle, 1983; Morris and Sherman, 1981), others suggest that it is individual variables (Koch and Steers, 1978), and yet others suggest that it is a combination of both (Brief and Aldag, 1980; Buchanan, 1974). There is also research evidence to suggest that individual characteristics have no major impact on commitment (Bateman and Strasser, 1984; DeCotiis and Summers, 1987). Overall however, the research to date has produced disappointing and inconclusive results with little attention being given to multiple dimensions of commitment. This leaves open the possibility that individual variables might have a greater impact on certain dimensions of commitment than attitudes relating to HR practices, which would serve to weaken claims that high commitment can be managed. To explore this issue further, it is hypothesised that:

Hypothesis I: Attitudes towards HR practices will be better predictors of commitment than individual variables relating to employer, position occupied, education, gender and organisational tenure.

How Can Commitment Be Managed?

Meyer and Allen (1997: 110) argue that 'we know even less about the mechanisms involved in the development of normative and continuance commitment than we do about those implicated in the development of affective commitment'. They propose a simplified process model, which conceptualises the relationship between HR practices and commitment. This model is presented in Figure 1.

[Insert Figure 1 about here]

The findings from a small number of studies that have adopted the more complex multi-dimensional view of commitment suggest that employee experiences of HR practices are indeed related to different forms of commitment. For example, it has been reported that the extent to which management is perceived as receptive to

employee ideas is positively associated with both affective and normative commitment (Allen and Meyer, 1990; Iverson and Buttigieg, 1999), and negatively associated with continuance commitment (Iverson and Buttigieg, 1999). Taormina (1999) found that 'organisational understanding' was significantly and positively related to affective, continuance and normative commitment.

Research has also found that employee attitudes regarding the transferability of skills is negatively associated with continuance commitment (Allen and Meyer, 1990). Gaertner and Nollen (1989) suggest that this may be because the employee will perceive that they are more valuable to their existing employer than to another organisation. Taormina (1999) found that training was a significant predictor of affective, continuance and normative commitment. Randall and O'Driscoll (1997) found that agreement with training policies was associated with higher levels of affective commitment among employees in New Zealand, though not employees in Ireland. Research studies also indicate that attitudes towards career development may be related to different commitment components. For example, Iverson and Buttigieg (1999) found that promotional opportunity was a significant predictor of affective commitment. Taormina (1999) and Meyer and Smith (2000) found that career development was one of the most powerful predictors of both affective and normative commitment. Meyer et al. (1989) found that continuance commitment was higher among employees that were rated as less promotable by their superiors. Shouksmith (1994) also found that perceptions of promotion opportunities were positively associated with continuance commitment.

Regarding the design of jobs, Iverson and Buttigieg (1999) found no predictive relationship between autonomy and affective, normative or continuance commitment, though routine work has been found to be a negative predictor of both affective and normative commitment. They also found that job security was a significant predictor of both affective and continuance commitment and that pay was a significant predictor of continuance commitment.

In general, there is little research examining the impact of reward practices on multiple dimensions of commitment. In particular, a focus on continuance commitment, with its emphasis on the perceived costs of leaving an organisation, has been lacking. Meyer and Allen (1997: 110) point out that 'little or no research examines how performance appraisals affect commitment per se'. Furthermore, little research has examined the impact of recruitment, selection and socialisation practices on the development of these dimensions of commitment. Almost no research has attempted to capture the broad spectrum of HR practices associated with high commitment management in the firm level HRM literature. Yet, it is possible that attitudes towards only certain HR practices will influence the commitment of employees. This perspective corresponds closely to the 'leading policy areas' described by Roche (1997: 6), which posits that certain HR policy areas should incorporate commitment-type HRM policies to a high degree, while other policy areas may be considered as peripheral. It may be that these 'periphery' policy areas must also be viewed positively if employee commitment is to be sustained; thus reinforcing the view that the entire HR system comprising all HR practice areas is more important

than the sum of its individual elements. Further examination of this issue can add value to the best practice perspective in relation to the development of employee commitment. It is therefore hypothesised that:

Hypothesis II: Attitudes towards certain 'core' HR practices will be better predictors of affective, continuance and normative commitment than will others.

High Performance and High Commitment Practices?

The simultaneous use of the terms 'high commitment' and 'high performance' in the best practice literature implies that a relationship between commitment and performance is well established. Yet, a number of research studies suggest that this relationship is weak (e.g. Lee and Mowday, 1987). A small number of studies viewing commitment as a multi-dimensional construct have reported relationships between affective commitment and performance, while significantly fewer studies have reported any such links regarding the other dimensions of commitment. Meyer and his colleagues found that affective commitment is associated with higher productivity (Meyer et al., 1989), more positive work attitudes (Allen and Meyer, 1996) and more organisational citizenship behaviours (Meyer and Allen, 1991). Research also suggests that affective commitment impacts on levels absenteeism (e.g. Hackett et al., 1994; Iverson and Buttigieg, 1999) and financial performance (DeCotiis and Summers, 1987). Other studies, however, have found no relationship between affective commitment and performance (e.g. Somers and Birnbaum, 1998). It has been suggested that high levels of continuance commitment represent a negative feature within organisations (Randall and O'Driscoll, 1997). Studies that have reported either no relationship between continuance commitment and performance, or a negative one, would lend some support to this assumption. For example, continuance commitment has been associated with lower levels of organisational citizenship behaviours (Shore and Wayne, 1993) and lower job satisfaction (Hackett et al., 1994).

Relatively little research has examined the relationship between normative commitment and performance, though some studies suggest that it is positively related to work effort (e.g. Randall and O'Driscoll, 1997) and a self-report measure of overall performance (e.g. Ashforth and Saks, 1996), and negatively related to absenteeism (Iverson and Buttigieg, 1999). Other studies have reported no relationship (e.g. Caruana et al., 1998; Hackett et al., 1994).

These studies present the possibility that HR practices can have differential impacts on the affective, continuance and normative commitment of employees, with possibly different performance outcomes. As Meyer and Allen (1997: 89) argue:

Although the impact of an increase in any one of these components of commitment on employees' intention to remain in the organization might be the same, the effect on their willingness to contribute to the attainment of organizational objectives might not ... the most

worrisome situation would be one in which a particular practice contributed to an elevation in continuance commitment but not in affective or normative commitment.

Can the ‘Right’ Kind of Commitment be Managed?

The research reviewed thus far does suggest that organisations seeking to pursue high commitment strategies should focus on those practices that impact on the affective commitment of employees. The question of whether there can be positive outcomes from HRM for employees as well as employers requires that links are more firmly established between employee attitudes and affective commitment. This is because HR practices that are associated with positive attitudes and an affective attachment to an organisation will be more beneficial, than those associated with employees feeling bound or obliged to remain. It is therefore hypothesised that:

Hypothesis III: Attitudes towards HR practices will be better predictors of affective commitment, than either normative or continuance commitment.

This hypothesis, if supported, can provide insight into how HR systems can be designed to maximise the affective commitment of employees. It will also provide some degree of support for the claims made in the literature that these best practices can impact on both high performance and high commitment.

METHOD

The study was conducted within three financial services organisations based in Ireland. All of the organisations operate internationally with origins in the US (‘US Finance’), mainland Europe (‘Euro Finance’) and Ireland (‘Irish Finance’). Only one organisation (Irish Finance) is unionised.

A total of 435 questionnaires were administered within the three organisations; 288 of which were completed and returned yielding an overall response rate of 68 per cent. The sample comprises representatives from a variety of positions including: managerial/ supervisory, sales, clerical and administrative staff. A high proportion of the sample is aged 30 years or younger (58 per cent). Over one third (36 per cent) of respondents have been employed by their organisation for two years or less, while the highest proportion (39 per cent) have been employed for between 2 and 10 years. One quarter of the sample has been employed for 10 or more years.

Measures

Organisational commitment. Allen and Meyer's (1990) 24-item measure of commitment was employed. This instrument includes three sub-scales measuring affective, continuance and normative commitment. Using a 5-point Likert-type format, responses ranged from strongly disagree (-2) to strongly agree (+2), with higher scores indicating higher levels of each form of commitment.

Human Resource Management Practices. A thorough review of the literature was carried out to identify HR practices that have been associated with high commitment management. A 52-item instrument was developed to elicit employee attitudes towards a variety of HR practices, based on those practices identified within previous studies. Responses were based on a 5-point Likert-type scale, with scores ranging from ‘strongly disagree’ (-2) to ‘strongly agree’ (+2). To evaluate the overall validity of the measure all items were entered in a factor analysis, which led to the development of the following scales: employee involvement ($\alpha = .84$), reward ($\alpha = .82$), performance management ($\alpha = .80$), resourcing and integration ($\alpha = .82$), job design ($\alpha = .76$), career development ($\alpha = .72$), training ($\alpha = .77$), employability ($\alpha = .72$) and teamwork ($\alpha = .59$). A single-item measure of job security was also included. In view of the relatively poor reliability of the teamwork measure, it was decided to exclude this variable from the predictor models of the research.

Demographic Variables. These variables included tenure, education and position occupied within the organisation. Higher scores for each of these variables among respondents signify longer tenure, higher levels of education or more senior positions in an organisation. A variable relating to gender was also included (1 = male and 2 = female).

RESULTS

Table 2 presents the correlations and reliabilities for the main variables in the research. To test the hypotheses, hierarchical regressions were carried out.

[Insert Table 2 about here]

The main findings from this analysis concerning affective commitment are summarised in Table 3.

[Insert Table 3 about here]

This table shows that when the individual variables were entered in the equation (step 1), about 6 per cent of the variance in affective commitment was explained ($p < .05$). When the attitudes towards HR practices were entered (step 2), three areas of HR practice – job design, employee involvement and employee reward – explained a significant incremental level of the variance in affective commitment. In this step, organisational tenure also emerged as a significant predictor of affective commitment. The findings show that collectively attitudes towards HR practices have the greatest impact on affective commitment, even when all other individual and organisational variables are held constant.

Presented in Table 4 is a summary of the regression analysis relating to continuance commitment.

[Insert Table 4 about here]

As this table shows, the individual variables explained about 24 per cent of the variance in continuance commitment (step one). When controlling for all other variables, those that made a significant contribution were organisational tenure, being employed within Euro Finance (negative), and holding a leaving certificate qualification. In the second step, those variables that remained significant were organisational tenure and being employed within Euro Finance. In this step, attitudes towards HR practices had a significant incremental influence on continuance commitment. A number of attitudes were significant even when controlling for all other variables included in the model. These attitudes related to resourcing and integration, reward and employability (negative). However, in this analysis, the individual/ organisational variables taken together explain more of the variance in continuance commitment than the attitudinal variables.

A summary of the regression analysis for normative commitment is provided in Table 5.

[Insert Table 5 about here]

This table shows that all of the individual variables account for 8 per cent of the variance in normative commitment. The significant predictors in this equation relate to being employed within Euro Finance rather than Irish Finance, and those holding either a junior or leaving certificate rather than a higher certificate or diploma. When attitudes towards HR practice are entered in the model, a further 6 per cent of the variance is explained, though no attitudes make a significant contribution independently of other variables in the model.

DISCUSSION

This paper set out to provide a better understanding of the relationship between employee attitudes towards HR practices and commitment. It was predicted that attitudes towards HR practices would be better predictors of commitment than other variables relating to employer, position occupied, education, gender and organisational tenure (Hypothesis I). Overall, the results show that a higher proportion of the variance in affective commitment was explained by attitudes towards HR practices rather than individual variables. With the exception of organisational tenure, no other individual or organisational variables were found to impact on affective commitment. This is important because it adds support to the universal applicability of HR practices at the individual level. It suggests that HR practices, when viewed favourably by employees, will impact on the affective commitment of employees regardless of the position that they occupy, their level of education or their gender.

In contrast to findings concerning affective commitment, it was found that individual variables were better predictors of the other forms of commitment than were attitudes towards HR practices. Of all of the individual variables considered in the research, organisational tenure was found to have the most substantial impact on continuance commitment. It is conceivable that employees with longer tenure will occupy more desirable positions, will receive higher levels of extrinsic rewards and will have developed closer relationships with work colleagues than those with shorter tenure. If this is so, then their perceptions of 'sunk costs' or investments in the organisation will be greater and so higher continuance commitment can be expected. If it is assumed that affective commitment can be managed by emphasising particular HR practices and thus promoting positive attitudes, then a relationship between tenure and continuance commitment is of less concern. This is because of all of the individual variables considered in the research, tenure can be regarded as the one which is most within an employers control. Furthermore, longer tenure depicts commitment of whatever form among a workforce. This points to the need to recognise and examine the ways in which attitudes might develop over time so that affective commitment can remain optimal.

This investigation has established that attitudes towards certain HR practices have the potential to impact on levels of affective commitment, and to a lesser extent continuance commitment among employees (Hypothesis II). Contrary to other research findings, the research failed to find any evidence to suggest that attitudes towards HR practices have a considerable impact on levels of normative commitment. With respect to affective commitment, attitudes towards three broad areas of HR practice – job design, employee involvement and reward - emerged as significant. This indicates that both intrinsic and extrinsic aspects of work impact on the affective commitment of employees. The findings show that attitudes towards certain HR practices contribute to the prediction of another, not necessarily desirable, form of commitment. The research established that attitudes towards reward, resourcing and integration and employability were significant predictors of continuance commitment. In the case of attitudes towards reward, linkages are thus found between both affective and continuance commitment simultaneously. It therefore seems that efforts to promote one form of commitment will inadvertently lead to the development of another form of commitment. It is generally regarded that the promotion of continuance commitment should be discouraged, considering its poor associations with job performance. It can be argued, however, that if an organisation places less emphasis on practices linked to continuance commitment, it might do so at a cost to higher levels of affective commitment. It is perhaps best concluded that while the manifestation of continuance commitment arising from attitudes towards certain areas of HR practice is inevitable, this is of less concern providing that greater emphasis is placed on areas of HR practice that influence affective commitment.

A key finding of the research is that attitudes towards HR practices explained a greater proportion of the variance in affective commitment (Hypothesis III). Since this

form of commitment has most been associated with individual performance, this alleviates the possibility that attitudes will have a greater impact on forms of commitment that organisations are less likely to want to promote. The features of HR practices identified in research on firm performance include a focus on skills, motivation and empowerment (e.g. Huselid, 1995). This study has found direct support for this classification at the employee level since similar HR practices – relating to job design, involvement and reward - were significant in predicting affective commitment. Since affective commitment has been associated with higher job performance elsewhere in the literature, this finding provides some degree of support for the view that those HR practices that predict affective commitment can be referred to as both ‘high performance’ and ‘high commitment’ practices.

In broad terms, the best practice literature seems to imply that all of the HR practices identified are equally important in fostering high commitment, and in some instances high performance. This study has found evidence to suggest that this may not be the case since a number of HR practices did not emerge as significant predictors of any form of commitment. For example, training, performance management and career development, while found to be significantly correlated with some forms of commitment, did not emerge as significant predictors of any form of commitment. This is surprising because it is implied in the literature that investments made by employers through, for example, training and career development activities will be associated with high employee commitment. It cannot be assumed, however, that these activities are not important in creating a highly committed or high performing workforce. Consistent with Roche’s (1997) proposition, it can instead be assumed that these activities reinforce those core HR practices that do predict commitment. Support for this argument is found since patterns of correlations between these practices and affective commitment are relatively strong suggesting that perhaps they are related to those practices that do predict commitment.

Figure 2 presents a model of high commitment that draws together the main findings of the research. It includes the standardised beta weights indicating the relative impact of each individual variable on each form of commitment.

[Insert Figure 2 about here]

The research has found evidence to show that the affective, continuance and normative dimensions of commitment are conceptually distinct. Yet, the extent to which attitudes towards HR practices represent useful predictors of the continuance and normative dimensions in particular is called into question. In this study, the proportion of variance explained in affective, continuance and normative commitment (R^2) was 43, 36 and 22 per cent respectively. Comparing this to other studies, Taormina’s (1999) investigation of a random sample of employees in Hong Kong explained 50, 22 and 16 per cent of the variance in affective, continuance and normative commitment respectively. His study did not examine such a wide range of

HR practice predictors as were employed in the present study, and instead examined only training, understanding (similar to communication) and future prospects, with a wide range of demographic predictors including age, education, gender and marital status. Iverson and Buttigieg (1999) examined affective, normative and two continuance commitment sub-scales relating to perceptions of few alternatives and high personal sacrifice among an Australian sample of firefighters and explained 54, 24, 32 and 16 per cent of the variance respectively. Their study examined the impact of a range of personality, demographic, and environmental variables on commitment. Similar to Taormina's study, these researchers did not specifically address HR practices, though characteristics of the work environment in their study did capture some elements of HRM. While the difference in variance explained across these studies is not substantial, the lower proportion of variance explained among this Irish sample suggests that the cultural context within which commitment research occurs is an important consideration.

It can be argued that, almost without exception, research on commitment is steeped in a North American view of what commitment is and how it should be measured. A key question therefore concerns whether commitment as it is currently conceptualised in the literature is relevant to research contexts outside the US. It is possible, for example, that an Irish population of workers will not necessarily identify with the issues explored in Meyer and Allen's (1991) measure. Perhaps linked to this issue, the favourable economic conditions in Ireland at the time of the study is another possible reason for questioning the usefulness of this measure. One of the noted values of the present research is that it has provided a renewed focus on commitment in a buoyant economy, since much of the research on this issue has been carried out in recessionary climates. This may be one reason why those participating in the research were less likely to feel a need to remain with their employers. Since opportunities outside their organisation were favourable, a poor initial choice of employer would not have necessarily given rise to employees feeling bound or obliged to remain in their organisation.

A further important issue regarding Meyer and Allen's (1991) conceptualisation of commitment concerns the relationship between multiple dimensions of commitment and performance. The associated measures of affective, continuance and normative commitment do not contain any indication whatsoever of an employee's willingness to contribute to the attainment of organisational objectives, only the different motives for why they might want to remain. Indeed, the extent to which linkages between affective commitment and performance reflect a commitment to company goals on the part of employees can be called into question. It is possible that, for example, individuals will seek to maintain high personal standards of performance or will increase their efforts only to secure rewards or secure their future in the organisation. Individuals may also wish to remain because of a commitment to their job, their work group, their manager or as a means of meeting financial obligations outside the organisation. With these scenarios, higher performance may

result without any corresponding commitment to the organisation's goals among individuals. Thus, the motives for organisations seeking to foster high commitment might be at odds with the motives of their employees; the goals of both parties might be incongruent. This argument suggests that goal congruence should be considered in measures of affective commitment, or should at least be considered as one of its outcomes.

This research provides a better insight into the means by which employees become committed to an organisation, and yet it highlights some of the complexities that organisations seeking to 'manage' commitment are presented with. Linked to these complexities are important issues regarding the applicability of commitment constructs as they are currently conceptualised to research contexts outside the US. It seems that attempts are under way to incorporate issues such as commitment to goals, performance focus and acceptance of change into measures of affective, continuance and normative commitment (Meyer and Herscovitch, 2001). These developments should be observed with interest and incorporated into future investigations of commitment. Meanwhile, the study of commitment remains an important issue for the development of both theory and research within HRM.

REFERENCES

- Allen, N.J. and Meyer, J.P. (1990) 'The measurement and antecedents of affective, continuance and normative commitment to the organisation', *Journal of Occupational Psychology*, 63 (1): 1-18.
- Allen, N.J. and Meyer, J.P. (1996) 'Affective, continuance and normative commitment to the organisation: an examination of construct validity', *Journal of Vocational Behavior*, 49: 252-276.
- Angle, H.L. (1983) 'Organizational commitment: individual and organizational influences', *Sociology of Work and Occupations*, 10: 123-146.
- Arthur, J.B. (1994) 'Effects of human resource systems on manufacturing performance and turnover', *Academy of Management Journal*, 37 (3): 670-687.
- Ashforth, B.E. and Saks, A.M. (1996) 'Socialization tactics: longitudinal effects on newcomer adjustment', *Academy of Management Journal*, 39 (1): 149-178.
- Bateman, T.S. and Strasser, S. (1984) 'A longitudinal analysis of the antecedents of organizational commitment', *Academy of Management Journal*, 27 (1): 95-112.
- Becker, H. S. (1960) 'Notes on concept of commitment', *American Journal of Sociology*, 66: 32-40.
- Benkhoff, B. (1997) 'Disentangling organisational commitment: the dangers of the OCQ for research and policy', *Personnel Review*, 26 (1/2): 114-131.

- Brief, A.P. and Aldag, R.J. (1980) 'Antecedents of organizational commitment among hospital nurses', *Sociology of Work and Occupations*, 7: 210-221.
- Buchanan, B. (1974) 'Building organizational commitment: the socialization of managers in work organizations', *Administrative Science Quarterly*, 19: 533-546.
- Caruana, A., Ewing, M. and Ramaseshan, R. (1998) 'Organisational commitment and performance', *Proceedings of the Seventh Annual World Business Congress*, 27-33.
- DeCotiis, T.A. and Summers, T.P. (1987) 'A path analysis of the antecedents and consequences of organizational commitment', *Human Relations*, 40 (7): 445-470.
- Delery, J. and Doty, H. (1996) 'Modes of theorising in strategic human resource management: tests of universalistic, contingency and configurational performance predictions', *Academy of Management Journal*, 39 (4): 802-835.
- Gaertner, K.N. and Nollen, S.D. (1989) 'Career experiences, perceptions of employment practices and psychological commitment to the organisation', *Human Relations*, 42 (11): 975-991.
- Hackett, R., Bycio, P. and Hausdorf, P. (1994) 'Further assessments of Meyer and Allen's (1991) three-component model of organizational commitment', *Journal of Applied Psychology*, 79(1): 15-23.
- Hall, D.T. and Schneider, B. (1972) 'Correlates of organizational identification as a function of career pattern and organizational type', *Administrative Science Quarterly*, 17 (3): 340-350.
- Huselid, M.A. (1995) 'The impact of human resource management practices on turnover, productivity and corporate financial performance', *Academy of Management Journal*, 38 (3): 635-672.
- Ichniowski, C., Shaw, K. and Prennushi, G. (1997) 'The effects of human resource management practices on productivity: a study of steel finishing lines', *American Economic Review*, 87 (3): 292-313.
- Iverson, R.D. and Buttigieg, D.M. (1999) 'Affective, normative and continuance commitment: can the 'right' kind of commitment be managed?', *Journal of Management Studies*, 36 (3): 307-333.
- Lawler III, E.E., Mohram, S.A. and Ledford, G.E. Jr. (1998) *Strategies for High Performance Organisations*. San Francisco: Jossey-Bass.
- Lee, T.W. and Mowday, R.T. (1987) 'Voluntarily leaving an organisation: an empirical investigation of Steer's and Mowday's model of turnover', *Academy of Management Journal*, 30(4): 721-743.

- MacDuffie, J.P. (1995) 'Human resource bundles and manufacturing performance: flexible production systems in the world auto industry', *Industrial Relations and Labor Review*, 48 (2): 197-221.
- Meyer, J. (2001) 'Organisational Commitment', in Cooper, C. and Robertson, I. (eds) *Personnel Psychology and Human Resource Management: A Reader for Students and Practitioners*. Chichester: Wiley, 289-342.
- Meyer, J.P., Paunonen, S.V., Gellatly, I.R., Goffin, R.D. and Jackson, D.N. (1989) 'Organisational commitment and job performance: it's the nature of the commitment that counts', *Journal of Applied Psychology*, 74 (1): 152-156.
- Meyer, J.P. and Allen, N.J. (1991) 'A three-component conceptualisation of organisational commitment: Some methodological considerations', *Human Resource Management Review*, 1 (1): 61-89.
- Meyer, J.P. and Allen, N.J. (1997) *Commitment in the Workplace: Theory, Research and Application*. Thousand Oaks, CA: Sage.
- Meyer, J.P. and Smith, C.A. (2000) 'HRM practices and organizational commitment: test of a mediation model', *Canadian Journal of Administrative Sciences*, 12 (4): 319-331.
- Morris, J.H. and Sherman, D.J. (1981) 'Generalizability of an organizational commitment model', *Academy of Management Journal*, 24 (3): 512-526.
- Patterson, M.G., West, M., Lawthom, R. and Nickell, S. (1997) *Impact of People Management Practices on Business Performance*. London: Institute of Personnel and Development.
- Pfeffer, J. (1994) *Competitive Advantage Through People: Unleashing the Power of the Workforce*. Boston, MA: Stanford Graduate School of Business, Harvard Business School Press.
- Pfeffer, J. (1998) *The Human Equation: Building Profits by Putting People First*. Boston, MA: Harvard Business School Press.
- Porter, L.W., Steers, R.M., Mowday, R.T. and Boulian, P.V. (1974) 'Organizational commitment, job satisfaction, and turnover among psychiatric technicians', *Journal of Applied Psychology*, 59 (5): 603-610.
- Randall, D.M. and O'Driscoll M.P. (1997) 'Affective versus calculative commitment: human resource implications', *Journal of Social Psychology*, 137 (5): 606-618.
- Roche, W. (1997) 'In search of coherent commitment-oriented human resource policies and the conditions which sustain them', Working Paper, Graduate School of Business, University College Dublin.

- Roche, W. (1999) 'In search of commitment-oriented human resource management practices and the conditions that sustain them', *Journal of Management Studies*, 36 (5): 653-678.
- Rusbult, C.E. and Farrell, D. (1983) 'A longitudinal test of the investment model: the impact on job satisfaction, job commitment, and turnover of variations in rewards, costs, alternatives and investments', *Journal of Applied Psychology*, 68 (3): 429-438.
- Shore, L.M. and Wayne, S.J. (1993) 'Commitment and employee behavior: comparison of affective and continuance commitment with perceived organizational support', *Academy of Management Journal*, 78: 774-780.
- Shouksmith, G. (1994) 'Variables related to organisational commitment in health professionals', *Psychological Reports*, 4 (3): 707-711.
- Somers, M.J. and Birnbaum, D. (1998) 'Work-related commitment and job performance: it's also the nature of performance that counts', *Journal of Organizational Behavior*, 19 (6): 621-634.
- Taormina, R. (1999) 'Predicting employee commitment and satisfaction: the relative effects of socialization and demographics', *International Journal of Human Resource Management*, 10 (6): 1060-1076.
- Wiener, Y. (1982) 'Commitment in organizations: a normative view', *Academy of Management Review*, 7 (3): 418-428.
- Wood, S. (1996) 'High commitment management and payment systems', *Journal of Management Studies*, 33 (1): 53 - 76.
- Wood, S. (1999) 'Getting the measure of the transformed high-performance organisation', *British Journal of Industrial Relations*, 37 (3): 391-417.
- Wood, S. and de Menezes, L. (1998) 'High commitment management in the UK: evidence from the workplace industrial relations survey and employers' manpower and skills practices survey', *Human Relations*, 51 (4): 485-515.
- Youndt, M., Snell, S., Dean, J. and Lepak, D. (1996) 'Human resource management, manufacturing strategy, and firm performance', *Academy of Management Journal*, 39 (4): 836-866.

TABLES AND FIGURES

Table 1: Summary of ‘High Commitment’, ‘High Performance’, ‘Best’ HR Practices

HR Practice Areas	Key Characteristics	Examples From the Literature
Recruitment & Selection	Selective recruiting/ recruitment intensity; Focus on trainability and commitment; Human relations skills in selection	Huselid, 1995; Ichniowski et al., 1997; Wood, 1996, 1999.
Socialisation	Extensive socialisation	Arthur, 1994; Patterson et al., 1997.
Job Design	Broad job descriptions; Flexible working; Job rotation; Teamwork	Arthur, 1994; Ichniowski et al., 1997; MacDuffie, 1995; Patterson et al., 1997; Wood, 1996.
Communication/ Participation	Information sharing; Attitude surveys; Grievance/ conflict resolution; Team briefing; Suggestion schemes	Arthur, 1994; Huselid, 1995; Lawler et al., 1998; MacDuffie, 1995; Wood, 1996; Wood & DeMenezes, 1998.
Training	Induction training; Formal training; Re-training; On-the-job training; Cross-training	Arthur, 1994; Huselid, 1995; MacDuffie, 1995; Patterson et al., 1997; Wood, 1996, 1999.
Performance Management	Formal Appraisals; Results-oriented; Merit-based	Delery and Doty, 1996; Huselid, 1995; Wood, 1996, Youndt et al., 1996.
Career Development	Promotion from within; Career ladders and progression, Internal recruitment	Huselid, 1995; Pfeffer, 1994, 1998; Wood, 1996, 1999.
Employee Reward	High rewards; Salaried workers; Incentive pay; Team rewards; Extensive benefits; Profit sharing; Stock ownership	Arthur, 1994; Delery and Doty, 1996; Huselid, 1995; Ichniowski et al., 1997; MacDuffie, 1995.
Job Security	High job security	Delery and Doty, 1996; Huselid, 1995; Wood 1996.

Table I: Correlations and Reliabilities for Measures

MEASURES	M	SD	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	15.	16.	17.	18.
1. Affective	-.49	.72	(.81)																	
2. Continuance	-.40	.70	.28	(.76)																
3. Normative	-.45	.60	.40	.14	(.73)															
4. Involvement	-.11	.87	.41	.08	.15	(.84)														
5. Resourcing	.02	.72	.33	.08	.18	.40	(.74)													
6. Training	-.12	.87	.36	.09	.09	.49	.43	(.77)												
7. Career Development	-.42	.79	.44	.01	.20	.41	.44	.52	(.72)											
8. Performance Management	.23	.80	.38	.13	.17	.43	.28	.40	.45	(.80)										
9. Job Security*	.25	1.15	.17	.11	-.02	.19	.07	.15	.07	.14										
10. Employability	1.09	.68	.26	-.12	.01	.28	.28	.33	.34	.36	.14	(.72)								
11. Reward	-.08	.86	.37	.25	.16	.16	.28	.20	.36	.27	.10	.20	(.82)							
12. Job Design	.43	.90	.46	-.06	.16	.28	.23	.36	.57	.40	.05	.35	.27	(.76)						
13. Teamwork	.12	.96	.30	.18	.11	.50	.25	.39	.27	.48	.17	.23	.08	.11	(.59)					
14. Employee Age	2.51	.85	.12	.08	.01	-.22	-.13	-.06	.04	-.04	-.23	-.06	.14	.21	-.15					
15. Tenure (years)	6.6	1.42	.24	.29	.02	-.16	-.20	-.02	-.00	.04	-.06	.02	.24	.11	-.04	.62				
16. Position	2.30	1.45	.16	-.23	-.12	-.10	.09	.08	.27	.04	-.20	.18	.10	.38	-.11	.43	.31			
17. Education	4.31	1.12	-.04	-.27	-.26	.05	.07	.12	.19	.05	-.01	.23	-.00	.19	-.02	-.01	-.20	.32		
18. Gender	1.51	.50	-.06	.09	-.04	.01	.03	-.03	-.05	-.05	.17	-.07	-.03	-.11	.00	-.19	-.12	-.28	-.16	

Note: All coefficients above .12 are significant at $p < 0.05$, and above .16 are significant at $p < 0.01$.

*Single item measures above .09 are significant at $p < 0.05$, and above .12 are significant at $p < 0.01$.

Scale reliabilities for relevant measures are reported in parentheses in the upper diagonal for each variable.

Table 3: Hierarchical regression: Affective Commitment regressed on Attitudes towards HR Practices and Individual/ Organisational Variables

Standardised Beta Weights		
Independent Variables	Step 1	Step 2
Step 1: Controls		
US Finance	-.025	.021
Euro Finance	-.112	-.029
Gender (Male)	.044	.023
Education 1 (Junior Certificate)	.009	.001
Education 2 (Leaving Certificate)	.127	.109
Education 3 (Degree)	.049	.051
Education 4 (Post-graduate)	.001	-.078
Position 1 (Senior Management)	-.227	-.111
Position 2 (Middle Management)	-.175	-.115
Position 3 (Technical/ Professional)	-.082	-.099
Position 4 (Administration)	.029	-.017
Tenure	.143	.187**
Step 2: Attitudes to HRM		
Employee Involvement		.237**
Resourcing & Integration		.069
Training		.027
Career Development		.092
Performance Management		.021
Job Security		.054
Employability		.021
Employee Reward		.128*
Job Design		.242**
Df	12,236	21, 236
R ²	.106	.435
Adjusted R ²	.058	.380
ΔR ²		.329
ΔF	2.221*	13.894***

* p < 0.05, **p < 0.01, ***p < 0.001

Table 4: Hierarchical regression: Continuance Commitment regressed on Attitudes towards HR Practices and Individual/ Organisational Variables

	Standardised Beta Weights	
Independent Variables	Step 1	Step 2
Step 1: Controls		
US Finance	-.037	-.103
Euro Finance	-.217**	-.260**
Gender (Male)	-.009	.000
Education 1 (Junior Certificate)	.015	-.007
Education 2 (Leaving Certificate)	.145*	.122
Education 3 (Degree)	.063	.093
Education 4 (Post-graduate)	.038	.068
Position 1 (Senior Management)	.158	.169
Position 2 (Middle Management)	.000	.034
Position 3 (Technical/ Professional)	-.106	-.059
Position 4 (Administration)	-.130	-.132
Tenure	.325***	.329***
Step 2: Attitudes to HRM		
Employee Involvement		-.046
Resourcing & Integration		.194**
Training		-.004
Career Development		-.011
Performance Management		.065
Job Security		.055
Employability		-.166*
Employee Reward		.137*
Job Design		.004
Df	12, 234	21, 234
R ²	.283	.356
Adjusted R ²	.244	.293
ΔR ²		.073
ΔF	7.302***	2.690**

*p < 0.05, **p < 0.01, ***p < 0.001

Table 5: Hierarchical Regression: Normative Commitment regressed on Attitudes towards HR practices and Individual/ Organisational Variables

Independent Variables	Standardised Beta Weights	
	Step 1	Step 2
Step 1: Controls		
US Finance	.073	.005
Euro Finance	.249**	.226*
Gender (Male)	.060	.020
Education 1 (Junior Certificate)	.151*	.147*
Education 2 (Leaving Certificate)	.247**	.247**
Education 3 (Degree)	-.002	.020
Education 4 (Post-graduate)	-.113	-.140
Position 1 (Senior Management)	-.059	-.019
Position 2 (Middle Management)	-.084	-.041
Position 3 (Technical/ Professional)	-.166	-.179
Position 4 (Administration)	-.098	-.125
Tenure	-.027	-.054
Step 2: Attitudes to HRM		
Employee Involvement		.052
Resourcing & Integration		.012
Training		-.052
Career Development		.173
Performance Management		.027
Job Security		-.083
Employability		.019
Employee Reward		.148
Job Design		.067
Df	12, 225	21, 225
R ²	.129	.221
Adjusted R ²	.080	.141
Δ R ²		.092
ΔF	2.636**	2.681**

*p < 0.05, **p < 0.01, ***p < 0.001

Figure 1: HRM Practice and Commitment: A Simplified Process Model

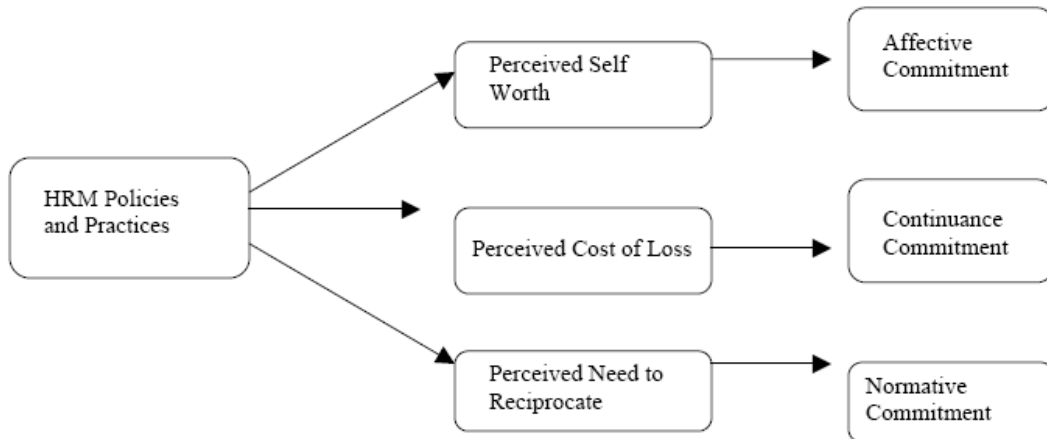


Figure 2: A Model of High Commitment

