

# EXPLORING COMMITMENT AMONG EMPLOYEES OF A PRIVATE CLUB: A MANAGEMENT PERSPECTIVE

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**Bachelor Of Science (Honours) Human Resource Development** 

## UNIVERSITI MALAYSIA SAWARAK

Grade: A-

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20 July 2020 Date submitted

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# EXPLORING COMMITMENT AMONG EMPLOYEES OF A PRIVATE CLUB: A MANAGEMENT PERSPECTIVE

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This project is submitted in partial fulfilment of the requirements for a Bachelor of Science with Honours (Human Resource Development)

Faculty of Cognitive Sciences and Human Development UNIVERSITI MALAYSIA SARAWAK (2020) The project entitled 'Exploring Commitment Among Employees of A Private Club: A Management Perspective' was prepared by Foo Loi Kit and submitted to the Faculty of Cognitive Sciences and Human Development in partial fulfillment of the requirements for a Bachelor of Science with Honours (Human Resource Development)

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## ABSTRACT

This research explores the commitment among employees from the perspective of management level in a private club. Exploratory and descriptive research was used and the faced-to-faced interview with the interview guide as an instrument was used for the collection of data. Purposive sampling was used to collect the data from three informants (manager) at a private club in Sarawak. Thematic analysis was used to analyze the data. The research findings showed that the employee with commitment have long-term services in the organization and have high performance. Besides that, the factors that can affect employee commitment included compensation and benefits, working environment, job security, and educational level. Attention on leadership styles, extrinsic/tangible rewards, and training is needed to develop and enhance employee commitment. The significant contribution of this study toward the existing body knowledge on employee commitment among the manager in the hospitality industry in Sarawak and offer some dominant matter of employee commitment for organization and practitioners as well. This study also discusses related research implications, limitations, and recommendations for future researchers.

Keywords: Employee Commitment, Manager, Private Club, Hospitality Industry

## ABSTRAK

Penyelidikan ini meneroka komitmen di kalangan pekerja dari perspektif tahap pengurusan di sebuah kelab swasta. Penyelidikan eksploratif dan deskriptif digunakan dan temu ramah bersemuka dengan panduan wawancara sebagai instrumen digunakan untuk pengumpulan data. Persampelan bertujuan digunakan untuk mengumpulkan data dari tiga informan (pengurus) di sebuah kelab swasta di Sarawak. Analisis tematik digunakan untuk menganalisis data. Hasil kajian menunjukkan bahawa pekerja yang mempunyai komitmen mempunyai perkhidmatan jangka panjang dalam organisasi dan mempunyai prestasi yang tinggi. Selain itu, faktor-faktor yang dapat mempengaruhi komitmen pekerja termasuk pampasan dan faedah, persekitaran kerja, keselamatan kerja, dan tahap pendidikan. Perhatian terhadap gaya kepemimpinan, penghargaan ekstrinsik / nyata, dan latihan diperlukan untuk mengembangkan dan meningkatkan komitmen pekerja di kalangan pengurus dalam industri perhotelan di Sarawak dan menawarkan beberapa masalah komitmen pekerja yang dominan untuk organisasi dan pengamal juga. Kajian ini juga membincangkan implikasi, batasan, dan cadangan penyelidikan yang berkaitan untuk penyelidik masa depan.

Kata kunci: Komitmen Pekerja, Pengurus, Kelab Swasta, Industri Perhotelan

### CHAPTER ONE

## **OVERVIEW OF THE STUDY**

#### **1.0** Introduction

Employee commitment seems like an important topic nowadays as it can provide several advantages for the organization in terms of performance especially organization in the private sector. There is a need to exploring this element to understanding the commitment of employees among private sectors which lead to this study that aims to explore commitment among employees that worked in the private sector from their management perspective. Further content on the background of the study and problem statement will provide insight into how the situation of employee commitment studies nowadays and its gaps compared to previous studies. This chapter then described several aspects of this study to boost the understanding of what is the purpose of this research.

## **1.1** Background of the study

Employee commitment in the workplace has been a subject of several studies in recent years. Many studies in the past have emphasized the employee commitment as an organizational commitment to studied interrelation and bond of this topic with various factors, antecedents, and consequences (Abdullah & Ramay, 2012; Chelliah, Sundarapandiyan & Vinoth, 2015;). According to Jehanzeb, Rasheed, and Rasheed (2013), organizational commitment is an effective connection to the organization to encouraging decisions to work and remain committed to continuing work with the organization among the employees. Most of the present studies using the Three-Component Model (TCM) of Organizational Commitment (Meyer & Allen, 1991) which is affective commitment (AC), normative commitment (NC), and continuance commitment (CC) to examine and investigate the relationship between these components and others topic of human resources such as training and leadership style. This situation in the research studies highlights the significance of understanding the employee commitment for the benefits of the knowledge field, human resources practitioners, and organization on today but also in the future.

From the perspective of the organization, the employees become an important asset regarding their skills, knowledge, and abilities can support the daily operation of the company smoothly. Many organizations will give more effort for ensuring the commitment of employees by making some significant sacrifices after companies had recruited them as workers in the company (Hanaysha, 2016). Those sacrifices can be in various types such as provide high wages, develop many benefits and allowances, and providing the training and development by the organization. This causing the commitment among the employees to become priority issues that will be managed and maintained by the organization to reduce the occurrences of absenteeism and turnover when they are become less committed (Abdullah & Ramay, 2012). Furthermore, committed employees also will be highly performed in the organization as they willing to put the effort in their job to serve the organization better when they were attached to the organization (Andrew, 2017). This willingness to continuously serve in an organization will surely improve the organizational performance in terms of productivity as they can and want to perform the job that meets the expectations of the organization. Moreover, the managers in an organization play a role in ensuring the existence of employee commitment under their management to make sure it can bring a long-term benefit for their performance in the department but also the whole organization.

Therefore, this study giving the attention to exploring employee commitment from a view of management level. The management level in an organization surely will understand more about their managed employees to provides detail of employee commitment in the workplace as compared to other levels of employees. There is also a need to understand the issues of employee commitment toward their organization as mentioned above that organization nowadays need to keep their employee with high commitment with some effort

in the policies and plan and human resources management and development practices. In conclusion, this study that emphasizes the issues of employee commitment is carried out to exploring the understanding of the commitment of employees that worked in the private sector.

## **1.2 Problem Statement**

Based on the review of the past studies, there are several gaps from the aspects of theoretical, empirical, and practical that will be addressed.

Firstly, the three models of organizational commitment developed by Meyer and Allen in 1991 already become the popular model of employee commitment to studied widely by previous studies. Jabari and Ghazzawi (2019) suggested the researcher in the future provides a model that is related to the subject of commitment through the influences of personal and organizational characteristics on organizational commitment. Other than that, this model was developed in the context from Western scholars but still widely used by Asian scholars in their studies. According to Hyun (2019), the commitment profiles in non-western contexts are lack studies and remain sparse is differ in western contexts with various research in the past. Bodjrenou, Xu, and Bomboma (2019) also stated that there are many studies of organizational commitment has been done in the West but less studied in other Eastern countries. These gaps contributing to this study were conducted to widen the understanding of Western contexts of employee commitment in Malaysia.

The empirical problem that this study address is there are many quantitative research studies on the organizational commitment which examined its factors or antecedents, and consequences but less qualitative research to exploring more about the commitment of employees. This gap support by Johnson and Blackman (2013) stated that the qualitative approach can be placed well to studying employee commitment in the future after many years studied by a great number of studies to asking new questions about the different contexts of commitment. Thus, these gaps led this study to more focus on qualitative by studying the different perspectives which are from the management level perspectives toward the commitment of employees in specific sectors of business that run in private to understand more about the commitment contexts that focus on one organization.

Besides that, there are also consists of the gaps in the aspect of the practical review. Firstly, the competitive and dynamic world nowadays forcing the organization to understand the importance of employees that committed to the objective organization and its positive outcome for the organizational performance (Andrew, 2017). Andrew (2017) also stated that organizations need to ensure the recruited employees have the personality and requirements that are likely to be linked to the objective of an organization. The statement above indicates gaps in practices of management on employee commitment as it need further research in-depth to ensure the organization can select the employees that desired by using the method that is suitable and effective. Hence, different organizations may have different objectives to be focused on and this requires more study in the specific organization only with qualitative research to investigate the method to develop and enhance employee commitment in a different way.

In conclusion, these problems or gaps led to this study to reduce the gaps between them. The research objectives and research questions of this study were developed in the following section.

## **1.3** Objectives of Study

The general objective and specific objectives will be stated clearly to clarify the purpose of this study on the topic of employee commitment.

The general objective of this study is to explore the understanding of commitment among employees from the perspectives of management in a private club.

The specific objectives are:

1. To explore commitment among private club employees.

- 2. To investigate the factors that affect employee commitment.
- 3. To explore recommendations to develop or enhance employee commitment.

## **1.4 Research Questions**

From the objectives of the study, there are several research questions presented to narrow down the specific topic that needs to be focused on the process of conducting this study to explore accurate findings that can fulfill the objectives of this study.

Regarding our objective of this study, the research questions were:

- 1. Does commitment exist among the employees?
- 2. What characteristics of employees that commit?
- 3. What are the factors affecting employee commitment?
- 4. How to develop and enhance employee commitment?

#### Context Issues **Data Collection** Private Hospitality commitment Semi-structured Employee 1. interview- interview Industry – A private from managerial club in Malaysia perspectives guide - Characteristics of 2. Three informants committed employees 3. Data analysis - Factors affected thematic and content - Recommendations to analysis develop and enhance

## **1.5** Research Framework

Figure 1: Research Framework of the Study

## **1.6 Definition of Term**

Important terms in the studies should be defined to provides a common understanding of key concepts and terminology between the dissertation author and the readers. Few terms in this study divided into the conceptual definition and operational definition. The conceptual definition expresses the meaning of the terms while the operational definition expresses how the terms can be measure or how the terms related to other aspects.

## **1.6.1** Affective commitment

Affective commitment occurs when individuals fully embrace the goals and values of the organization. They will felt attached and involved to be responsible for the level of success of the organization from time to time. These individuals usually desire to remain in the organization with the demonstration of high-level performances in the workplace with positive work attitudes to achieve high work performance (Meyer & Allen, 1991).

Meyer and Allen (1997) stated that this type of commitment can be developed through ensure the job challenges achievable with a manageable and clear goal besides the equity of opportunity such as promotion. The managers then need to treat subordinates fairly without bias to ensure the employees' emotional desire to work under the management of that manager to achieve the goals of the organization. Teamwork among employees also can boost this type of commitment as they will have freedom in deciding when working in a team and their achievement on the job can help the organization achieve the goals too.

#### **1.6.2** Continuance commitment

Continuance commitment occurs when individuals based their relationship with the organization on what they are receiving in return for their efforts and what would be lost if they were to leave such as the pay, benefits, and associations. These individuals will only put their best effort when their expectations of rewards were matched (Meyer & Allen, 1991).

The managers play a role to continuously keep them committed by giving more attention and recognition to the items such as pay and benefits to boost the employees' morality to continuously engage with organizations (Chelliah, Sundarapandiyan, & Vinoth, 2015). This is because the benefits received by them may not achievable anywhere in the short term of time when he or she quit the organization.

## **1.6.3** Normative Commitment

The normative commitment will occur when the individuals remain with an organization because the expected standards of behaviour or social norms were achieved (Meyer & Allen, 1991). These individuals that committed as they perceived it is morally right to do so according to their satisfaction on the things that provided by an organization (Jabari & Ghazzawi, 2019).

The way to maintain this type of commitment is to invest them in terms of training and development as the individuals have a perceived obligation to repay the investment of the organization (Jabari & Ghazzawi, 2019). This action showed the organization look up to them and also provides them many opportunities to develop their skills and knowledge that are useful to their careers such as higher wages or positions.

## **1.7** Significance of the Study

The study for the academic purpose should provide some justification for how the studies that were done are significant to knowledge, human resources practitioners, and also the organization.

In this study, the organizational commitment was explored on the factors that can contribute to the commitment of employees and the method that was used by managers in a specific organization to enhance the commitment of employees. The explored factors in this study after doing the comparison of main findings with previous studies may widen the knowledge in the field of studies as there may have similarities or differences in the current

findings and the previous findings. This can promote more understanding of employee commitment in aspects of the factors that can affect employee commitment and the method to ensure the development and enhancement of employee commitment from time to time.

The organizational commitment as a field of organizational development was significant to enrich the knowledge of human resources development. This study helps the human resource development practitioners to understand more about factors that affect organizational commitment and how to develop the commitment among the workforce effectively with the guide of the method found from the managers' perspectives. Organizational performance can also increase as the employee become more committed with the help of human resource development practitioners in an organization.

This study was also significant to the research of commitment among employees in the hospitality industries of Malaysia, especially in East Malaysia. This study widens the research of commitment in the workplace of hospitality industries in Sarawak, Malaysia. The future researcher can use the findings of this study as a guide to identifying the gaps of knowledge in organizational commitment, what factors that causing employee commitment either high or low in different industries in Malaysia and develop or suggesting the interventions to improve it from time to time to face the change of the environment surrounding that affect the targeted industries.

## 1.8 Summary

In conclusion, this study is significant to understand the commitment of employees with clear objectives to study the gaps or the problem addressed. Chapter two were discussed much about related theory, related model, and the similar past findings of organizational commitment.

#### **CHAPTER TWO**

#### LITERATURE REVIEW

## 2.0 Introduction

In this chapter, the literature review that related to organizational commitment will be discussed through the aspects of related theories, related model, and the similar past findings with the evidence and support sourced by journal articles.

## 2.1 Related Theories and Model

The common theory that used in research related to employee commitment was the Social Exchange Theory, Organizational Commitment, and Three-Component Model of Organizational Commitment.

## 2.1.1 Social Exchange Theory

According to Cropanzano and Mitchell (2005), the social exchange theory became conceptual that is influential in the understanding of the workplace behaviour as it involves a series of interactions that will produce obligations and generate a strong relationship between two or more parties. The relationship between the organization and employee that is strong should be emphasized effectively and efficiently to ensure both parties can get the things that they want. There are a need and effort for both parties to giving out something to gain something back such as organization giving the salary and benefit to the employee then the employee will perform well when they are working in the organization. Porter, Steers, Mowday, and Boulian (1974) develop a theoretical conceptualization of *Exchange Theory of Employee commitment* to explain the psychological relationship between employees and organizations. Porter et al. (1974) defined employee commitment as "an attachment to the organization, characterized by the intention to remain in it; an identification with the values and goals of the organization; and willingness to exert extra effort on its behalf" (p.604). The employee that commit to the organization defined as a group of people that are willing to serve their best in

an organization in a long period can be view as the term "organizational commitment" from the view of Gallie and White (1993).

#### 2.1.2 Three-Component Model of Organizational Commitment

Organizational Commitment was an indicator of whether the employees is committed to the organization used by many studies to refer to this context. In 1991, Meyer and Allen introduced the "Three Model Component of Organizational Commitment" and this model became popular among scholars to study on it.

## **Affective Commitment**

The affective commitment described as the connection of individuals' emotions toward the organization by continue working in the same organization (Meyer & Allen, 1991). According to Meyer and Allen (1997), affective commitment is "the employee's emotional attachment to, identification with, and involvement in the organization". This caused the employees will emotionally attach to an organization that has mission and ethics that is consistent with their own desire personal working relationship (Beck & Wilson, 2000). Affective organizational commitment can also refer to the strength of the organization's unique needs and expectations of their experience associated with the positive emotions of employees. The high level of affective to stay with the organization make the employees committed as they view the goals and value of the organization as same as them (Chelliah et al., 2015). Herrbach (2006) also argues that affective commitment also involves his feelings and emotions including his/her interests, attitudes, and intensity toward the organization besides the alignment goals of employees and organization. This type of commitment requires the employees are stand in line with the organizational goals and this situation is hard to achieve and evaluate since not every member in the organization will seem the organizational goals as a goal for them in the workplace. This type of commitment was an ideal form between the employees and the organization but there must be a lot of effort and strategies to achieve this form of commitment.

## **Continuance Commitment**

The continuance commitment exists when the employees' committed towards the organization due to extrinsic rewards can be obtained through the effort to meet the goals of the organization (Chelliah et al., 2015). This type of commitment differs from affective commitment because the individuals remain with an organization as they want to and they are familiar with the organization and its principles. This continuity commitment among individuals with a specific organization because they are attracted by the other investments such as retirement scheme, pension plan, or other benefits provided by the organization (Chelliah et al., 2015). This means that the continuance commitment considered as an attack instrumental to the organization when the person committed based on the economic benefits that can be obtained (Beck & Wilson, 2000). The organization needs to give more attention and recognition to those items that boost the morale of the employee to be emotionally engaged to keep those types of employees continually committed (Chelliah et al., 2015).

## **Normative Commitment**

Normative commitment is the work ethics and implicit responsibilities that practice by the employees in their organizations (Chelliah et al, 2015). Meyer and Allen (1997) define normative commitment as "a feeling of obligation to continue employment"; "employees with normative commitment feel that they ought to remain with the organization". In this term, the employees stay as they think it is a proper thing to do as obligation was built and created among the employees by a series of policies and practices by organization. The employee will take it as an essential moral of commitment toward the organization as they become appreciative of the effort of the organization or they feel appreciated by the organization when they have received self-improvement from those efforts. The normative element is considered as a moral commitment within a specific organization as they can individually improve when the organizations provided them those opportunities (March & Mannari, 1997).

## 2.2 Similar Past Findings

There are many previous research and studies carried out at overseas at Western and Eastern and also included Malaysia to understand further about what are the relationship between the commitment of employees and some of the specific term that is related to organization and human resource field.

Firstly, two studies related to the organizational commitment from the perspectives of demographic background included age, gender, length of services, and educational level (Igbal, Kokash and Al-Oun, 2011; Salami, 2008). Igbal, Kokash and Al-Oun (2011) studies on the universities of Saudi Arabia found that length of services is highly significant and positively related to organizational commitment and share the similarity with the Salami (2008) studies on the Nigerian salesperson in the soft drink industry. The findings show that the age aspect does not correlate with organizational commitment. However, Igbal, Kokash and Al-Oun (2011) examine a significant but negative impact of educational level toward the organizational commitment and opposite result were collected by Salami (2008) as the organizational commitment have a positive impact by the educational level of employee in universities.

Besides that, a review of studies done by Bodjrenou et al. (2019) indicates the factors of organizational commitment into individual factors and organizational factors. The individual factors can describe as the employee demographic background and the studies that are related are already stated before. The organizational factors in this study included organizational support, job autonomy, mentoring, training and development, and leadership.

Organizational support specifically influences more on the affective commitment among employees through the support from supervisors and co-workers, but less attention on how management support can affect the employee commitment (Bodjrenou et al.,2019). Mentoring can be observed as a method to showing the leadership toward the employee through job-related coaching and assistance to help their subordinates to face the challenges that