

DETERMINING THE INFLUENCE OF HRM PRACTICES ON INCREASING ORGANIZATIONAL COMMITMENT: AN EMPIRICAL RESEARCH FROM TURKEY

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Abstract:

Human resources have become the key source of competitive advantage for the organizations that strive in challenging environments. In order to retain and satisfy their employees, organizations should design their human resource (HR) functions and practices consistent with the expectations of their employees. In this sense, organizational commitment of employees has become very important for especially retaining the employees in the organization. Human resource managers can increase the organizational commitment levels of their employees by designing HR functions and practices according to their expectations and by that way employees can feel that they are the most important assets of the organizations. The purpose of the research is to investigate the relationship between organizational commitment dimensions and HR practices. Also determining the perceptions of employees for organizational commitment levels and HR practices is another purpose of this research. According to the results of the research it will be possible to give insights that can contribute to develop organizational commitment by HR practices in organizations.

Keywords: human resource management, globalization, organizational commitment, normative commitment, affective commitment, continuance commitment

1. INTRODUCTION

Human resources are considered as the most important asset of an organization and human resources management function plays a vital role for organizations to gain competitive advantage. Several studies have shown that human resources (HR) practices have an impact on performance and competitive strategies of organizations. Taking into account that human resource management (HRM) has a strategic role for organizations; it is possible to say that the design of HR functions and practices should also be aligned with the expectations of employees.

The rapid change of factors such as globalization, economical and legal arrangements, technology has influence on organizational structures. These changes will have a positive impact on organizations only if the attitudes of employees to the organization are positive. Otherwise these changes may cause negative results such as job dissatisfaction, high turnover rate or absence of employees. In order to manage these change factors, organizations need to have and retain talented employees to work with high performance. In order to retain these employees, organizations should make efforts to increase the motivation and commitment of their employees. HRM function of organizations has an important role on increasing the motivation and commitment of employees because the development of organizational commitment needs effective HRM practices.

The aim of the research is to investigate whether there is a relationship between employees' perceptions on human resources management practices and their organizational commitment or not. In this sense, HRM practices and organizational commitment literatures are reviewed in the paper and then an empirical research is given in order to investigate the relationship between HRM practices and organizational commitment dimensions.

2. ORGANIZATIONAL COMMITMENT AND HRM PRACTICES

2.1. Organizational Commitment

Organizational commitment emerged in 1970s and 1980s as a key factor of the relationship between individual and the organizations (Mowday et. al., 1982). Today organizational commitment is even more important since it is considered as the driving force behind organizational performance and a desirable quality which can reduce employee turnovers (Meyer et all, 1989). The concept of commitment has been defined in different ways in the literature by various researchers (Kumar & Krishnaveni, 2008). Organizational commitment as defined by Porter et al. (1974) has three major components; a strong belief in and acceptance of the organization's goals, a willingness to exert considerable effort on behalf of the organization, and a definite desire to maintain organizational membership (Angle & Perry, 1981).

Organizational commitment is the individual's psychological attachment to the organization. Commitment represents something beyond loyalty to an organization. It involves an active relationship with the organization such that individuals are willing to give something of them in order to contribute to the organization's well-being (Lamba & Choudhary, 2013). According to another definition, organizational commitment can be interpreted as the employee's long-term relationship and intention to stay in the workplace with a devoted effort to reach the goals and objectives of the organization (Steers, 1977; Mowday, Steers & Porter, 1979).

Allen and Meyer (1990) identified and developed measures of three forms of commitment; affective, continuance and normative. Affective commitment reflects an emotional attachment and involvement in the organization. Continuance commitment is based on the perceived costs associated with discontinuing employment with the organization. Normative commitment reflects a sense of obligation on the part of the employee to maintain membership in the organization (Meyer & Smith, 2000). In brief, while employees with strong affective commitment continue employment with the organization because they want to, those with strong continuance commitment remain because they need to and those with strong normative commitment because they feel they ought to do so (Meyer & Allen, 1991).

Organizational commitment is the heart of HRM which help to explain a range of human attitudes and behaviors at work. It is the central feature that distinguishes HRM from traditional personnel

management (Guest, 1995). The concept of organizational commitment has been investigated and proven to be a consequence of HR practices in many studies. Delaney & Huselid (1996) empirically suggested that fair rewards, competence development, empowerment, recognition and information sharing all affect organizational commitment. Previous studies of the effects of HRM practices on commitment have typically measured affective commitment. Meyer and Allen (1997) suggested that HRM practices might also influence continuance and normative commitment. Employees who get attractive benefits package might view the organization as supportive and therefore develop a stronger affective commitment. They also believe that losing such a package would be costly and experience greater continuance commitment and/or feel indebted to the organization and develop a stronger normative commitment (Meyer & Smith, 2000).

2.2. HRM Practices and Organizational Commitment

It is important to highlight the point that HRM is not the property of particular specialists. HRM should be seen as an aspect of all management levels. HRM is concerned with both the structure of work in a company and with all the related employment practices that are needed to carry out the work. HRM is not simply about HR or people practices; it is about the management of work and people in the company. HRM is concerned with managing people both individually and collectively (Boxall & Purcell, 2003). In today's competitive business world both HR managers and line managers have become responsible for all HRM processes and practices.

HRM functions and practices are the infrastructure elements of strategic HRM process. Organizations should strategically utilize these infrastructure requirements to gain competitive advantage, particularly through their human resources and human resource management practices. Infrastructure requirements consist of those functions and activities necessary for effective management of an organization's human resources. The major purposes of these activities traditionally have been to attract, retain, and motivate employees. They are referred as HRM practices and the key HRM practices include; human resource planning, staffing including recruitment, selection and socialization, appraising, compensation, training and development. The result of effectively managing human resources is an enhanced ability to attract and retain qualified employees who are motivated to perform, and the results of having the right employees motivated to perform are numerous. They include greater profitability, low employee turnover, high product quality, lower production costs, and more rapid acceptance and implementation of corporate strategy (Schuler & MacMillan, 1984).

Effective HRM acquires quality employees, motivates them to maximize performance and helps meet their psychological and social needs. This leads to long term relationships with skilled and happy employees (Stewart & Brown, 2011). HRM focuses on people in organizations. People are a major component of any organizations so organizations with more productive employees tend to be more successful. Employee productivity increases when organizations hire and motivate employees effectively. In addition, good human resource practices create more satisfied employees (Stewart & Brown, 2011). It is imperative that management retains its best employees and keeps them committed to the organization in order to attract other quality employees (Zaitouni, Sawalha & Sharif, 2011). With the high costs involved in employee selection and recruitment, companies are increasingly concerned with retaining employees. Generating employee commitment is an important consideration for large and small organizations. Commitment is one of the factors of HRM policy for an effective organization (Shahnawaz & Juyal, 2006). The commitment and motivation built through well designed HR practices can lead high performance of employees. Especially innovative HR practices increase the commitment of employees and help them to achieve the goals of the organization. The satisfaction of employees with HR practices elicits the commitment of employees towards the organization (Kumar & Krishnaveni, 2008).

In this perspective; HR functions as employee selection and recruitment, training and development, performance evaluation, compensation management and investigating their relationships between organizational commitments have become very important. Monetary compensation is important but not sufficient to keep employees. Praise, appreciation and positive feedback from managers and peers for a job well done is imperative to generate job satisfaction and commitment. Recognition is considered as a main objective to maintain the feeling of high involvement (Zaitouni, Sawalha & Sharif, 2011). Koys (1988, 1991) found that employees' commitment is related directly to their faith in the intention of the organization's HRM practices to keep skilled employees and treat the fairly. Employee's skill,

training, personal development practices including job redesign/enrichment shows positive results in building employee's confidence level as a result of affective commitment (Meyer, Becker & Vandenberghe, 2004). Also attractive benefits package are viewed by employees as a sign that the organization cares and supports its employees, resulting in the development of a strong affective commitment (Meyer & Allen, 1997). From this point, it is possible to say that good HRM practice can improve commitment and efficiency in organizations by motivating employees.

3. RESEARCH METHODOLOGY

The purpose of the study is to determine the relationship between HRM practices and organizational commitment of employees. Another purpose of the study is to reveal the relationship between the dimensions of organizational commitment and HRM practices. The study is important to show the HRM practices that can increase organizational commitment of employees. With the results of the research, it is possible to give valuable insights about the effect of HRM practices on organizational commitment. By considering the need of empirical studies in this field, it is obvious that both the theoretical and empirical results of this research will give an important contribution to the related literature.

3.1. Sample and Data Collection

Employees who are working in private companies from different sectors participated to the research (n = 88). The method of the research sampling is "convenience sampling" (Balci, 2005). The research has been designed as a descriptive research which aims to determine the relationship between HRM practices and organizational commitment of employees.

Two scales were used in the questionnaires as measurement instrument of the research. The first scale developed by Demo, Neiva, Nunes & Rozzett (2012) has 6 dimensions (recruitment and selection; involvement; training, development and education; work conditions; performance appraisal and compensation and rewards) and 38 items that measure HRM practices. The scale was translated to Turkish by the researchers and an academic at Foreign Language Faculty and then the two translations were compared with each other.

The second scale developed by Allen & Meyer (1990) has 3 dimensions and 17 items that measure organizational commitment and the scale was translated to Turkish by Boylu, Pelit & Güçer (2007). The questions about social demographic qualifications such as gender, education, seniority, position and age were included to the items and the questionnaire form was developed. The questionnaires were sent to employees via e-mail and collected by the same way. Questionnaires were sent to employees who are working in different sectors.

3.2. Data Analysis

The items of HRM practices and organizational commitment scales were presented using a five-point Likert item as "1: strongly disagree" and "5: strongly agree. Data was analyzed by SPSS for Windows 18.0 package program.

Cronbach alpha reliability value was computed in order to find the reliability of the scales. The reliability values are 0,956 for HRM practices scale and 0,857 for organizational commitment scale. The reliability values of both scales are very high for researches in social sciences (Kalaycı, 2005). Kolmogorov-Smirnov test was used to determine the normality of data and it was shown that data was distributed normally so parametric tests were used for data analysis.

3.3. Findings and Results

Employees from different companies in various sectors participated to the research (n=88). The sample range due to the socio-demographic characteristics is shown in Table 1.

Table 1: Demographic Characteristics

Variables		Frequency	Percentage (%)
Gender	Male	52	59,1
	Female	36	40,9
Education	Two year college or lower	18	20,4
	Graduate school	40	45,5
	Post graduate school	29	33
	Unreplied	1	1,1
Age	18-25	15	17
	26-35	51	58
	36 and over	21	23,9
	Unreplied	1	1,1
Marital Status	Single	48	54,5
	Married	38	43,2
	Unreplied	2	2,3
Organizational seniority	Less than 1 year	20	22,7
	Less than 1-4 years	43	48,9
	Less than 4-7 years	12	13,6
	More than 7 years	13	14,8

When we examine the descriptive statistical analysis, the arithmetic mean of the human resources management practices` scale is computed as 3,10 (std.dev.: 0,72) and this score indicates that participants answered the HRM practices almost as “neutral-agree”. According to the arithmetic means of the HRM practices` dimensions, the highest computed arithmetic mean is 3,42 (std dev.: 0,77) for the dimension of “recruitment and selection”, besides the lowest mean is 2,32 (std dev.: 1,08) for “compensation and rewards”.

The arithmetic mean of the second scale which investigates organizational commitment is computed as 3,12 (std dev.: 0,63). According to this result, the participants answered the organizational commitment scale nearly to “neutral-agree” as well. The scores of organizational commitment` dimensions indicate that the highest computed arithmetic mean is 3,44 (std dev.:0,87), for the dimension of “affective commitment”, while the the lowest mean is 2,85 (std dev.: 0,84) for “continuance commitment”. The following Table 2 shows the descriptive statistics results.

Table 2: Descriptive Statistics Results and Reliability Values

Scales and Dimensions	n	Mean	Std. Dev.
HRM Scale	88	3,10	,72
Recruitment and Selection	88	3,42	,77
Involvement	88	3,22	,80
Training and Development	88	3,37	,95
Work Conditions	88	3,03	,90
Performance Appraisal	88	3,12	,99
Compensation and Rewards	88	2,32	1,08
Organizational Commitment	88	3,12	,63
Affective	88	3,44	,87
Continuance	88	2,85	,84
Normative	88	3,01	,85

Within the research, the relationship between employees' perceptions on the human resources management practices and the organizational commitment of the employees was investigated. In this context, the main hypotheses of the research are given below:

H₁: There is a relationship between employees' perceptions on the human resources management practices and their organizational commitment.

In order to investigate if there is a relationship between employees' perceptions on HRM practices and their organizational commitment, Pearson Correlation Analysis was carried out. The results show that there exists a medium positive relationship ($p < 0,01$; Pearson correlation (r) = 0,471) between the variables and *H₁* is accepted. This finding shows that for those who have positive perceptions about their companies, HRM practices are important variables and have the potential to foster the organizational commitment of employees. As the positive association has been proved using Pearson Correlation Analysis, the associations between the dimensions of HRM practices and organizational commitment are also examined.

H₂: There is a relationship between employees' perceptions on the human resources management practices' dimensions and their organizational commitment's dimensions.

The following Table 3 includes the correlations between HRM practices and organizational commitment's dimensions. According to the correlation analysis results, there is a strong or medium positive relationship between all HRM practices (except "compensation and rewards") and two organizational commitment dimensions (affective & normative commitment). However, continuance commitment did not correlate significantly with any of the HRM practices.

Table 3: Correlations Between HRM Practices & Organizational Commitment Dimensions

	HR Scale	Recruitment and Selection	Involvement	Training and Development	Work Conditions	Performance Appraisal	Compensation and Rewards	Affective Commitment	Continuance Commitment	Normative Commitment	Org. Commitment
HR Scale	1										
Recruitment and Selection	,733**	1									
Involvement	,898**	,674*	1								
Training and Development	,718**	,488*	,571**	1							
Work Conditions	,847**	,608**	,665**	,483**	1						
Performance Appraisal	,798**	,495**	,598**	,569**	,661**	1					
Compensation and Rewards	,724**	,375**	,576**	,287**	,651**	,525**	1				
Affective Commitment	,469**	,289**	,475**	,440**	,346**	,403**	,188**	1			
Continuance Commitment	,146	,112	,055	,107	,194	,169	,117	,110	1		
Normative Commitment	,405**	,235**	,409**	,382**	,281**	,334**	,203**	,539**	,318**	1	
Organizational commitment	,471**	,294**	,438**	,430**	,376**	,417**	,230**	,786**	,604**	,827**	1
	,000	,005	,000	,000	,000	,000	,031	,000	,000	,000	,000
	88	88	88	88	88	88	88	88	88	88	88

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

4. CONCLUSION

Human resources are the key competitive advantage factor for all organizations. In this sense; appealing and retaining the qualified workforce to the organizations can be seen as one of the most important factors in HRM. Organizational commitment is very important for retaining the employees in the organization because only committed employees can feel the organization as a part of their life and family. Effective HRM practices can increase the organizational commitment levels of employees. Functions such as recruitment, participation to decision making process, training and development, performance evaluation, working conditions and compensation management can help to improve organizational commitment.

By considering these factors; it is aimed to investigate the relationship between HRM practices and organizational commitment levels of employees in the paper. According to the research results, a medium-strong level relationship has been found between HRM practices and organizational commitment levels of employees. Also it has been found that there is a strong relationship between “affective commitment” dimension of organizational commitment and “involvement” dimension of HRM and there is no relationship between “affective commitment” dimension of organizational commitment and “compensation and rewards” dimension of HRM. It has been found that there is no relationship between “continuance commitment” dimension of organizational commitment and HRM practices. The results of the research can be seen as parallel with the related empirical results of the researches in the literature.

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