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# THE STAFF TRAINING- ORGANIZATIONAL AND OCCUPATIONAL COMMITMENT RELATIONSHIP: AN EXPLORATION INCLUDING PSYCHOLOGICAL WELL-BEING AND SELF-EFFICACY

A thesis presented in partial fulfilment of the requirements for a degree of Master of Arts in Industrial and Organisational Psychology at Massey University, Palmerston North, New Zealand

> Raewyn Gulde Harrison 1999

This thesis is dedicated to the memory of

Wendy Helena Hill (nee Gulde) and Allan Trevor Gulde

my loved siblings whose premature deaths have been the motivation for its production.

### **ABSTRACT**

Employees from three large organizations (N = 196) participated in this study which was designed to explore the staff training-organizational and occupational commitment relationship. The study also aimed to explore the role of psychological well-being and self-efficacy and the possible moderating and/or mediation effect these personal attributes might have on the training-commitment relationship. The third part of the study suggested that management and non-management employees would be similarly committed to the organization and their occupation. Using the Meyer, Allen and Smith (1993) measure of affective, continuance and normative commitment, interaction effects were found for psychological well-being and perceived self-efficacy with organizational and occupational normative commitment, and occupational affective commitment that strengthened the training-commitment relationship. No mediating effects were detected and no difference was found between the management and non-management samples. Data supported the traditional connections of organizational tenure, job tenure and age with organizational and occupational commitment. When these three variables are added to the findings for affective and normative commitment, the implications for training programmes suggests that at different stages of tenure different characteristics of commitment are able to be encouraged to develop. Training programmes that include elements that foster feelings of well-being and develop self-efficacy would be of benefit to the individual and the organization. Several limitations are noted, including methodological issues and the use of lesser-known measures.

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#### INTRODUCTION

#### Overview

Organizations spend large sums of money on training. Bennett (1997) put the figure as high as \$45 billion a year in the United States of America alone. Figures available for New Zealand indicate that in 1998, industry contributed \$102 million towards training (Melville, personal communication, 22 July, 1999). The New Zealand Government's contribution to training has increased from \$13 million in 1992 to \$64 million in 1998/99. Training is big business, but a question put forward by Hill and Elias (1990) is: Are organizations getting the best results out of their training dollars? They suggest that factors that influence the training and the impact training has on organizational commitment require continued investigation. In their research Hill and Elias found that perceived self-efficacy and self-efficacy in learning had a determining influence on how effectively training programmes will be transferred into the workplace. They also found that advancement potential and perceived training relevance had a mediating effect on the relationship between training and the selfefficacy of the individual. Noe (1986) suggests that the attitudes and attributes of the trainees are a neglected influence on the effectiveness of training programmes and proposes a model of training effectiveness, which includes self-efficacy, motivation to learn and reactions to training.

Cascio (1995 and 1991) approaches the training issue from a different perspective. He suggests a dual responsibility: that the organization is responsible for providing an environment that supports and encourages change, and that the individual is responsible for deriving maximum benefit from learning opportunities which the organization provides. Cascio suggests that organizations often lack the commitment to train all levels of their staff, with most organizations concentrating their resources on managers, technical and professional employees. Most companies he suggests prefer to 'poach' trained workers from other organizations, providing a strong

disincentive for training.

By creating a formula by which organizations can calculate the cost of employee turnover, Cascio (1995) suggests that if organizations realised the true cost of replacing committed employees they would do more to train and satisfy the needs of their current workforce. Cascio suggests that this includes taking the needs of the individual into account when training programmes are being designed. Research by Tannenbaum, Mathieu, Salas and Cannon-Bowers (1991) points to the influence that the meeting of training expectations has on the performance of the trainees and how this subsequently affects organizational commitment. Neale (1995) in a partial replication of Tannenbaum et al. also indicates the influence of the fulfilment of training expectations on organizational commitment.

Most organizations want employees who are committed, or at least recognise the potential benefits of having employees who are committed to their occupation, even if these employees do not remain with their organization for long periods of time. Organizations want employees who can meet the demands of the job, who are able to cope with the technology used, who can increase productivity and generate new business. Mathieu and Zajac (1990) submit that the occupational-organizational commitment relationship is contingent on the developmental opportunities available to the employee from the organization. If we view training as a developmental opportunity, then in terms of Mathieu and Zajac, it is the training offered by an organization and its impact on the commitment relationship which has a central focus of this thesis.

In addition to organizational commitment, occupational commitment and training, other constructs of interest in this study are perceived self-efficacy, learning self-efficacy, and psychological well-being. As suggested earlier by Hill and Elias (1990), Noe (1986) and Cascio (1995 and 1991), there is value to the organization and to the

individual employee to understand the interaction of these elements so that training needs can be met in a way that is beneficial to both parties. Goldstein (1991) discusses the personal impact that work-related training can have on the individual, and how this impact is largely ignored when training programmes are put into place by organizations. Goldstein suggests that factors such as self-efficacy and psychological well-being need to be taken into account when planning and preparing employees for training programmes. This will be discussed in more detail in Chapter Two.

Hirsch (1987) suggests that "organizational loyalty is no longer fashionable or even advisable as an attitude meriting reward or advancement" (p.115). This is a commonly held assumption in the workplace of the 1990's, given Hirsch's statement, and yet most employees hold some form of commitment toward the organization that employs them and most organizations actually do expect commitment from their employees (Meyer, Allen and Smith, 1993). Although in organizational literature commitment is often discussed in terms of employee loyalty and organizational culture, Meyer, et al. suggest, that commitment is a psychological state that characterises the employee's relationship with the organization. This relationship, Meyer, et al. proposes has implications for the decision to remain or to leave the organization. Choosing to remain with the organization has implications for personal development, and perceived opportunities for promotion, such as opportunities to be involved in training.

This research project whilst not directly interested in the more commonly researched consequence of organizational commitment, such as turnover intentions or absenteeism, sees an association of employee undergoing training as having a possible tie to both organizational commitment and occupational commitment. This relationship may be mediated or moderated by the perceived self-efficacy of the employee, by learning self-efficacy, (as referred to earlier by Hill and Elias, 1990, and

Noe, 1986); or the psychological well-being of the individual, (as suggested by Schwab, 1980, cited by Mathieu and Zajac, 1990). Each of these constructs will be discussed in more detail in later chapters of this thesis.

Commitment to work takes several forms, most of which have received considerable investigation over recent years. However most of the investigation has been undertaken with professional or career oriented groups such as managers, nurses or teachers and, to a much lesser extent blue collar workers. It is the intention of this research to undertake a comparative study of two groups of employees who work for the same organization, representing a management and non-management sample.

The two-group comparative study has been chosen because of recent interest in how employees who do not have a management role within an organizational view their jobs. The majority of research into organizational commitment and occupational commitment has been at the management end of the spectrum. Recent research (e.g. Cohen, 1992 and Lease, 1998) has brought to light current attitudes of workers who do not occupy a management role. This research suggests a shift in commitment to their employing organization and their occupations, from extrinsic factors such as pay and working conditions, to intrinsic factors such as involvement in decisionmaking. This shift is of interest to researchers and organizations alike. The participants for this study do not come from the so called 'professional' groups, such as nurses or teachers but from a more generalised industry sample.

The need to maintain current skills, or to build on those skills is a feature of the changing nature of the workplace of the 1990's. Whilst Davy, Kinicki and Scheck (1997) discuss the implications of frequent organizational restructuring and mergers on the American workforce, similar comparisons can be made within New Zealand. Gobbi (1998) in discussing the results of an Education and Training Survey undertaken in New Zealand in September 1996 indicates that just under half of those

who worked for wages and salaries at some time in that year participated in employment related training. The most common form of training was in-house training offered by their employer. Fifty percent of these workers had no post-school qualifications. Those with higher qualifications tended to be younger, and more involved in all forms of employment-related training. Gobbi reported that participation rates in employment-related training tended to decrease with age. Participation rates for manager, technicians and professional employees were higher than for lower status workers, supporting Cascio's claim that organizations tend to offer more training opportunities to their higher status employees.

This research plans to extend the study of organizational and occupational commitment past the usual antecedent and predictor factors of employee absenteeism, turn over and job satisfaction to explore possible associations with willingness to undertake training and development. It is also planned to investigate the constructs of psychological well being, perceived self-efficacy, and self-efficacy in learning in those employees who are committed to the organization and occupation, compared with those individuals who record lower levels of organizational or occupational commitment.

The introductory chapters of this thesis aim to acquaint the reader with the theoretical basis and direction of this study. In Chapter One the commitment relationship of employees, their employing organization and their occupation together is discussed. Chapter Two examines training and its possible impact on organizational and occupational commitment, together with the need to look past training to other factors that may also impact on the individual and training programme implementation. Chapter Three discusses the constructs of psychological well being, perceived self-efficacy, and learning self-efficacy as they will be applied to this thesis and Chapter Four contains the research goals for the study.