

Effect of Career Stage on Organizational Commitment: Evidence from Selected Commercial Banks Operating in Manipur State of India

Nameirakpam Chetana¹, Dr. A. K. Das Mohapatra^{2*}

¹Senior Research Fellow, Department of Business Administration, Sambalpur University, Jyoti Vihar, Burla, Odisha, India

²Professor, Department of Business Administration, Sambalpur University, Jyoti Vihar, Burla, Odisha, India

***Corresponding author**
Dr. A. K. Das Mohapatra

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Abstract: Organizational commitment is an important aspect influencing organizational growth and performance. Organizations face enormous challenges in understanding the commitment level of employees of different career stages. Depending on this understanding about the commitment level that organizations do undertake different measures for enhancing their commitment for improved organizational productivity. Therefore, understanding the commitment level of the employees corresponding to their career stages has emerged as an important dimension of human resource management these days. The changing business environment and its associated complexities have increased the necessity for a study on the effect of career stage on organizational commitment so as to enable the progressive organisations to be more proactive in addressing to the underlying issues associated with career stages and organizational commitment. This study is an endeavour to examine the effect of career stages on organizational commitment with respect to bank employees. The study which has been undertaken based on Super (1984) career stages and Meyer *et al.* (1993) organizational commitment scale, conducted upon 165 employees on three banks reveal that there exists a significant difference between affective commitment and employees career stages. Similarly, career stages also affect the continuance commitment of the employees significantly. Further, the study also found that no significant relationship exists between normative commitment and career stages. This implies that the organisations in order to get the commitment of the employees have to undertake measures to design effective organizational career planning programs.

Keywords: Affective commitment, Career stages, Continuance commitment, Exploration, Organizational commitment, Normative commitment.

INTRODUCTION

Organisational commitment has been regarded as one of the most important aspects that determine employees' performance. Commitment at workplace can take various forms and arguably has the potential to influence organizational effectiveness and employees' well-being. Again, the employee's age and tenure in the organization are considered as important antecedents of organizational commitment. This is because these antecedents are the main indicators of side-bets [1] which an employee has earned by continuing in a same organization. The threat of losing the employees along with the accumulated investments made on them is a challenge for the organizations. The various developmental programs undertaken by the organization help the employees enhanced the commitment level to the organization. The design and choice of the development programs undertaken by the organizations however depends on the different career stages in which the employees are mapped.

There are five career stages for an individual such as, growth, exploration, establishment, maintenance and decline stage. The respective age group following into five stages are 1-14 years, 15-24 years, 25-44 years, 45-64 years and 65 and above years respectively for growth, exploration, establishment, maintenance and decline stage [2]. Whereas there are only three career stages into which an employees can fit in. For the employees the career stages obviously would mean exploration, establishment and maintenance stages. Although Levinson *et al.* [3] have also given classification of the career stages called as 'life areas' and have put four such areas such as childhood (0-20 years), early adulthood (20-40 years), middle adulthood (40-60 years), and late adulthood (over 60 years). We have considered the class given by Super [2] because of its conceptual and operational superiority.

REVIEW OF LITERATURE

Allen and Meyer [4] studied organizational commitment from three dimensions, namely, affective,

continuance and normative commitment as a function of career stages of an employee. The research study found that affective and normative commitments were largely affected by the employee's age and continuance commitment was influenced by the employee's tenure in the organization.

Affective commitment is the positive feeling of recognition with, attachment to, and association in the work organization [5]. Continuance commitment is defined as the degree to which employees feel committed to their organizations by virtue of the costs that they feel are associated with leaving (e.g., investments or lack of attractive alternatives) [5]. Normative commitment [4] is defined as the employees' feelings of obligation to remain with the organization [6].

Chang [7] investigated the mediating effect of career commitment on the relationships between employees' perception and organisational commitment.

Kaur and Sandhu [8] examined the career stage effect on organizational commitment of bank employees. Organizational commitment is measured using the three dimensions, namely, affective, continuance and normative commitment. Age and tenure of the employees were taken as the variable to study the career stages. The study found that employees in the early career stages have the lowest commitment in the organization. More is the tenure of the employees in the organization higher is the organizational commitment.

Meyer *et al.*, [9] conducted a meta-analysis to assess the relationship between affective, normative and continuance commitment. It was found that the three dimensions of organizational commitment have distinct and different features of their own. Affective and normative commitments are significantly correlated.

The concept of organisational commitment has gained focus after the work on organisational psychology [10]. Earlier, the concept of organisational commitment was viewed as a single dimension, which was mainly based on attitudes, perception and loyalty of the employees in an organization.

Conway [11] studied the impact of career stages on organizational commitment and HR practices. The findings show that the interaction effect of career stages are evident concerning attitudes towards HR practices and affective, continuance, and normative commitment.

Hess and Jepsen [12] found that higher the levels of career stages more are the commitment of the employees towards the organization.

Ahmad and Ashraf [13] examined the effect of age as a career stage factor on organisational commitment. Affective, continuance and normative commitment were taken as the dimensions of organizational commitment. The research study found that teachers in the mid and late career stages exert higher level of commitment. Significant relationship was found between affective and normative commitment with the career stages but an insignificant relationship exists between the career stage and continuance commitment.

Olufemi *et al.*, [14] identified that there exists a significant relationship between age of the employees and organizational commitment. Tenure of the employees in the organization has no effect on the commitment of the employees.

Patheja [15] conducted a study on the effect of career stages on organizational commitment in corporate sector. Age was taken as the determinant of career stages. The study found that older the employees more commitment the employees have with the organization.

Noordin *et al.*, [16] examined the effect of career stages on organizational commitment. Career stages were measured using three parameters, namely, age, organizational tenure and positional tenure. The study found that older the employees more commitment of the employees towards the organizations.

Research Gap

A brief review of the literature indicates existence of a research gap amounting to (i) interrelationship between Super [2] career stages and organizational commitment; (ii) no significant study of higher magnitude on career stages in the Indian banks linking to demographic variables (iii) few studies on the dimensions of organizational commitment in Indian context. This paper is therefore an endeavour to fulfil the above gap by undertaking the following objectives for investigations. Given the above backdrop, this paper investigates the effect of employee's career stages on organizational commitment.

Objectives of the Study

The study has been undertaken to examine the effect of occupational career stages on the dimensions of organizational commitment.

The specific objectives were:

- To study the effect of career stages on affective commitment in an organization.
- To find out the relationship of continuance commitment with career stages of employees.
- To study the effect of career stages of employees on normative commitment.

Hypothesis of the study

To strengthen the findings and its validation further that the following hypotheses have been formulated.

- *H₀₁: There is no significant difference in the affective commitment across the career stages.*
- *H₀₂: Continuance commitment of the employees does not vary significantly across the career stages.*
- *H₀₃: There is no significant difference in the normative commitment across the career stages.*

METHODOLOGY

The following methodology has been followed in the study:

Flowchart of the investigation

In the study two variables, namely, career stages and organizational commitment were taken. Three occupational career stages, namely, exploration, establishment and maintenance have been taken as the control variables. The aim of the study is to examine how different career stages affect an individual's organizational commitment towards the organization. Dimensions of the variables taken are displayed in Fig-1.

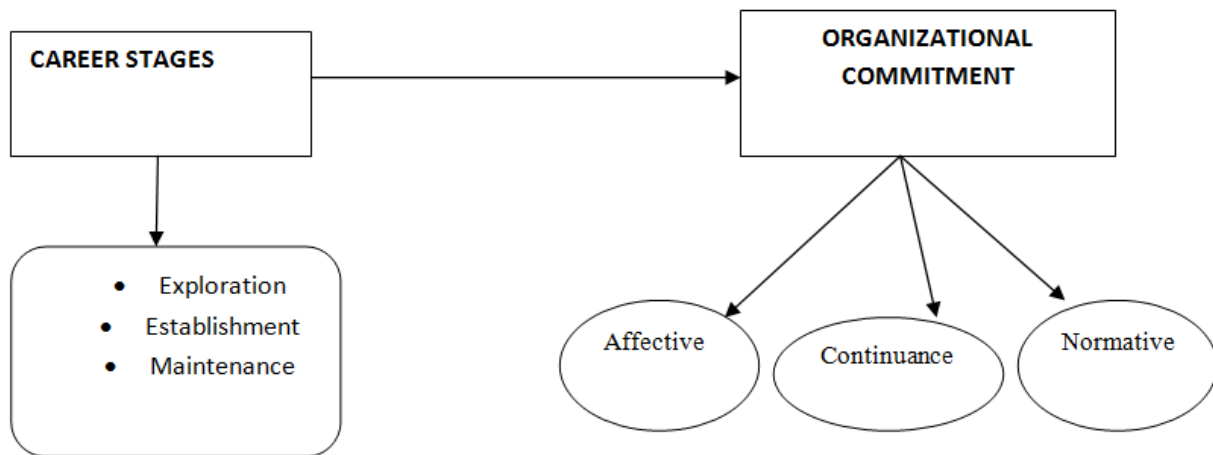


Fig-1: Theoretical framework of the effect of career stages on organizational commitment

Data Source and method of data collection

The study has been conducted mainly on primary data collected through the validated questionnaire developed by Meyer *et al.*, [4]. The questionnaire were distributed among 165 respondents selected through convenient sampling from three different public sector banks, namely, State Bank of India (SBI), United Commercial Bank (UCO Bank) and Indian Overseas Bank (IOB) located in the state of Manipur, India and collected back upon being filled up by the respondents.

Scale Used

10-items of Organizational Commitment Scale [4] involving the three dimensions namely, affective, continuance and normative commitment, has been utilized to measure the nature of organizational commitment on a 5-point Likert scale.

Control Variables

Three occupational career stages, namely, exploration, establishment and maintenance were measured using age as the parameter of career stages. Age of the employees was taken as the control variable to measure the career stages. Age was divided into three subgroups depending upon the assigned career stages:

- (a) Exploration stage for 15-24 years,
- (b) Establishment stage for 25-44 years, and
- (c) Maintenance stage for 45-64 years.

Tools and techniques used

Descriptive statistics were employed to determine the level of affective, continuance, and normative organizational commitment across career stages. One-way analysis of variance (ANOVA) was carried out to study the level of significance of career stages on different dimensions of organizational commitment. Pairwise comparison among the dimensions of organizational commitment and career stages have been undertaken to determine the precise nature of the differentiation between groups. For the above said analysis, Tukey's Honestly Significant Difference of multiple comparisons (post-hoc) has been employed. SPSS 22.0 package has been used for data analysis.

RESULTS AND DISCUSSION

Table-1 depicts the descriptive statistics for affective, continuance, and normative organizational commitment across the career stages classified as exploration, establishment and maintenance stage. Employees in the early-career stage, i. e. the exploration

have the lowest mean score on all the dimensions of organizational commitment. Further, as the career stages move the level of commitment goes on

increasing from establishment to maintenance stages of career.

Table-1: Descriptive statistics of organizational commitment according to career stages

Dimensions of Organizational Commitment	Career Stages	Age Groups (Years)	N	Mean	Standard Deviation
Affective Commitment	Exploration	15-24	54	4.67	1.19
	Establishment	25-44	62	4.72	1.18
	Maintenance	45-64	49	4.98	1.09
Continuance Commitment	Exploration	15-24	54	4.14	1.18
	Establishment	25-44	62	4.69	1.09
	Maintenance	45-64	49	4.89	1.23
Normative Commitment	Exploration	15-24	54	4.24	1.16
	Establishment	25-44	62	4.69	1.32
	Maintenance	45-64	49	4.89	1.13

Hypothesis testing

In order to determine the significance difference among the level of affective, continuance and normative commitment across three career stages taken, the following null hypotheses were formulated.

- H_{01} : There is no significant difference in the affective commitment across the career stages.

- H_{02} : Continuance commitment of the employees does not vary significantly across the career stages.
- H_{03} : There is no significant difference in the normative commitment across the career stages.

The above hypotheses have been tested through One Way ANOVA and the results have been shown in Table-2.

Table-2: Results of Analysis of Variance

Dimensions of Organizational Commitment	Sources of Variance	Sum of Squares	Mean Squares	F Value	Sig. value
Affective Commitment	Between Groups	38.4	4	5.333	0.014
	Within Groups	18	10		
Continuance Commitment	Between Groups	51.066	4	6.603	0.007
	Within Groups	19.333	10		
Normative Commitment	Between Groups	27.066	6.766	3.171	0.063
	Within Groups	21.33	2.133		

It is seen from the table that the sig. value or 'p' value in case of affective commitment is 0.014 at 5% level of significance. A significant value of 0.014, i.e., less than 0.050 rejects the hypothesis. Therefore, H_{01} : There is no significant difference in the affective commitment across the career stages stands rejected at 5% level of significance. This implies that the affective commitment is influenced by various career stages.

Similarly, with respect to continuance commitment it is also observed that significant value is 0.007 at 5% level of significance which also rejects the hypothesis formulated, i.e., H_{02} : Continuance commitment of the employees does not vary significantly across the career stages. It is therefore concluded that continuance commitment of the employees vary with different career stages.

Further, in case of normative commitment, the sig. value is found to be greater than 0.05 i.e., 0.063 which accepts the hypothesis formulated, i.e., H_{03} : There is no significant difference in the normative commitment across the career stages. This implies that different career stages do not have significant effect on the normative commitment level of the employees.

However, ANOVA fails to explain the variation in the significant difference among the dimensions of organizational commitment. Therefore, to determine the precise nature of the differentiation between groups, post hoc test, namely, Tukey's Honestly Significant Difference test was undertaken to determine the precise nature of the differentiation between groups as shown in Table 1.3. As it was found that there is no significant relationship in normative commitment with career stages, pair-wise comparison through post hoc test was not done.

Table-3: Tukey's Honestly Significant Difference Test of Multiple Comparisons in respect of Organizational Commitment and Career Stages

Dimensions of Dependent Variables	Career Stages (I)	Career Stages (J)	Mean Difference (I-J)	Sig. value
Affective Commitment	Exploration	Establishment Maintenance	0.1300 0.1364	0.000
	Establishment	Exploration Maintenance	-0.1300 -0.1163	0.000
	Maintenance	Exploration Establishment	-0.0136 0.1163	0.000
Continuance Commitment	Exploration	Establishment Maintenance	0.2300 0.1863	0.069
	Establishment	Exploration Maintenance	-0.2300 -0.0436	0.045
	Maintenance	Exploration Establishment	-0.1863 0.4636	0.006

The above table indicates that there is a significant relationship between 'affective commitment and career stages' and 'continuance commitment and career stages'. Further, it also shows that the employees in the late career stages, i.e., the maintenance stage are more committed to their organization rather than employees of exploration and establishment career stages.

Managerial Implications

The findings of this study have significant implications for the management to analyse the commitment among bank employees towards organizations in Indian context. The findings suggest that the management needs to understand the career stages of the employees to gain high commitment in the organizations. The study of organizational commitment can be helpful in framing career development programs that will be beneficial to both the employees and the organizations.

CONCLUSION

The study reflects that the individual career stages influenced the commitment towards organization. The purpose of the study was to analyse the impact of occupational career stages of Super [2] on the three dimensions of organizational commitment, namely, Affective, Continuance and Normative Commitment. In this study, age has been taken as the parameter of different career stages. The commitment of employees was measured using the validated 10 items scale of Meyer and Allen [4] on a 5 point Likert scale. It is concluded that affective and continuance commitment is significantly related to the career stages. Normative Commitment has no significant relationship with career stages. Further, the study also found that employees in the late career stages, i.e., maintenance stages are more committed to their organization as compared to the employees in exploration and establishment stages.

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