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An Empirical Study on Factors Affecting Organizational Commitment Among Generation X

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Abstract

The biggest challenge faced by organizations is the changes in workers' work attitudes and behaviors. Thus this study aims to determine the factors affecting the Generation X employees' organizational commitment. 300 Generation X workers participated in this study. Partial least squares (PLS), was employed to examine the structural model and the measurement model for the constructs. Findings of this study reveal that training and development, organizational justice, task orientation, knowledge sharing and compensation and incentives are significantly affecting Generation X workers' organizational commitment. This study has suggested some recommendations and opens way for future research.

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Keywords: Generation X; Knowledge Sharing; Organizational Justice; Organization commitment; Task Orientation; Training and Development

1. Introduction

Today, the generations X workers in most of the company are portray as experienced workers who may holding uppermost position such as senior manager or key person who involve in decision making of company strategic matters. Moreover, in this era many knowledge workers such as teachers, IT software designers, lawyers, engineers, lawyers, and others are members of generation X. This generation X workers are playing critical role in building

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organization's sustainability to compete with competitors in marketplace (Amar, 2002).

A finding from the recent survey indicated that the employee turnover rate in Malaysia was in increasing trend which the rate increased from 12.3 percent to 13.2 percent in year 2013 (Towers Watson, 2014). Malaysia is labelled as a young country where generation X and Y workers make up almost 90 percent of the total workforce. Thus, generation X workers who act as pillar holder and knowledge workers in Malaysia corporates are found highly mobile in their jobs because they are changing their jobs frequently as way of career advancement (Yigitcanlar, Baum & Horton, 2007). Organizational commitment among workers can be improved through better understanding and fulfilling their needs. Therefore, the main objective of this study is to identify the major determinants which influence the workers' organizational commitment.

2. Literature Review

2.1 Generation X

As indicated by Chen and Choi (2008) the composition of today's workforce is evolving. Employees who are born in the same year with distinctive group is known as generational diversity. Sirias, Karp and Brother ton (2007) mentioned that the Gen X employees focused much on extrinsic rewards, very faithful to people and self-oriented.

2.2 Organizational Commitment

Buchanan (1974) believes that organizational commitment is bonding between the employee and the organization. This is where it will link and attach employees to the organization which is known as affective behavior and attitudes. A study conducted by Boles et al., (2007) showed that there is a positive relationship between valuable organizational outcomes and affective organizational commitment. Factor such as benefits and compensation strongly affect an employee's commitment in an organization (Ferres, Travaglione, and Firms, 2001).

2.3 Compensation and Incentives

The primary tool to enhance the organisational commitment is compensation and incentives as supported by Dulebhon, Ferris, and Stodd (1995). Another supported evidence from Ishigaki (2004) explained that employees will be more committed and attached to the organisation if they are fairly rewarded for their effort at work which in return the organisation will be able to achieve higher retention rate. In the same study, Hinkin and Tracey (2000) mentioned that there is a direct relationship between employees' retention and organizational commitment.

H1: Compensation and incentives have significant relationship with the organizational commitment among Gen X workers.

2.4 Knowledge Sharing

Polanyi (1969) term knowledge sharing as a transfer of information within an organisation which involves subjective insights, intuitions, hunches, and know-how. Kogut and Zander (1993) make the point that organisational competitive and capability depends on the effectiveness in transforming the knowledge in an organisation. People will share their knowledge if they find that those information is beneficial to an organisation as supported by Hall (2001).

H2: Knowledge Sharing has significant relationship with the organizational commitment among Gen X workers.

2.5 Task Orientation

Task orientation has subdivided into task variety and task autonomy. Buys, Olckers and Schaap (2007) make the

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