Organizational Culture Affecting Organizational Commitment of Employees in Business Group of Import-Export Jewelry in Bangkok

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Praphan Chaikidurajai
Graduate College of Management
Sripatum University, Bangkok, Thailand
E-mail: praphan.ch@spu.ac.th

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Abstract

This research aimed to investigate organizational culture affecting organizational commitment of employees' import-exported jewelry business in Bangkok. The research methodology is the survey research by using questionnaires to collect data. The population is the employees in in import-exported jewelry business in Bangkok. Accidental random sampling was applied in this research. The questionnaires were verified for content validity by experts and tried out the reliability. The statistical analyses were frequency, percentage, mean, standard deviation and multiple regression. The research results show that organizational culture in terms of integration and communication patterns affecting organizational commitment of employees in business group of import-export jewelry in Bangkok.
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Keywords: Organizational Culture, Organizational Commitment

1. Introduction

Organizational Culture is what describes an environment within an organization that includes attitudes, values, beliefs and norms that organizational members share and serve as a guideline for action to interact with the formal structure of behavioral patterns reflected in symbols such as philosophy, mythology, fiction and stories etc. If the management create these organizational culture making employees happy at work, having a good atmosphere to work, having a good communication with employees, perceiving themselves as an important part of the organization until makes employees organizational commitment, loving the organization and makes employees be more active in their work to achieve organizational objectives. It will benefit the organization as a whole in the long term. As for the problem in business group of import-export jewelry in Bangkok is employees leaving their jobs, thus making the researcher interested in studying what kind of organizational culture that will affect the organizational commitment of employees in business group of import-export jewelry in Bangkok.

2. Literature Review

2.1 Organizational Culture

Robbins (1994) gave the definition of organizational culture that everything individuals in organization similarly perform is characteristic of those organizations occurring by the mix of attitudes, values, beliefs, norms as well as actions of individual, group, organization, policy and objective of organization, technology, group state and the success of the organization until it comes to the acceptance of people in organization composed of individual initiative, risk tolerance, direction,

integration, management support, control, identity, reward system, conflict tolerance and communication patterns.

Individual initiative represents staff in industry group has freedom to invent something or create new initiative and which should have their responsibility.

Risk tolerance means that staff in industry group has been encouraged to promote confidence and dare to take risks in organizational decisions to changing organization to the new things.

Direction refers to organizational executive set objectives and expectations in performance obviously.

Integration means that the various departments of the organization has been urging for coordination and cooperation to achieve diversity and participation in the work between the units in the organization to support the coordination between the units.

Management support refers to the management team have the clear communication and provide support and assistance to staff in industry group.

Control means that the organization has rules and regulations to control staff behavior in the work.

Identity means that the members of the organization have faith or that they are members of the organization and sees the organization as a whole rather than the specific interests of their work units.

Reward system refers to setting the criterion of giving the award such a salary raise or promotion etc. by reward from based on performance more than the close, seniority or preference.

Conflict tolerance refers to the level of the organization encourages staff in industry group can openly criticize and manage conflict.

Communication patterns refer to the level of the official communication by the chain of command.

2.2 Organizational Commitment

Allen & Meyer (1990) explained that organizational commitment means the desire of individuals to maintain their organization members, the commitment towards the benefits receiving from organization, commitment and recognition of value towards organization, organizational loyalty, believe and acceptance of value consisting of affective commitment, continuance commitment and normative commitment.

Affective commitment refers to the desire of staff in industry group to be involved in the company. Staff in industry group is dedicated effort in working for the company. If staff in industry group has more affective commitment, it was a better performance.

Continuance commitment refers to the behavior of staff in industry group expressed in the form of a continuous or consistent behavior in the workplace. Try to maintain membership of their organization.

Normative commitment mean that loyalty and willingness to contribute to the company which is the result of social norms and corporate ethics or conscience. Staff in organization will feel that they were a member of the organization and commit to the organization.

2.3 Related Research

Manaya Khaewmungkund (2017) conducted the research on the relationship between organizational culture and organizational commitment of 230 staff at administrative organization of Sakon Nakhon Province. Research findings indicate that organizational culture related to organizational commitment positively and significantly.

Panida khamkaeng (2016) conducted the research on the relationship between organizational culture and organizational commitment of 177 staff at Karunvej Hospital, Pathum Thani. Research findings indicate that organizational culture related to organizational commitment positively and significantly.

Hojjat, Vahdati , Moghaddam Javad Taheri and Jafari Mohammad Sadegh (2014) studied the Impact of Organizational Culture on Organizational Citizenship Behavior (Case study: Lorestan Mellat Bank).   Research findings indicate that organizational culture impact on citizenship behavior positively and significantly.

3. Conceptual Model and Research Hypotheses

Based on the literature review, the author constructs a conceptual model of the Relationship between Organizational Culture and Organizational Commitment, as shown in Figure 1 below.
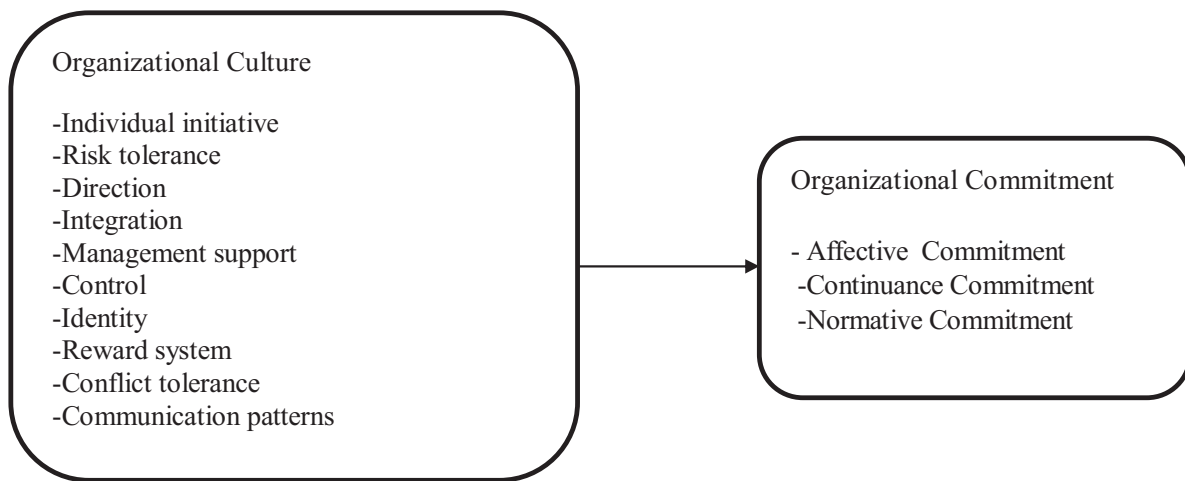
Organizational Culture

-Individual initiative
-Risk tolerance
-Direction
-Integration
-Management support
-Control
-Identity
-Reward system
-Conflict tolerance
-Communication patterns

Organizational Commitment

- Affective Commitment
-Continuance Commitment
-Normative Commitment

Figure 1 Conceptual Framework

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Research Hypotheses

Organizational culture has an effect towards organizational commitment of employees in business group of import-export jewelry in Bangkok.

4. Research Method

The methodology of this research is the quantitative and survey research. The population are employees in business group of import-export jewelry in Bangkok with unknown numbers of actual population.

Sample, using sample size calculation in case of unknown numbers of actual population from formula: n = P (1-P) (Z) 2 / e 2
  when n = Sample size
       P = Required percentage of random sampling from all population
       e = Percentage of deviation from random sampling
       Z = Confidence level

The researcher needs 50% of random sampling from all population with confidence level of 95% (Z at confidence level of 95% is equal to 1.96) and accepts deviation from random sampling at 5% of sample size which calculates as follows:

$$n \quad = (.50) (1-.50)(1.96)2 / (.05) 2$$

$$= 384.16$$

n equals to 384.16, derived from the calculation. It shows that the approximate sample size is 384 staff (Silpjaru, 2007).

The author creates questionnaire tools from development and analysis of questions from related literature review. This brings to try out with testing group who are not 30 sample size. Then, using the result to calculate for reliability with Cronbach's Alpha Coeffieient at 0.774 of organizational culture and .914 of organizational commitment.

The sampling plan use accidental random sampling and data collection is conducted from employees in business group of import-export jewelry in Bangkok according to giving information.

The statistics using for data analysis are frequency, percentage, mean ($\bar{x}$), standard deviation (S.D.) and multiple regression analysis.

5. Results

There were 274 employees or 71.35% of sample size, who completed the questionnaire, responded the questionnaire back. Most of the respondents are 167 female or 60.9%. 96 employees or 35.0% are in the age between 20 and less than 37 years old. 118 employees or 43.1% are single. 134 employees or 48.9 % graduated in the bachelor degree. 124 employees or 45.3% of most respondents have experienced in their current companies about 1-less than 3 years. 157 employees or 57.3% have the average income at THB 20,001-less than 30,000.

Table 1 Mean ($\bar{x}$), Standard Deviation (S.D.) and Interpretation of organizational culture and organizational commitment of employees in business group of import-export jewelry in Bangkok

Organizational Culture	$\bar{x}$	S.D.	Interpretation
1.Individual initiative	3.65	.84	High
2.Risk tolerance	3.55	.89	High
3.Direction	3.51	.90	High
4.Integration	3.63	.81	High
5.Management support	3.61	.95	High
6.Control	3.75	.85	High
7.Identity	4.01	.93	High
8.Reward system	3.82	.86	High
9.Conflict tolerance	3.50	.92	High
10.Communication patterns	3.65	.88	High
	3.67	**.88**	High
Organizational Commitment	$\bar{x}$	S.D.	Interpretation
1. Affective commitment	3.70	.95	High
2. Continuance commitment	3.92	.91	High
3. Normative commitment	3.80	.82	High
	3.81	**.89**	High

From table 1, it was found out that the respondents have the opinion towards organizational culture at high level average $\bar{x}$ = 3.67 S.D.= 0.88. When analyzing each aspect, it was found out that there are all aspects having high level of the average as follows: reward system has the highest average at $\bar{x}$ = 4.01 S.D. = 0.93; the secondary highest average is identity at $\bar{x}$ = 3.82 S.D. = 0.86; control is at $\bar{x}$ = 3.75 S.D. = 0.85; individual initiative is at $\bar{x}$ = 3.65 S.D. = 0.84; communication patterns is at $\bar{x}$ = 3.65 S.D. = 0.88; integration is at $\bar{x}$ = 3.63 S.D. = 0.81; management support is at $\bar{x}$ = 3.61 S.D. = 0.95; risk tolerance is at $\bar{x}$ = 3.55 S.D. = 0.89; direction is at $\bar{x}$ = 3.51 S.D. = 0.90 and conflict tolerance is at $\bar{x}$ = 3.50 S.D. = 0.92 accordingly.

Moreover, it was found out that the respondents have the opinion towards organizational commitment at the high level of the average $\bar{x}$ = 3.81 S.D.=0.89. When analyzing each aspect, it was found out that there are all aspects having the high level average as follows: continuance commitment has the highest average at $\bar{x}$ = 3.92 S.D. = 0.91; the secondary highest average is normative commitment at $\bar{x}$ = 3.80 S.D.= 0.82 and affective commitment is $\bar{x}$ = 3.70 S.D.= 0.95 accordingly.

Table 2 Multiple Regression Results of Organizational Culture and Organizational Commitment

Organizational Culture	B	p
Constant	6.866	.000
Individual initiative	.095	.547
Risk tolerance	.166	.285
Direction	-.248	.104
Integration	.347	.008*
Management support	.226	.099
Control	.041	.785
Identity	-.053	.656
Reward system	.038	.795
Conflict tolerance	-.160	.180
Communication patterns	.792	.000*
R^2	.232	
Adjusted R^2	.221	
F-value	7.941	

Note: * significant at the level 0.05

From table 2, As seen from the coefficient of determination, Adjusted R^2, accounted for 22.1% of organizational commitment, integration: $\beta = .347$, $p = .008 < .05$ and communication patterns: $\beta = .792$, $p = .000 < .05$. It shows that support hypothesis just only integration and communication patterns have an effect towards organizational commitment with significantly at 0.05.

6. Conclusion and Discussion

6.1 Conclusion

The executive should create integration of employees urging for coordination and cooperation to achieve diversity and participation in the work between the units in the organization to support the coordination between the units in order to increase employees of organizational commitment. The executive should focus on good communication patterns with employees in terms of two way communication especially listening to the problems of employees and solving their problems. It conforms to the research study of Manaya Khaewmungkund (2017) found out that organizational culture related to organizational commitment of 230 staff at administrative organization of Sakon Nakhon Province positively and significantly and conforms to the research study of Panida khamkaeng (2016) found out that organizational culture related to organizational commitment of 177 staff at Karunvej Hospital, Pathum Thani positively and significantly.

6.2 Limitations and Prospects

1. There should be a study of other variables which might have an impact on organizational commitment i.e. work motivation and human resource management etc.
2. There should be a study of quality of work life and organization commitment of employees in other industries which are willing to give information for further research.

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