# Key concepts and terms

- Commitment
- Discretionary learning
- Iob satisfaction
- Organization climate
- Organizational citizenship

- Discretionary behaviour
- Engagement
- Learning culture
- Unitary frame of reference

# Learning outcomes

On completing this chapter you should be able to define these key concepts. You should also know about:

- Comparison of the concepts of engagement and commitment
- The factors that influence engagement
- Measuring engagement
- The meaning of organizational commitment
- Problems with the concept of commitment
- Developing a commitment strategy

- The significance of employee engagement
- Engagement strategy
- Engagement and job satisfaction
- The significance of commitment
- Factors affecting commitment
- The contribution of HR to developing commitment

### Introduction

The term 'commitment' in the shape of loyalty to and identification with the firm has been around for a long time as has the notion of organizational citizenship, which is behaviour that benefits the organization but is not required as part of the job description and is therefore discretionary.

However, more recently the term 'engagement' has come to the fore. It is sometimes used very loosely as a powerful notion that embraces pretty well everything the organization is seeking with regard to the contribution and behaviour of its employees in terms of levels of job performance, willingness to do that much more and identification with the organization. It is a useful mantra for management in organizations to chant – 'We want more engagement' – without always being clear about what they mean by engagement or how it can be achieved.

Confusion is further confounded when definitions of engagement are produced that make it synonymous with commitment. For example, Porter *et al* (1974) defined commitment as: 'The relative strength of the individual's identification with and involvement in a particular organization'. But the well-respected Conference Board in the United States defined employee engagement in 2006 as 'a heightened connection that an employee feels for his or her organization'. And the equally well-respected Institute for Employment Studies in the United Kingdom stated in 2004 (Robinson *et al*) that an engaged employee is someone who believes in, and identifies with, the organization.

Of course, there is some overlap between the ideas of engagement, commitment and motivation. It could be argued that this confusion may not create much real harm – as mentioned above, 'engagement, more engagement' is a worthy slogan. But unless some attempt is made to disentangle these concepts there is a real risk that progress in putting them to good use will be slow. It is necessary, for example, to appreciate that engaged employees are not necessarily committed to their organization; that a committed employee is not necessarily motivated to work harder; and that people may be committed to the organization in terms of wanting to stay with it, possibly because they may have nowhere else to go, but are still disenchanted with their jobs.

This chapter focuses on the area where most confusion lies: engagement and commitment. The aim is to clarify what these concepts really mean – the extent to which they are different; the extent to which they overlap. This is dealt with in the first section of the chapter. The next two sections concentrate on job engagement and organizational commitment in more detail; defining what each of them means and discussing what organizations can do about them.

# The concepts of engagement and commitment compared

Employee engagement and organizational commitment are two important concepts affecting work performance and the attraction and retention of employees. Essentially, as explained in

more detail later in this chapter, engagement is job-oriented and commitment is organizationoriented.

This is a clear distinction, although as mentioned above, the terms can be confused. They can indeed be closely linked - high organizational commitment can be associated with increased engagement and high engagement can be associated with increased commitment. But people can be engaged with their work even when they are not committed to the organization except in so far as it gives them the opportunity to use and develop their skills. This may be the case with some knowledge workers. For example, researchers may be mainly interested in the facilities for research they are given and the opportunity to make a name for themselves. They therefore join and stay with an organization only if it gives them the opportunities they seek.

It is useful to distinguish between the two because different policies may be required to enhance job engagement than those need to increase organizational commitment. Combinations of engagement and organizational commitment are illustrated in Figure 20.1.



Figure 20.1 Combinations of the impact of engagement and organizational commitment

# **Employee engagement**

Employee engagement takes place when people at work are interested in and positive, even excited about their jobs and are prepared to go the extra mile to get them done to the best of their ability. An engaged employee as defined by Bevan et al (1997) is someone 'who is aware of business context, and works closely with colleagues to improve performance within the job for the benefit of the organization'.

Interest in the notion of engagement was originally generated by The Hay Group which referred to it as 'engaged performance'. This was defined by Murlis and Watson (2001) as follows.

#### The Hay Group definition of engaged performance

A result that is achieved by stimulating employees' enthusiasm for their work and directing it towards organizational success. This result can only be achieved when employers offer an implied contract to their employees that elicits specific positive behaviours aligned with the organization's goals.

This definition quite clearly focuses on performance in the job and not commitment to the organization.

Another firm of management consultants, Towers Perrin (2007), adopts a similar approach when it defined employee engagement as 'the extent to which employees put discretionary effort into their work, beyond the minimum to get the job done, in the form of extra time, brainpower or energy'.

# The significance of employee engagement

The significance of employee engagement is that it is at the heart of the employment relationship. It is about what people do and how they behave in their roles and what makes them act in ways that further the achievement of the objectives of both the organization and themselves. Research reported by Watkin (2002) found that there were considerable differences in value-added discretionary performance between 'superior' and 'standard' performers. The difference in low complexity jobs was 19 per cent, in moderate-complexity jobs 32 per cent and in high-complexity jobs 48 per cent.

# Engagement and discretionary behaviour

There is a close link between high levels of engagement and positive discretionary behaviour. As described by Purcell *et al* (2003) discretionary behaviour refers to the choices that people at work often have in the way they do the job and the amount of effort, care, innovation and productive behaviour they display. It can be positive when people 'go the extra mile' to achieve high levels of performance. It can be negative when they exercise their discretion to slack at their work. Discretionary behaviour is hard for the employer to define and monitor and to control the amount required. But positive discretionary behaviour is more likely to happen when people are engaged with their work.

#### Propositions on discretionary behaviour, Purcell et al (2003)

- Performance-related practices only work if they positively induce discretionary behaviour, once basic staffing requirements have been met.
- Discretionary behaviour is more likely to occur when enough individuals have commitment to their organization and/or when they feel motivated to do so and/or when they gain high levels of job satisfaction.
- Commitment, motivation and job satisfaction, either together or separately, will be higher when people positively experience the application of HR policies concerned with creating an able workforce, motivating valued behaviours and providing opportunities to participate.
- This positive experience will be higher if the wide range of HR policies necessary to develop ability, motivation, and opportunity are both in place and are mutually reinforcing.
- The way HR and reward policies and practices are implemented by front line managers and the way top-level espoused values and organizational cultures are enacted by them will enhance or weaken the effect of HR policies in triggering discretionary behaviour by influencing attitudes.
- The experience of success seen in performance outcomes helps reinforce positive attitudes.

# The factors that influence engagement

Research cited by IDS (2007a) has identified two key elements that have to be present if genuine engagement is to exist. The first is the rational aspect, which relates to employees' understanding of their role, where it fits in the wider organization, and how it aligns with business objectives. The second is the emotional aspect, which has to do with how people feel about the organization, whether their work gives them a sense of personal accomplishment and how they relate to their manager.

These two overall aspects can be analysed into a number of factors that influence levels of engagement, as set out below.

### The work itself

The work itself can create job satisfaction leading to intrinsic motivation and increased engagement. The factors involved are interesting and challenging work, responsibility (feeling that the work is important and having control over one's own resources), autonomy (freedom to

act), scope to use and develop skills and abilities, the availability of the resources required to carry out the work, and opportunities for advancement.

#### The work environment

An enabling, supportive and inspirational work environment creates experiences that impact on engagement by influencing how people regard their roles and carry them out. An enabling environment will create the conditions that encourage high performance and effective discretionary behaviour. These include work processes, equipment and facilities, and the physical conditions in which people work. A supportive environment will be one in which proper attention is paid to achieving a satisfactory work—life balance, emotional demands are not excessive, attention is paid to providing healthy and safe working conditions, job security is a major consideration and personal growth needs are taken into consideration. An inspirational environment will be where what John Purcell and his colleagues refer to as 'the big idea' is present — the organization has a clear vision and a set of integrated values that are 'embedded, collective, measured and managed'.

The environment is affected by the organization's climate which, as defined by French *et al* (1985), is 'the relatively persistent set of perceptions held by organization members concerning the characteristics and quality of organizational culture'. It is also directly influenced by its work and HR practices. As Purcell (2001) stated, the way HR practices are experienced by employees is affected by organizational values and operational strategies, such as staffing policies or hours of work, as well as the way they are implemented. He also emphasized that work climate – how people get on in the organization – and the experience of actually doing the job – pace, demand and stress – all influence the way employees experience the work environment. This has an important effect on how they react to HR and reward practices and how these influence organizational outcomes. Employees react in a number of different ways to practices in their organization and this affects the extent to which they want to learn more, are committed and satisfied with their jobs. This, in turn, influences engagement – how well they do their jobs and whether they are prepared to contribute discretionary effort.

# Leadership

The degree to which jobs encourage engagement and positive discretionary behaviour very much depends upon the ways in which job holders are led and managed. Managers and team leaders often have considerable discretion over how jobs are designed, how they allocate work and how much they delegate and provide autonomy. They can spell out the significance of the work people do. They can give them the opportunity to achieve and develop, and provide feedback that recognizes their contribution.

### Opportunities for personal growth

Most people want to get on. As Lawler put it in 2003: 'People enjoy learning – there's no doubt about it – and it touches on an important "treat people right" principle for both organizations

and people: the value of continuous, ongoing training and development.' Learning is a satisfying and rewarding experience and makes a significant contribution to intrinsic motivation. Alderfer (1972) emphasized the importance of the chance to grow as a means of rewarding people. He wrote: 'Satisfaction of growth needs depends on a person finding the opportunity to be what he or she is most fully and become what he or she can.' The opportunity to grow and develop is a motivating factor that directly impacts on engagement when it is an intrinsic element of the work.

### Opportunities to contribute

Engagement is enhanced if employees have a voice that is listened to. This enables them to feed their ideas and views upwards and feel that they are making a contribution.

# Strategies for enhancing engagement

Engagement strategies can be developed under the headings of the factors affecting engagement set out above.

### The work itself

Intrinsic motivation through the work itself and therefore engagement depends basically on the way in which work or jobs are designed which, as Lawler (1969) stressed, must provide for feedback, use of abilities and autonomy.

Approaches based on these principles, as described in Chapter 27, should be used when setting up new work systems or jobs and the strategy should include provision for guidance and advice along these lines to those responsible for such developments. But the greatest impact on the levels of engagement arising from the design of work systems or jobs is made by line managers on a day-to-day basis. The strategy should therefore include arrangements for educating them as part of a leadership development programme in the importance of good work and job design, the part they can play and the benefits to them arising from thereby enhancing engagement. Performance management, with its emphasis on agreeing role expectations, is a useful means of doing this.

#### The work environment

A strategy for increasing engagement through the work environment will be generally concerned with developing a culture that encourages positive attitudes to work, promoting interest and excitement in the jobs people do and reducing stress. Lands' End believes that staff who are enjoying themselves, who are being supported and developed and who feel fulfilled and respected at work, will provide the best service to customers. The thinking behind why the company wants to inspire staff is straightforward – employees' willingness to do that little bit

extra arises from their sense of pride in what the organization stands for, ie quality, service and value. It makes the difference between a good experience for customers and a poor one.

The strategy also needs to consider particular aspects of the work environment, especially communication, involvement, work—life balance and working conditions. It can include the formulation and application of 'talent relationship management' policies, which are concerned with building effective relationships with people in their roles, treating individual employees fairly, recognizing their value, giving them a voice and providing opportunities for growth.

#### Leadership

The leadership strategy should concentrate on what line managers have to do as leaders in order to play their vital and immediate part in increasing levels of engagement. This will include the implementation of learning programmes that help them to understand how they are expected to act and the skills they need to use. The programmes can include formal training (especially for potential managers or those in their first leadership role) but more impact will be made by 'blending' various learning methods such as e-learning, coaching and mentoring.

It should also be recognized that a performance management process can provide line managers with a useful framework in which they can deploy their skills in improving performance though increased engagement. This applies particularly to the performance management activities of role definition, performance improvement planning, joint involvement in monitoring performance, and feedback. The strategy should therefore include the steps required to make performance management more effective by increasing the commitment of managers to it and developing the skills they require.

# Opportunities for personal growth

A strategy for providing development and growth opportunities should be based on the creation of a learning culture. This is one that promotes learning because it is recognized by top management, line managers and employees generally as an essential organizational process to which they are committed and in which they engage continuously. Reynolds (2004) describes a learning culture as a 'growth medium' that will 'encourage employees to commit to a range of positive discretionary behaviours, including learning' and which has the following characteristics: empowerment not supervision, self-managed learning not instruction, long-term capacity building not short-term fixes. It will encourage discretionary learning, which Sloman (2003) believes takes place when individuals actively seek to acquire the knowledge and skills that promote the organization's objectives.

Specifically, the strategy should define the steps required to ensure that people have the opportunity and are given the encouragement to learn and grow in their roles. This includes the use of policies that focus on role flexibility – giving people the chance to develop their roles by

making better and extended use of their talents. This means going beyond talent management for the favoured few and developing the abilities of the core people on whom the organization depends. The philosophy should be that everyone has the ability to succeed and the aim should be to 'achieve extraordinary results with ordinary people'. It includes using performance management primarily as a developmental process with an emphasis on personal development planning.

The strategy should also cover career development opportunities and how individuals can be given the guidance, support and encouragement they need if they are to fulfil their potential and achieve a successful career with the organization in tune with their talents and aspirations. The actions required to provide men and women of promise with a sequence of learning activities and experiences that will equip them for whatever level of responsibility they have the ability to reach should be included in the strategy.

### Opportunities to contribute

Providing people with the opportunity to contribute is not just a matter of setting up formal consultative processes, although they can be important. It is also about creating a work environment that gives people a voice by encouraging them to have their say, and emphasizes as a core value of the organization that management at all levels must be prepared to listen and respond to any contributions their people make.

# Measuring engagement

When developing engagement strategies the first step is to establish what is happening now and, in the light of that, determine what should happen in each of the areas described above. This means measuring levels of engagement regularly to identify successes and failures and analyse any gaps between what is wanted and what is actually going on. This can be done through published surveys such as those operated by Gallop, which enable benchmarking to take place with the levels of engagement achieved in other organizations. Alternatively, organizations can develop their own surveys to suit their circumstances. An example of such a survey is provided in Appendix A.

# Engagement and job satisfaction

The concept of job satisfaction is closely linked to that of engagement. Job satisfaction refers to the attitudes and feelings people have about their work. Positive and favourable attitudes towards the job lead to engagement and therefore job satisfaction. Negative and unfavourable attitudes towards the job indicate job dissatisfaction.

Morale is often defined as being equivalent to job satisfaction. Thus Guion (1958) defines morale as 'the extent to which an individual's needs are satisfied and the extent to which the

individual perceives that satisfaction as stemming from his [sic] total work situation. Other definitions stress the group aspects of morale. Gilmer (1961) suggests that morale 'is a feeling of being accepted by and belonging to a group of employees through adherence to common goals'. He distinguishes between morale as a group variable, related to the degree to which group members feel attracted to their group and desire to remain a member of it, and job attitude as an individual variable related to the feelings employees have about their job.

#### Factors affecting job satisfaction

The level of job satisfaction is affected by intrinsic and extrinsic motivating factors, the quality of supervision, social relationships with the work group and the degree to which individuals succeed or fail in their work. Purcell  $et\,al\,(2003)$  believe that discretionary behaviour that helps the firm to be successful is most likely to happen when employees are well motivated and feel committed to the organization and when the job gives them high levels of satisfaction. Their research found that the key factors affecting job satisfaction were career opportunities, job influence, teamwork and job challenge.

#### Job satisfaction and performance

It is a commonly held and a seemingly not unreasonable belief that an increase in job satisfaction will result in improved performance. But research has not established any strongly positive connection between satisfaction and performance. A review of the extensive literature on this subject by Brayfield and Crockett (1955) concluded that there was little evidence of any simple or appreciable relationship between employee satisfaction and performance. An updated review of their analysis by Vroom (1964) covered 20 studies, in each of which one or more measures of job satisfaction or employee attitudes were correlated with one or more criteria of performance. The median correlation of all these studies was 0.14, which is not high enough to suggest a marked relationship between satisfaction and performance.

It can be argued that it is not job satisfaction that produces high performance but high performance that produces job satisfaction, and that a satisfied worker is not necessarily a productive worker and a high producer is not necessarily a satisfied worker. People are motivated to achieve certain goals and will be satisfied if they achieve these goals through improved performance. They may be even more satisfied if they are then rewarded by extrinsic recognition or an intrinsic sense of achievement. This suggests that performance improvements can be achieved by giving people the opportunity to perform, ensuring that they have the knowledge and skill required to perform, and rewarding them by financial or non-financial means when they do perform. It can also be argued that some people may be complacently satisfied with their job and will not be inspired to work harder or better. They may find other ways to satisfy their needs.

# **Organizational commitment**

The concept of commitment plays an important part in HRM philosophy. As Guest (1987) has suggested, HRM policies are designed to 'maximize organizational integration, employee commitment, flexibility and quality of work'.

### The meaning of organizational commitment

Commitment refers to attachment and loyalty. It is associated with the feelings of individuals about their organization. As defined by Porter et al (1974), commitment is the relative strength of the individual's identification with, and involvement in, a particular organization. The three characteristics of commitment identified by Mowday et al (1982) are:

- A strong desire to remain a member of the organization.
- A strong belief in, and acceptance of, the values and goals of the organization.
- A readiness to exert considerable effort on behalf of the organization.

An alternative, although closely related, definition of commitment emphasizes the importance of behaviour in creating commitment. As Salancik (1977) put it: 'Commitment is a state of being in which an individual becomes bound by his [sic] actions to beliefs that sustain his activities and his own involvement.' Three features of behaviour are important in binding individuals to their acts: the visibility of the acts, the extent to which the outcomes are irrevocable, and the degree to which the person undertakes the action voluntarily. Commitment, according to Salancik, can be increased and harnessed 'to obtain support for organizational ends and interests' through such ploys as participation in decisions about actions.

# The importance of commitment

There have been two schools of thought about what makes commitment important. One, the 'from control to commitment' school, was led by Walton (1985a, 1985b), the other, 'Japanese/ excellence' school, is represented by writers such as Ouchi (1981), Pascale and Athos (1981) and Peters and Waterman (1982).

#### From control to commitment

The importance of commitment was highlighted by Walton (1985a, 1985b). His theme was that improved performance would result if the organization moved away from the traditional control-oriented approach to workforce management, which relies upon establishing order, exercising control and 'achieving efficiency in the application of the workforce'. He proposed that this approach should be replaced by a commitment strategy. Workers respond best – and

most creatively – not when they are tightly controlled by management, placed in narrowly defined jobs, and treated like an unwelcome necessity, but, instead, when they are given broader responsibilities, encouraged to contribute and helped to achieve satisfaction in their work.

#### The commitment-based approach, Walton (1985a, 1985b)

Jobs are designed to be broader than before, to combine planning and implementation, and to include efforts to upgrade operations, not just to maintain them. Individual responsibilities are expected to change as conditions change, and teams, not individuals, often are the organizational units accountable for performance. With management hierarchies relatively flat and differences in status minimized, control and lateral coordination depend on shared goals. And expertise rather than formal position determines influence.

Put like this, a commitment strategy may sound idealistic but does not appear to be a crude attempt to manipulate people to accept management's values and goals as some have suggested. In fact, Walton does not describe it as being instrumental in this manner. His prescription is for a broad HRM approach to the ways in which people are treated, jobs are designed and organizations are managed. He believes that the aim should be to develop 'mutuality', a state that exists when management and employees are interdependent and both benefit from this interdependency.

### The Japanese/excellence school

Attempts made to explain the secret of Japanese business success in the 1970s by such writers as Ouchi (1981) and Pascale and Athos (1981) led to the theory that the best way to motivate people is to get their full commitment to the values of the organization by leadership and involvement. This might be called the 'hearts and minds' approach to motivation and, among other things, it popularized such devices as quality circles.

The baton was taken up by their imitators later in the 1980s. This approach to excellence was summed up by Peters and Waterman (1982) when they wrote, again, somewhat idealistically, as follows.

#### Approach to excellence, Peters and Waterman (1982)

Trust people and treat them like adults, enthuse them by lively and imaginative leadership, develop and demonstrate an obsession for quality, make them feel they own the business, and your workforce will respond with total commitment.

### Problems with the concept of commitment

A number of commentators have raised questions about the concept of commitment. These relate to three main problem areas: 1) its unitary frame of reference, 2) commitment as an inhibitor of flexibility, and 3) whether high commitment does in practice result in improved organizational performance.

### Unitary frame of reference

A comment frequently made about the concept of commitment is that it is too simplistic in adopting a unitary frame of reference; in other words, it assumes unrealistically that an organization consists of people with shared interests. It has been suggested by people like Cyert and March (1963), Mangham (1979) and Mintzberg (1983a) that an organization is really a coalition of interest groups where political processes are an inevitable part of everyday life. The pluralistic perspective recognizes the legitimacy of different interests and values and therefore asks the question, 'Commitment to what?' Thus, as Coopey and Hartley (1991) put it, 'commitment is not an all-or-nothing affair (though many managers might like it to be) but a question of multiple or competing commitments for the individual'. Legge (1989) also raises this question in her discussion of strong culture as a key requirement of HRM through 'a shared set of managerially sanctioned values'.

However, values concerned with performance, quality, service, equal opportunity and innovation are not necessarily wrong because they are managerial values. But it is not unreasonable to believe that pursuing a value such as innovation could work against the interests of employees by, for example, resulting in redundancies. And it would be quite reasonable for any employee encouraged to behave in accordance with a value supported by management to ask, 'What's in it for me?' It can also be argued that the imposition of management's values on

employees without their having any part to play in discussing and agreeing them is a form of coercion.

#### Commitment and flexibility

It was pointed out by Coopey and Hartley (1991) that: 'The problem for a unitarist notion of organizational commitment is that it fosters a conformist approach which not only fails to reflect organizational reality, but can be narrowing and limiting for the organization.' They argue that if employees are expected and encouraged to commit themselves tightly to a single set of values and goals they will not be able to cope with the ambiguities and uncertainties that are endemic in organizational life in times of change. Conformity to 'imposed' values will inhibit creative problem solving, and high commitment to present courses of action will increase both resistance to change and the stress that invariably occurs when change takes place.

If commitment is related to tightly defined plans then this will become a real problem. To avoid it, the emphasis should be on overall strategic directions. These would be communicated to employees with the proviso that changing circumstances will require their amendment. In the meantime, however, everyone can at least be informed in general terms where the organization is heading and, more specifically, the part they are expected to play in helping the organization to get there. And if they can be involved in the decision-making processes on matters that affect them (including management's values for performance, quality and customer service), so much the better.

Values need not necessarily be restrictive. They can be defined in ways that allow for freedom of choice within broad guidelines. In fact, the values themselves can refer to such processes as flexibility, innovation and responsiveness to change. Thus, far from inhibiting creative problem solving, they can encourage it.

#### The positive value of commitment, Walton (1985a)

Underlying all these (human resource) policies is a management philosophy, often embedded in a published statement, that acknowledges the legitimate claims of a company's multiple stakeholders – owners, employees, customers and the public. At the centre of this philosophy is a belief that eliciting employee commitment will lead to enhanced performance. The evidence shows this belief to be well founded.

However, a review by Guest (1991) of the mainly North American literature, reinforced by the limited UK research available, led him to the conclusion that: 'High organizational commitment is associated with lower labour turnover and absence, but there is no clear link to performance.'

It is probably wise not to expect too much from commitment as a means of making a direct and immediate impact on performance. It is not the same as motivation or engagement. Commitment is a wider concept and tends to be more stable over a period of time and less responsive to transitory aspects of an employee's job. It is possible to be dissatisfied with a particular feature of a job while retaining a reasonably high level of commitment to the organization as a whole

#### Three perspectives on relating commitment to motivation, Buchanan and Huczynski (1985)

- The goals towards which people aim. From this perspective, goals such as the good of the company, or effective performance at work, may provide a degree of motivation for some employees, who could be regarded as committed in so far as they feel they own the goals.
- The process by which goals and objectives at work are selected, which is quite distinct from the way in which commitment arises within individuals.
- The social process of motivating others to perform effectively. From this viewpoint, strategies aimed at increasing motivation also affect commitment. It may be true to say that where commitment is present, motivation is likely to be strong, particularly if a long-term view is taken of effective performance.

It is reasonable to believe that strong commitment to work is likely to result in conscientious and self-directed application to do the job, regular attendance, nominal supervision and a high level of effort. Commitment to the organization will certainly be related to the intention to stay – in other words, loyalty to the company.

### Factors affecting commitment

Kochan and Dyer (1993) have indicated that the factors affecting the level of commitment in what they call 'mutual commitment firms' are as follows:

Strategic level: supportive business strategies, top management value commitment and effective voice for HR in strategy making and governance.

- Functional (human resource policy) level: staffing based on employment stabilization, investment in training and development and contingent compensation that reinforces cooperation, participation and contribution.
- Workplace level: selection based on high standards, broad task design and teamwork, employee involvement in problem solving and a climate of cooperation and trust.

# Key policy and practice factors influencing levels of commitment, Purcell *et al* (2003)

- Received training last year.
- Satisfied with career opportunities.
- Satisfied with the performance appraisal system.
- Think managers are good in people management (leadership).
- Find their work challenging.
- Think their firm helps them achieve a work–life balance.
- Satisfied with communication or company performance.

# Developing a commitment strategy

A commitment strategy will be based on the high-commitment model described in Chapter 3. It will aim to develop commitment using, as appropriate, approaches such as those described below. When formulating the strategy, account should be taken of the reservations expressed earlier in this chapter and too much should not be expected from it. The aim will be to increase identification with the organization, develop feelings of loyalty amongst its employees, provide a context within which motivation and therefore performance will increase, reduce employee turnover, and increase job satisfaction. But too much should not be expected from campaigns to increase commitment the level of which is influenced by many factors that cannot always be manipulated as the organization would wish. It is naïve to believe that 'hearts and minds' campaigns to win commitment will transform organizational behaviour overnight.

Steps to create commitment will be concerned with both strategic goals and values. They may include initiatives to increase involvement and 'ownership', communication, leadership development, developing a sense of excitement in the job, and developing various HR policy and practice initiatives.

#### Developing ownership

Commitment – a sense of belonging – is enhanced if there is a feeling of 'ownership' among employees: not just in the literal sense of owning shares (although this can help) but in the sense of believing they are genuinely accepted by management as key stakeholders in the organization. This concept of 'ownership' extends to participating in decisions on new developments and changes in working practices that affect the individuals concerned. They should take part in making those decisions and feel that their ideas have been listened to and that they have contributed to the outcome.

### Communication programmes

It may seem to be strikingly obvious that commitment will only be gained if people understand what they are expected to commit to. But management too often fail to pay sufficient attention to delivering the message in terms that recognize that the frame of reference for those who receive it is likely to be quite different from their own. Management's expectations will not necessarily coincide with those of employees. Pluralism prevails. And in delivering the message, the use of different and complementary channels of communication such as newsletters, briefing groups, videos, notice boards, etc is often neglected.

#### Leadership development

Commitment is enhanced if managers can gain the confidence and respect of their teams, and development programmes to improve the quality of leadership should form an important part of any strategy for increasing commitment. Management training can also be focused on increasing the competence of managers in specific areas of their responsibility for gaining commitment, eg performance management.

### Developing HR practices that enhance commitment

The policies and practices that may contribute to the increase of commitment are learning and development, career planning, performance management, reward management, work-life balance policies and job design. Engagement strategies, as described in Chapter 19, will create feelings of excitement in the job and therefore commitment.

# The contribution of HR to developing commitment

The HR function can play a major part in developing a high-commitment organization. The 10 steps it can take are:

1. Advise on methods of communicating the values and aims of management and the achievements of the organization so that employees are more likely to identify with it as one they are proud to work for.

- 2. Emphasize to management that commitment is a two-way process; employees cannot be expected to be committed to the organization unless management demonstrates that it is committed to them and recognizes their contribution as stakeholders.
- 3. Impress on management the need to develop a climate of trust by being honest with people, treating them fairly, justly and consistently, keeping its word, and showing willingness to listen to the comments and suggestions made by employees during processes of consultation and participation.
- 4. Develop a positive psychological contract (see Chapter 16) by treating people as stakeholders, relying on consensus and cooperation rather than control and coercion, and focusing on the provision of opportunities for learning, development and career progression.
- 5. Advise and assist on the establishment of partnership agreements with trade unions that emphasize unity of purpose, common approaches to working together and the importance of giving employees a voice in matters that concern them.
- 6. Recommend and take part in the achievement of single status for all employees (often included in a partnership agreement) so that there is no longer an 'us and them' culture.
- 7. Encourage management to declare a policy of employment security and ensure that steps are taken to avoid involuntary redundancies.
- 8. Develop performance management processes that provide for the alignment of organizational and individual objectives.
- Advise on means of increasing employee identification with the company through rewards related to organizational performance (profit sharing or gainsharing) or employee share ownership schemes.
- 10. Enhance employee engagement, ie identification of employees with the job they are doing, through job design processes that aim to create higher levels of job satisfaction (job enrichment).

# Engagement and commitment – key learning points

# Comparison of the concepts of engagement and commitment

Engagement is job-oriented and commitment is organization-oriented. This is a clear distinction but the terms are often confused.

# The significance of employee engagement

There is a close link between high levels of engagement and positive discretionary behaviour.

# Engagement and commitment – key learning points (continued)

#### The factors that influence engagement

The first factor is the rational aspect, which relates to employees' understanding of their role, where it fits in the wider organization, and how it aligns with business objectives. The second is the emotional aspect, which has to do with how people feel about the organization, whether their work gives them a sense of personal accomplishment and how they relate to their manager.

#### **Engagement strategy**

Enhance motivation through the work itself, the work environment, leadership and opportunities for growth.

#### Measuring engagement

This can be done through published surveys that enable benchmarking to take place with the levels of engagement achieved in other organizations. Alternatively organizations can develop their own surveys to suit their circumstances.

### **Engagement and job satisfaction**

The concept of job satisfaction is closely linked to that of engagement. Job satisfaction refers to the attitudes and feelings people have about their work. Positive and favourable attitudes towards the job lead to engagement and therefore job satisfaction. The level of job satisfaction is affected by intrinsic and extrinsic motivating factors, the quality of supervision, social relationships with the work group and the degree to which individuals succeed or fail in their work.

#### The meaning of organizational commitment

Commitment refers to attachment and loyalty. It is associated with the feelings of individuals about their organization. As defined by Porter et al (1974), commitment is the relative strength of the individual's identification with, and involvement in, a particular organization.

#### The importance of commitment

There have been two schools of thought about what makes commitment important. One, the 'from control to commitment' school, was led by Walton (1985a, 1985b); the other, 'Japanese/excellence' school, is represented by writers such as Ouchi (1981), Pascale and Athos (1981) and Peters and Waterman (1982).

#### Problems with the concept of commitment

There are three main problem areas: 1) its unitary frame of reference, 2) it might inhibit flexibility, and 3) it does not necessarily result in improved organizational performance.

#### **Factors affecting commitment**

Kochan and Dyer (1993) have indicated that the factors affecting the level of commitment are:

Strategic level: supportive business strategies, top management value commitment and an effective voice for HR in strategy making and governance.

# Engagement and commitment – key learning points (continued)

- Functional (human resource policy) level: staffing based on employment stabilization, investment in training and development and contingent compensation that reinforces cooperation, participation and contribution.
- Workplace level: selection based on high standards, broad task design and teamwork, employee involvement in problem solving and a climate of cooperation and trust.

#### Developing a commitment strategy

Steps to create commitment may include initiatives to increase involvement and 'ownership', communication, leadership development, developing a sense of excitement in the job, and developing various HR policy and practice initiatives.

#### The contribution of HR to developing commitment

HR can provide advice and guidance on communicating corporate values, building trust, making commitment a two-way process, developing a positive psychological contract, the development of partnership agreements, single status and increased employment security, and the use of performance management to align individual and organizational goals.

# **Ouestions**

- What is the difference between engagement and commitment?
- Your boss e-mails you as follows: 'I keep on hearing about employee engagement but what does it really mean? Is it just another piece of HR jargon as an alternative to motivation? Is there anything we should or can do about it?' Reply.
- You have been asked to give a talk to your colleagues in the HR department on 'What can we do to increase commitment?' Draft your presentation.

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