

**EMPLOYEES PERCEPTION ON THE EFFECTIVENESS OF HIGH  
ORGANIZATIONAL COMMITMENT PRACTICES. A CASE STUDY OF  
GENERAL MOTORS EAST AFRICA LIMITED**

**BY**

**ALICE WANGUI NYAMU**

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## DECLARATION

This research project is my original work and has not been presented for a degree in any other university

Signature..... Date.....

ALICE WANGUI NYAMU

D61/8323/2006

### **Supervisor's Approval**

This research project has been submitted for examination with my approval as the University Supervisor.

Signature ..... Date.....

### **LECTURER:**

FLORENCE K. MUINDI

DEPARTMENT OF BUSINESS ADMINISTRATION.

SCHOOL OF BUSINESS

UNIVERSITY OF NAIROBI

## **DEDICATION**

This study is dedicated to my family for giving me the enabling environment for the production of this work.

## **ACKNOWLEDGEMENT**

I acknowledge the power of God, the maker, and the provider of knowledge for enabling me to complete my postgraduate studies in the right spirit. Most important, I sincerely wish to acknowledge the support from my supervisor Florence K. Muindi without whom I could not have gone this far with my project work. To all my lecturers who contributed in one way or another in quenching my desire for knowledge I owe you my gratitude. I owe a great deal of gratitude to my family members for their unfailing moral support throughout my period of study and for understanding and appreciating the demand of the course in terms of time and resources.

God bless you all.

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## **ABSTRACT**

The concept organizational commitment has grown in popularity in the literature on industrial and organizational psychology. When employees are evaluating their workplaces, their perceptions towards the employer may lead to either an increase or decrease productivity. Whether they develop positive or negative perceptions of their workplaces may lead them to feel valuable, like the make a difference in the organization. These varying perceptions are an extremely important concept for managers to understand in order to increase productivity. The high commitment approach to managing employees emphasizes on the need to develop organizational commitment amongst employees by a developing positive perception towards the workplace with the assumption that it leads to positive outcome such as low labour turn over, absenteeism, better motivation and improved performance. Evidences from earlier researches have shown that there is now a broad agreement amongst commentators that organizational commitment practices do improve performance, labour productivity and the quality of service. This study used a case study approach with the major objective of establishing the employee perception towards high organizational commitment practices in General Motors East Africa. Since all earlier studies concentrated on the employee motivation towards work commitment and hence the study sought to ascertain the employees' perception on the effectiveness of high organizational commitment practices in General Motors East Africa Limited. The study relied on primary data collected using questionnaires after which it was edited and coded according to the variables in the study. Data analyzed using descriptive statistics. From the findings, the study concluded that the current job status of an employee, job training and routine training, being involved in the supervision of support staff, team building, worker's cohesion and mentorship programs, employee allowance and non-monetary benefits have a very significant impact on work commitment, career development and employee perception to work place. The study recommended a further research be carried out to ascertain the impact of employee perception to work place towards self-motivation and performance and a further inquest to find out the impact of employee commitment on organizational performance.

# **CHAPTER ONE**

## **INTRODUCTION**

### **1.1 Background of the Study**

According to Miller (2003), organizational commitment is a state in which an employee identifies with a particular organization and its goals, and wishes to maintain membership in the organization. Organizational commitment is therefore, the degree in which an employee is willing to maintain membership due to interest and association with the organization's goals and values. Allen and Meyer (1996) defined organizational commitment as a psychological link between an employee and his or her organization that makes it less likely that the employee will voluntarily leave the organization. Organizational commitment is related to job satisfaction in that both deal with the nature of workers' emotional reactions to work. However, commitment can be applied to the entire organization, whereas satisfaction is applied to the specific job an employee has.

#### **1.1.1 Concept of Employee Perception**

Kreitner and Kinicki (2012) defined perception as a cognitive process that enables individuals to interpret and understand their surroundings. When employees are evaluating their workplaces, their perceptions towards the employer may lead to either an increase or decrease productivity. Whether they develop positive or negative perceptions of their workplaces may lead them to feel valuable, like the make a difference in the organization. These varying perceptions are an extremely important concept for managers to understand in order to increase productivity. Managers must not only understand employees' perceptions, they must also be able to recognize the significance of these

perceptions in order to meaningfully interact with employees and encourage them, therefore increasing overall efficiency.

Understanding these perceptions and using them to their advantage, the management is able to alter employees' perceptions of their treatment, equality, value, potential, and overall role in the workplace, again therefore influencing productive behavior and increased productivity (Kreitner & Kinicki, 2012). Perception is a process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment" (Robbins, 2005). "The brain seeks information, mainly by directing an individual to look, listen and sniff."(Freeman, 1991) But, perception can cause disagreements among people, because each person sees things differently. So, it isn't unusual, for two people to see something and perceive it differently. There are many situations that arise that a manager must decide between truth and perception. Basically, a person who knows an object is familiar with it and is aware whether it is desirable or dangerous" (Freeman, 1991)

According to M. Howard (2007), humans seem to make habitual choices in their daily lives. Basically, employees have the risk of getting caught in the perception trap, which led to them the unemployment line. But, as the managers becomes more familiar, with the decision making process. They can make better decisions, which will allow the company to become more efficient. Therefore, the employee will relate better to the manager, as they work together to benefit the company's future. A manager can use perception to instantly recognize certain qualities and skills in their employees. Also perception may be able to help them figure out a person's motive or intentions toward their jobs. They can instantly recognize, when an employee becomes angry or a

disgruntled. Sometimes the managers can use perception to see certain qualities in a future employee. However, a manager should never base her decision on a perceived quality or intention

### **1.1.2 Concept of Organizational Commitment**

The concept organizational commitment has grown in popularity in the literature on industrial and organizational psychology (Cohen, 2003). Early studies on organizational commitment viewed the concept as a single dimension, based on an attitudinal perspective, embracing identification, involvement and loyalty (Porter, Steers, Mowday & Boulian, 1974). According to Porter et al (1974) an attitudinal perspective refers to the psychological attachment or affective commitment formed by an employee in relation to his identification and involvement with the respective organization. Porter et al (1974) further describes organizational commitment as “an attachment to the organization, characterized by an intention to remain in it; an identification with the values and goals of the organization; and a willingness to exert extra effort on its behalf”. Individuals consider the extent to which their own values and goals relate to that of the organization as part of organizational commitment; therefore it is considered to be the linkage between the individual employee and the organization.

Another perspective on organizational commitment is the “exchanged-based definition” or "side-bet" theory (Becker, 1996; Alluto, Hrebiniak & Alonso, 1973). This theory holds that individuals are committed to the organization as far as they hold their positions, irrespective of the stressful conditions they experience. Meyer and Allen (1984) initially viewed organizational commitment as two-dimensional namely, affective and

continuance. Meyer and Allen (1984) defined the first dimension, namely affective commitment as the positive feelings of identification with, attachment to and involvement in the work organization, and they defined the second dimension, namely continuance commitment as the extent which employees feel committed to their organization by virtue of the costs that they feel are associated with leaving.

### **1.1.3 Organizational Commitment Practices**

According to Guest (2003) the high commitment approach to managing employees emphasizes on the need to develop organizational commitment amongst employees based on the assumption that it will lead to positive outcome such as low labour turn over, reduced absenteeism, better motivation and improved performance. The practices to creating a high organizational commitment as defined by Beer *et al* (1984) and Walton (1985) are, development of career ladders and emphasis on trainability and commitment as highly valued characteristics of employees at all levels in the organization coupled with a high level of functional flexibility with the abandonment of potentially rigid job descriptions, reduction of hierarchies and the ending of status differentials with a heavy reliance on team structure for disseminating information, structuring work (team working) and problem solving. Wood and Albanese (1995) further added that job design as something management consciously does in order to provide jobs that have a considerable level of intrinsic satisfaction.

Secondly, a policy of no compulsory lay-offs or redundancies and permanent employment guarantees, with the possible use of temporary workers to cushion fluctuations in the demand for labour. Various scholars, Abu-Baker, 2010; Boxall &

Macky, 2009, have showed that superior performance has been linked with organizations that implement this practices based on the fact that ‘commitment approach’ as classified by (Walton, 1995) is used, which aims at increasing effectiveness, productivity and rely on conditions that encourages employees to identify with the goals of the organization and also work in order to achieve common goals. Moreover, recent studies have shown that high commitment practices can work well synergistically and a reflective of a general commitment strategy (Sweetman, 2001) Evidences derived from social science researches have shown that there is now a broad agreement amongst commentators that organizational commitment practices do improve performance, labour productivity and the quality of service (Boxall & Macky, 2009).

Although researchers such as Boxall and Macky (2009) and Purcell, Kinnie, Hutchinson, Rayton and Swart (2003) have argued that the majority of previous studies have looked at high commitment work practices from the employers’ perspective, and the over dependence on such perspectives can sometimes be misleading and will not present the real impact on organizational performance. Nevertheless, when employees positively interpret high commitment work practices, it will sequentially increase their commitment to the organization, thereby increasing their individual performances and hence organizational performance will also increase (Purcell *et al.*, 2003; Peccei, 2004). Although a commitment strategy can be tied to all company human resource practices; recruitment, selection, performance evaluation, according to Scholl (2003), it can also be used to develop psychological connections between the company and employee as a means of achieving goals (Arthur, 1994; Scholl, 2003).

### **1.1.4 An Overview of General Motors East Africa Ltd**

General Motors East Africa Ltd is a Kenyan registered company formed in 1975 as a joint venture between the Government of Kenya and General Motors Company. General Motors East Africa is the largest motor vehicle distributor of a wide range of Isuzu commercial vehicles, Chevrolet saloon cars and Sport Utility vehicles in East Africa. The company is well established with a current capital in excess of Kshs 12 billion and an extensive dealer network (Sales, Parts and Service) in all the major towns in Kenya. The company employs over 350 employees directly and over 3000 within the dealer and supplier network all over Kenya and East Africa. In Kenya the company offers after sales support through seven approved dealerships as part of our overall strategy of taking services closer to the customer.

The Company is certified ISO 9001:2008 (Quality Management System) and ISO 14001:2004 (Environment Management System) as a mark of its world class quality and environmental standards respectively. General Motors East Africa Ltd has a comprehensive human resource management policy named “work place of choice” which is applied across the General Motors Corporation subsidiaries worldwide. The policy is based on five major pillars, i.e. good remuneration, safety at work place, career development, fairness and mutual trust amongst staff. This is intended to make the employee ‘feel at home’ and encourage them to commit to the work place. Periodical reviews are done annually to evaluate the effectiveness of the policy. The policy has been in place for the last decade and has achieved significantly towards employee retention, job satisfaction and work commitment. The company enjoys extensive technology



transfer from General Motors Corporation and Isuzu Motor Corporation enabling it engineer and develop our products to suit local operating conditions.

Currently, General Motors East Africa is the largest motor vehicle manufacturer and exporter of a wide range of Isuzu Pick-ups, Trucks and Buses in East Africa and the great lakes region. General Motors Corporation owns General Motors East Africa, with local ownership being over 30%. According to a report by Kenya Motor Industry Association, (K.M.I.), (2012) General Motors East Africa widened its lead over top rival Toyota East Africa, increasing its market share to 27 per cent last year from 25 per cent in 2011 in a period that saw Toyota's stake remain at 24 per cent. The report further indicates that, General Motor's unit sales stood at 3,421 last year compared to 3,150 the year before, reflecting a growth of 8.6 per cent an indicator that the flat auto market was linked to sluggish performance by its rivals. This growth can be attributed to the increased demand for light trucks in the current restructuring of the public service transport industry.

## **1.2 Research Problem**

Organizational commitment measures the Strength of the feeling of responsibility that an employee has towards the mission of the organization. Highly committed employees have a higher intent to remain with the company, a stronger desire to attend work, and a more positive attitude about their employment. Through the years, numerous research studies have been conducted to determine the accuracy of this statement. In the end many have concluded that committed employees remain with the organization for longer periods of time than those which are less committed. Among them, Maurer and Lippstreu (2008) conducted a research on individual commitment to organizations which provide

employee development opportunities, and found out that one's orientation to learning was found to be a significant moderator to commitment whereby an individual who perceives that learning will stretch them beyond their preferred performance level, may negatively influence their commitment to the organization (Maurer & Lippstreu, 2008).

General Motors East Africa Ltd has a comprehensive human resource management policy named “work place of choice” which is applied across the General Motors Corporation subsidiaries worldwide. The policy is based on five major pillars, i.e. good remuneration, safety at work place, career development, fairness and mutual trust amongst staff. This is intended to make the employee ‘feel at home’ and encourage them to commit to the work place. Periodical reviews are done annually to evaluate the effectiveness of the policy. According to a recent internal assessment report, over the last decade there has been a significant decline in employee turnover from a record high of 20% in 2002 to 2% in 2012. This has seen the company rise in performance and according to the K.M.I report, (2012) General Motors East Africa Limited was ranked the best in motor sales outshining its major rival Toyota East Africa Limited.

Over the years various studies have been carried out locally relating to employee commitment. Kipkebut, (2009) tested the extent to which Meyer and Allen’s multidimensional organizational commitment is applicable to a Kenyan setting and concluded that organizational commitment in the Kenyan context consisted of affective, normative and continuance commitment. She further found out that continuance commitment was bi-dimensional consisting of ‘low perceived alternatives’ and ‘high personal sacrifice’. Affective, normative and continuance commitment is significantly positively correlated; and continuance commitment has minimal correlations with

affective and normative commitment. Maloti (2011) in his study of Impact of employee commitment on retention in state financial corporations in Kenya concluded that there is a statistically significant relationship between employee commitment and employee retention in state corporations. Moreover, Njiru, (2008) noted that state corporations suffer staff deficiency; a fact that may be attributed to low tenure, ineffective employee commitment measures and unattractive retention schemes. All earlier studies concentrated on the employee motivation towards work commitment and hence left the research gap of work specific characteristics of an organization that contribute towards employee commitment in the work place. This study therefore seeks to answer the question: what is the employees' perception on the effectiveness of high organizational commitment in General Motors East Africa Limited?

### **1.3 Research Objective**

To establish the employee perception on the effectiveness of high organizational commitment practices in General Motors East Africa

### **1.4 Value of the Study**

The study is useful to employers as they will understand the importance of high commitment organizational practices and be able to implement strategies that will drive the organization towards success through enhancing employee motivation hence retention. The study brings into light the importance of the employee commitment on organizational performance considering the high correlation between employee commitment, staff morale, employee productivity and organizational performance and growth. This will go a long way towards achievement of the corporate strategy and

solving the problem of high employee turnover. Secondly, the study seeks to help employees understand the expectations of employers and hence appreciate the efforts by the employers towards improving their welfare. This will contribute towards employee performance and productivity at work place.

The study is an addition to the existing body of knowledge and will be useful to scholars in the field of Human Resources management. Students of higher learning will use the findings and recommendations of this study as a source of literature and knowledge gap identification for future studies. On the other hand, the findings of this study are useful to the government in drafting proposals on future labour laws as it will highlight the importance of organizational commitment on employee commitment as a step towards eradicating unemployment caused by employee high turnover in the country. This ensures that employers in the country are regulated and hence create a motivated and productive workforce in the country

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter summarizes the information from researchers who have carried out research in the same field. This chapter specifically looks at human resource strategy and how various scholars in the past have suggested it be aligned with the overall corporate strategy.

#### **2.2 Theoretical Review**

A theoretical review shows the earlier studies done by past scholars regarding employee commitment and management practices that enhance it. Organizational commitment has emerged as a principal topic and has been studied in regards to its relationship with absenteeism, turnover, burnout, job satisfaction, and job performance in the workplace. In order for an organization to develop organizational commitment within the workplace, they need to facilitate an employee's belief in the organization's goal's and values, a willingness to exert considerable effort on behalf of the organization, and a definite desire to maintain organizational membership, among other things (Porter *et al.*, 1973).

##### **2.2.1 Tri-Dimensional Organizational Commitment Model**

Meyer and Allen (1997) use the tri-dimensional model to conceptualize organizational commitment in three dimensions namely, affective, continuance and normative commitments. These dimensions describe the different ways of organizational commitment development and the implications for employees' behaviour. The first

dimension of organizational commitment in the model is affective commitment, which represents the individual's emotional attachment to the organization. According to Meyer and Allen (1997) affective commitment is "the employee's emotional attachment to, identification with, and involvement in the organization". Organizational members who are committed to an organization on an affective basis, continue working for the organization because they want to (Meyer & Allen, 1991). Members who are committed on an affective level stay with the organization because they view their personal employment relationship as congruent to the goals and values of the organization (Beck & Wilson, 2000). Affective commitment is a work related attitude with positive feelings towards the organization (Morrow, 1993).

Sheldon (1971) also maintains that this type of attitude is "an orientation towards the organization, which links or attaches the identity of the person to the organization". Affective commitment is the relative strength of an individual's identification with and involvement in a particular organization (Mowday et al, 1982). The organizational commitment model of Meyer and Allen (1997) indicates that affective commitment is influenced by factors such as job challenge, role clarity, and goal clarity, and goal difficulty, receptiveness by management, peer cohesion, equity, personal importance, feedback, participation, and dependability. The second dimension of the tri-dimensional model of organizational commitment is continuance commitment. Meyer and Allen (1997,) define continuance commitment as "awareness of the costs associated with leaving the organization". It is calculative in nature because of the individual's perception or weighing of costs and risks associated with leaving the current organization (Meyer & Allen, 1997).

### **2.2.2 The High Organizational Commitment Management Model**

One of the underpinning characteristics of human resource management is its emphasis on the importance of enhancing mutual commitment (Walton, 1985b). According to Wood, (1996) human resource management is a form of management which is aimed at eliciting a commitment so that behaviour is primarily self-regulated rather than controlled by sanctions and pressures external to the individual, and relations within the organization are based on high levels of trust. The approaches to creating a high-commitment organization as defined by Beer *et al* (1984) and Walton (1985) are, development of career ladders and emphasis on trainability and commitment as highly valued characteristics of employees at all levels in the organization coupled with a high level of functional flexibility with the abandonment of potentially rigid job descriptions, reduction of hierarchies and the ending of status differentials with a heavy reliance on team structure for disseminating information, structuring work (team working) and problem solving.

Wood and Albanese (1995) further added that job design as something management consciously does in order to provide jobs that have a considerable level of intrinsic satisfaction. Secondly, a policy of no compulsory layoffs or redundancies and permanent employment guarantees, with the possible use of temporary workers to cushion fluctuations in the demand for labour. Moreover, new forms of assessment and payment systems and, more specifically, merit pay and profit sharing and a high involvement of employees in the management of quality.

## 2.3 High Organizational Commitment Practices

Employee commitment denotes a belief in and acceptance of the goals and values of an organization, a willingness to exert effort on behalf of the organization, and a strong desire to maintain membership of the organization (Mowday, *et al.* 1979). This human resource management outcome has a strong relationship with organizational success factors such as higher job satisfaction, lower absenteeism and organization citizenship behaviour (Mathieu and Zajac, 1990; Organ, 1990). It has thus been argued that individuals with high levels of commitment are more willing to devote greater efforts towards an organization's goals and objectives (Guest, 1987). In order to support a desire for high commitment, certain human resource management practices can therefore be put in place in organizations.

However, the variety of practices included in these different studies has led to confusion over which human resource management practices should be regarded as 'high performance'. More recently, Boxall and Macky (2009) have highlighted that high involvement and high commitment work practices are not synonymous: although high involvement work practices tend to engender high commitment, the reverse is not necessarily the case. For example, practices which enhance empowerment have been found to have a significant effect on employee commitment (Gardner *et al.*, 2001).

However, there are many studies which show that employee commitment can be achieved by routes other than those incorporating high involvement, such as pay and job security (Boxall & Macky, 2009). Like the 'high involvement' literature, the 'high commitment' literature focuses on desired outcomes more than on practices themselves (Wood & de Menezes, 1998). In general, studies of high involvement or high



commitment work practices have a clearer definition of the desired outcome (involvement or commitment) compared to the more generic high performance literature in which 'performance' can have many interpretations (Boxall & Macky, 2009). High commitment human resource management is about shaping employee behaviours and attitudes by developing psychological links between organizational and individual goals to increase effectiveness and productivity (Arthur, 1994). Correspondingly, the practices that represent a high commitment strategy include any sets of human resource management policies and procedures that affect employee commitment (Whitener, 2001). Focusing in particular on the performance management dimensions of high commitment performance management practices, these practices are recognized as increasingly central to high performing organizations.

According to Hartog (2004) performance management itself is an integrated process in which managers work with their employees to set expectations, measure and review results, and reward performance, in order to improve employee performance, with the ultimate aim of positively affecting organizational success. The primary aim is to provide guidance to employees on how to apply their resources for the benefit of the organization (Gardener *et al.*, 2001). Performance management practices represent an important element in the human resource management process and have particular significance for notions of high commitment (Fletcher and Williams, 1996), although as yet evidence of a direct linkage is weak (Guest *et al.*, 2003). We argue here that there are two types of commitment-enhancing performance management practices. The first, as noted above, has a high involvement focus and includes personal involvement in setting objectives, having frequent opportunities to discuss performance and receive feedback, and having

some choice over the pay and benefits received. In return for these organizational practices, the employee reciprocates with higher commitment to the organization in line with social exchange theory (Blau, 1964).

The second type focuses on employees feeling they have opportunities to develop, with the reciprocal repayment of this investment again in terms of commitment and a lower intention to leave. Such practices include appraisal discussions which result in training and development opportunities and new challenges being set for the employee to work towards.

### **2.3.1 Employment security**

Pfeffer (1998) regards employment security as fundamentally underpinning the other six human resource practices, principally because it is regarded as unrealistic to ask employees to offer their ideas, hard work and commitment without some expectation of employment security and concern for their future careers. The contribution a positive psychological contract makes to open and trusting employment relationships (Holman *et al* 2003), and the notion of mutuality that is seen as a key component in partnership agreements both relate to this. Pfeffer (1998) reckons that compulsory layoffs and downsizing undermine employment security, and sees the following as alternatives: (1) proportionately reducing working hours to 'spread the pain' of reduced employment costs across the entire workforce; (2) reducing wages to reduce the labour costs; (3) freezing recruitment to prevent overstaffing; and (4) putting production workers into sales to build up demand.

### **2.3.2 Training and Development**

Having recruited ‘outstanding human talent’, employers need to ensure that these people remain at the forefront of their field, not only in terms of professional expertise and product knowledge but also through working in teams or in interpersonal relations. Boxall (1996) views this as one element in ‘organizational process advantage’, the idea that employers aim to synergize the contribution of talented and exceptional employees. There is little doubt that there has been a growing recognition of the importance of individual and organizational learning as a source of sustained competitive advantage as employers introduce more skills-specific forms of training and experience continuing skills shortages in some areas.

Wright and Gardner (2003) note this is one of the most widely quoted and important elements of high commitment human resource management practices. The use of the word ‘learning’ is crucial as it demonstrates employer willingness to encourage and facilitate employee development rather than just providing specific training to cover short-term crises. The time and effort devoted to learning opportunities is also important. A range of proxies have been used such as the number of days’ training received by all workers, the proportion of workers who have been trained, the budget set aside for training, or the establishment of agreed training targets over a two-year period. The quality of training, both in terms of its focus and its delivery, is clearly more important than a simple count of the amount provided.

### **2.3.3. Employee Involvement**

There are a number of reasons why employee involvement is an essential component of the high commitment paradigm (Marchington and Wilkinson 2005). First, open communication about financial performance, strategy and operational matters not only ensures workers are informed about organizational issues, it also conveys a symbolic and substantive message that they are to be trusted and treated in an open and positive manner. Second, for team working to be successful workers require information in order to provide a basis from which to offer their suggestions and contribute to improvements in organizational performance. Third, participation can provide management with some legitimacy for its actions on the grounds that ideas have been put forward by workers and/or at least considered by them before decisions are ultimately made.

Many of the studies restrict this to downward communications from management to employees which measure the frequency of information disclosure (Patterson *et al.*, 1997), the regularity of team briefing or quality circles (Wood and Albanese 1995) or the extent to which workers are informed or consulted about business operations or performance (Guest *et al.*, 2003).

### **2.3.4 Team Work**

This practice has become more prevalent over the last decade for a variety of reasons, not least as a way of pooling ideas and improving work processes in response to Japanese competition. It has been identified by many employers as a fundamental component of organizational success (Marchington 1999). Teamwork is typically seen as leading to

better decision-making and the achievement of more creative solutions (Pfeffer 1998). Evidence suggests that employees who work in teams generally report higher levels of satisfaction than their counterparts working under more 'traditional' regimes, although they also report working hard as well (Wilkinson *et al* 1997; Edwards and Wright 1998; Geary and Dobbins 2001; Batt and Doellgast 2003). The range of measures used by researchers to assess team work has been rather narrower than those used to assess many of the other 'best practices'. Generally, it refers to the proportion of workers in teams (MacDuffie 1995; West *et al* 2002; Guest *et al* 2003), the use of formal teams (Patterson *et al* 1997; Guest *et al* 2000a) or the deliberate design of jobs to make use of workers' abilities (Hoque 1999).

### **2.3.5 Compensation Management**

Pfeffer (1998) reckons that there are two elements to this practice – higher than average compensation and performance-related reward – although both send a signal to employees that they deserve to be rewarded for superior contributions. To be effective, this needs to be at a level in excess of that for comparable workers in other organizations so as to attract and retain high-quality labour. In addition, according to this scenario, rewards should reflect different levels of worker contribution, perhaps being paid as a regular bonus or through profit sharing schemes.

### **2.3.6 Performance Management**

According to Pulakos, (2004) the right performance management practices also can enhance employee engagement and commitment. In designing a firm's performance management system, the human resource managers should link job objectives to

organizational objectives, organization's priorities and how will each employee help to achieve them. Secondly, they should state the expected results of an employee. Thirdly, the managers should draft a system through which the organization communicates performance expectations and goals to the employees. Vance, (2006) noted that performance management processes operate on a continuous basis. Therefore, they provide perhaps the best ongoing opportunities for employers to foster employee engagement and commitment. Lastly, an employee's aspirations and career goals can receive careful attention during performance appraisal meetings. (Pulakos, 2004)

# **CHAPTER THREE**

## **RESEARCH METHODOLOGY**

### **3.1 Introduction**

This chapter sets out various stages and phases that was followed in completing the study. It involves a blueprint for the collection, measurement and analysis of data. This section is an overall scheme, plan or structure to be conceived to aid the researcher in answering the raised research questions. In this stage, most decisions about how research was executed and how respondents were approached are addressed, as well as when, where and how the research was conducted. Therefore in this section the research identified the procedures and techniques that were used during collection, processing and analysis of data. Specifically the following subsections are included; research design, target population, sample design, data collection instruments, data collection procedures, data validity and reliability, and finally data analysis.

### **3.2 Research Design**

This research was studied through the use of a case study. Basically, a case study is an in depth study of a particular situation rather than a sweeping statistical survey. A case study research design is also useful for testing whether scientific theories and models actually work in the real world. The main focus of this study was qualitative, that is to how integration of human resource strategy in General Motors East Africa and its incorporation in the overall corporate strategy has led to improved employee performance.

### 3.3 Population of study

The target population in this study was the work force of General Motors East Africa totaling to 350 employees distributed across the various departments since the study involved an in depth examination of organizational commitment practices in the organization and their effect on employee commitment.

### 3.4 Sample Design

General Motors East Africa is an organization that has various categories of employees distributed across the various levels of management. It would not be feasible to collect information from the whole group but statistically, in order for generalization to take place, a sample of at least 30 respondents must exist (Cooper and Schindler, 2003). Therefore the researcher selected a stratified sample of 20% of the employees of General Motors East Africa from each of the departments in order to get an understanding of their perception towards organizational commitment in General Motors East Africa Ltd. The sample was selected across the various departments in the organization as shown in Table 3.1 below.

**Table 3.1 Sample Design**

Department	Total number of employees	Sample (20%)
Administration	25	5
Human Resource	12	3
Finance	20	4



Manufacturing	156	31
Sales and Marketing	22	4
After – Sales	55	11
Customer Relations	60	12
Total	350	70

### **3.5 Data Collection**

Data collection involved use of a structured questionnaire. The questionnaire designed in this study comprised of two sections. The first part included the demographic characteristics questions designed to determine the fundamental issues of the respondents while the second part was designed to establish employee perception towards high commitment organizational practices in the organization. The researcher delivered the questionnaires in person to the selected respondents. Nevertheless, where it proves difficult for the respondents to complete the questionnaire immediately, the researcher left the questionnaires with the respondents and picked them up on a later date. After the data has been collected, it was edited and coded following the variables in the study.

### **3.8 Data Analysis**

The study relied on primary data collected using questionnaires after which it was edited and coded according to the variables in the study. The coded data was then classified and tabulated for efficient analysis. Data analysis involved computation of descriptive statistics like mean, variance and standard deviation to explain the characteristics of individual variables as obtained from the data collected. Frequency tables and other

descriptive statistics were generated to show the various occurrences of the various variables in the study. This was done using SPSS. (Statistical Programme for Social Sciences) so as to ensure accuracy of the analysis. After the data is analyzed the research findings were presented using frequency tables, pie chart and bar graphs as found appropriate.

## **CHAPTER FOUR**

### **DATA ANALYSIS, RESULTS AND DISCUSSION**

#### **4.1 Introduction**

This chapter discusses the interpretation and presentation of the research findings drawn from the research instrument by way of data analysis. The research sought to determine the employee perception of the effectiveness of the high organizational commitment practices in General Motors East Africa Limited.

#### **4.2 Response Rate**

The study targeted to sample 70 respondents out of the total population of 350 staff members of General Motors East Africa Limited. Out of the 70 questionnaires sent to the respondents, 58 questionnaires were returned completely filled which makes a response rate of 83%. This response rate is considered adequate since according to Mugenda and Mugenda (1999) a response rate of 70% and over is excellent and adequate for analysis and reporting.

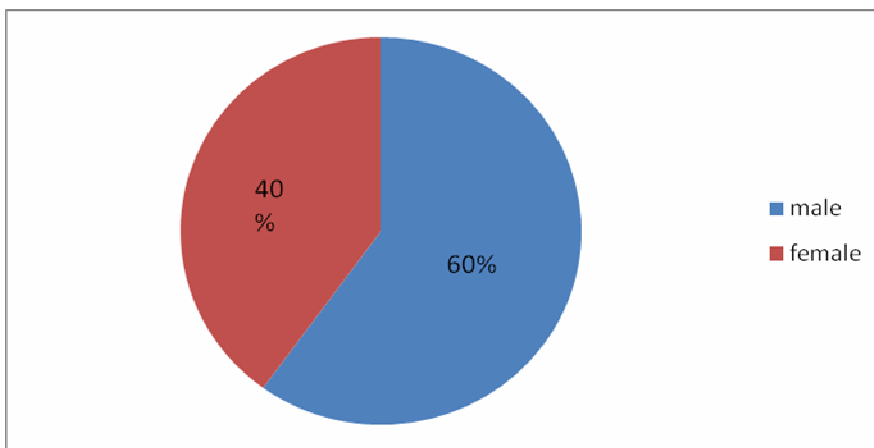
##### **4.2.1 Demographic Information of Respondents**

This section of the research instrument sought data on the demographic information of the respondents. This was done so as to understand the background of the respondents and their work ability to give relevant data useful to the study.

## 4.2.2 Gender Profile

The study sought to find out the gender of the respondents as shown in Figure 4.1. Gender was important in this study because gender will enable us to deduce how the different genders of respondents perceive the effectiveness of the various organizational commitment practices

**Figure 4.1 Gender Profile**



Source: Author, 2013

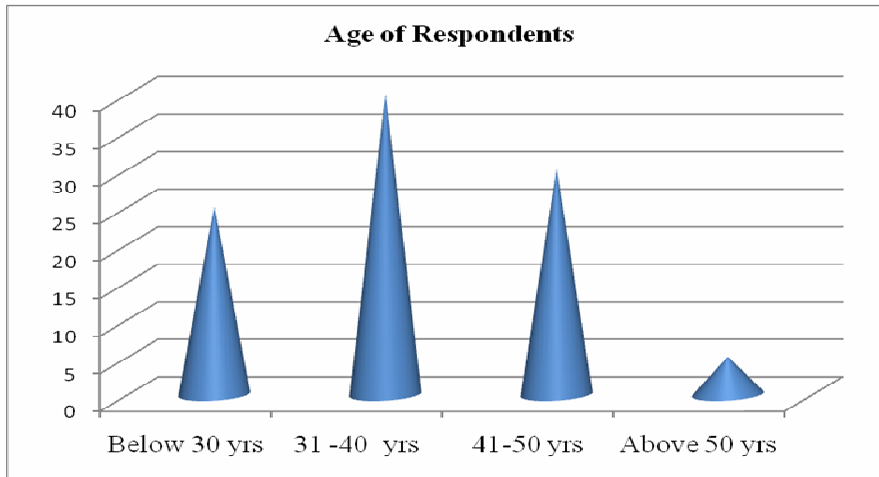
From Figure 4.1 it is discernible that 60% of the respondents were male while 40% were female. The findings indicate that males are more than females but the difference is not significant enough to skew the findings based on gender imbalance.

## 4.2.3 Age of Respondents

The study sought to establish the age bracket of the respondents. Age is important in this study because how employees form work relationships and perceive things depend on their maturity. This means that the different ages of employees are motivated by different

aspects of work and are at different levels of commitment as well, as illustrated in Figure 4.2.

**Figure 4.2 Ages of Respondents**



Source: Author, 2013

From the Figure 4.2, 25% of the respondents were aged below 30 years, 40% of the staff members were aged between 31-40 years, 30% of the staff in the organization were aged between 40 and 50 years whereas only 5% of the total respondents reported being above the age of 50 years. This therefore means that all the age groups are represented in the respondents profile and hence the researcher can conclude that the age of the respondents does not have a significant effect on their perception towards organizational commitment in General Motors East Africa Ltd.

#### 4.2.4 Level of Education

The study sought to establish the level of education of the respondents since it influences the understanding of employees on different aspects of work. It also shows whether the respondents are able to understand the concept of business language, with the necessary knowledge and skills to be able to work effectively, as confirmed in Table 4.1

**Table 4.1 Level of Education**

	<b>Frequency</b>	<b>Percent</b>
<b>Post-secondary</b>	14	25
<b>Bachelors</b>	41	70
<b>PhD</b>	3	5
<b>Total</b>	<b>58</b>	<b>100</b>

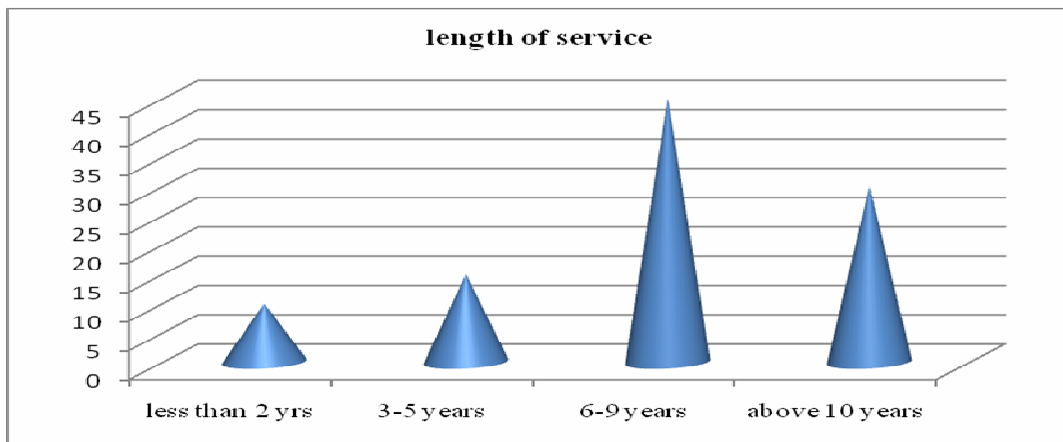
Source: Author, 2013

From the findings in Table 4.1, 70% of the respondents had a Bachelors degree as compared to 5% who had a post graduate qualification. However, the study found out that 25% of the respondents hand a post-secondary qualification. This is a clear indication that the staff is well equipped with the necessary knowledge and skills to be able to deliver in the demanding working environment. The level of education of an employee is a significant factor towards employee perception to high commitment practices by the employer. This indicates that the more educated an employee is the more he is likely to handle any kind of work load.

### 4.2.5 Length of Service

The study sought to establish the length of service for the respondents. The length of service is important for this study so as to establish for how long the employee has been working in the organization. This is because the longer an employee might have worked for the organization the more conversant will he/she be with the organization's policies and practices.

**Figure 4.3 Length of Service**



**Source: Author, 2013**

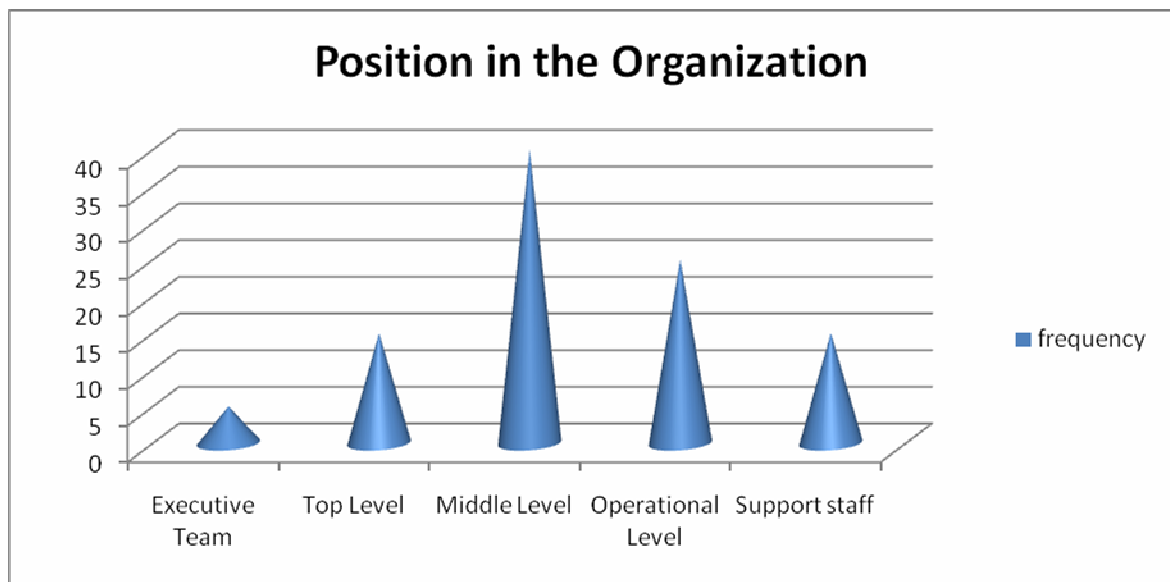
From the findings in Figure 4.3, 10% of the respondents had worked for less than 2 years, 15% had worked for between 3-5 years, 45% had worked for between 6-9 years while 30% of the respondents reported having worked for more than 10 years. This shows that the institution maintains a combination of both new and experienced workers to ensure faster induction, succession planning, training and multi-generational interactions at workplace. Secondly, majority of the respondents have worked for above 5 years which is an indication of a motivated and dedicated workforce. The study concludes that the

length service is significant towards employee perception of the organizational commitment and work commitment.

#### 4.2.6 Position in the Organization

The study sought to find out the position of the respondents in the organization. The position in the organization is important in this study since the position in the organization determines the respondents pay and remuneration benefits, decision making powers and level of commitment and satisfaction.

**Figure 4.4 Position in the Organization**



*Source: Author, 2013*

From the findings in Figure 4.4, 5% of the respondents reported being part of the executive team, 15% in the senior management level of the organizational structure. It is also worth noting that a significant 41% of the respondents held positions in the middle level management with only 14% of the managers being in-charge of operational level

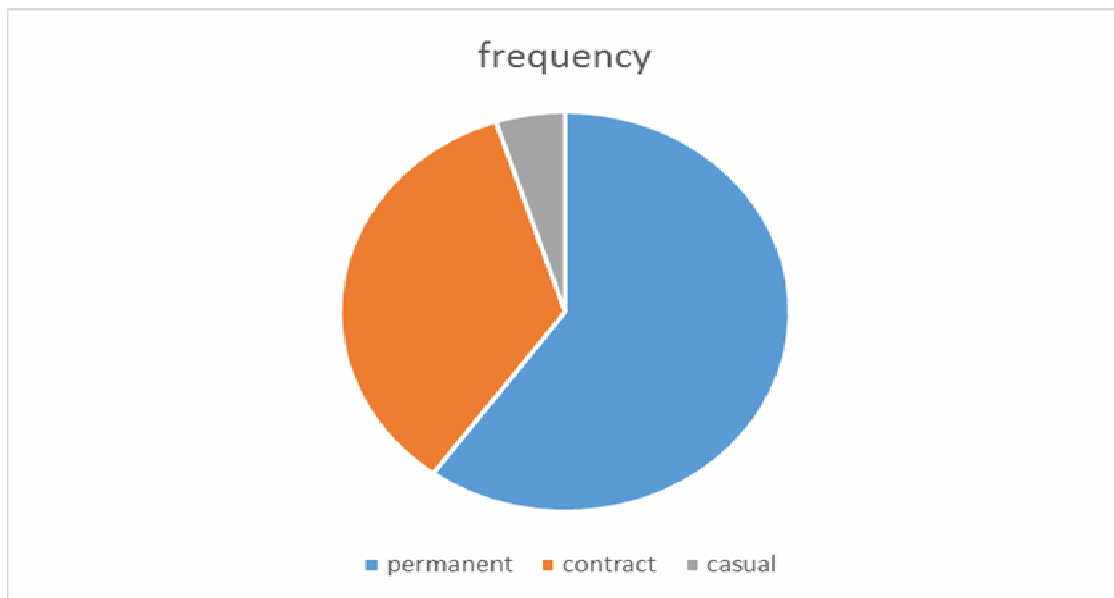


employees. Of the respondents who were employees 15% worked in the support staff. The findings indicate that the difference in the job groups of respondents is not significant and therefore the study is not influenced by the differences in job group.

#### **4.2.7 Employment Terms**

The researcher sought to find out the employment status the respondents. The employment status is important for this study in the sense that permanent employees have a better perception of the organizational commitment practices as compared to contract and casual employees.

**Figure 4.5 Employment Terms**



Source: author 2013

From the findings in Figure 4.5, 60% of the respondents indicated being employed on a permanent basis, 35% reported being employed on contract basis while only 5% of the respondents indicated being employed on a casual basis. This shows that majority of the

employees are on permanent basis showing that they enjoy employee security and hence higher commitment to work. The research therefore concludes that an employee's current employment terms play a very significant role towards the perception of employees on organizational commitment practices.

### **4.3 High Commitment Organizational Practices**

The study sought to find out the perception of employees towards various high commitment organizational practices in the organization to establish their impact on their commitment to work. Respondents were asked to indicate their perception towards the various high organizational commitment practices in the organization. The data was collected using a likert scale of 5 points where (1= strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, and 5= strongly agree.).

#### **4.3.1 Employee Security**

The study sought to establish the employee perception towards the organizational commitment on employment security. Employment security is an important aspect contributing to work commitment in the sense that when employees are given employment security the more likely that they will have a better perception towards the organizational commitment practices as opposed to employees who feel that their jobs had no security of tenure. Means for the factors were established in order to provide a generalized feeling of all the respondents.

**Table 4.2 Employment Security**

	<b>Mean</b>	<b>Standard Deviation</b>
Work commitment	2.15	1.74
Personal motivation	3.15	0.92
Career development	4.01	0.49
Job-satisfaction	4.05	0.45
Inter personal relationship with co-workers	4.03	0.55

**Source: Author 2013**

From the research findings presented in Table 4.2, the respondents disagreed that employee security resulted in work commitment, recording a mean of 2.15 and a standard deviation of 1.75. The high standard deviation is an indication of a possible of view of some employees that employment security results in work commitment. The respondents were neutral in their view of personal motivation as a factor influenced by employment security.

The respondents agreed that employment security facilitated their career development, job satisfaction and interpersonal relationship with co-workers; with the variables recording means of 4.0 and standard deviation of 0.5, an indication that the findings are widely accepted by the respondents. This makes the researcher conclude that employment security is very effective towards improving career development, job 0 and personal motivation.

### 4.3.2 Employee Involvement

The study sought establish the effectiveness of employee involvement in managerial decision making and its impact on employee perception on organizational commitment. Employee involvement is an important concept towards employee motivation.

**Table 4.2 Employee Involvement**

	<b>Mean</b>	<b>Standard deviation</b>
Departmental goal setting	1.87	0.10
Assignment of duties	1.91	0.32
Supervision of support staff	4.60	0.49
Organization Business planning	4.0	0.40
Formulation of new policies	4.03	0.45

**Source: Author, 2013**

From the findings in Table 4.3, the respondents disagreed that being involved in departmental goal setting improved their perception on the effectiveness of the high organizational commitment practices, with a mean of 1.87 and a standard deviation of 0.1 an indication that the view is widely accepted by the respondents. The same view applies to the Assignment of duties with the respondents strongly disagreeing that it had an impact in their perception on the effectiveness of the high organizational commitment practices, with a mean of 1.9 and a standard deviation of 0.32.

The researcher however noted that the respondents agreed that being involved in supervision of support staff, organizational business planning and formulation of new

policies improved their perception towards the organizational commitment, with the variables attracting average mean of 4.60, 4.0 and 4.03 respectively; with standard deviation of 0.4, an indication that the view is widely accepted.

### 4.3.3 Training and Development

The study also sought to find out the perception of the respondents towards the training and development practices in the organization, as an element of high organizational commitment practices. Training and development is an important factor towards employee development, career growth and job satisfaction.

**Table 4.3 Training and Development**

	Mean	Standard deviation
In-house training seminars	1.62	1.74
On the job training	1.82	0.92
Pre engagement training	4.01	0.49
Induction training	4.0	0.45
Routine training	1.36	0.55

**Source: Author, 2013**

From the findings in Table 4.4, the respondents disagreed that in-house training seminars and on the job training, contributed to their positive view of the organization as a work place of choice; with a mean 1.62 and 1.83 respectively. However, in-house training seminars had a higher standard deviation of 1.74 an indication that a small number of

employees were of a contradicting view. On-the job training had a standard deviation of 0.9, an indication that the view was more common as compared to in house training seminar. Consequently the respondents strongly disagreed that routine training improved their perception of organizational commitment as a work place of choice with a mean of 1.36 and a standard deviation of 0.56, an indication it is a common view amongst the respondents.

Pre engagement training and induction training received a strong approval with the respondents agreeing that these two factors contributed to their positive view of the organization as a work place of choice with a mean of 4.0 and a standard deviation of 0.5 and indication that they are of a collective view amongst the respondents. This analysis therefore concludes that pre engagement and induction training are more effective towards improving the employee perception towards organizational commitment as compared to in house training, on the job training and routine training.

#### **4.3.4 Team work**

The research went further to establish how effective team work was towards improving employee perception of organizational commitment in General Motors East Africa Limited. Team work is an important concept towards improving employee productivity.

**Table 4.4 Team-work**

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	<b>Mean</b>	<b>Standard Deviation</b>
Team building events	4.05	0.04
mentorship programs	3.24	0.92
Mutual trust	4.01	0.04
Conflict resolution program	2.33	0.45
Workers cohesion	3.39	0.55

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**Source: Author, 2013**

From the findings in Table 4.5, the respondents agreed that team building events and mutual trust amongst co-workers improved their perception of the organizational commitment as a work place of choice, with a mean of 4.05 and 4.01 respectively, both with standard deviation of 0.04 an indication that there was no significant deviation of opinion. Respondents were indifferent in their view of mentorship program and workers cohesion.

Respondents disagreed that conflict resolution program improved their perception towards organizational commitment with a mean of 2.3. This analysis therefore concludes that team-building programs are meant to boost employee confidence and have a positive effect on the employee perception of the organization's commitment.

### 4.3.5 Compensation Management

The study also sought to establish the effectiveness of remuneration on improving employee's commitment. Employee compensation is perceived to be a significant factor towards improving employee perception towards the organizational commitment.

**Table 4.5. Compensation Management**

	<b>mean</b>	<b>standard deviation</b>
<b>Annual team bonuses</b>	4.95	0.0
<b>Employee Allowances</b>	4.09	0.0
<b>Overtime pay</b>	3.70	1.35
<b>non-monetary benefits</b>	1.70	0.45

**Source: Author, 2013**

From the findings as shown in Table 4.6, the respondents strongly agreed that that annual team bonuses have a great impact on their perception towards effectiveness of the high organizational commitment practices in the organization, as a work place of choice with a mean of 4.95 and an almost zero deviation of opinion. Respondents also agreed that employee allowance and overtime pay are positive factors of motivation with a mean of 4.09 and 3.70 respectively. Overtime pay however had a higher standard deviation of 1.35 an indication that it not necessarily a motivator for some respondents. Non-monetary benefits was disputed as a motivator with a mean of 1.70 and a standard deviation of 0.5.

This analysis therefore concludes that employee allowances, annual team bonuses and overtime pay play a significant role towards improving employee perception towards



effectiveness of the high organizational commitment practices in General Motors East Africa Limited, however non-monetary benefits had a very little effect on the employee perception of the effectiveness of the high organizational commitment practices, ce.

### 4.3.6 Performance Management

Performance management is another tool used to establish the effectiveness of high commitment HR practices in organization. Performance appraisal is an important factor towards achieving organization goals through employee motivation. This is achieved through continuous improvement appraisals/programs.

**Table 4.6 Performance Management**

	<b>Mean</b>	<b>Standard deviation</b>
Targets are mutually agreed upon	3.50	2.13
Set targets are often achievable	4.48	1.35
Targets are in line with objectives	2.70	0.45
Assigned roles in line with targets	4.05	0.0
Management support on employees to accomplish targets	4.95	0.0
management encourage targets achievement	3.42	1.35

**Source: Author, 2013**

From the findings as shown in Table 4.7, the respondents strongly agreed that Management support on employees to accomplish targets was the biggest motivator and improved their perception of the organizational commitment as a work place of choice

with a mean of 4.95 and an insignificant deviation of opinion. The respondents agreed that the targets set should often be achievable and mutually agreed upon. They also agreed that roles should be assigned in line with set targets. Targets mutually agreed upon however had a higher standard deviation of 2.13 and indication that a minority of the respondents were of a different opinion. Respondents were indifferent with targets being in line with the organizations objective, as well as management encourage targets achievement.

#### **4.3.7 Regression analysis of findings**

The researcher conducted a multivariate analysis between employee perception of organizational commitment and its predictors using the statistical package for social sciences (SPSS V 17.0) to code, enter and compute the measurements of the multiple regressions. The findings showed the following model summary and coefficients as shown in Table 4.6 below.

**Table 4.7 Model Summary**

<b>Model</b>	<b>R</b>	<b>R Square</b>	<b>Adjusted R Square</b>	<b>Standard Error of the Estimate</b>
1	0.84	0.74	0.72	0.42

- a) Predictors: (Constant), Employee security, training and development, employee involvement, teamwork, compensation management and performance management
- b) Dependent variable: Employee perception towards organizational commitment and work commitment

As shown in Table 4.8, the study used the R square. The R Square is called the coefficient of determination and tells us how the employee perception towards organizational commitment and work commitment, relates to employee security, training and development, employee involvement, teamwork, compensation management and performance management. The seven independent variables that were studied explain 72.4% of the factors affecting the employee perception towards organizational commitment and work commitment as represented by R Squared (Coefficient of determination). This therefore means that other factors not studied in this research contribute 27.6% of the factors affecting the Employee perception towards organizational commitment and work commitment.

**Table 4.8 Anova**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.72	4	1.30	44.23	.05(a)
	Residual	3.43	615	0.06		
	<b>Total</b>	<b>15.15</b>	<b>619</b>			

- a) Predictors: (Constant), Employee security, training and development, employee involvement, teamwork, compensation management and performance management
- b) Dependent Variable: Employee perception towards organizational commitment and work commitment

As shown in Table 4.9, the study used ANOVA to establish the significance of the regression model from which an F-significance value of less than 0.05 was established. The model is statistically significant in predicting how Employee security, training and development, employee involvement, teamwork, compensation management and performance management affect the Employee perception towards organizational commitment and work commitment. This means that the regression model has a confidence level of above 95% hence high reliability of the results. The F critical at 5% level of significance was 1.302 since F calculated (value = 44.231) is greater than the F critical. This shows that the overall model was significant and has a less than 0.05 likelihood (probability) of giving a wrong prediction

**Table 4.9 Coefficients Results**

	Un-standardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
(Constant)	0.751	.186		0.623	.050
Employee Security	7.17	.068	.559	8.478	.050
Training and Development,:	2.24	.042	.301	2.252	.020
Employee Involvement	5.92	.002	.245	6.906	.001
Teamwork	2.34	.034	.125	2.456	.010
Compensation Management	7.63	.002	.115	8.124	.020
Performance Management	2.35	.234	.212	2.458	.020

- a) Predictors: (Constant), Employee security, training and development, employee involvement, teamwork, compensation management and performance management
- b) Dependent Variable: Employee perception towards organizational commitment and work commitment

The model therefore is,

$$Y = 0.751 + 7.17\beta_1 + 2.243\beta_2 + 5.929\beta_3 + 2.345\beta_4 + 7.6384\beta_5 + 2.3568\beta_6 + e$$

#### **4.4 Discussion of the findings**

The findings of this study indicate that employees are motivated by job security. This is consistent with Pfeffer (1998) who regarded employment security as fundamental element because it is regarded as unrealistic to ask employees to offer their ideas, hard work and commitment without some expectation of employment security and concern for their future careers. Respondents of this study agreed that employment security facilitated their career development, job satisfaction and interpersonal relationship with co-workers; the findings were widely accepted by the respondents.

Training and Development is an element that the respondents felt greatly affected their perception of the effectiveness of the high organizational commitment practices. Pre engagement training and induction training received a strong approval from the

respondents agreeing that these two factors contributed to their positive view of the organizational commitment. This is agreeable to the views of Wright and Gardner (2003) who noted that Training and Development one of the most widely quoted and important elements of high organizational commitment practices. The use of the word 'learning' is crucial as it demonstrates employer willingness to encourage and facilitate employee development.

Teamwork is typically seen as leading to better decision-making and the achievement of more creative solutions (Pfeffer 1998). From the findings the respondents agreed that team building events and mutual trust amongst co-workers improved their perception towards the organizational commitment as a work place of choice.

The findings of this study on Compensation and Reward is consistent with Pfeffer (1998) who reckoned that for remuneration management to be effective, it needs to be at a level in excess of that for comparable workers in other organizations so as to attract and retain high-quality labour. The respondents strongly agreed that that annual team bonuses have a great impact on their perception towards organizational commitment. They also indicated that employee allowances and overtime pay are positive factors of motivation.

According to Pulakos, (2004) the right performance management practices also can enhance employee engagement and commitment. A firm's performance management system should link job objectives to organizational objectives, organization's priorities and how will each employee help to achieve them. From the findings of this study, there was a general consensus with respondents strongly agreeing that Management support on employees to accomplish targets was the biggest motivator and improved their perception

of the organizational commitment as a work place of choice. The respondents agreed that the targets set should often be achievable and mutually agreed upon. They also agreed that roles should be assigned in line with set targets.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSION AND RECOMMEDATIONS**

#### **5.1 Introduction**

This chapter presents a summary, conclusions and recommendations of the study. Section 5.2 summarizes the key results found, while section 5.3 draws the conclusions. Section 5.4 notes the recommendations from the findings of the study. Section 5.5 outlines the limitations of the study while section 5.6 gives suggestions for further research

#### **5.2 Summary of findings**

The aim of the study was to determine the employee perception of the effectiveness of the high organizational commitment practices in General Motors East Africa Limited. The findings indicate that males are more than females but however the difference not that significant and therefore this implies that the study is not influenced by gender imbalance. The study found out that the organization maintains young vibrant workers who form the larger percentage of their workforce characterized by young motivated workers at their peak productivity due to their working experience and professional training. However, the age of the respondents does not have a significant effect on the perception of employees towards the effectiveness of high organizational commitment practices. Also majority of the respondents had university level of education indicating

that the staff is well equipped with the necessary knowledge and skills to be able to deliver in the demanding working environment. The level of education of an employee is a significant factor towards employee perception to high commitment practices by the employer. This indicates that the more educated an employee is the more he is likely to understand the concepts behind the high commitment strategies.

The findings show that the institutions maintain a combination of both new and experienced workers with a majority of the respondents have worked for above 5 years which is an indication of a motivated and dedicated workforce and hence concludes that the length service is significant towards employee perception on organizational commitment and work commitment. The study showed that a majority of the respondents are on permanent basis showing that they enjoy employee security and hence higher commitment to work. The research therefore concludes that an employee's current employment terms play a very significant role towards the perception of employees on organizational commitment practices.

The researcher found out that employee security is very effective towards career development, personal motivation, work commitment and job satisfaction but does not improve the interpersonal relations among co-workers. Secondly, employee training and development practices done in or during the work process are more effective towards improving the employee perception towards organizational commitment as compared to training programs outside the work place. This is because such training sessions are aimed at increasing the competence, productivity and efficiency of an employee enabling him/her to work more efficiently.



Majority of the respondents indicated that being involved in the supervision of support staff contributes greatly towards employee commitment and creates a better perception of organizational commitment. Lastly, involving employees in business planning and formulation of new policies does not improve one's perception towards organizational commitment. Furthermore team-building programs were meant to boost employee confidence and had a positive effect on the employee perception of the organizational commitment but was not effective in building mutual trust among co-workers since team work had no effect on improving mutual trust among co-workers. This study established that overtime pay did had a very little impact on employee perception towards the organizational commitment.

This analysis therefore concludes that employee allowances, annual team bonuses and non-monetary benefits play a significant role towards improving an employee perception towards the organizational commitment but however, payments made for working overtime had a very little effect on the employee perception towards the organizational commitment and that the respondents agreed that the performance targets were achievable but were not mutually agreed among the employees and the appraisers. Lastly a multiple regression conducted to test the influence among predictor variables and found out that the seven independent variables that were studied explain 72.4% of the factors affecting the employee perception on organizational commitment and work commitment.

### **5.3 Conclusion**

The research concludes that where majority of the workforce have worked for above 5 years, this is an indication of a motivated and dedicated workforce. Secondly, the study

concludes that the current job status of an employee has a very significant impact on work commitment and career development. Thirdly, the researcher concludes that on job training and routine training play a very significant role towards work commitment as opposed to induction training. Thirdly, the study concludes that being involved in the supervision of support staff contributes greatly towards employee commitment and creates a better perception of organizational commitment. Fourthly, the researcher concludes that team building, worker's cohesion and mentorship programs played a very big role towards improving employee perception of organizational commitment and work commitment. Lastly, the study concludes that employee allowance and non-monetary benefits contribute to a very great extent towards their perception of their work place.

#### **5.4 Recommendations for policy and managerial practice**

The study found out that employee allowances and non-monetary benefits contribute to a very great extent towards their perception of their work place. However, some of the respondents indicated otherwise. This led to their views being left out of the study conclusions. This study therefore recommends that the organization conducts a survey of the other factors that contribute to improving employee perception towards their work place. Secondly the study concludes that on job training and routine training play a very significant role towards work commitment as opposed to induction training. However, the study did not consider professional training and any other relevant training acquired prior to the engagement of an employee and recommends that the organization conducts a survey of how pre engagement professional and academic training contribute to the perception of employee towards work commitment.

## **5.5 Limitations of the study**

Every study inevitably encounters certain levels of limitations due to a variety of factors. Respondents are usually very busy hence the tendency not to give in-depth attention to the unstructured parts of the questionnaire.

## **5.6 Areas for further research**

The study recommends further research be carried out to ascertain the impact of employee perception on organizational commitment towards self-motivation and performance. The study focused on the workers of General Motors East Africa ltd. Future research should also aim at studying the relationship between job satisfaction and organizational commitment among employees in other organizations since job satisfaction and commitment are essential in ensuring harmony, cooperation, understanding, efficiency and effectiveness to increase productivity in organization. Secondly, the study recommends a further inquest to find out the impact of employee commitment on organizational performance. Lastly, the study recommends a study on the correlation between work commitment and office politics.

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# Appendix I: QUESTIONNAIRE

## Section A: Background Information

1. Gender: Male  Female

2. What age group do you belong to?

Below 30yrs

31-40yrs

41-50yrs

Over 50 yrs

3. What is your highest level of education?

Secondary  College  Undergraduate  post graduate

4. How long have you been working in GM East Africa Ltd?

Less than 2yrs  2-5yrs  6-9yrs  over 10yrs

5. What organizational level do you currently work in?

Executive team  Senior Management

Middle Level Management  Support Staff

6. What is your job in the organization?

Manufacturing  Finance  Sales & Marketing

After Sales support  Administration  Human Resource

Procurement

7. What is your current employment status?

Permanent  Contract  Casual

**Section B:**

8. In a scale of 1- 5 where (1= Strongly Disagree, 2= Disagree 3= Neutral, 4= Agree, and 5= Strongly Agree) To what extent is your current employment status effective towards improving your:

	1	2	3	4	5
Work commitment					
Personal motivation					
Career development					
Job-satisfaction					
Inter personal relationship with co-workers					

**Training and development**

9. In a scale of 1- 5 where (1= Strongly Disagree, 2= Disagree 3= Neutral, 4= Agree, and 5= Strongly Agree) to what extent does the effectiveness of the following Training and Development programs contribute towards organizational commitment?

	1	2	3	4	5
In-house training seminars					
On job training					
Pre engagement training					
Induction training					
Routine training					

**Employee Involvement**

10. Please indicate the frequency with which you are involved in decision making regarding the following aspects of the organization and to which extent do you feel that such involvement has a positive impact on your organizational commitment? (1= Strongly Disagree, 2= Disagree 3= Neutral, 4= Agree, and 5= Strongly Agree)

	1	2	3	4	5
Departmental goal setting					
Assignment of duties to support staff					
Supervision of support staff					
Organization Business planning					
Formulation and Communication of new policies to staff					

**Team work**

11. In a scale of 1-5 where (1= Strongly Disagree, 2= Disagree 3= Neutral, 4= Agree, and 5= Strongly Agree) Please indicate the extent to which the effectiveness of the following team working practices contribute to organizational commitment

Practices	1	2	3	4	5
Team building events					
Employee mentorship programs					
Mutual trust among employees and management					
Conflict resolution program					
Fair human resource policies					
effective towards organizational commitment among employees					
enhances interpersonal relations among co-workers					

**Compensation management**

12. In a scale of 1-5 where (1= Strongly Disagree, 2= Disagree 3= Neutral, 4= Agree, and 5= Strongly Agree) Please rank how effective are the following compensation practices towards improving your perception towards the workplace?

Policy	1	2	3	4	5
Annual team bonuses					
Employee Allowances					
Overtime compensation					
Other non-monetary benefits					

**Performance management**

13. To what extent do you agree that the following performance management practices are effective towards improving the perception of employees towards organizational commitment? (1= Strongly Disagree, 2= Disagree 3= Neutral, 4= Agree, and 5= Strongly Agree)

Statement	1	2	3	4	5
To achieve excellence targets have to be set					
Targets should be mutually agreed upon					
Set targets should be achievable					
Target are in line with the organizations objectives					
The management Support and Empower the staff towards target accomplishment					
Does the management encourage achievement of performance targets					

### Section C: Other Workplace Practices

14. How does the organization foster employee development?

Continuous on job training  Study loan

Scholarships for tertiary education  Capacity building seminars

15. How does the organization encourage creativity and innovation

Salary review  Idea incubation and development

Promotion  Sponsoring innovation

16. Do you think your current pay conforms to the industry average?

Yes  No

17. How does the organization reward good performance

Salary Review  Bonuses

Promotion

18. How frequent are performance appraisals carried out?

Monthly  Quarterly

Semiannually  Annually

**Thank-you.**