

The Nature of Organizational Commitment: A Multi-Cultural Analysis



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Presented at the Pan Pacific Conference
Honolulu, Hawaii
March, 1984

Organizational commitment has become an increasingly important construct in the theory and research of organizational behavior. Studying the relationships between commitment and job behaviors and attitudes has become commonplace (e.g., Tokunaga and Staw, 1983). This popularity of commitment research has recently spilled over into the issue of Japanese versus American productivity. Researchers have focused on organizational commitment as a major reason for the widening gap between Japanese and U.S. productivity. Organizational commitment is assumed to be an integral part of the Japanese management system and therefore may account for the productivity gap. The purpose of this paper is to explore this notion and its viability, from both a theoretical and research point of view. Both the cultural aspects of management systems and the nature of the concept of commitment will be explored in an attempt to clarify relevant issues and draw some meaningful conclusions.

CULTURAL BACKGROUND

For the past several years, both the popular press and scholarly books and journal articles have discussed the topic of "Japanese Management". Management techniques employed in Japan have become the focal point for both practitioners and academicians in attempting to meet the challenge of sagging U.S. productivity. Cultural differences between the east and the west have been suggested as the basis of the differing management techni-

ques, and much attention is being devoted to understanding these differences. From earlier concern with only Japan versus the U.S., interest has now broadened to include Korea, China, and other oriental countries.

Chang (1983), in a paper presented at this conference last year, discussed unique aspects of the management systems of Japan, South Korea and the U.S., and suggested that the management system was a function of the cultural identity. The aspects of each country's management system, which were considered relevant were: decision making, duration of employment, individualism vs. group spirit, loyalty, mobility, management development, leadership style, compensation, government and business, work ethic, and mottos emphasized in organizations. Factors relating to each country's cultural identity, as identified by Chang, included: conception of blood, importance of the blood relationship of the family, conception of mythology, conception of national security in terms of territorial location, conception of family, alumni and education, regionalism, reciprocal consideration of well-being between superiors and subordinates, and importance of state or country (national interest). He goes on to say that since both Japan and the U.S. have traditions of bloodshed and war, and people are afraid they will be killed, behavior in organizations is characterized by prudence, restraint, and orderliness. In Korea, on the other hand, since bloodshed is

taboo, people have little fear of being killed, and behavior in organizations is characterized by occasional disorder, disarray, and polarization. Similar relationship are drawn for the other cultural identity factors. By way of summarizing, Chang states that the factors most important to the Japanese are loyalty of superiors, group behavior, "wa" (harmony), and reciprocal consideration between superiors and subordinates. To South Koreans, the blood-relationship and filial piety are seen as most important, and individualism and profits are considered the most important factors in the U.S. Reciprocal consideration between superiors and subordinates and loyalty are considered to be critically important to management in South Korea, but second to the family ties. And in the U.S., loyalty and reciprocal consideration are supposedly insignificant.

In terms of the unique aspects of management systems discussed by Chang, there is some debate on aspects he attributes to the Japanese. Where he says that in Japan, lifetime employment is the norm, Ballon (1969) says that is limited to permanent white and blue collar employees in only the largest firms. In addition, Pascale and Athos (1981) discuss lifetime employment only in terms of management, and point out many American firms have a cadre of long-tenured managers and blue collar workers. In their study the average tenure of American managers was over 20 years.

The debate over individualism versus group spirit is also relevant. Chang states that in the management ranks in both Japan and Korea, team spirit is very important, but in the U.S. individualism is more important. Although the U.S. has long been known for its emphasis on self-centered, individualistic pursuits, in the organizational setting this claim may not hold up. The growth of orientation, training, and development procedures in U.S. organizations acknowledges the importance of fitting the individual to the organization. In addition, the importance of the socialization process within organizations is also receiving a lot of recent attention. Along still another dimension, a study by Sims and Manz (1983) reports the experience with self-managed work group in the U.S. This concept refers to a form of job design in which the work group usually has a complete task with decision making discretion over schedules, assignments, methods, and compensation. These work group are autono-

mous and have been shown to work in close harmony and exhibit a significant amount of cooperation and involvement. This is in rather direct contradiction to what Chang would lead us to believe is the norm in U.S. and Japanese corporations.

Another area in which there is some difference of opinion is that of compensation. Chang (1983) reviews Japanese and South Korean compensation system and concludes that Japanese systems are based on seniority, South Korean systems are on seniority and merit rating, and U.S. systems are based mostly on merit rating systems. Pascale and Athos (1981) use as an example Matsushita, a Japanese electric and appliance firm, one of the 50 largest corporation in the world. Matsushita's personal policies incorporate both performance and seniority for employees with 15 or more years with the firm. Capable young employees have every likelihood of being promoted into key positions over individuals with less promise. If an individual is not performing well in a position, rather than letting the person go, many Japanese firms will transfer the individual into a position more likely to utilize his talents, even if several moves become necessary. This humane approach is in contrast to what is considered to be the norm in the U.S. In actually, though, the large number of unionized employees in the private sector, along with rapidly increasing unionization in public sector organizations, make it likely that the notion of cold, impersonal U.S. managers summarily dismissing low performers is invalid. Unionized firms and government agencies have along been known to provide a fairly high level of employment security for a variety of performers during normal economic times. Thus, at least for the purposes of this introductory discussion, the best conclusion may be that there is not a wide gap between U.S. and Japanese or South Korean firms in terms of compensation system, performance appraisal, or job security.

The last point mentioned by Chang (1983) in his comparison of U.S., Japanese, and South Korean management system, is that Japanese system emphasize the motto of "wa" or human harmony, South Korean systems emphasize the motto of "inwha dangyul" or human harmony and solidarity, and U.S. systems emphasize the motto of profit. This statement seems to be unnecessarily simplistic, and not really representative of the U.S. Although profit is certainly a major concern of top executives in

U.S. corporations (and is likely to be a similar concern in Japanese and South Korean systems), it is not the only major concern all the way to the lowest levels of the organization. At all levels managers realize that there is more to management than just getting the most dollar value out of employees. The recent concerns with stress and job satisfaction, as well as the cost of training and turnover, have led to consideration of social as well as economic issues related to management.

There are other factors which have been suggested as important in the "commitment as a function of culture" issue. Ungson, Mowday, and Steers (1983) considered nine topics which related to organizational practices, and, by extension, to commitment. The topics covered included recruitment practices, the nature of the employment contract, fringe benefits and employee welfare, organizational climate, the role of individuals, decision making systems, the role of unions, reward systems, and the approach to management development. The issue of the nature of the employment contract relates to lifetime employment and penalties associated with a Japanese employee moving from one firm to another. Several authors have referred to the lifetime employment issue, and the point was made earlier in this paper, that lifetime employment has not been established either as the norm in Japan or as radically different from situations existing in many U.S. organizations.

The wide variety of fringe benefits provided to Japanese employees, as well as reward administration, have been suggested as potent factors in organizational commitment. While Pascale and Athos (1981) describe the availability of benefits in Matsushita and the importance of employees socializing in non-work situations, research in the U.S. has indicated that recreational and social benefits are among the lowest on lists of preferred benefits. In addition, the practice of many American corporations is to increase benefits as organization tenure increases. For example, long-tenured employees often receive profit-sharing and retirement benefits linked with continued employment. The longer an employee remains with an organization, the more he/she has to lose by leaving the organization. Thus, the value and incentive value of such benefits and reward system as factors in differential commitment may not be as relevant as suggested by Ungson et al. (1983).

The importance of the Japanese and South Korean "ringi" decision making systems is often cited as a major factor in commitment which differentiates the East from the West. While the prevailing system are quite different, the strength of the goal setting literature in the U.S. suggests an alternative, potentially significant, point. A review of the literature pertaining to participation in decision making found no significant and persistent differences in effectiveness of decisions which were participative versus those which were of a more autocratic nature (Locke and Schweiger, 1979). This raises the possibility that the differences in decision making systems do not really result in significant differences in outcomes.

CROSS-CULTURAL COMMITMENT

The above discussion of the cultural background suggest some causes or reasons for the differences in organizational commitment in U.S. versus Eastern or Asian countries. In our position that there is actually little reason to claim culture-specific issues as relevant to or predictive of organizational commitment. In addition, the actual definition, application, and importance of the concepts of commitment is both tenuous and debatable.

Mobley and Hwang (1982) did a study of organizational commitment in employees of Taiwan industrial firms. Several of their findings are important for the present discussion. They used two measures of commitment, the Porter, Steers, Mowday and Boulian (1974) instrument, and items from the Mobley, Griffeth, Hand and Meglino (1979) turnover model. The Porter, et al. questionnaire assesses an employee's feelings of acceptance of the organization's goals and values, his/her willingness to help the organization reach their goals, and his/her desire to remain with the organization. The Mobley, et al. (1979) turnover model uses "withdrawal cognitions" as a measure of commitment. This latter measure assesses the employee's feelings about thinking of quitting, intention to research, intention to quit this year, and the possibility of going to another company within a year. Mobley and Hwang found that different items predicted the two definitions of commitment. Age, organization size, job satisfaction, and expect utility of the current job were predictors of both definitions of commitment. Growth need strength and centrality of work contributed to the Porter et al. instrument, whereas

expected utility of alternatives and delayed gratification contributed to the Mobley et al. measure. The two definitions also had different relationships with turnover, in that the Mobley et al. measure was a significantly better predictor of turnover.

Another interesting finding of the Mobley and Hwang (1982) study was that the two measures of commitment exhibited less than 40 per cent overlap. Also, both definitions of commitment exhibited only modest correlations with turnover ($-.13$ and $.18$). Either definitions of commitment, when used as the dependent variable in a regression equation, was most strongly predicated by centrality of work, labor market experience, growth need strength and age. Even then, only 27 per cent and 40 per cent of the commitment variance was explained in the full equations. It appears that commitment can be viewed in at least two different ways, that the traditional "explainers" of commitment don't seem carry much weight and that the true causes for commitment are not readily visible. In addition, the notion of commitment as a strong predictor of turnover does not appear to be sustained. Mobley and Hwang (1982) pointed out that these results were fairly consistent with findings using U.S. studies.

Another important study in the culture and commitment arena is that of Marsh and Mannari (1977). They tested a model which proposed that lifetime commitment varied positively with organizational status, perceived chances of promotion, job satisfaction, perceived job autonomy, perceived relative advantages of organizations, employee cohesiveness, redience, paternalism, and participation. They found that employee's mobility had no effects on their support of lifetime commitment norms and values, that the variables that did relate to lifetime commitment were culturally universal, and that their support of lifetime commitment norms and values had no impact on subsequent turnover rates. Lifetimes commitment norms and values were operationalized in a 4-item questionnaire. The individual's perception of the percent of employees who intended to remain with the firm until retirement was assessed by one question. An opinion of those who voluntarily changed firms was solicited in a second item. Whether or not employees (male) should remain with the same company until retirement was question three, and the last question asked about the individual's intention to remain with the company until retirement. The importance

of this study, conducted in a Japanese organization, is that the popular literature concept of Japanese commitment did not hold up in an actual study, and that this same commitment notion did not relate to turnover.

An even more direct study was that of Luthans, McCaul and Dodd (1983) reported at the last conference. The OCQ was used to measure levels of commitment of American, Japanese, and Korean employees. As in the Marsh and Mannari (1977) study, age and tenure were significantly related to commitment. The most intriguing finding of this study was that the U.S. employees actually exhibited a higher degree of commitment than either Japanese or Korean employees.

The results of the above studies have some interesting implications. First, it seems that, at least as currently measured, organizational commitment cannot be strongly attributed to cultural attributes traditionally associated with the Japanese or other Oriental cultures. If there is a difference in Eastern versus Western commitment (which has not been adequately demonstrated), it doesn't seem to be due to popularly mentioned Eastern notions such as lifetime employment, group harmony, and consensus decision making.

What seems to be an even more important trend in commitment research is that commitment is not always a strong negative predictor of turnover. According to the Mobley et al. (1979) turnover model, commitment is a step along the way to turnover, but issues such as availability of alternatives and intention to search for a new job are more direct predictors of turnover. Pascale and Athos (1981) pointed out that the Japanese system seems to foster behavioral commitment (staying) to a particular organization because much of the training an employee received is so company-specific that it is not marketable in another organization.

A related issue is the consequence of commitment on both the positive and negative sides. A review by Mowday, Steers, and Porter (1981) discusses these points. In a positive sense, organizational commitment can give an individual a feeling of belonging and attachment, security, goals and direction, positive self-image, organization rewards, and attractiveness to other potential employers. The work group can enjoy membership stability,

group effectiveness, and cohesiveness. The organization can realize increased effectiveness due to individual effort, reduced turnover, reduced absenteeism, and reduced tardiness, as well as attractiveness to non-organization members. On the negative side, organizational commitment can result in the individual effects of reduced mobility and career advancement, reduced self development and growth, family strains/tension, and stress. To a work group, commitment can result in groupthink, lower creativity and adaptation and intragroup conflict. The organization can suffer from decrease effectiveness due to reduced turnover and reduced absenteeism, as well as lower innovation and adaptation. Turnover in an organization also has a series of positive and negative consequences, which are relevant to this issue (see the Mowday et al. 1981 review).

Going still another step, the literature has yet to find a strong positive relationship between commitment and productivity. The review and theory articles all being with the observation that Japan has a higher level of productivity than the U.S. They then go on to point out that several non Western countries have lower turnover rates than the U.S. The next point is that lower turnover rates probably due to a higher level of commitment, and then that traditional Oriental cultural factors probably account for the higher level of commitment. These assumptions may not be justified.

CONCLUSIONS

The conclusions of this paper are:

1. Oriental cultural factors do not account for organizational commitment in Japanese, Korean, Chinese, or U.S. firms.
2. Employees of firms in Japan, Korea, or China do not exhibit consistently higher levels of organizational commitment than U.S. employees.
3. Organizational commitment may not lead to increased productivity.
4. Organizational commitment may not lead consistently to reduced turnover.

This is not to say that commitment is not an important and useful area of theory and research. Its value as an important construct in organizational

behavior research has been amply demonstrated. The argument here is that trying to tie commitment to culture and thus using it as the answer to U.S. productivity problems is not sufficient.

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The study was presented at the Pan Pacific Conference in Honolulu, Hawaii (march 1984) by Nancy Dood and Fred Luthans. Fred Luthans is the Regents Professor of Management and the President-Elect of the Academy of Management in the University of Nebraska at Lincoln.

