

Innovative Business Management: A Practical Framework and Causal Model of Participation in Decision Making, Career Adaptability, Affective Commitment, and Turnover Intention

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Abstract. Research objectives were to determine a practical framework and to establish a causal model of participation in decision making, career adaptability, affective commitment, and turnover intention of petrochemical plant employees in Thailand. The study reported the responses of 602 operational employees from 31 petrochemical plants operating in different parts of Thailand. Data were collected and analyzed with descriptive statistics using SPSS (version 11.5) and assessed with confirmatory factor analysis to confirm the heterogeneity of all constructs and path analysis to test the cause and effect relationships among main constructs of the study using LISREL (version 8) on a structured questionnaire containing standard scales of participation in decision making, career adaptability, affective commitment, and turnover intention to determine the relationships of participation in decision making, career adaptability, affective commitment, and turnover intention. Research findings indicated that dimensions of participation in decision making, career adaptability, and affective commitment have mediated negative effect on turnover intention. Affective commitment fully mediates the relationships between participation in decision making and turnover intention and between career adaptability and turnover intention. Furthermore, participation in decision making is positively correlated with career adaptability.

Keywords: Causal Model, Affective Commitment, Career Adaptability, Participation in Decision Making, Turnover Intention

1. Introduction

Careers thought to be secure, including those within the professional, technical, and managerial classifications, are at risk (Sullivan, 1999). To manage this risk, employees are being encouraged to increase their career adaptability through a combination of career resilience (London, 1983), development activities, and networking. Career adaptability enhances employability within and outside an organization (Arthur, 1994; Ellig, 1998; Hall, 1996; London, 1983). Moreover, supervisors are being encouraged to support employee development through actions such as providing career advice (London and Smither, 1999). Organizations attempt to provide satisfying work contexts that competing employers find difficult to replicate (Cappelli, 1999). These work contexts include high-involvement practices such as participation in decision making (PDM) and encouragement of autonomy or discretion in task performance (Lawler, 1986). These practices and supervisory support for career development help employees meet their needs for personal growth through self-development and continuous learning (London and Smither, 1999) and, as a result, build affective commitment (Meyer et al., 2002). Affectively committed employees have been shown to be more productive, less physically absent, and less likely to turnover (Mathieu and Zajac, 1990). An employee's affective bond with their organization has been considered an important determination of dedication, loyalty, and satisfaction (Rhoades et al., 2001).

Effective commitment emphasizes the emotional connection and closely parallels the emotive qualities of engagement (Saks, 2006). An employee's intention to leave an organization, expressed in such terms as making plans to search for a new job, reflects the potential for voluntary turnover (Saks, 2006). The significant affect-based predictors of voluntary turnover include job dissatisfaction (Hom and Kinicki, 2001; Trevor, 2001) and affective commitment, a psychological attachment expressed as pride in the organization and a willingness to exert extra effort (Cohen, 1993; Lee and Mowday, 1987; Mathieu and Zajac, 1990;

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Meyer et al., 2002). A more recent perspective has considered the episodic nature of voluntary turnover, including employees exploring and accepting other opportunities as part of a career plan (Lee and Mitchell, 1994; Lee et al., 1996). Furthermore, there is a negative relationship between affective commitment and turnover intention (Jaros, 1997; Meyer et al., 2002). Affectively committed employees are seen as having a sense of belonging and identification that increases their involvement in the organization's activities, their willingness to pursue the organizational goal, and their desire to remain with the organization (Meyer and Allen, 1991; Mowday et al., 1982). In agreement with this view, studies have found associations between affective commitment and absenteeism, performance, and turnover intention (Mathieu and Zajac, 1990; Meyer and Allen, 1997; Mowday et al., 1982), with turnover being most strongly related to affective commitment (Meyer and Allen, 1997).

Career development activities facilitate mobility and adaptation and, thus, are an integral part of developing a boundaryless career pattern (Arthur et al., 1995; DeFillippi and Arthur, 1994). Formal and informal training and development programs, cross-functional and lateral movements, and temporary assignments will broaden knowledge, skills, and abilities (KSAs) (Arthur et al., 1995; DeFillippi and Arthur, 1994). Although some activities enhance general and organizationally specific professional and technical knowledge, others build more subtle resources such as unique personal competencies and the ability to synthesize complex information (Weick and Berlinger, 1989). Exchange theory provides a rationale for linking career adaptability to affective commitment (Adams, 1963; Whitener and Walz, 1993). Although proactive career development requires individual initiatives, organizations play a significant role by providing resources, including training and development opportunities and job assignments that meet career objectives, as well as feelings of personal growth (Adams, 1963; Whitener and Walz, 1993). For example, Wayne et al. (1997) indicated that corporate training is associated with perceptions of positive organizational support linking to affective commitment (Wayne et al., 1997).

Participation in decision making (PDM) helps employees build skills in identifying, assessing, and evaluating decisions, and may encourage employees' initiative in modifying work processes, developing priorities, and allocating resources (London, 1993). These skills and abilities are among those identified as contributing to enhance career resilience (London, 1993). Participation in decision making (PDM) also provides employees with opportunities to engage in career development activities, such as selecting tasks that fit a career plan and building personal networks through interactions with people in other units (London, 1993). Participation in decision making (PDM) helps employees develop and match their knowledge, skills, and abilities (KSAs), with organizationally valued activities (Karasek, 1979). Exercising influence through participation in decision making (PDM) may encourage active career development and build career resilience (Arthur, 1988).

2. Material and Methods

Data for this study were collected out of 602 operational employees from 15,947 operational employees working in the 31 petrochemical plants in Thailand by using Yamane's formula (Yamane, 1970) for a 96% confidence level with a 4% margin of error by the proportional random sampling method. A five-point Likert scale ranging from 0 (strongly disagree) to 4 (strongly agree) was used with all of the constructs. Data were analyzed with descriptive statistics using SPSS (version 11.5) and assessed with confirmatory factor analysis (CFA) to confirm the heterogeneity of all constructs and path analysis (Joreskog and Sorborn, 1993) to detect the cause-effect relationships among various dimensions of main constructs of the study using LISREL (version 8) on a structured questionnaire containing standard scales of participation in decision making, career adaptability, affective commitment, and turnover intention, besides some demographic details like age, education, and tenure with the organization.

Participation in decision making (PDM) was measured using the questionnaire developed by Ito and Peterson (1986). Two sample items are: "How frequently do you participate in decisions about tasks being added or taken from your work unit?" and "The job gives me considerable opportunity for independence and freedom in how I do the work." Career adaptability was measured using the questionnaire developed by London (1983). Sample items are: "Please rate the extent to which you are developing skills that may be needed in future career positions" and "To what extent are you able to adapt to changes," respectively.

Affective commitment was measured on a seven-point Likert scale ranging from 1 (strongly disagree) to 7 (strongly agree) using the Organizational Commitment Questionnaire (OCQ) developed by Mowday et al. (1979). A sample item is: “I really care about the fate of this organization.” Turnover intention was measured using the questionnaire developed by Mitchel (1981) and Moore (2000).

3. Results and Discussion

A practical framework and causal model are established. Research findings indicated that dimensions of participation in decision making, career adaptability, and affective commitment have mediated negative effect on turnover intention. Affective commitment fully mediates the relationships between participation in decision making and turnover intention and between career adaptability and turnover intention. Furthermore, participation in decision making is positively correlated with career adaptability.

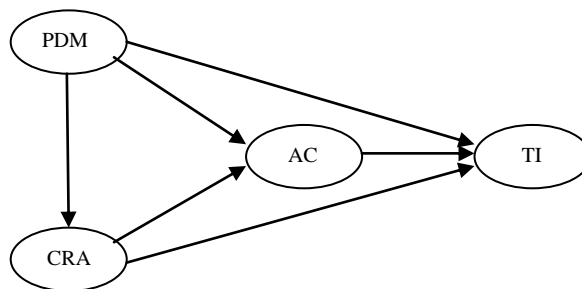


Fig. 1: Practical Framework.

Key: PDM = Participation in Decision Making, CRA = Career Adaptability, AC = Affective Commitment, TI = Turnover Intention

Regarding the practical framework, there are lots of researchers studying the relationships of participation in decision making, career adaptability, affective commitment, and turnover intention in a wide variety of fields. The practical framework was positively compatible with the following research findings. Participation in decision making, career adaptability, and affective commitment are negatively linked to turnover intention and are very important for general organizational success. It is important that the other organizations implementing large-scale manufacturing reformations need to pay great attention to participation in decision making (PDM), career adaptability, affective commitment, and turnover intention in order to effectively achieve business success. Efforts to involve employees may need to be combined with other practices that enhance affective commitment to reduce the likelihood that valued employees will choose to leave. Although it is somewhat counterintuitive to invest in employees’ development while recognizing that many employees may leave the organization, this may be the price organizations pay in exchange for an internally flexible workforce (Waterman et al., 1994). Many mobile individuals face a choice between an uncertain future within the firm and specific job opportunities in other organizations. More generally, the development of mechanisms for providing advice and resources for guiding employees on their investments in knowledge, skills, and abilities (KSAs) to be consistent with organizational strategies may help retain valued employees.

4. Conclusion

The purposes of this study were to determine a practical framework and to construct a causal model of participation in decision making, career adaptability, affective commitment, and turnover intention for petrochemical plant employees in Thailand. The findings showed that the participation in decision making, career adaptability, and affective commitment have the strengths to mediate negative effect on turnover intention. In relation to the practical framework, this result was the extent to which affective commitment fully mediates the relationships between participation in decision making and turnover intention and between career adaptability and turnover intention. Furthermore, participation in decision making is positively correlated with career adaptability.

Participation in decision making and career adaptability help organizations move toward lesser turnover intention through affective commitment. Organizations aiming to decrease turnover intention and achieve

business goals should focus on developing participation in decision making, career adaptability, and affective commitment. Future research can benefit from a larger sample to bring more statistical power and a higher degree of representation. This study was done by empirically investigating Thai firms. Cultural limitation should be considered and it is suggested that future research should be done in other cultural contexts and other variables (i.e., organizational culture, leadership style, organizational learning, job satisfaction, job involvement, and employee engagement) to decrease turnover intention and achieve business goals.

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6. References

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