

**YANGON UNIVERSITY OF ECONOMICS**  
**DEPARTMENT OF MANAGEMENT STUDIES**  
**MBA PROGRAMME**

**THE EFFECT OF HRM PRACTICES ON**  
**ORGANIZATIONAL COMMITMENT AND JOB**  
**PERFORMANCE IN RMA MYANMAR CO., LTD**

**HONEY LINN**

**EMBA II - 34**

**EMBA 17<sup>th</sup> BATCH**

**NOVEMBER, 2021**

**YANGON UNIVERSITY OF ECONOMICS**  
**DEPARTMENT OF MANAGEMENT STUDIES**  
**MBA PROGRAMME**

**THE EFFECT OF HRM PRACTICES ON**  
**ORGANIZATIONAL COMMITMENT AND JOB**  
**PERFORMANCE IN RMA MYANMAR CO., LTD**

**ACADEMIC YEAR (2018-2021)**

**Supervised By:**

Dr. Nu Nu Lwin

Professor (Head)

Department of Management Studies

Yangon University of Economics

**Submitted By:**

Honey Linn

EMBA II - 34

EMBA 17<sup>th</sup> Batch

2018-2021

**YANGON UNIVERSITY OF ECONOMICS**  
**DEPARTMENT OF MANAGEMENT STUDIES**  
**MBA PROGRAMME**

**THE EFFECT OF HRM PRACTICES ON  
ORGANIZATIONAL COMMITMENT AND JOB  
PERFORMANCE IN RMA MYANMAR CO., LTD**

A thesis submitted to the Board of Examiners in partial fulfillment of the requirements for the degree of Master of Business Administration (MBA)

**Supervised By:**

Dr. Nu Nu Lwin  
Professor (Head)  
Department of Management Studies  
Yangon University of Economics

**Submitted By:**

Honey Linn  
EMBA II - 34  
EMBA 17<sup>th</sup> Batch  
2018-2021

## ACCEPTANCE

This is to certify that the thesis entitled “**The Effect of HRM Practices on Organizational Commitment and Job Performance in RMA Myanmar Co.,Ltd**” has been accepted by the Examination Board for awarding Master of Business Administration (MBA) degree.

### Board of Examiners

-----  
**(Chairman)**  
**Dr. Tin Tin Htwe**  
**Rector**  
**Yangon University of Economics**

-----  
**(Supervisor)**

-----  
**(Examiner)**

-----  
**(Examiner)**

-----  
**(Examiner)**

**November, 2021**

## **ABSTRACT**

This study aims to identify the effect of HRM practices on organizational commitment and job performance of employees in RMA Myanmar Co., Ltd. The data was collected with structured questionnaires from 120 selected employees who are currently working at RMA Myanmar Co., Ltd. The study found that training/ development, and job security affect on all three types of commitments while decentralization affects on affective and continuance commitments. The study revealed that communication and leadership styles have the positively influenced on continuance and normative commitments. It is also found that social interaction affects only on affective commitment while performance appraisal negatively affects only on continuance commitment. For the second objective, all types of commitments affect on job performance of the employees. Among them, affective commitment is the main determinant for job performance of employees currently working at RMA Myanmar. Thus, RMA Myanmar should focus the HRM practices that could affect the commitments and job performance. Based on the findings, the study recommends that RMA Myanmar should pay more attention to decentralization and training/ development so that employees will pay more commitments and the company will get higher commitments and job performance of the employees.

## ACKNOWLEDGEMENTS

Firstly, I would like to convey my sincere gratitude to Professor Dr. Tin Tin Htwe, Rector of Yangon University of Economics, for her kind permission to carry out this paper. Secondly, I would like to express my gratitude to Professor Dr. Nilar Myint Htoo, Pro Rector, Yangon University of Economics, for leading me to successfully accomplish my study in many ways.

My deepest heartfelt thanks to my supervisor, Professor Dr. Nu Nu Lwin, Head of the Department, Department of Management Studies, Yangon University of Economics for teaching and sharing her knowledge, giving her valuable time and encouragement to accomplish this study.

Very special thanks to Professor Dr. Myint Myint Kyi, Professor Dr. Thin New Oo, Professor Dr. Hla Hla Mon, and Professor Dr. Than Thu Zar, Department of Management Studies, Yangon University of Economics for their valuable guidelines, opinions and encouragement to finish this study successfully. In additions, I would like to express my sincere gratitude to Associate Professor Dr. Yan Yan Myo Naing, and Associate Professor Dr. Myat Thu, all lecturers and visiting lecturers who have made their grateful efforts in rendering knowledge sharing in MBA Programme during these two years. In addition, I would like to extend my appreciation to all faculties and all the staffs of Department of Management Studies who have provided me with any administrative support and strength during my academic years.

Moreover, my EMBA-17 friends and all persons who gave valuable lecture notes, kind encouragement, valuable comments and helpful advices from the beginning to the end of my thesis paper and additionally, a special thanks to my husband for his relentless support throughout my study. Finally, I would like to thank all the respondents of RMA Myanmar Co., Ltd for their support and willingness to participate in this study.

Honey Linn

EMBA II – 34

EMBA 17<sup>th</sup> Batch

## TABLE OF CONTENTS

<b>ABSTRACT</b>	<b>i</b>
<b>ACKNOWLEDGEMENTS</b>	<b>ii</b>
<b>TABLE OF CONTENTS</b>	<b>iii</b>
<b>LIST OF TABLES</b>	<b>v</b>
<b>LIST OF FIGURES</b>	<b>vi</b>
<b>LIST OF ABBREVIATIONS</b>	<b>vii</b>
<b>CHAPTER 1 INTRODUCTION</b>	<b>1</b>
1.1 Rationale of the Study	2
1.2 Objectives of the Study	3
1.3 Methodology and Source of Data	3
1.4 Organization of the Study	4
<b>CHAPTER 2 THEORETICAL BACKGROUND</b>	<b>5</b>
2.1 Human Resource Management (HRM)	5
2.2 HRM Practices	6
2.3 Organizational Commitment	17
2.4 Job Performance	24
2.5 Previous Studies	25
2.6 Conceptual Framework of the Study	28
<b>CHAPTER 3 PROFILE AND HRM PRACTICES OF RMA MYANMAR CO., LTD</b>	<b>29</b>
3.1 Profile of RMA Myanmar Co., Ltd	29
3.2 HRM Practices in RMA Myanmar Co., Ltd	33
3.3 Profile of the Respondent	43



## **LIST OF TABLES**

<b>Table No.</b>	<b>Descriptions</b>	<b>Page</b>
3.1	Number of Employees by Departments	32
3.2	Salary Range on Different Grading of RMA Myanmar Co.,Ltd	34
3.3	Profile of the Respondent	44
4.1	The Effect of HRM Practices on Affective Commitment	53
4.2	The Effect of HRM Practices on Continuance Commitment	56
4.3	The Effect of HRM Practices on Normative Commitment	59
4.4	The Effect of HRM Practices on Overall Organizational Commitment	62
4.5	Job Performance of Employees	64
4.6	Effect of Organizational Commitments of Employee on Job Performance	65

## LIST OF FIGURES

<b>Figure No.</b>	<b>Description</b>	<b>Page</b>
2.1	Conceptual Framework of Smeenk (2008)	26
2.2	Conceptual Framework of Rafiei (2014)	27
2.3	Conceptual Framework of the Study	28
3.1	Organization Structure of RMA Myanmar Co., Ltd	30

## **LIST OF ABBREVIATIONS**

CDSG	Capital Diamond Star Group
HCWP	High- Commitment Work Practices
HR	Human Resource
HRD	Human Resource Development
HRM	Human Resource Management
LDP	Leadership Development Program

# CHAPTER 1

## INTRODUCTION

Nowadays, human capital becomes vital for organizations since there are high competition in the respective industry. Efficient workforce could produce the desired performance to meet mission and organizational goals. Every organization consider employees the most important asset and heart of the organization since employees try hard to achieve the goals and mission of the organization. As there is a high competitive in the industry and business live has become complex, traditional way of doing business is less effective. Therefore, in order to gain competitive advantage, organizations must strive and find new ways. Nowadays, human resources become the most valuable assets of the organizations and human resource management is vital to get competitive advantage.

According to Armstrong (2006), he defines Human Resource Management (HRM) as a coherent and strategic way to the management of the organizations to retain the most talents, people, working to achieve the organizational goals. Thus, HRM consists of all decisions and practices of the management affecting directly to the people or employees working at the company. A well-defined set of HR practices defined a good HRM system that could develop the skills and capabilities of the employees. In additions, a good HRM system could offer relevant information, allow participation, and increase empowerment and motivation (Applebaum et al., 2000). HRM can be considered any practice that could improve satisfaction, commitments and job performance of the employees. This practice could be considered a process, activity, system, rule, norm, or an accepted or expected habit (Shrivastava, 2012).

In every organization, competitive advantage is the major success factor in the industry. Overtime, the main determinant for competitive factor has been changing. Organizations could not rely on only one factor or some factors such as technology, or financial resources but on how organization effectively manages their people. Thus, human resource is the most important factor for the success of the organization by improving the job performance of the employees. In order to gain high commitment and job performance of the workforce, organizations focus on the HRM practices as the critical success factors (Pfeffer, 1994).

Organizational commitment is defined as the willingness of employees to put their effort to achieve the organizational goals by aligning the employees and the organizational objectives (Mowday et al., 1979). Organizational commitment is a sort of strong magnetic force which binds employees with their willingness to stay at the current organization. When employees are committed and intend to stay, they provide their best efforts that will lead to better job performance. Organizations need highly performing individuals in order to meet their goals, to deliver the products and services they are specialized in, and finally to achieve competitive advantage. Performance is a significant concept because, "the major contribution of an employee's worth to the organization is through work behavior and ultimately performance" (Arvey & Murphy, 1998).

There are many HRM practices that could affect organizational commitment and job performance. Nowadays, service industry is one of the most dynamic and complex industrial environments. Thus, organizational commitments and job performance become hot issue in order to survive and grow in service industry.

## **1.1 Rationale of the Study**

Nowadays, organizations encounter high competition in the industry and try to achieve the missions and organizational goals. Their first criteria are to improve the performance in terms of developing new products, reducing costs, enhancing productivity and quality, and delivering the products and services to the market at high speed. In order to achieve those objectives, organizations have to pay more attention to their human resources by motivating and developing their workforce.

To get the effective workforce and competitive advantage, effective management is essential. The management could try to increase knowledge, synergy, motivation, satisfaction and commitment of the employees to gain competitive advantage for the firm. If the HRM practices of the organizations are well setup, employees will have the chance to participate in the decision making and work hard for their organizational goals. According to Wright et al. (1994), he indicates that good HRM practices could bring effective workforce and high commitment of employees towards their organization. Therefore, organization needs to setup the effective HRM practices for the best use of its employees.

Without the commitments of employees towards the missions and goals of the organizations, organizations cannot achieve the high performance. Thus, employees play an important role in achieving the organizational goals and growth as they pay commitment and perform well for their organizations. Commitment levels affect the performance of the organizations and enable the organization to make changes which will support the growth and expansion of the company. In contrast, if the employees have low level of commitment, it could lead to low levels of morale and poor job performance. Lack of commitments among employees will be the main determinant for the low productivity and bad performance that could lead to failure of organization as employees do not try hard to achieve organizational goals. For the manufacturing and service industry in Myanmar, employees' commitments are vital to achieve the organizational goals. Thus, HRM practices that could raise the commitments and job performance of the employees play major roles for every organization.

RMA Myanmar was established in 2012. The business divisions include sales and service and parts distribution, restaurant franchises, agricultural, industrial and power equipment distribution, as well as engineering services. In Myanmar, there is a high competition in the market. Organizations have to strive for quality products and better service in order to achieve the competitive advantage. In this case, the role of employees becomes important in terms of commitments and job performance. In order to gain competition advantage, RMA Myanmar needs to evaluate the perception of employees towards HRM practices currently offered by the company.

Therefore, RMA Myanmar needs to analyse the effect of HRM practices on organizational commitments and job performance of employees. Then, RMA Myanmar can have a deeper understanding about the perception of employees towards the HRM practices offered by the organization and update the HRM practices in order to gain more commitments and job performance of the employees.

## **1.2 Objectives of the Study**

The main objectives of the study are:

1. To examine the effect of HRM practices on organizational commitment of employees at RMA MYANMAR Co., Ltd
2. To analyse the effect of organizational commitment on job performance of employees at RMA MYANMAR Co., Ltd

### **1.3 Methods of the Study**

This study only focuses on HRM practices that effect on commitment and job performance at RMA Myanmar Co., Ltd. Analytical research method was used in this study. Regarding data, both primary and secondary data were used in this study.

Among 323 employees of RMA Myanmar Co., Ltd, 120 employees are randomly selected with simple random sampling method that offers ease of use and accuracy of representation. Primary Data are collected from 120 respondents through structured questionnaires. Secondary data are gathered from previous research papers, relevant textbooks and reports of RMA Myanmar Co., Ltd.

### **1.4 Organization of the Study**

This study consists of five chapters. Chapter (1) is introduction in which rationale of the study, objectives of the study, methodology and sources of data, literature review and organization of the study are included. Chapter (2) describes the theoretical background. Chapter (3) presents the Profile of RMA Myanmar Co., Ltd and human resource practices on organizational commitment of employees. Chapter (4) contains analysis the effect of organizational commitment on job performance of employee in RMA Myanmar Co., Ltd. Chapter (5) presents the conclusion, recommendation and suggestion for further study.

## **CHAPTER 2**

### **THEORETICAL BACKGROUND**

This chapter presents with the theoretical background of HRM practices and describes the relationship among HRM practices, organizational commitment and job performance. This chapter also presents previous studies and conceptual framework of the study.

#### **2.1 Human Resource Management (HRM)**

Human resources are considered as the most important asset of an organization and human resources management function plays a vital role for organizations to gain competitive advantage. Several studies have shown that human resources management (HRM) practices have an impact on performance and competitive strategies of organizations. Taking into account that human resource management (HRM) has a strategic role for organizations; it is possible to say that the design of HRM functions and practices should also be aligned with the expectations of employees. Keeping employees committed to the organization is one of the most important priorities for many contemporary organizations. Especially in times of crises and job cuts, committing top performers to the organization becomes a challenge and organizations, which fail to accomplish this, will have reduced resources for the capability of competing in the future. Organizational commitment is one of the main reasons for these successful employees to stay in the organization (Neininger et. al. 2010).

The speedy change of general factors such as economical, globalization, technology and legal affect on the organizational If the employees have positive view and effort for the company, there will be positive impact from those changes. On the other hand, if the employees have the bad attitudes to those changes, organization could not perform well and will get employee's negative behaviours such as high turnover rate, job disaffection, and absence of employees. In order to achieve good results, organizations will need to retain its best talents to get competitive advantage by motivating employees. HRM practices offered by the organization has played a major role to increase motivation and commitment of the employees since effective HRM practices could arouse commitment of the employees.

The objective of the study is to find out if there is any relationship between HRM practices and commitment of the employees. To find out the result, the literatures of HRM

practices and organizational commitments are studied. In additions, the researcher used the empirical research from Turkey as the reference paper to find out the intended relationship between HRM practices and organizational commitment dimensions. It is found that there is a medium or strong level relationship between HRM practices and organizational commitment dimensions of employees (Shrivastava, 2012).

## **2.2 HRM Practices**

Human Resource Management could be defined as the strategic approach of the management to retain its most valuable employees. Organizations try to achieve the organizational goals and mission by the efforts of individuals and teams. Thus, organizations offer reasonable HRM practices to satisfy the employees and get commitments of the employees. If the management pays attention to the HRM practices to get the best from the employees, people will work hard to achieve the common goals. HRM system consists of interconnected actions, processes and function for developing, retaining and attracting the talents Lado and Wilson (1994).

A good HRM system contains practices, which improve the skills and capabilities of employees, empower employees and allow employees to participate in strategic decision making (Applebaum et al., 2000). Therefore, it may be concluded that any practice that deals with enhancing competencies, commitment and culture building can be considered an HRM practice. HRM practice can be remarked as the form of a system, a process, an activity, a norm, a rule, an accepted or expected habit, or just a way of doing things (Goyal, & Shrivastava, 2012).

Many scholars found out that HRM practices have the effect on satisfaction, commitments, and retention of the employees. Furthermore, those practices also impact on the employee relationship with the employers and the performance of the employees significantly (Edgar & Geare, 2005).

Buck and Watson (2002) did the research to higher education staff and analyzed the factors that influence the commitment of the employees. They studied seven HRM practices that could affect on the organizational commitment. Buck and Watson's system resulted in the following nine HRM practices: decentralization, compensation, participation, training/development, job security, social interactions, leadership style, communication, and performance appraisal.

### **2.2.1 Decentralization**

Decentralization means transferring authority and responsibilities to the person who is closest to the operation so that there will be smooth and quick response. Decentralization and centralization is the extent of how high or low the authority is passed in an organization levels (Heady, 1996). Decentralization can unleash creativity for employee to make innovation because it gives them control of their own action. It can also unite the systems in an organization if it is properly coordinated and controlled (Iwe, 2006).

Decentralized organizations could respond quality according to the needs of the customers or the situations of the markets than those of centralized organizations where authority is held by the management at the head office. Organizations with decentralization could make logistics, marketing, and manufacturing innovatively or differently and few economies of scale can be found at those companies.

Much of modern management theory tends to stress the benefits of decentralization. According to Kanter (1984), empowering employees is the beneficial to offer more decentralization and allow own decisions without taking approval from top management. It gives delegations to employees for direct control the situations. Such decentralization enriches people's work and improves their motivation and commitment to the organization. It is an essential step if the organization is to develop a flatter structure. Decentralization also allows decisions to be taken close to the point where operations are being carried out, so that they are more likely to be influenced by the practical problems faced by the staffs who have to carry them out, and the customers whose needs are to be served. This closeness to the customer and to the supplier provides its own control mechanism, as personnel who are directly dealing with situations also have the authority and responsibility to make decisions that have an immediate effect on their everyday life and effectiveness.

### **2.2.2 Compensation**

Compensation has been defined in several views. Plachy (1998) usually defines compensation according to their individual perspective and the aspect of the phenomenon of most interest to them.

Compensations contains pay plus benefits including long term and short term, and perquisites such as vacations, pension plans, and airlines-club memberships, and intangibles such as training and promotion opportunities.

Henderson (1997) also stated that compensation is the result of conversion, transferring and allocation of the revenues of the organization to its employees for their work and efforts. Monetary compensation refers to salaries or wages given to the employees in the form of money, or a form that is quickly and easily transferable to money at the discretion of the employee, while in-kind claims on goods and services made available and paid for either totally or in some percentage by the employer. Employees often have little or no opportunity for non-cash remuneration.

Rivai et al. (2005) mentioned that compensation can be used to attract good talents to join the organisation, retain good talents, achieve competitive advantages, motivate employees to achieve high-performance results, compensate employees based on legal requirements, help companies in their strategic goals, and create a solid organisational structure and its function. Hasibuan (1997) stated that organizations offer compensation to reinforce the relationship between employees and employers. He also stated that compensations could also improve employee satisfaction and their job performance. In additions, compensation could promote effective employee procurement, motivation, stability, employee discipline, strengthen labour union relation and regulation compliance.

According to Mathis & Jackson (1988), the three specific types of compensation are pay, incentives, and benefits. Pay refers to the basic wages or salaries that the employees receive for their service. Compensation refers to the forms, containing commissions, bonuses and profit sharing, designed to motivate employees to produce results beyond normal expectations. Health insurance, vacation pay, or retirement pensions are kinds of benefits.

### **2.2.3 Participation**

Participation can be defined as the expected involvement and individual knowledge sharing and responding or community knowledge as a whole. People love to participate at important decisions of the company as they feel that company give them the chance and trust their ideas or recommendations. Thus, they feel that participation could allow them to make common goals that could lead to the success for all stakeholders (Kimmerle et al., 2008).

Wilkinson (1998) state that participation is the initiative for the employee involvement and encourages employees to make the work related decisions without getting approval from their supervisors. Therefore, participation supports organizational dynamics that could establish at the bottom level to get the quick response (Michailova, 2002). Job status, gender, intent to change as well as the perceived supportiveness of supervisors increased participation (Glasgow et al., 1993).

In many cases, managers are encouraged to allow a high degree of employee participation and autonomy to increase workforce commitment. A study on US organizations by Poole, Lansbury, and Wailes (2001) indicates that it is difficult to estimate the prevalence of employee participation at workplaces. Hales (2000) stated that participation is not usually needed to gain commitment toward objectives but having employee participation in the planning can be an effective means of fostering commitment with the organization. Participation can be particularly helpful in developing plans for implementing goal. For these reasons managers often include subordinates in goal setting and in the subsequent planning of how to achieve the goal. It is observed that employee's commitment to the organization is strong among those whose leaders allow them to participate in decision making. The need for employees to be more involved in decisions that affect their work has been a centre of argument in current management issues. Furthermore, employees' knowledge, experience and ideas may improve the business strategy and secure a good practical implementation. In the new forms of participation are often referred to "High-Commitment Work Practices" (HCWP) (Marchington et al., 1992).

Employee participation is considered as a combination of different tools designed to increase employee input of various degrees in managerial decision making like organizational commitment, reduction of employee intention to turnover and absenteeism, increase in productivity and motivation. There has been significant attention from researchers that focus on the manner in which structure affects employee attitudes. Singh (2009) stated that in current dynamic working environment and severe competition, organizations are required to adopt techniques which are flexible, adaptive and competitive due to the competitive pressures and rapidly changing market conditions. More over organizations are realizing that their employees are the most important asset and organization's future depends on more involvement of employees in generating new ideas. The involvement of employees can help in many ways to the organizations looking for creativity, changes in behaviors at work, and in workplace decision making.

#### **2.2.4 Training/ Development**

Purcell (2000) stated that training and development program is the vital for the organization at modern management practice. According to him, training and development program can be defined as a systematic and planned approach to fill the required skill, knowledge and experience to get the effective performance (Garavan,1995). Therefore, organizational training and development is becoming the core element of HR management practices such as recruitment the best talents, training and rewards etc. In additions, training is the mean of providing the necessary skills and knowledge related to the job (Blanchard & Thacker, 2013). When employees have enough trainings for their jobs, they feel more job satisfaction as they could perform their tasks on time. Amador and Villaa (2013) found that training when provided improperly leads to dissatisfaction of employees as the desired skills and job description are not aligned. Training offers many benefits for employees and organizations in terms of productivity of the organizatoin, employee performance and quality (Aguinis & Kraiger, 2009).

According to Aladwan et al. (2015), training and development are very essential from both individual and organizational perspective. Traditionally, organizations provide trainings to fill the gap between the actual performance of the employees and predetermined standard. Nowadays, training and development program is intended to emphasize adaptability, flexibility, and ongoing improvement to make sure that organization could survive and grow in the competitive environment (Nickson, 2007).

Training can be defined as education process where employees could learn new information, re-learn and reinforce existing knowledge and skills, and most importantly have time to think and consider what could be done to improve their skills and performance over time. To convey useful and relevant information for the tasks, organizations arrange to provide effective trainings. Then, employees could use those information at their workplace to finish the tasks effectively and efficiently (Charnov, 2000).

Many Researchers have identified different training methods which can contribute to improve employees' knowledge, skill and competencies. Some of them are on the job training, off the job training, orientation training and career development training.

**(a) Simple On The Job Training**

In this method employees are trained while they are performing their actual job. It is a cost-effective method. The proficient and semi proficient employees can be trained under on-the-job training method (Selmanmusa, 2013). According to Armstrong, (1995), he stated that job rotation, planned experience and mentoring can be used to employees. However, job training has many advantages such as development of specific managerial, teamwork, technical, selling, manual and administrative skills of the employees.

**(b) Off The Job Training**

Employees are being trained away from their actual training environment. Off the job training is mostly used for the new employees and this method is very effective when it is used to train a large number of employees rather than one person (Selmanmusa, 2013). Off the job training methods include lectures, team building, workshops, role playing, case study and vestibule trainings (Ejiogu, 2000, Armstrong, 1995, as cited in Obisi, 2011).

**(c) Career Development Training**

Byars and Rue (2004) stated that organization usually offers career development training in order to develop its human resources to have capabilities to perform well. Career development training can be used to train all levels of employees in the organization and it helps them to prepare for the future responsibilities, changes and new venture creation (Appiah, 2010). Training specifically out of job training makes staff to have developed to higher levels of management (Tharenou, Latimer and Conroy, 1994). Career development contains job rotation, job enrichment, job enlargement and cross trainings (Bandics,1997).

**2.2.5 Job Security**

Employment and organizational durability are examined in terms of creating job satisfaction. Workers should feel that their employment is stable and not threatened now, and in the future. Job security is the belief that one will retain employment with the same organization until retirement (Cascio, 1998).

According to Greenhalgh & Rosenblatt (1984), employees are afraid of job security when they feel threats to their current position. Firstly, people feel threats to their jobs when one may be moved to a lower position at the organization, be laid-off temporarily or to another job at the same level within the same organization. At high level of threat to the job security, the organizations force employees to retire early or fire the employees. If the job loss is permanent, employees will face difficult situation. Furthermore, employees may face job loss when organizations make the change in which the future of whole department or division is uncertain. Secondly, people feel job insecurity because of job features in which employees feel that they could not have job advancement at the organization. Besides, people could not get current salary or higher pay because of job titles. Sometimes, organizational change could affect one's position, freedom at the work, variety of tasks assigned and the significance of jobs. Thirdly, employees will feel low level of job security when there is lack of authority to manage the situations at the workplace. When employees feel no power or authority at their jobs, they feel that their jobs are threatened or insecurity.

People with professions sometimes have high degree of job security than other people. Job security exists when employees feel that they could stay at their current works for a long time if they want to. Adebayo and Lucky (2012) stated that job security is a kind of guarantee offered for the employees to get full efforts of employees. When employees have job security for their current job, they would not look for other job offers.

### **2.2.6 Social Interactions**

Generally, humans are interested in social issues. They exist in a social milieu. Thus, social interaction is a phenomenon that happens when people are in contact with one another. Schaefer and Lamm (1998) defined that social interactions are the acts, actions, or practices of two or more people mutually oriented towards each other. Social interaction is not defined by type of physical relation or behavior, or by physical distance. Social interactions refer a mutual subjective orientation towards each other.

Psychologists believe that one's mental health, physical health, and mortality risk could be significantly affected by the basic human need including interpersonal relationships (Umberson & Montez, 2010). Generally, human physiological systems have positive relationship with social interactions. Social interactions play vital role in human's wellbeing that could affect positively on employee engagement. Organizations that could do high level

of employee engagement could achieve lower cost for running the business, improved business performance, lower staff turnover and absent rates as well as fewer work related accidents (Gallup,2015). Organizations care employees directly by providing aid such as assistance to daily interactions and individual care for improving social interactions at the workplace or through the organization (Bogenschutz, et al., 2015).

At the macro-level of analysis, the focus is on the properties of large-scale, society-wide social interactions: the dynamics of institutions, classes, or whole societies. The macro therefore extends beyond the immediate milieu or direct experience of individuals. On the other hand, negative social interactions, such as workplace incivility, show a strong connection to work-related negative outcomes, such as exhaustion or intention to quit. A significant time for the appearance of social interaction concerns in daily life and children vulnerable to social anxiety were stated to have the tendency to develop unhealthy social interaction patterns that they may sustain throughout their lives (Campbell, Bierman & Molenaar, 2015).

### **2.2.7 Leadership Style**

Leadership is very important for the success of the organization. Behaviour, traits, interaction patterns, influence over the subordinates and role relationship contribute the leadership style. Leadership could also be classified by perception of others and occupation of an administrative position (Yukl, 2006). Stogdill (1974) defines leadership behaviour as the approach leaders use to influence a group of people towards the accomplishment of goals.

Leadership could exist when there is an interaction in the group involving the perception and expectations of the group members, and a structuring and restructuring according to the industry's situation. According to Bass (1990), three main components, leaders, followers and their interaction, are related to the leadership style (Dansereau, Yammarino, & Markham, 1995). Popular leadership styles include democratic, autocratic and laissez-faire. Nobody could identify which leadership is the best since leadership style is changed according to the situations and leaders apply its style accordingly. A particular leadership style is not fixed for every situation. Therefore, the experience, traits and knowledge of the leaders will change the leadership style depending on the different situations to get the desired goals effectively and efficiently. Leaders guide, motivate and coordinate the followers to achieve the common goals. Followers could use the best of their efforts and strengths to get synergy for common goals under appropriate leadership. The interacting style of leaders with

subordinates strongly affects on the job and personal satisfaction of the people. Thus, it could affect the psychological state of followers, which attach to leaders and organizations. Feelings of the followers are mainly influenced by different leadership styles such as supportive, directive, achievement-oriented etc. According to House (1996), different leadership styles produce the different results based on the feeling of the followers towards the approach of the leaders. Some followers prefer directive leadership style while others may perceive it as suppressed or restricted.

The characteristics of the leaders relating to the situations can be referred to as the leadership styles. According to Hersey, Blanchard and Johnson (1996), the behaviour of the leaders is called leadership styles particularly in the field of organizational leadership. The styles of a leader may not be separated from the circumstances and what it requires.

For example, Hill (2012) did the research on 124 supervisors about the leadership styles they used across the situations. He found that 14 percent of supervisors used a consistent style over four different circumstances. In contrast, political leaders sometimes show a particular image to the supporters. Thus, many people view political leaders using the same style over time (Hollander,1978).

Leadership styles describe the characteristics of the leaders who support enhancing the performance of the employees and organizational success. The leadership style and the economic success of the organization are related according to Gebert and Steinkamp (1991). McDonough and Barczak (1991) supported this view by stating that leadership styles affect the product development stages as leaders contribute to every stage.

Dawson et al. (1972) stated that it is interesting whether leadership style affects the performance of the employees. Szilagy (1980) argued that the leadership style of the superior affects the commitment and performance of the subordinate.

### **2.2.8 Communication**

For every organization, communication is very important to get efficiency and improve the performance of the organization. Effective communication among stakeholders enables quick response to certain issues by sharing information and knowledge among team members. Thus, communication is an inevitable aspect of organizational functioning (Almajali et al., 2016).

Professionals and researchers are finding ways to improve communications through the organization. They want to focus on how they could use communication channels effectively to achieve the better financial performance of the organization (Masadeh et al., 2015). Duhaish et al. (2014) stated that newspapers, reference groups, weekly meetings, or bulletins are effective communication tools used to share or update the current status or progress of the organization to all team members. Ritter (2003) mentioned that communication plays an important role for valuing the intangible assets of the organization. Communication across the organization is related to the high degree of organizational performance and services that yield the good financial returns. Therefore, easy access to internal communication is vital for all members to carry out their duties (Tourish & Hargie, 2009).

Communication within the organization can support enhancing the commitments of the employees as it could accomplish the tasks effectively and efficiently. Communication is also important for work units, supervisors, and perceptions of jobs to follow up the progress and finish the work on time (Postmes et al., 2001).

According to Goldhaber et al. (1978), one of the basic needs of employees is to get enough information about their jobs, strategic decision, and personal, etc. In addition, employees need appropriate communication channels to speak out about complaints and unfair issues at the workplace. Watson (2010) found that many businesses are good at communicating for business matters by communicating well to their employees. Therefore, if the employees have good communication to get information, they could do their best and achieve better performance.

### **2.2.9 Performance Appraisal**

Performance appraisal is a managerial tool to explore the performance of the employees, fill the necessary skills and encourage the employees to achieve the quality of work. It could be also used to improve the capability of the individuals. Thus, most organizations use performance appraisal as a tool to achieve outstanding performance from the employees (Derven, 1990). Winston and Creamer (1997) considered performance appraisal as the system that includes deliberate processes in order to evaluate staff competency by rating and to improve the effectiveness of employees.

Kurt (2004) described that management needs to make sure that the functions and operations of the organization achieve efficiency and effectiveness. Thus, management needs

to evaluate the performance levels of both individuals and organizations by analysing performance appraisals regularly.

Nowadays, organizations rely on performance appraisal to explore the actual competency of the employees. According to Averson (1998), performance appraisal must focus on the organizational goals, strategy, processes, inputs, and outputs. The findings will be useful for many aspects such as reviewing strategy and organizational performance, planning, comparing the performance with those of benchmarks.

Regardless of how organizations expect the result of performance appraisal, performance appraisal could explore the positive or negative result to both employees and management. Handling and improving the performance of the employees are the major issues for every manager in any organization. It is the same as managing the progress, outcomes and financial resources since poor performance of the employees will have a deep consequence towards any organization (Kurt, 2004).

Organizations use performance appraisal with different objectives. Many organizations apply performance appraisal and used it as the accomplishments of the employees in order to reward the best performers. Rewards include bonuses, pay increases, holidays, and promotions. On the other hand, performance appraisal is used to explore the bad performances of employees then organizations give trainings, coaching, counseling, etc. For the extreme poor performance, organizations will give some punishments such as dismissal or pay decreases (Chadbourne 1994).

Performance appraisal is also useful for equal employment opportunities, transfer, promotions, and salary increases. It could be considered as the overall system for managing and monitoring the organization. It could be remarked as the audit system for the performance of employees, teams, departments, and the whole organization (Awosanya & Ademola, 2008).

In many organizations, performance appraisal supports achieving the superior performance of both individuals and organizations (Averson, 1998). According to Applebaum and Butt (1994), those organizations are often appraised as high performers or flexible organizations with high commitment models. Performance appraisal provides a good reference for the organization to recognize and acknowledge the achievements of the employees who contribute to achieving the organizational goals. Organizations make to ensure that there is a transparent system between performance and results based on performance appraisal. Rewarding according to the performance and exploring the weakness are essential objectives

of applying performance appraisal in many organizations. Furthermore, it gives valuable feedback for managers and supervisors to use a framework for evaluating the performance of the employees. Shelley (1999) considered job performance as the formal records of the competency of employees by focusing how individuals accomplish their assigned tasks and responsibilities. She also stated that performance appraisal supports measuring the current performance of the employees and predicting the potentials of employees. In addition, she considers performance appraisal as a system for examining the performance of the employees at a certain time and planning for their future. Performance appraisal is a powerful tool that enables adjustment and upgrades the performance of the employees according to the organizational goals. By applying the performance appraisal, management shows its interest in the performance and development of the employees.

According to Moats (1999), organizations use performance appraisal as a process to evaluate the performance of the employees according to its standards. One of the main purposes of using performance appraisal is to help managers best use of talents in the organization and improve the productivity. If the performance appraisal is used appropriately, it could show how to improve the employees, set guidelines for employees, analyse the effectiveness of employees and take necessary actions such as job design, transfers, hiring new people, promotions, training, and terminations., etc.

In order to motivate staff, develop attitude and behaviour, and change positive relationship, performance appraisal play vital role for both management and employees. Performance appraisal serves as the formal records for the future developments of the employees. To conclude, for managing people and organization effectively, performance appraisal is the main element.

### **2.3 Organizational Commitment**

All organizations rely on the people to perform the operations. Thus, many organizations acknowledge that human resources are the most valuable element of their organizations. Without effective workforce, organizations could not achieve intended goals (Alkalha et al., 2012). The major goal of every organization is to attract and retain the best talents but it is not the easy job. Retaining the employees does not mean the physical presence as some employees are absent minded with their own cases. Lack of commitment of employees will seriously affect the performance of individuals and whole organization. Therefore, to

achieve the best outcomes, commitments of the employees play the crucial element for every organization (Aladwan et al., 2013).

Singh and Gupta (2015) describes that commitment is composed of attachment or loyalty to the organization while Meyer and Herscovitch (2001) stated that commitment refers to obligation that leads to behaviours. Commitment can be referred to the positive action that yields the benefits towards both individuals and organizations. It is a psychological state of the employees and shows the relationship between employers and employees. Commitment is related to whether people continue to work for the organization or not with their best efforts (Altinoz et al., 2012). According to Meyer et al. (2012), commitment refers to the psychological state that attaches employees to the organizations.

Chiu and Ng (2015) mentioned that job characteristics and commitments of the employees are interrelated. Complexity, autonomy, challenge, and certain work experiences affect on the psychological behaviour of the employees. Chiu and Ng (2015) found that culture, organizational justice, communication and attachment impact on organizational commitment. According to Su et al., (2009), job performance of the employees, turnover rates and acceptance of change are influenced by the organizational commitment. Bell-Ellis et al., (2015) support above view by stating that higher commitment is related to lower absenteeism and turnover. In addition, organizational commitment increases the higher quality, productivity, acceptance to organizational change, satisfaction and organizational change while lower commitment leads to low morale and compliance.

Non-committed employees may scare outsiders by describing the organization in negative terms, thereby inhibiting the ability of the organization to recruit high quality employees (Chughtai & Zafar, 2006).

Emotional attachment of the employees, and active involvement of the employees in the organization refer to the organizational commitment. In other words, organizational commitment defines the compliance between the own values of individuals and those of organizations (Swales, 2002). It is also related to the willingness of employees to contribute to the common goals of the organization. If employees feel that they have future in the current organization, they will pay more commitments to the current organizations and have no intention to work at the other companies (Opkara, 2004).

Organizations offer strong HR policies at all levels of the organization in order to motivate, attract and retain employees. In addition, good HR polices could result the higher job

performance and commitments of the employees. According to Maxwell and Steele (2003), social interaction among team members also affect on the commitments of the employees. High level of commitment is the indicator for the HR manager about the good performance.

There are many reasons that employees commit to their organization. Some people have commitment as they like their organization while some people have no reason about their commitment level. It is also found that some give commitment since they have no other choice. Commitment can be classified as affective, normative and continuance commitment (Allen & Meyer, 1990).

### **2.3.1 Affective Commitment**

Affective commitment is defined as a person's positive feelings towards temperament to be showing emotion connected to a company according to (Bell-Ellis et al., 2015). It consists of three main components: loyalty to the organization, identification with the organization, and participation within the organization. (Lambert et al., 2015) pointed that the concept behind this sort of commitment is that people value more highly to stay in the company and wish to do so.

According to motivation (Verkhohlyad & Mclean, 2012), Affective commitment is suggested to be the maximum effective of organizational commitment as it's primarily based on intrinsic, instead than, extrinsic. (Lambert et al., 2015) mentioned that this kind of commitment develops over time as a result of the organization's favourable treatment. Once a person becomes concerned in identifying the organization's value-relevance or grows his or her identity from it, he or she improves affective commitment. (Esfahani et al., 2014) described that workers are taken into consideration dedicatedly if they believe that their employers treats them in an exceeding honestly, respectfully, and supportively.

Affective commitment is influenced by a number of elements to influence the improvement according to research. These elements include everything from organizational and personal characteristics to figure professional experiences. Organizational traits embrace organizational culture and a few organizational-level policies. Most significantly, views of organizational policies' justice and fairness of the structural policies have been shown to play a substantial impact in the formation of affective commitment. Personal traits consist of both demographic and dispositional variables, such as age, gender, and work duration including to characters trends and values.

Affective commitment has been demonstrated to be linked to work experiences. Autonomy, Job difficulty, and the range of talents employed by employees are examples of such variables mentioned by (Wong et al., 2002). Besides, (Aladwan et al., 2013) wrote that it has also been proposed that characteristics such as the type of business, job title, and variety of staff may have an impact on employees' affective commitment.

Affective commitment, defined by (Ellis et al., 2015), has been identified as having the most powerful correlation with constructive organizational and individual results, outweighing the benefits of the continuation and normative components of commitment pointed by (Tornikoski, 2011).

As a result, affective commitment is thought to contribute to less stress, lesser work-family conflict, lesser turnover, lesser absence, developed performance, and elevated organizational citizenship behaviour according to (Rego et al., 2004). Affective commitment is a sort of commitment in which the individual and the organization have a positive interaction due to the fact that they share comparable values (Shore & Tetrick, 1991).

Those who keep staying in their corporations with a robust dedication maintain their place not soely as a result of they require a job, however they enjoy working in that particular place as well by (Meyer et al., 1993).

Affective organizational commitment is defined as "a sturdy perception in and acceptance of the organization's dreams and values; a willingness to exert widespread attempt on behalf of the organization; and a powerful aspiration to keep up membership within the organization," according to Mowday, Porter, and Steers (1982). Pointed by (Allen & Meyer, 1991), individual commitments to the organization's ongoing work are known as continuance commitments. These commitments are typically based on advantages. The individual's view of the expenses of leaving the organization is a prerequisite for continuance commitment to the reaction, and everything that may grow expenses be visible as a prerequisite for continuance commitment.

Individuals earn more benefits and have easier access to resources the longer they work for the business. It can be said that the longer someone works for an organization, the extra advantages they will obtain, the more precise proficiencies they will gain, and the development of personal relationships and a high level of seniority they will achieve in the corporation. Employees depart their positions, as a result, they may lose the whole thing they own and they keep working for the company to maintain their current resources. Furthermore, the

continuance commitment is likewise affected by the quantity or range of the employers' investments (Farrell & Rusbult, 1981).

When companies raise the quantity or size of their investments, the market attraction of competing options decreases, the organization's splendour to personnel boom, and worker commitment may rises. Conclusively, (Meyer & Allen, 1991) described that job happiness has additionally emerge an element that influences employees' commitment to maintain the job. When workers are more content with their career, it indicates that the greater the employee's leaving cost, the more likely the person is to make a long-term commitment and stay with the company.

(Shiva & Suar, 2010) described that the term "continuance commitment" refers to a person's understanding of the costs of departing a company. (Ellis et al., 2015) stated that it is connected with the level of performance necessary to continue a job and the costs associated with quitting the company. When an employee realizes that a person's investment in the organization is at risk, or that there are no other options available, a person develops a commitment to stay with the company (Rego et al. 2004), continuance commitment is formed.

(Lambert et al., 2015) said that social relationships, payment and benefits, retirement plans, proficiencies, and lost chances are all examples of physical, cognitive, and emotional investments. Monetary investments along with salary, bonuses, job security, and retirement money, as well as non-financial investments such as prestige and friendly relationship with coworkers, are two types of investments made in the company stated by (Cho & Huang, 2012). As a result, the worker forms a link with the company since a person is required to do so mentioned by (Lambert et al., 2015).

Employees who have robust continuance commitment to the organization cannot be supposed to make contribution to the employers on the far side what is required to keep their jobs. As a result, this type of commitment could also be negative impact on work behaviors (Rego et al., 2004). Allen and Meyer (2000) confirm this by stating that "in the lack of alternative reasons to stay, people with sturdy continuance commitment can feel specifically offended of the circumstances in which they discover themselves; theoretically, this could contribute to negative work performance."

(Murray, Gregoire, & Downey, 1991) stated that individuals do not leave a company for anxiety of losing welfares, taking salary cut, or not having the ability to seek out another work, according to continuous organizational commitment, which is the opposite of affective

organizational commitment. Then there's the issue of continued dedication, which is determined by one's proficiency and contributions to a company. As a result, there is problem in "giving it up" , and the "opportunity cost" of departing the company or having few or no options is uncertain. Meyer et al. (1993) also said that proficiencies and education do not seem to be simply transfer to other firms, which extend workers' commitment to their existing employers.

Those who maintain a robust continuance commitment to their organization are simply because they require it. Continuance commitment demonstrates financial bonds to the organization primarily supported the expense related to departing the company. Personal sacrifice and perceived lack of alternatives, according to the term "continuance commitment," are two sub-dimensions of this component mentioned by (Dunham et al., 1994). The costs of quitting the business are rise by both personal sacrifice and a perceived lack of career options.

#### **2.3.4 Normative Commitment**

Normative commitment is a sort of responsibility closer to the company in terms of a person's ethical belief that remaining in the company is the proper and moral thing to do. As a result, those people who have a excessive normative commitment stay in the company due to the fact that they believe they should stated by (Stan, 2013). Individuals create normative commitment when they socialize the organization's norms, obtain rewards that cause them to feel compelled to reciprocate, or accept the terms of a psychological contract.

This could be the outcome of the internalization development that employees go through earlier than or after becoming a member of the company mentioned by (Rego et al, 2004). Furthermore, when a person feels faithful to his organization or accountable to employ for the welfares he receives from the work in terms of a wish to repay the institution for its favors, normative commitment can increase according to (Meyer et al., 1993). The employee's belief about a person's obligation to the company is the normative component of commitment. (Wiener, 1982) mentioned that the workers who are normatively devoted to the company continue to work there since "it is the ethical and proper issue to do".

The assumption of normative commitment, according to Wiener (1982), is that the organization is inclined to offer incentives for workers. Before they join or work in the company, staffs are subjected to societal regulative pressure. (Meyer & Allen, 1991) defined that employees will be willing to make normative commitments if they believe that they will

be granted prospect for adhering to societal standards. The normative commitment was viewed in the 1980s as a requirement to remain in the organization proved by (Wiener, 1982). Some academics now accept as true that normative commitment indicates that company and employees are mutually valuable after two decades.

Leadership and culture are two of the most critical aspects that affect how people experience normative commitment. By presenting great levels of moral norms, honesty, and integrity, leadership plays a crucial influence in establishing normative commitment. Workers that have a excessive level of normative commitment are more likely to contribute completely to the company. These contributions, however, are smaller than affective commitment since employees do not have the same level of constant emotion and attention. Additionally, (Allen & Meyer, 2000) noted that workers with normative commitment would possibly sense annoyed of their reactions of indebtedness to the firm, which may impact how they conduct their professional duties.

Employees who occupy high normative commitment can continue in the company because they believe it is the "right and moral" factor to do noted by (Meyer & Allen, 1991). According to Wiener and Gechman (1977), normative commitment to the organization emerges as a result of a set of forces that people experience in the course of their early 29 socialization from family and living background, as well as their socialization as novices to the firm. Furthermore, (Roussseau, 1995) stated that normative commitment may evolve as a result of the "organization's psychological contract" that occurs in the area of both workers and the firm.

## **2.4 Job Performance**

(Byars & Rue, 2000) stated that after a task is completed, job performance is a type of result. (Campbell, 1990) said that it denotes the ranges to which each task is accomplished as well as the completion of organizational laws, expectations, or necessities for an authorized position. It is an involvement to the firm's desire that may be quantified in terms of results observed by (Borman & Motowidlo, 1993). Furthermore, job performance is a measure of output that exposes job's number, quality, and value.

When productiveness is excessive, the organization's overall performance is high added by (Schermerhorn, 2000). Besides, (Hsu, 2005) mentioned that job performance, in other words, indicates to an employee's total work results, such as effectiveness, efficacy, and

effectiveness. Three elements influencing job performance, proposed by Blumberg and Pringle (1982), determine enthusiasm to perform, capacity to perform, and chance to perform. Similarly, job capability and expertise, motivation, and position perception are three criteria that influence individual job performance, according to Korman (1977). According to (Campbell, McHenry, & Wise, 1990), job performance is defined as the noticeable manners that workers engage at work that might be applicable to the organization's objectives. In terms of the requirement of excessive productivity in the workplace, firms are fascinated in employee performance (Hunter & Hunter, 1984). Performance criteria have to be considered more focus on results than behaviors (Murphy, 1989) due to the fact that results may lead workers to seek out the fastest path to accomplish the required results, which is possibly to be detrimental to the company due to the fact that different essential manners would no longer be performed. Performance, according to Sager (1993), is not a effect of behaviors, but rather a result of behaviors themselves. Another way, performance refers to the behavior that employees absolutely interact.

Performance, according to Aguinis (2009), is concerning about manners, on the other hand, what workers do rather than what they generate or the results of their job. Performance refers to the ability to put out energy that are provided by organizational guidelines for the purpose of attaining specific goals. Campbell (1990) adds the term "behavior" to the definition of "performance." The employee is the one who has done it. Job performance, according to Beale (2007), is developed by two factors: an employee's capabilities and skills, as well as employee's motivation to do a robust process.

## **2.5 Previous Studies**

Previous researches are essential for the purpose to develop a research concept and research questions. To develop the conceptual framework for this investigation, two major earlier researches were used as a foundation.

### **2.5.1 Previous Studies on HRM practices and Organizational Commitment**

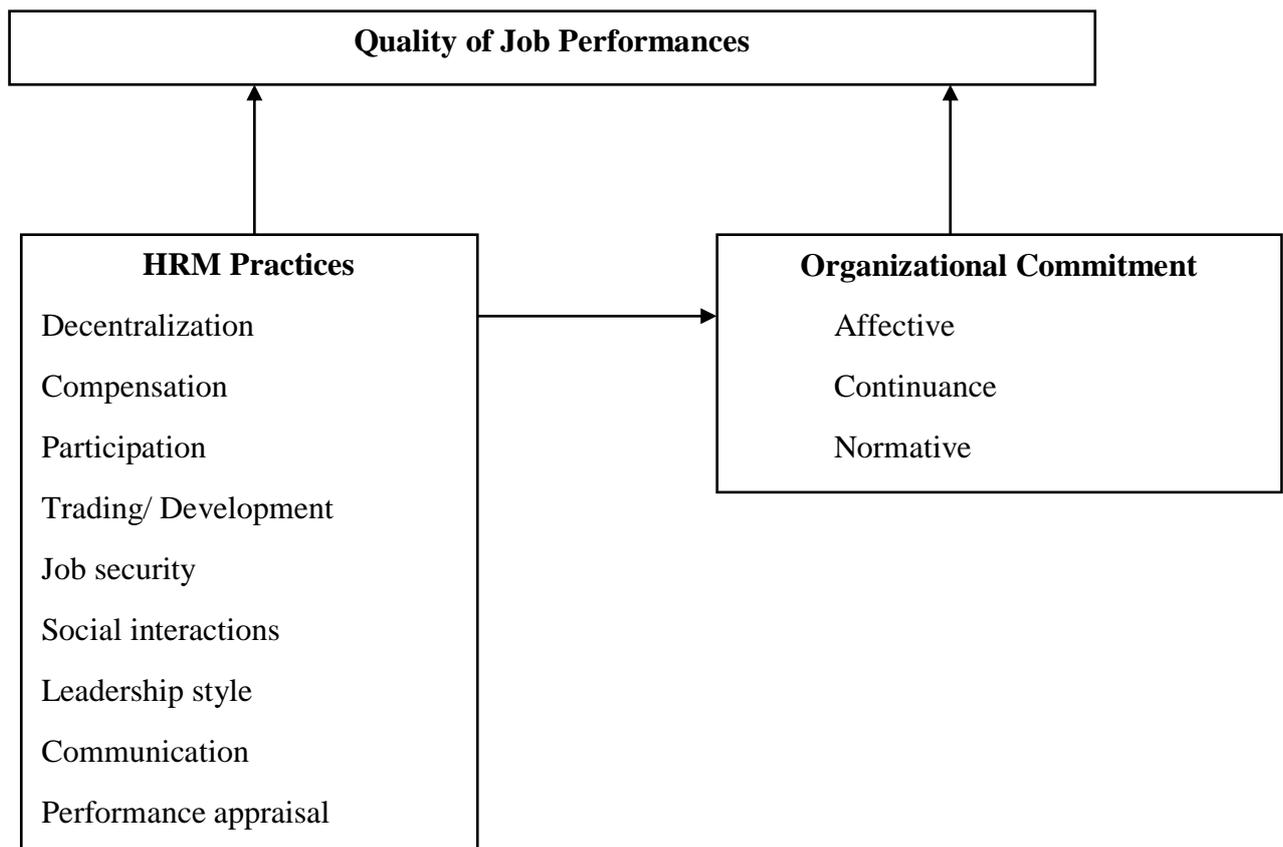
"Human resource management, commitment, and performance relationships in Iran and Turkey" was the title of a study done by Torlak (2018). The goal of this study is to research the impact of how HRM strategies affect organizational commitment and individual work performance in tourism businesses in Iran and Turkey. A study of 440 employees working in

tourism business in both nations was conducted with data collected through interview and e-mail survey. Recruitment and selection, salary, teamwork, work descriptions, training and development, and delegating are all features of human resource management. Compensation, teamwork, job descriptions, delegation, and training and development were the only HRM strategies that had a significant and positive impact on commitment.

Smeenk (2008) investigated which HRM practices influence on employee commitments in the study which was named "An International Comparison of the Effects of HRM Practices and Organizational Commitment on Quality of Job Performances among European University Employees". It also investigates whether or not employee commitment have an impact on the job performance of university workers.

Smeenk (2008) investigated the elements that influence the quality of 1,700 university employees' job performances in low, moderate, and excessive managerialism in countries. According to the findings, there are significant variations as well as a few similarities among the countries in terms of how human resource management (HRM) methods influence the quality of job performance of the workers.

**Figure (2.1) Conceptual Framework of Smeenk (2008)**



Source: Smeenk (2008)

Moreover, it shows that there are significant variances between countries in terms of how HRM practices have an effect on the quality of work performance. HRM methods, according to the study, have an impact on employee commitment. Figure 1 displays Smeenk's conceptual framework (2.1).

Noted by Smeenk (2008), there are significant variances as well as a few similarities between nations in terms of how human resource management (HRM) methods influence the quality of workers' job performances. Additionally, it shows that there are significant variances between countries in terms of how HRM practices affect job performance quality. The studies proven that HRM methods had an impact on employee commitment. Moreover, he came to the conclusion that HRD methods are useful in improving work performance. Finally, he demonstrated that labor commitments are substantially linked to overall workers' job performance.

## **2.5.2 Previous Studies on Organizational Commitment and Job Performance**

In their study, titled "Job engagement as a predictor of employee commitment: evidence from Pakistan," Khan et al. (2010) discovered the effect of organizational commitment on workers' job performance. A total of 153 commercial and public segment workers in Pakistan's oil and gas sector were surveyed for data collection. According to the study's findings, there is a constructive link between employee work performance and organizational commitment. Normative commitment out of the three characteristics of organizational commitment, had the most favorable and important effect on workers' job performance.

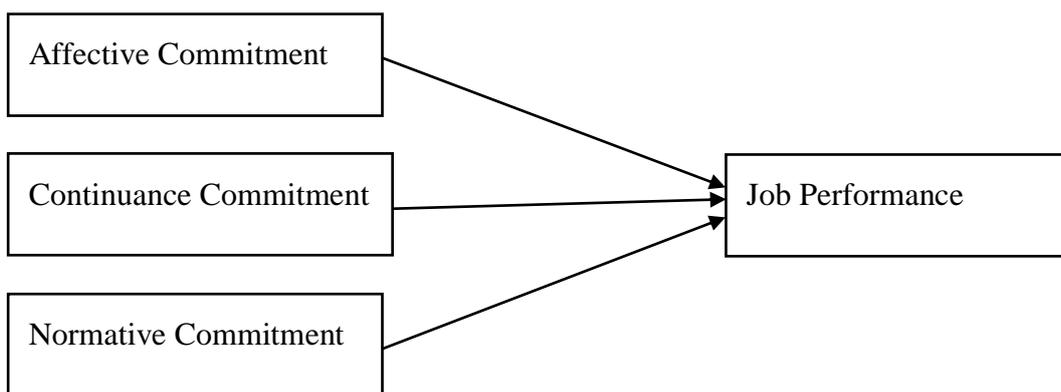
To analyze and explore the connection between organizational commitment and individual performance, Adnan (2018) conducted research titled "To Evaluate and Study the relationship between employees' commitment and individual performance." The data for the study was gathered with the help of questionnaires sent to 100 employees of Kansai Paint in Pakistan, and the data was examined by using SPSS testing. Affective commitment, continuation commitment, and normative commitment all have tremendous effect on individual performance, according to the study's findings.

In his study titled "Studying the impact of the organizational commitment on the work performance," Rafiei (2014) discovered the connection between organizational commitments

and employee job performance. The goal of this study was to see the impact of three types of organizational commitment on employee performance: Affective, Continuance, and Normative commitment. Using a single-stage cluster sampling method, the survey was conducted to 244 employees of the Markazi Province's Department of Cooperatives, Labor, and Social Welfare. A standard questionnaire was employed in the research. Rafiei (2014) have done conceptual framework which is depicted in Figure (2.2).

**Figure (2.2) Conceptual Framework of Rafiei (2014)**

### **Employee Commitment**



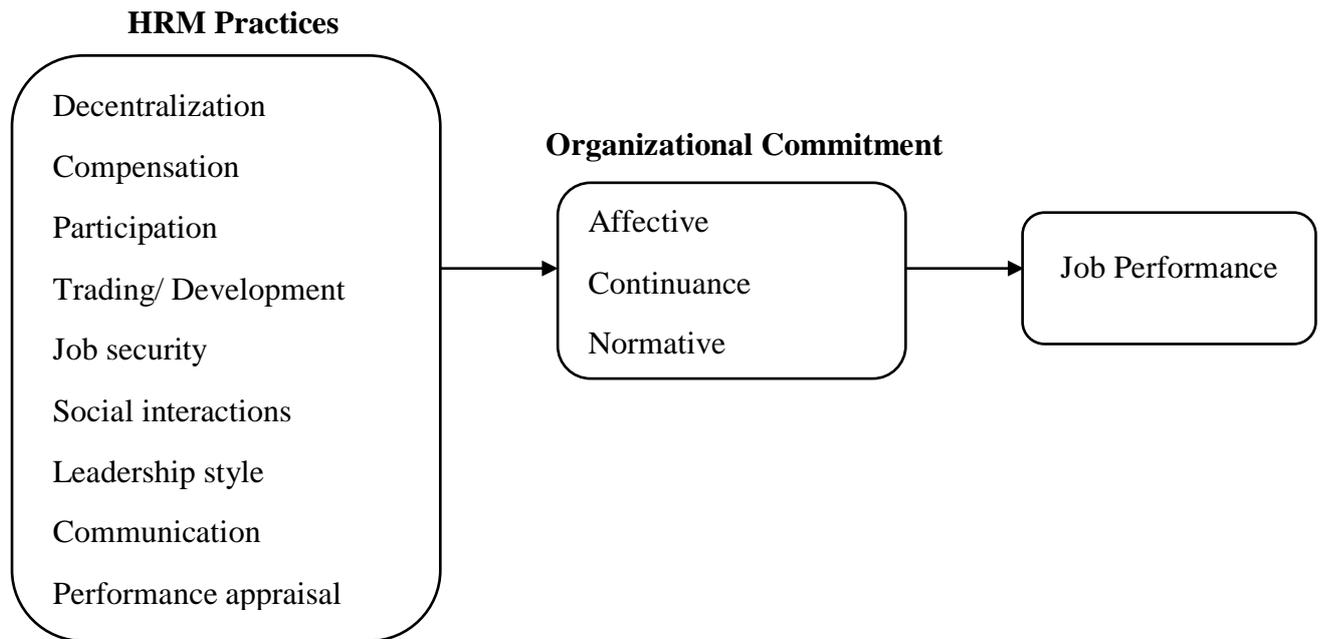
Source: Rafiei (2014)

The study found that organizational commitment has a positive significant effect on work performance, according to Rafiei (2014)'s correlation test. Furthermore, all three aspects of organizational commitment consisting affective, continuity, and normative commitment, had a positive significant effect on job performance, according to the study.

## **2.6 Conceptual Framework of the Study**

The conceptual framework of the study is constructed as showed in Figure based on the above mentioned literature reviews and past research (2.3).

**Figure (2.3) Conceptual Framework of the Study**



Source: Own Compilation (2021) adapted from Smeenk (2008) and Rafiei (2014)

The conceptual framework of this study, as shown in Figure (2.3), is based on earlier research of Smeenk (2008) and Rafiei(2014). Participation, decentralization, compensation, training/development, work safety, social relations, leadership style, communication, and performance appraisal are among the nine HRM strategies examined in this research. Affective, continuance, and normative commitments are the three types of organizational commitments.

The purpose of this research is to explore if there is a link between HRM practices and organizational commitments. It also investigates the impact of organizational commitment on work performance.

## **CHAPTER 3**

### **PROFILE AND HRM PRACTICES OF RMA MYANMAR CO., LTD**

The RMA Myanmar Co., Ltd. is presented in this chapter, as well as its organizational structure. It also discusses RMA Myanmar's HRM practices. In this study, the HRM practices consist of decentralization, compensation, participation, training/development, job security, social interactions, management style, communication, overall performance appraisal. In addition, according to the survey result, this chapter additionally offers profile of the respondents.

#### **3.1 Profile of RMA Myanmar Co., Ltd**

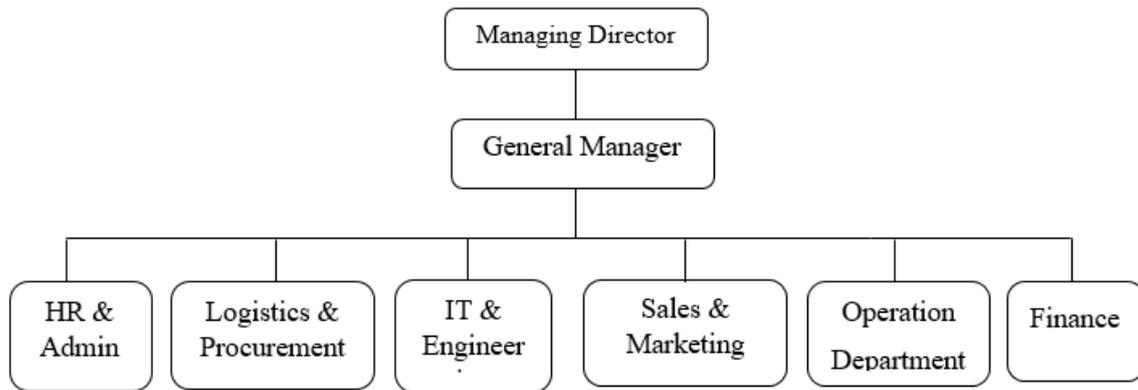
RMA Myanmar is a multi-national corporation that specializes in infrastructure and automotive products and services, as well as heavy machinery, generators, and food. RMA set a head quarter in Bangkok, Thailand. There are more than 7,000 employees working at the RMA group of companies operating in six regions. Those regions include America, Africa, Asia Pacific, Europe, Central Asia and Middle East and RMA Group have been operating in 17 countries.

RMA Myanmar was established in 2012 and the business divisions include restaurant franchises, sales and service and parts distribution, automotive manufacturing, agricultural, industrial and engineering services, as well as power equipment distribution. RMA Group, in partnership with CDSG, formed Capital Automotive which owns the Ford, Jaguar Land Rover and John Deere business and owns a custom-built Ford assembly plant. In order to produce the Ford vehicles in Myanmar, Ford global company approved assembly plant. The company and all its divisions have 323 employees.

#### **Organizational Structure of RMA Myanmar Co., Ltd**

HRM and Administration, Finance, IT & Engineering, Sales and Marketing, Logistics and Procurement are the five primary departments that make up the organization. Figure (3.1) depicts the RMA Myanmar Co., Ltd. organizational structure.

**Figure (3.1) Organization Structure of RMA Myanmar Co., Ltd**



Source: RMA Myanmar Co., Ltd, 2021

RMA Myanmar Co., Ltd. is divided into five primary departments, as shown in Figure 3.1. Each department operates in its own unique activities. Likewise, the managing director has direct supervision over the general manager.

**(i) HRM and Admin Department**

HR and admin department does all functions relating to the workforce at the company. It is responsible to function all operations according to the local labor rules and regulations. Furthermore, the department focuses labor law compliance, hires best talents, trains employees and offer relevant compensation. Moreover, the department has to monitor the performance of the employees and offers rewards and recognitions according to the performance of the employees. Finally, the department is responsible for the administering the office staff and supplying stationary to all departments.

**(ii) Procurement and Logistics**

Procurement and Logistics is in charge of the structure and efficacy of Purchasing, Logistics, Inventory Management, Warehouse Management, and Distribution. All elements of the company's supply chain policies, objectives, and initiatives will be designed and lead by the procurement and logistics manager.

**(iii) IT and Engineering Department**

This department is in charge of the company's network system as well as engineering projects. It is taking care of the company's social media presence, as well as enhancing marketing and website maintenance. The network plans for the upcoming branches are

commonly calculated by the manager. Moreover, this department needs to strengthen for developing an e-commerce site as well as maintaining so that order to receive orders can be accepted and answer can be made faster.

**(iv) Sales and Marketing Department**

The marketing and sales department acts as the middle agent for production and customers. Setting sales targets, product pricing and planning, speaking with customers, focusing trends, and monitoring competition in the market are the major responsibilities of this department. Similarly, it is in charge of developing appealing marketing and sales tactics in order to meet sales targets and raise market recognition.

**(v) Operation Department**

The operation department is responsible for developing and implementing plans for a variety of projects. Outlining tips for building operations could be part of this. RMA Myanmar offers a wide range of services, including automotive and restaurant franchising. In terms of product quality, the manager should concentrate on quality assurance consciousness. A person is responsible for ensuring that all restaurants are excessive best level, with a focus on customer service, and that all corporate standards and procedures are followed.

**(vi) Finance Department**

The Finance Department performs all financial activities in line with the government-approved accounting system, and the main duties completed by the Finance Department are listed below.

- (a) Close supervision for income and expenditure of the entire organization.
- (b) Internal auditing
- (c) Annual budget ,profit and loss account and balance sheet preparation
- (d) Sending weekly, monthly, and annual financial report to the higher Departments concerned

## Number of Employees in RMA Myanmar Co., Ltd

Table (3.1) shows the number of employees by department of RMA Myanmar Co., Ltd.

**Table (3.1) Number of Employees by Departments**

No	Department	Number of Employees
1	Management + HR & Admin	11
2	IT	4
3	Finance & Accounting	22
4	Sales and Marketing	14
5	Procurement	24
6	Operation	248
Total		323

Source: RMA Myanmar Co., Ltd, 2021

RMA Myanmar has six teams or departments, as shown in Table 3.1. Each department's employment calculation is shown. RMA Myanmar Co., Ltd. employs 323 people at the moment.

## Company Policy

All employees are informed about the company's benefits and compensation rules. Internal regulations are clarified and overseen by the department leader. Employees will understand the significance of guidelines and norms to the company's seamless running. The followings are the general policies and procedures that all employees must follow.

## Working Drive and Hours

According to working practices of the company, all the staff come to work six days a week. The working days of RMA Myanmar are Monday through Friday, excluding public holidays. Working hours for RMA Myanmar are starting from 8:00 a.m. to 18:00 p.m. On weekends, RMA Myanmar is generally closed.

## **Overtime**

On weekdays, overtime is rewarded by receiving 200 percent of the base income. Weekend and holidays overtime are calculated on an hourly basis and compensated with both in leave and cash.

### **3.2 HRM Practices in RMA Myanmar Co., Ltd**

In order to inspire and grow employees, RMA Myanmar Co., Ltd wisely organizes HRM practices for them. RMA Myanmar Co., Ltd was able to increase employee commitment and performance by concentrating HRM practices. Decentralization, compensation, participation, training and development, job security, social interactions, leadership style, communication, and performance appraisal are just some of the HRM practices currently offered by RMA Myanmar.

#### **3.2.1 Decentralization**

Decentralization is implemented by RMA Myanmar Co., Ltd in order to improve product quality and service. It proposes entrusting responsibility to each manager and supervisor in accordance with his or her ability, i.e., he or she should be able to do so without jeopardizing the enterprise's overall purpose and integrity. Delegation of authority and decentralization are applied by the company to improve the company's process. RMA Myanmar Co., Ltd ensures that authorization codes are in place at all levels and that workflow is flexible at times.

Delegation holders are accountable for the followings:

- a thorough understanding of the approval process;
- The data and related documentation are correct and thorough;
- The transaction or action is acceptable, rational and justified;
- The transaction is charged to the correct project(s) / account(s);
- There are sufficient funds to cover the cost; and  
The source of financing is appropriate for the spending

### 3.2.2 Compensation

RMA Myanmar pays employees a wage based on their rating. Employees are paid differently according to their position. RMA Myanmar Co., Ltd. offers a wide range of salaries to its employees, as shown in Table 3.2.

**Table (3.2) Salary Range on Different Grading of RMA Myanmar Co., Ltd**

Job Level	Grade	Min	Max
Operator / Crew Level	7	124,000	237,000
	8	161,000	306,000
	9	193,000	366,000
	10	247,000	469,000
Executive / Officer Level	11	328,000	622,000
	12	438,000	833,000
	13	563,000	1,070,000
Manager/ Senior Executive Level	14	752,000	1,429,000
	15	999,000	1,798,000
	16	1,279,000	2,303,000
	17	1,699,000	3,058,000
General / Country Manager Level	18	2,270,000	4,086,000
	19	3,054,000	5,497,000
	20	3,921,000	7,057,000

Source: RMA Myanmar Co., Ltd, 2021

RMA Myanmar offers four different career levels, each with its own salary range. HR officials and management offer candidates appropriate salaries based on the grading at each level of the career. The salary is determined by RMA Myanmar in terms of the employees' and firms' duties. There is no ambiguity in making a compensation offer to a possible applicant when referring a salary chart.

### **3.2.3 Participation**

When making strategic decisions or solving challenges, RMA Myanmar allows employees to express their thoughts and opinions.

Participation allows employees to speak out their ideas or knowledge at the meetings so that management could consider those ideas at the decision making about setting goals and mission, determining work schedules, proposing new products ideas, etc. In additions, participation allows people to share their knowledge, submit their work-related difficulties and give recommendation at the decision-making process. It improves employer-employee relationships and teamwork. RMA Myanmar fosters the atmosphere in which employees may share their opinions and engage in speaking with one another, each bringing their own set of skills to the table. It is also a good way for RMA Myanmar to gather information about the employees as to how they work in a team environment, and where training may be required, all these factors will be supportive for efficiency, and finally will lead to good performance and teamwork.

By allowing participation, employees are willing to take more responsibility and increase morale. Because of participation, employees will consider that management takes ideas and recommendations respectfully. Moreover, to motivate employee participation, RMA Myanmar shares enough information of current status of the company, provides relevant trainings, and offers rewards.

### **3.2.4 Training and Development**

RMA Myanmar understands that in order to improve their capabilities, employees must have the opportunity to gain new skills and knowledge. As a result, the company provides its employees with suitable training and development programs, as well as commitments to their advancement. RMA Myanmar Services Co., Ltd offers the following types of training:

- Leadership Development Program
- Management 101 Training
- Regular English Class
- Performance Coaching
- Positive Attitude & Self-esteem
- Team Building
- Induction Training

- Problem Solving & Decision Making
- Relationship Building
- Communication Skill Training
- Time Management Training

**(a) Leadership Development Program**

Leadership development program is designed with Excom input to enhance the leadership capabilities at all levels across the RMA group. It is an interactive program involving a lot of tools and technique to introduce leadership concepts. It is aimed to develop the leaders to handle all situations under the complex and changing environment so that leaders could lead followers and teams to achieve the vision and mission of the RMA group.

In RMA Myanmar, the LDP was created to provide a disciplined and consistent approach to leadership. The training emphasizes on three key aspects of being a successful and inspiring leader:

- Managing the company
- Training the candidate to be a leader
- Leading Successful Teams

1st Batch of LDP was offered in February 2017, and today, RMA Myanmar Learning and Development Team has provided 8 batches. 98% of RMA Management Team (98 Business Leaders) across all countries where RMA operates have completed LDP.

**(b) Management 101 Training**

Management 101 training offers 2-day program for Supervisors, Team Leaders and managers. This program facilitates and provides new useful theory, knowledge, practice to perform management functions effectively. Moreover, it enables managers and supervisors to get the new idea for improvements and developing a tie-up relationship with all members across divisions.

The main objective of this program is to improve the skills and knowledge of line managers to have the ability to serve as managers and leaders. It also enables middle

management to offer coaching and mentoring that supports synergy effect with corporate values of RMA Group.

**(c) Regular English Class**

RMA Myanmar offers after-work English sessions at the pre-intermediate and intermediate levels to support employees' communication and increase their confidence in the English language. The sessions are taught by native English speakers from a reputable English language school. Employees like studying English at work at the same time also practicing and engaging with one another in class.

**(d) Coaching for Performance**

RMA Myanmar gives formal coaching by external and internal coaches. It develops strong coaching at the organization so that managers and supervisors always welcome subordinates whenever subordinates have the issues. Managers coach employees how to solve problems by carefully listening about the issues and give suggestions.

Managers and supervisors help employees identify big hairy audacious goals. Then they support the subordinates to achieve those goals with a definite timeframe. RMA Myanmar specially offers coaching for the new employees because they need help to setup goals for their careers. The new employees are just freshers in their careers thus they may not know how to choose their career paths. RMA Myanmar always assists employees to have confidence by developing people to acquire their intended goals.

By coaching, RMA Myanmar builds trust among people so that employees feel that their coaches are always available for them in pursuing the goals even when they fail. Coaches always give suggestions and guidelines to learn from the mistakes and encourage to try again.

**(e) Positive Attitude & Self-esteem**

To help employees to reach their objectives, RMA Myanmar offers one-hour training focused on positive thinking and self-esteem. Practical demonstrations are included in the sessions, which are also dynamic, fun, participatory, and focused on group conversations. They

involve in practical demonstrations. Every employee receives the relevant information and necessity documentation during this one-hour workshop.

**(f) Team Building**

For team building, RMA Myanmar sets clear goals and provides suitable activities to assist employees. This training involves guidelines how teams could be successful. In addition, it points out the common pitfalls that could destroy the effectiveness of teamwork so that employees could avoid those factors. RMA Myanmar makes sure to incorporate team building into workplace routines and practices. Teamwork training benefits people to understand each other, develops social skills, and solves the problems among members. In this way, RMA Myanmar builds a firm foundation of purpose, trust and rapport that company can add challenging events to, appropriately and effectively.

**(g) Induction Training**

Induction training provides a thorough introduction training about the company to all new staff. This training is very important for all new people to work well at the new company, and leads to long-term staff retention.

RMA Myanmar carefully designs induction training that covers and introduces the company's present culture, values, and processes. For all new employees, RMA Myanmar organizes induction trainings that include all they need to know. Consider the following scenario:

- Newly hired staff/ employee
- Contract staff/ employees
- Intern staff/ employees

**(h) Problem Solving & Decision Making**

RMA Myanmar designed to inculcate problem solving and decision-making techniques using very well-structured approaches. This training is especially for people to solve the problems and make decisions under any circumstances. It practices people to reduce conventional and habitual actions that are hindered to make effective decision making. In

addition, it then encourages the participants to expand the thinking horizon beyond conventional thinking through a series of games and activities. Trainings includes the main factors needed to consider carefully before making the decisions. Thus, decision making needs a careful analytical skills and knowledge for making decisions.

In this kind of Trainings, RMA Myanmar simulates the previous problems and issues to be solved using very well-structured approaches so that people could get the experience for work-related problem solving practice. The decision-making approach shall be discussed through interactive sessions on decision making undertaken with the participants. This approach helps employees get knowledge and skills of problem solving based on real working conditions.

**(i) Relationship Building**

Relationship building is vital for both individuals and organization to achieve the organizational goals and members need to work harmonically for the common goals. If the people working at the company do not have strong relationship, they could not perform the tasks effectively and efficiently.

Relationship building requires a deliberate, methodical strategy based on open lines of communication, understanding RMA Myanmar arranges workshops in which management, and production employees learn the nature of specific job so that all employees and management could understand each other. This can improve mutual understanding among employees and could improve productivity.

**(j) Effective Communication Training**

Communication apart from the manufacturing industry gets increasingly difficult as manufacturing processes and employees become more technical and specialized. Subject-matter specialists face the difficult undertaking of translating complicated standards and tactics into language that clients can understand – and these who can do so expertly will thrive in the global marketplace.

RMA Myanmar educates all employees at all levels how to speak respectfully among colleagues, a place to report, and how to maintain open lines of communication. In order to complete the assigned task on time, all employees must attend the training and attempt to

achieve excellent communication. RMA Myanmar conducts energetic listening training for all staff, including managers.

**(k) Time Management Training**

Manufacturing is a critical domain for businesses all over the world that need to operate 24 hours a day, 7 days a week in a hassle-free environment. Time management training practices people to have an idea of how to produce the goods under intended time. It includes the constraints of logistic, raw materials, and machine, etc. This is a difficult profession that necessitates effective management across a wide range of operational areas.

RMA Myanmar simulates workshops where a big and diverse workforce, distinct specific manufacturing areas, shift and timetable management, preserving inventory control, resource and raw material management, supervision resources and raw substances and all other principal and minor features are specifically evaluated for efficacy on one primary thing ‘Time’ In the specific world of manufacturing, time management is a true measure of a manager's strengths.

**3.2.5 Job Security**

For both the company and the employees, job stability is crucial. In order to increase workplace efficiency and success, RMA Myanmar develops and publishes a clear job security coverage. In periods of economic expansion, it provides greater employment with more job security. The corporation develops a strategy for evaluating essential roles and workers in the present and future, objectively figuring out excessive achievable internal applicants and establishing methods to assure business continuity for such positions.

The company also announces a future schedule of goals as well as the potential of the employee inside the company. RMA Myanmar outlines specific projects and desires to provide employees with a clear picture of the company's health and a glimpse into their own future.

**3.2.6 Social Interactions**

During break time, RMA Myanmar develops a social zone or a place where staff may unwind. In the office, the company places a few chairs or couches near popular social places.

It performs annual ceremonies to thank staff for their challenging work, has monthly employee appreciation days, and treats the team to a enjoyable lunch after reaching a company target. The company occasionally organizes volunteer events or luncheons with employees from various departments and they do not normally interact, as the matter of the fact that all employees in the organization may get to know each other better. RMA Myanmar encourages coworkers to participate in team building exercises to relax, have fun, and form bonds. Some social interaction ideas contains creating sport teams, escape rooms or social party. RMA Myanmar also let staff to communicate informally via the Whatsapp application. It organizes weekly meetings and 5- to 10-minute morning stand-up dialogue to encourage social engagement in the workplace.

### **3.2.7 Leadership Style**

Leadership has become the vital element that binds the relationship between followers and leaders. By a good leadership, organizations could manage to attain the organizational goals. Nowadays, general environment that could affect the operation of the organization is changing rapidly and competition is high as well. To build the successful organization, effective organizational leadership is essential for the current and future development of the organization.

RMA Myanmar's leaders push employees to put thrust their own interest to occupy the organization's aim. Leaders have a extreme degree of enthusiasm and optimism, and communicate effectively with the purpose of increasing their devotion to the organization's goals and mission. They inspire their juniors by treating them as unique and special individuals with emotional needs that are reached. They also assist their juniors in supporting their skills and their performance. They employ the appropriate communication channels to link the vision and mission to the followers in order to grow a sense of direction in their minds. The leaders of RMA Myanmar set prizes as goals for their staff to get achieved. Leaders keep a close eye on their staffs and recognize their potential working abilities. They frequently take corrective action to assist their juniors in achieving their career aims. The leaders of RMA Myanmar are similar to encourage their subordinates to think critically, question assumptions, and solve problems in order to deal with the issues they encounter on a daily basis. RMA Myanmar aspires to be a choice of employer with a bright and ambitious team dedicated to identifying individuals' potential abilities in a multi-cultural and multinational workplace.

### **3.2.8 Communication**

For each given situation, RMA Myanmar sets up communication channels. It establishes channels of communication among employees by using viber, emails, and landlines. Employees at RMA Myanmar are educated how to communicate successfully in order to complete jobs efficiently. When new employees join the organization, they are taught quickly and effectively for good communication. Furthermore, the organization has intercommunication methods in place, such as a notice board and viber groups, to share new information. The company has emergency hotlines that will respond immediately in the event of an emergency. The Country Manager hosts a breakfast for 20 elected members from all divisions every quarter in Myanmar who are not part of the management teams. The breakfast is provided to examine the company's future direction and milestones, as well as to communicate staffs from various workstations in a fun and engaging activity. Employees will also get the opportunity to ask questions or express any concerns to the Country Manager. Employees could also meet with the Country Manager to discuss their basic principles. Employees exchange how they view such principles , values and what they mean to them.

### **3.2.9 Performance Appraisal**

The company conducts performance reviews in May, September, and at the end of the year, or as soon as possible in January. RMA Myanmar evaluates both team-based overall performance and individual performance while conducting performance reviews. Those performance evaluations are usually forwarded to upper principle management. The HR manager is then asked by upper management to organize reward and trainings totally depending on performance evaluations. Since 2020, RMA Myanmar ahs intended to conduct face-to-face performance reviews twice a year. Supervisors and managers will perform transparent appraisals by conducting the subordinates, putting a greater emphasis on assisting employees through frequent scheduled one-on-one meetings, resulting in increased employee satisfaction. Furthermore, after trainings, the organization frequently conducts self-performance appraisals so that employees can track their own improvement.

RMA Myanmar uses performance evaluations to grow and inspire individuals who help the organization achieve its vision and mission. When reviewing the performance of employees, the corporation restrictedly instruct the supervisors and team leaders to judge honestly and equally based on performance appraisal.

### **3.3 Profile of the Respondent**

Demographic variables such as gender, age, education level, position, salary, and work experience are first offered in order to examine employees' organizational commitment and job performance in terms of HRM strategies. Based on the data, the study presents the frequency and percentage of each respondent's profile. Table (3.3) depicts the demographic profile of the respondents. According to Table (3.3), the majority of employees are female, resulting for 61.7 percent of respondents, are the rest are the male. As a result, women are the majority of RMA Myanmar's workforce.

They are also between the ages of 26 and 30, and they account for 29.2% of the respondents. The second largest age group, comprising 22.5 percent of the workforce, is those between the age of 36 to 40. People older than 50 years make up a small percentage of the overall number of responders, accounting for only 3% of the total. As a result, RMA Myanmar Co., Ltd occupies a large number of young employees.

Graduate degree holders account for 77.5 percent of the 120 respondents, and they make up the majority of the total employees. 6.7 percent of the respondents are undergraduates. Furthermore, employees with a high school diploma account for 4.2 percent of the respondents. 10% of the respondents occupy a master's degree, while the remaining 1.7 percent have a diploma or a Ph.D. Because it includes all employees with various levels of education, this information may be trusted. In general, the greater an employee's educational level, the more positive perception of the company's assistance will be granted.

Various careers have different effects on employee commitment. 72.5 percent of the respondents are the employees in this poll, making them the largest category. Supervisors make up the second largest category, accounting for 15.0 percent of all respondents. Engineers are among the other respondents, accounting for 5.83 percent of the total. This survey reflects the perspectives of all levels of employees because it was completed by three general managers as well. The end result considers that the majority employees of RMA Myanmar Co., Ltd are staff and supervisors, according to the findings.

In terms of income, over 52.5 percent of respondents earn between 250,001 and 350,000 MMK, which represent the majority of the respondents. The employees who got paid between 350,001 and 500,000 MMK, accounting for 13.3% of respondents. Nearly 12.5 percent of employees receive 500,001 to 700,000 MMK, according to the survey. The staffs who earn more than 1,000,000 MMK signify 4% of the total respondents.

**Table (3.3) Profile of the Respondent**

Sr.No.	Particular	No. of Respondents	Percent
	Total	120	100.0
1.	Gender: Male	46	38.3
	Female	74	61.7
2.	Age : 20-25 years old	17	14.2
	26- 30 years old	35	29.2
	31-35 years old	24	20.0
	36-40 years old	27	22.5
	41 to 50 years old	14	11.7
	Above 50 years old	3	2.5
3.	Education : High School Student	5	4.2
	Undergraduate	8	6.7
	Graduate	93	77.5
	Master	12	10.0
	Other	2	1.7
4.	Position: GM	3	2.50
	Manager	7	5.83
	Supervisors	18	15.00
	Staff	87	72.50
	Other	5	4.17
5.	Income : 144,000 - 250,000 MMK	12	10.00
	250,001 - 350,000 MMK	63	52.50
	350,001 - 500,000 MMK	16	13.33
	500,001 - 700,000 MMK	15	12.50
	700,001 - 1,000,000 MMK	9	7.50
	Above 1,000,000 MMK.	5	4.17
6.	Experience : Less than 1year	24	20.00
	1- 3 years	58	48.33
	4 – 7 years	23	19.17
	8 - 10 years	7	5.83
	Above 10 years	8	6.67

Source: Survey Data, 2021

Within the 120 respondents, 48.33 percent have worked for one to three years and contribute the largest quantity, while 20.00 of the total who have worked for less than one year and contribute the second biggest portion. People who have worked for over ten years that make up the minority group of 120 workers. The poll is completed by people with a variety of work backgrounds, and the statistics may signify all groups of employees in RMA Myanmar Co., Ltd.

## **CHAPTER 4**

### **ANALYSIS ON HRM PRACTICES, ORGANIZATIONAL COMMITMENT AND JOB PERFORMANCE IN RMA MYANMAR CO., LTD**

In the analytical section, analysis on the relationship of HRM Practices and organizational commitment on job performance of RMA Myanmar Co., Ltd. are included. In this research, regression model is used in order to find out the relationship HRM practices on organizational commitment. Furthermore, it analyses the relationship between organizational commitment and job performance by surveying 120 officials from RMA Myanmar Co., Ltd in Myanmar.

#### **4.1 Analysis on the Effect of HRM Practices on Organizational Commitment of Employees**

In this study, HRM practices affecting on the commitments of the employees at RMA Myanmar Co., Ltd are analyzed by using the structured questionnaire. In order to find out which HRM practices affect on employee commitment, five-point Likert scale (1: strongly disagree, 2: disagree, 3: neutral, 4: agree, 5: strongly agree) is used in the structured questionnaire.

##### **4.1.1 HRM Practices**

In this study, nine HRM practices of RMA Myanmar Co., Ltd are analysed by collecting with structured questionnaire from 120 selected employees of RMA Myanmar Co., Ltd. The findings are presented in Appendix-A.

###### **(i) Decentralization**

Decentralization is important for every organization in order to finish the tasks quickly and to improve commitment of the employees as employees are motivated if they have authority and right. As shown in appendix (A), most employees could determine task ordering which work to do first and this factor get the highest mean values 4.22 as employees are not forced about how to do tasks all the time and they could enjoy their task flow. Moreover, many

respondents have enough authority and rights to perform their tasks and they do not need to get approval from superiors for every issue. It is also found that employees get enough information for their tasks as RMA Myanmar Co., Ltd allows to access or give relevant data to perform the assigned tasks by giving authority codes. Thus, employees do not need to ask or request permission from supervisors for small matter. Many respondents also express that they are not monitored by supervisors as RMA Myanmar Co., Ltd gives enough trainings and developments for employees. The overall mean score for decentralization is 3.96 that most employees feel that they get moderate level of delegation from RMA Myanmar Co., Ltd.

## **(ii) Compensation**

Employees will be happy and give commitment when they feel they have relevant compensation for their job. Compensation becomes important as there is strong competition in the industry to get good talents. It is important to find out the perception of employees regarding their compensation.

For compensation analysis, most employees express that they get their compensation on time as RMA Myanmar Co., Ltd arranges to pay salaries and benefits without delay because it gets 4.06 highest mean value among five questions. Many employees feel that salaries given by RMA Myanmar Co., Ltd are fair and relevant as the company thoroughly offers the salaries by looking at those of other companies in the industry. Thus, they consider the compensation is relevant to their jobs and responsibilities. Moreover, many employees think compensation of RMA Myanmar Co., Ltd is attractive and meet their needs as the overall mean score for compensation is 3.76 that most employees believe that they get reasonable compensation from RMA Myanmar Co., Ltd.

## **(iii) Participation**

Participation help employees feel motivation and commitment to their organization. It is beneficial for the growth of the organization and mission accomplishment. When an organization does this, it helps build trust, employees feel valued, and their commitment and performance could be more likely to increase. It is important to find out the perception of employees regarding the participation allowed by RMA Myanmar Co., Ltd. As presented in appendix (A), most of the respondents could discuss work related problems with their supervisors and this factor gets the highest mean score by 3.74 because RMA Myanmar Co., Ltd allows employees to express their opinions and problems openly at the meetings or directly

to the supervisors. . It is found that supervisors used to welcome employees to participate in the meetings and decision making. In additions, employees have the opportunity to participate in decision making concerned to their jobs as the management takes ideas and suggestions from employees who are actually handling the tasks Finally, many respondents are allowed to participate highly which will lead to high commitments. To conclude, the overall mean score is 3.57 which means employees feel that they get moderate level of participation at RMA Myanmar.

#### **(iv) Training and Development**

Employees will be happy and give commitment when they have skills and capacity to perform their tasks. Nowadays, there are strong competition and rapid change in the industry. Training becomes essential for both organization and employees. It is important to find out whether trainings and development programs meet the job functions of the employees. As shown in appendix (A), most employees state that trainings and development programs given by RMA Myanmar Co., Ltd support them to perform tasks better and this factor gets highest mean score 4.07 as RMA gives many trainings to employees according to their jobs. Therefore, employees found that trainings are very supportive for their jobs to perform better as RMA Myanmar Co., Ltd thoroughly designs the trainings for each job position. It is found that employees believe that they have career opportunity at RMA Myanmar Co., Ltd since the company provides trainings and development programs such as leadership programs for future leaders. According to the overall mean score 3.87, the findings show that most employees believe that they get enough trainings and development programs provided by RMA Myanmar Co., Ltd.

#### **(v) Job Security**

Job security is the assurance of company to employees about their current position. It is essential for employees to safe their current jobs. If they feel that the company is developing and their job positions are secure, they could give more commitment. It is important to find out whether employees feel the job security at the current organization. As presented in appendix (A) representing the perceptions of the employees towards job security, most employees believe that they have job security as they are doing well their responsibilities. In additions, respondents state that they will have employment durability as RMA Myanmar trains and

develops their people to have more capability. The management makes future goals and vision in order to be competitive in the industry. Moreover, many employees know that their company is a leading company thus they feel safe for their jobs. Furthermore, respondents believe that they could not be replaced by advanced technology or other employees. The overall mean score is 3.54 that indicate employees feel moderate level of job security for their current positions.

**(vi) Social Interactions**

Positive relationships give life and energy to individuals and their organization, whereas negative relationships sap the energy out of them and lead to individual and corporate floundering. Thus, it is important to find out whether employees have good social interactions at work. As presented in appendix (A), most employees do not have the opportunity to interact with the society in RMA Myanmar and the highest mean score is 2.54 as people are busy with their jobs in the workplace. Thus, they do not have opportunity to get more friends or officemates within the company. Although RMA Myanmar sets up social spot or a place, it is a small place in the dining room and employees do not have enough free time to chat during the break time. It is found that many employees are shy to talk in the public as they do not have close friendship with people from other departments in RMA Myanmar. Furthermore, many respondents state that they do not feel so freely talking and attending staff party as they are not used to. This leads them not easy to speak at the public and majority of respondents feel that they are not an important person among friends or staffs in RMA Myanmar as they do not talk a lot each other very often. Thus, the overall mean score is 2.44 as many employees do not have many opportunities to make social interactions in RMA Myanmar.

**(vii) Leadership Style**

Leadership style of the organizations could influence, motivate and supporting people to achieve the common goals of the organizations. It is important to find out whether employees like leadership style or not.

According to the survey, most respondents state that RMA Myanmar leaders are friendly and approachable and this factor gets the highest mean score 3.74 as RMA Myanmar leaders motivate subordinates to develop according to the interests and capabilities of employees. It is also found that respondents perceive RMA Myanmar leaders are fair and give suggestions whenever employees need because the leaders spend time with subordinates in

order to know the ambitions and talents of employees. Furthermore, the leaders usually give rewards fairly based on the performance of employees. The study reveals that leaders allow employees to do the job by their own ways. Respondents state that leaders care and motivate them at the workplace. The overall mean score is 3.57 as many respondents feel that the leadership style of their superior is good.

#### **(viii) Communication**

Communication is a fundamental process for human interaction. If the organization has effective communication channels, employees could perform the tasks better and will satisfy their performance. Thus, it is important to identify whether employees have good perception with the communication channels in the organization.

According to the survey data, it is found that RMA Myanmar arranges enough communication channels and this factor get highest mean score 4.11. The company sets up internet, email, internal communication channel such as Private Automatic Branch Exchange (PABX) system. The respondents know well how to communicate in the organization as RMA Myanmar trains and guides how to use which communication channels for specific task. Moreover, respondents know the updates about the company since the company has bulletin boards, reference groups, new letters and weekly meetings. Respondents acknowledge that RMA Myanmar has communication channels for emergencies as the company offers enough hotlines for those situations. The overall mean score is 3.65 as many respondents feel that they have enough communication system arranged by RMA Myanmar Co., Ltd.

#### **(ix) Performance Appraisal**

Performance appraisal the evaluation of the performance of the employees according to the performance criteria. It is a monitoring tool that organizations use to meet the required standards and intended goals. Based on the performance appraisal, organization usually gives rewards and benefits. However, performance appraisal needs to be transparent and fair evaluation. Thus, it is essential to know the perception of employees towards performance appraisal. As shown in appendix (A), most respondents answer that their line managers help subordinates to improve performance and give guidance as RMA Myanmar leaders always give time to subordinates for guidance and this factor gets the highest mean score 3.98. It is found that employees get feedback when they have questions about performance appraisal. RMA

Myanmar makes transparency as the first priority when dealing with employees. Many respondents admit that they know their current ability and could improve capability because of performance appraisal. In additions, respondents acknowledge that performance appraisal helps in job rotation because the company offers job rotations and job enrichments according to the performance appraisal. The overall mean score is 3.56 as many respondents believe that their performance appraisal system is good as it could improve their potentials.

#### **4.1.2 Organizational Commitment of Employees**

Organizational Commitment by employees is the major driving force for every organization in order to achieve high performance. Organizational Commitment is very important for both organization and employees. The results on the analysis of commitment levels of the employees are presented in Appendix (B).

##### **(i) Affective Commitment of Employees**

This section measures employees' degree of emotional attachment, and sense of belongings towards the organization.

As presented in appendix (B), most respondents feel that any issue related to work is as their own issue because RMA Myanmar leaders allows participation and guides employees to develop. It is also found that employees feel part of the organization. Moreover, most respondents agree that they would like to spend the rest of career at the current organization as they are loyal and they do not seem that they can easily attach to other organizations. RMA Myanmar provides well decentralization, trainings and career development, incentive, and reward system, so most employees are happy and feel that they get compensation for their efforts. In additions, many employees feel strong personal feeling attached to their organizations. Thus, it is found that employees to not want to join other companies even they get greater benefits. According to the overall mean score, most employees have moderate level of Affective Commitment to RMA Myanmar as employees feel part of the company.

##### **(ii) Continuance Commitment of Employees**

This section measures employee's feelings of losing their current positions at the organization. Continuance Commitment means that employees stay in the organization because they do not have any better options.

As presented in appendix (B), many employees feel that staying at the current work is crucial for their career and life because they do not have any better options. Most of the respondents earn many incentives if they could sales according to their sales targets and based on the performance. Thus, respondents think that quitting the current job would be challenging for them as the opportunity cost could be high. Thus, respondents cannot quit the job as this could be personal sacrifice as they have only few options this time. Many respondents are afraid of getting new jobs from other companies as this could lead to disruption at their careers. According to the overall mean score, most employees have somewhat level of Continuance Commitment to RMA Myanmar as employees have difficulty in finding better options.

### **(iii) Normative Commitment of Employees**

Normative Commitment measures employee's feelings of responsibility to stay in the current organization. This is related to the obligation sense of employees to remain in the current organization since the benefits, incentives and developments offered by RMA Myanmar Co., Ltd.

As presented in appendix (B), most employees feel a sense of responsibility or moral obligation to the organization and they have mutual relationship to RMA Myanmar that invests time and money so that they like to remain as a return. Besides, employees feel that RMA Myanmar provides many things for them such as training, incentives, rewards, healthcare, etc. As a result, employees have loyalty to their organization and feel guilty if they quit a job from the Co., Ltd. Similarly, many employees feel that quitting a job is very unethical as the company treated them well by developing. Thus, employees feel that they owe to the organization. As the overall mean score, employees have moderate level of Normative Commitment to RMA Myanmar Co., Ltd.

### **4.1.3 The Effect of HRM Practices on Organizational Commitment of Employees**

This study analyses the effect of HRM Practices on three types of Organizational Commitment in RMA Myanmar Co., Ltd. Each type of organizational commitment is regressed with decentralization, compensation, participation, training/ development, job security, social interactions, leadership style, communication and performance appraisal.

**(i) The Effect of HRM Practices on Affective Commitment**

In this part, this study analyses the effects of HRM practices offered by RMA Myanmar on the Affective Commitment of employees towards their organization. The findings are shown in Table (4.1).

**Table (4.1) The Effect of HRM Practices on Affective Commitment**

Variable	Unstandardized Coefficients		$\beta$	t	Sig
	B	Std Error			
(Constant)	-.013	.086		-.151	.880
Decentralization	.345***	.096	.364	3.596	.000
Compensation	-.030	.084	-.033	-.353	.725
Participation	-.176	.122	-.152	-1.448	.150
Training/ Development	.208***	.070	.220	2.966	.004
Job Security	.267**	.122	.240	2.194	.030
Social Interactions	.233**	.109	.216	2.138	.035
Leadership Style	.014	.080	.014	.182	.856
Communication	.040	.093	.038	.431	.667
Performance Appraisal	.116	.101	.097	1.152	.252
R Square	.979				
Adjusted R Square	.977				
F Value	567.592***				

Source: Survey Data (2021)

\*\*\* Significant at 1% level, \*\* Significant at 5% level, \* Significant at 10% level

According to Table (4.1), the value of  $R^2$  (Correlation Coefficient) is almost 97.9 percent thus this specified model could explain about the variation of HRM practices on Affective Commitment of employees at RMA Myanmar Co., Ltd. The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain 97.7 percent about the variance of the independent variable and dependent variable because Adjusted R square is 0.977.

The variable Decentralization has the expected positive sign and the coefficient of the variable is significant at 1 percent level. The positive relationship means that the increase in Decentralization leads to more Affective Commitment of the RMA Myanmar's employees because they are emotionally attached to the organization as they have more freedom at their

job. In additions, RMA Myanmar trains employees to enable employees according to their own way. This improves motivation and confidence of the employees. Thus, they find themselves successful at respective areas and they feel part of the company.

Training and Development has the expected positive sign and the coefficient of the variable is strongly significant at 1 percent level. The positive relationship means that the increase in Training and Development leads to raise the Affective Commitment of the employees at RMA Myanmar. Regarding Training and Development, RMA Myanmar regularly provides training and development programs for professional developments and task-oriented in order to do the jobs more thoroughly. As the result, most of the employees could perform the task systematically and they find themselves outstanding.

The variable Job Security has the expected positive sign and is significant at 5 percent level. According to the regression result, positive relationship means that the increase in Job Security factor leads to more affective commitment of the employees towards RMA Myanmar Co., Ltd. Regarding Job Security, many employees feel that they have job security as the company announces future projects and current status of the company.

Social Interactions factor has the expected positive sign and the coefficient of the variable is strongly significant at 5 percent level. The positive relationship means that the increase in Social Interactions leads to more affective commitment towards RMA Myanmar Co., Ltd as employees have the chance to chat during break time. RMA Myanmar arranges a social space or relax place at the company where employees could have free talks. Thus, employees could develop close friendship and they feel working with close friends.

The standardized coefficient (Beta) of Decentralization has the largest value (0.364) among nine explanatory variables indicating that Decentralization has the greatest contribution to increase the Affective Commitment of employees when the variance explained by other variables is controlled for.

The overall evaluation reveals that models explain the variation in the awareness of the Affective Commitment of the employees towards RMA Myanmar well because the estimation produced expected signs and significant coefficients for most variables. The increases in Decentralization, Training and Development, Job Security and Social Interactions have the positive effects on Affective Commitment.

In summary, the results show that most factors are not significant at 10 percent level and the main determination of Affective Commitment is found to be Decentralization.

According to the survey findings, Decentralization could significantly raises the Affective Commitment of employees at RMA Myanmar because the company provides delegations with relevant authority thus most employees acknowledge that they could do the tasks more thoroughly and achieve outstanding performance.

Employees believe that RMA Myanmar is the right company for them as the company is doing systematically and has strategic goals. Therefore, employees feel part of the organization and they consider the company problems as their own problems.

**(ii) The Effect of HRM Practices on Continuance Commitment**

This study analyses the effects of HRM practices offered by RMA Myanmar on the Continuance Commitment of employees towards their organization. The findings of the analysis are shown in Table (4.2).

**Table (4.2) The Effect of HRM Practices on Continuance Commitment**

Variable	Unstandardized Coefficients		$\beta$	t	Sig
	B	Std Error			
(Constant)	-.249	.071		-3.489	.001
Decentralization	.306***	.070	.281	4.385	.000
Compensation	.799***	.080	.705	10.009	.000
Participation	-.113	.101	-.082	-1.121	.265
Training/ Development	.174***	.058	.153	2.977	.004
Job Security	.273***	.101	.205	2.689	.008
Social Interactions	-.011	.091	-.008	-.120	.905
Leadership Style	.252***	.066	.208	3.803	.000
Communication	.229***	.078	.180	2.958	.004
Performance appraisal	-.350***	.084	-.245	-4.160	.000
R Square	.990				
Adjusted R Square	.989				
F Value	1186.523***				

Source: Survey Data (2021)

\*\*\* Significant at 1% level, \*\* Significant at 5% level, \* Significant at 10% level

According to Table (4.2), the value of  $R^2$  (Correlation Coefficient) is almost 99.0 percent thus this specified model could explain about the variation of HRM practices on Continuance Commitment of employees at RMA Myanmar. The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain 98.9 percent about the variance of the independent variable and dependent variable because Adjusted R square is 0.989.

Decentralization factor has the expected positive sign and the coefficient of the variable is strongly significant at 1 percent level. The positive relationship means that the increase in Decentralization leads to more Continuance commitment towards RMA Myanmar Co., Ltd as employees could work without close monitoring. RMA Myanmar trains employees give suitable rights to perform by their own ways. Employees may not find this kind of freedom at other companies.

The variable Compensation has the expected positive sign and is significant at 1 percent level. According to the regression result, positive relationship means that the increase in Compensation factor leads to more Continuance commitment of the employees towards RMA Myanmar Co., Ltd. Regarding Compensation, many employees feel that they get fair salary as RMA Myanmar offers attractive salary range by monitoring that of other companies in the industry.

Training and Development has the expected positive sign and the coefficient of the variable is strongly significant at 1 percent level. The positive relationship means that the increase in Training and Development leads to raise the Continuance Commitment of the employees at RMA Myanmar. As employees receive enough trainings, they could perform tasks on time without a lot of stress.

Job Security has the expected positive sign and is strongly significant at 1 percent level. According to the regression result, positive relationship means that the increase in Job Security factor leads to more Continuance commitment of the employees towards RMA Myanmar Co., Ltd. As RMA Myanmar provides enough training, employees know the process and procedures thus they could do their tasks without mistake. In additions, the company announces the progress and updates regularly. Thus, employees feel safe at this company and they do not want to take risk to move to other companies.

Leadership Style has the expected positive sign and the coefficient of the variable is strongly significant at 1 percent level. The positive relationship means that the increase in

Leadership Style leads to more Continuance commitment towards RMA Myanmar Co., Ltd as employees could get coaching and suggestions from leaders for their carrier development. In other organizations, employees are not sure that they could request recommendations from superiors. Thus, employees think RMA Myanmar is the best place for them at the moment.

The variable Communication has the expected positive sign and the coefficient of the variable is strongly significant at 1 percent level. The positive relationship means that the increase in Communication leads to more Continuance Commitment of the employees towards RMA Myanmar Co., Ltd. RMA Myanmar sets up many communications channels so that employees could get required information easily. In additions, RMA Myanmar trains employees about communication channels including for emergencies. Thus, employees know that they could work with full support from the company. They may not get this kind of support from other companies.

On the other hand, Performance appraisal has the expected negative sign and the coefficient of the variable is strongly significant at 1 percent level. The negative relationship means that the increase in Performance appraisal leads to less Continuance commitment towards RMA Myanmar Co., Ltd as employees are afraid of examining them regularly. Employees are worried about their result as the company is practicing carrot and stick method.

The standardized coefficient (Beta) of Compensation has the largest value (0.705) among nine explanatory variables indicating that Compensation has the greatest contribution to increase the Continuance Commitment of employees when the variance explained by other variables is controlled for. The overall evaluation reveals that models explain the variation in the awareness of the Continuance Commitment of the employees towards RMA Myanmar well because the estimation produced expected signs and significant coefficients for most variables. The increases in Decentralization, Training and Development, Job Security, Leadership Style, and Communication have positive effects while Performance Appraisal has the negative effects on Continuance Commitment.

In summary, the results show that most factors are significant and the main determination of Continuance Commitment is found to be Compensation. According to the survey findings, Compensation could significantly raises the Continuance Commitment of employees at RMA Myanmar because the company gives good compensation relevant to job descriptions. In additions, they believe that RMA Myanmar Co., Ltd is good choice for them.

**(iii) The Effect of HRM Practices on Normative Commitment**

This study analyses the effects of HRM practices offered by RMA Myanmar on the Normative Commitment of employees towards their organization. The results of the analysis are shown in Table (4.3).

**Table (4.3) The Effect of HRM Practices on Normative Commitment**

Variable	Unstandardized Coefficients		$\beta$	t	Sig
	B	Std Error			
(Constant)	-.067	.096		-.698	.486
Decentralization	.152	.108	.154	1.415	.160
Compensation	.200***	.079	.202	2.545	.012
Participation	.108	.137	.089	.793	.430
Training/ Development	.306***	.094	.321	3.244	.002
Job security	.357**	.137	.306	2.603	.011
Social interactions	-.079	.122	-.070	-.643	.521
Leadership style	.225**	.089	.212	2.514	.013
Communication	.194*	.105	.174	1.857	.066
Performance appraisal	-.053	.113	-.043	-.470	.639
R Square	.976				
Adjusted R Square	.974				
F Value	490.024***				

Source: Survey Data (2021)

\*\*\* Significant at 1% level, \*\* Significant at 5% level, \* Significant at 10% level

According to Table (4.3), the value of  $R^2$  (Correlation Coefficient) is almost 97.6 percent thus this specified model could explain about the variation of HRM practices on Normative Commitment of employees at RMA Myanmar. The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain 97.4 percent about the variance of the independent variable and dependent variable because Adjusted R square is 0.974.

Compensation has the expected positive sign and is significant at 1 percent level. According to the regression result, positive relationship means that the increase in Compensation factor leads to more Normative commitment of the employees towards RMA Myanmar Co., Ltd. Regarding Compensation, many employees feel that they get fair salary and they feel that they have obligation for this company.

Training and Development has the expected positive sign and the coefficient of the variable is significant at 1 percent level. The positive relationship means that the increase in Training and Development leads to raise the Normative Commitment of the employees at RMA Myanmar. As employees receive enough trainings, coaching and suggestions from leaders, their skills and capability have been improved.

Job Security has the expected positive sign and is significant at 5 percent level. According to the regression result, positive relationship means that the increase in Job Security factor leads to more Normative commitment of the employees towards RMA Co., Ltd. RMA Myanmar provides shares new project information, goals and vision to employees. In additions, company provides continuous trainings and developments to employees. In additions, the company announces the progress and updates regularly. Thus, employees believe that the company is doing well and they know that the company is trying to give job security by finding new projects and business even in crisis time.

Leadership Style has the expected positive sign and the coefficient of the variable is significant at 5 percent level. The positive relationship means that the increase in Leadership Style leads to more Normative Commitment towards RMA Myanmar Co., Ltd since leaders cares employees and gives career development suggestions. In other organizations, employees may not get recommendations from leaders. Employees feel that the company develops them and they want to try hard for this company.

Communication has the expected positive sign and the coefficient of the variable is significant at 10 percent level. The positive relationship means that the increase in Communication leads to more Normative Commitment of the employees towards RMA Co., Ltd. RMA Myanmar sets up many communications channels so that employees could get required information easily and perform their tasks smoothly. Thus, employees perceive that the Co., Ltd arranges communication for smooth operation and employees get good performance.

The standardized coefficient (Beta) of Training and Development has the largest value (0.321) among nine explanatory variables indicating that Training and Development has the greatest contribution to increase the Normative Commitment of employees when the variance explained by other variables is controlled for. The overall evaluation reveals that models explain the variation in the awareness of the Normative Commitment of the employees towards RMA Myanmar well because the estimation produced expected signs and significant coefficients for most variables. Compensation, Job Security, Leadership Style, and Communication have positive effects on Normative Commitment.

In summary, the results show that most factors are significant and the main determination of Normative Commitment is found to be Training and Development. According to the survey findings, Training and Development could significantly raise the Normative Commitment of employees at RMA Myanmar that provides effective training and development by focusing job descriptions. Therefore, employees do not have any intentions to move to other companies since they get good trainings for their development.

#### **(iv) The Effect of HRM Practices on Overall Organizational Commitment**

In this section, this study analyses the effects of HRM practices offered by RMA Myanmar on overall commitment of employees towards their organization. The results of the analysis are presented in Table (4.4).

According to Table (4.4), the value of  $R^2$  (Correlation Coefficient) is almost 99.3 percent thus this specified model could explain about the variation of HRM practices on overall Organizational Commitment of employees at RMA Myanmar. The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain 99.2 percent about the variance of the independent variable and dependent variable because Adjusted R square is 0.992.

Decentralization has the expected positive sign and the coefficient of the variable is strongly significant at 1 percent level. The positive relationship means that the increase in Decentralization leads to more overall Organizational Commitment of the RMA Myanmar's employees since the company develops them and give more freedom at their job. In additions, employees have more confidence and motivation as they could do assigned tasks by their own way. Thus, respondents know they are developed because of RMA Myanmar Co., Ltd.

Compensation has the expected positive sign and is strongly significant at 1 percent level. According to the regression result, positive relationship means that the increase in Compensation factor leads to more overall Organizational Commitment of the employees towards RMA Myanmar Co., Ltd. Regarding Compensation, employees acknowledge that they get fair salary that meets their needs. Thus, the company offers fair salary that motivates employees to give more commitments.

**Table (4.4) The Effect of HRM Practices on Overall Organizational Commitment**

Variable	Unstandardized Coefficients		$\beta$	t	Sig
	B	Std Error			
(Constant)	-.283	.125		-2.258	.026
Decentralization	1.197***	.140	.501	8.533	.000
Compensation	.378***	.123	.165	3.082	.003
Participation	-.249	.178	-.085	-1.398	.165
Training/ Development	.441***	.103	.185	4.298	.000
Job Security	.672***	.178	.239	3.767	.000
Social Interactions	.197	.159	.072	1.237	.219
Leadership Style	.161	.116	.063	1.380	.170
Communication	.197	.136	.073	1.445	.151
Performance Appraisal	-.258*	.148	-.086	-1.747	.083
R Square	.993				
Adjusted R Square	.992				
F Value	1711.707***				

Source: Survey Data (2021)

\*\*\* Significant at 1% level, \*\* Significant at 5% level, \* Significant at 10% level

Training and Development has the expected positive sign and the coefficient of the variable is strongly significant at 1 percent level. The positive relationship means that the increase in Training and Development leads to raise the overall Organizational Commitment of the employees at RMA Myanmar. Employees do not have work related difficulty as RMA Myanmar provides trainings related to the assigned tasks. Thus, employees have more confidence and feel obligations to work hard for the company.

Job Security has the expected positive sign and is strongly significant at 1 percent level. According to the regression result, positive relationship means that the increase in Job Security

factor leads to more overall Organizational Commitment of the employees towards RMA Myanmar Co., Ltd. Employees know current status and development of the company as RMA Myanmar shares new projects information, goals and vision to the employees. Thus, employees could see their company is developing and feel safer about their positions.

On the other hand, Performance appraisal has the expected negative sign and the coefficient of the variable is significant at 10 percent level. The negative relationship means that the increase in Performance appraisal leads to less overall Organizational Commitment towards RMA Myanmar Co., Ltd as employees do not want to get examining them regularly. Employees are anxious about performance appraisal results and they are afraid of getting bad results that could harm their job security.

The standardized coefficient (Beta) of Decentralization has the largest value (0.501) among nine explanatory variables indicating that Decentralization has the greatest contribution to increase the overall Organizational Commitment of employees when the variance explained by other variables is controlled for. The overall evaluation reveals that models explain the variation in the awareness of the overall Organizational Commitment of the employees towards RMA Myanmar well because the estimation produced expected signs and significant coefficients for most variables. Decentralization, Compensation, Training and Development, and Job Security have positive effects on overall Organizational Commitment while Performance Appraisal has the negative effect on overall Organizational Commitment.

In summary, the results show that most factors are significant and the main determination of overall Organizational Commitment is found to be Decentralization. According to the survey findings, Decentralization could significantly raises the overall Organizational Commitment of employees at RMA Myanmar sine the company develops employees and give more delegation and authority. Therefore, employees do not have any intentions to move to other companies since they have career developments and potential at this company.

#### **4.2 Analysis on the Effect of Organizational Commitment of Employees on their Job Performance**

This study analyses the effects of organizational commitment on Job performance of employees currently working at RMA Myanmar Co., Ltd.

#### 4.2.1 Job Performance of Employees

The Job Performance of the employees is crucial for the success of the business. Thus, the performance of the employees at different levels is analyzed based on survey results collected with structured questionnaire. Table (4.5) presents the Job Performance of the employees currently working at RMA Myanmar Co., Ltd.

**Table (4.5) Job Performance of Employees**

<b>Sr.No</b>	<b>Job Performance</b>	<b>Mean Score</b>	<b>Std. Dev</b>
1.	Always completing assigned tasks according to the schedule.	4.09	0.67
2.	Working without supervision when necessary.	4.02	0.70
3.	Always receiving recognition on my work quality	3.96	0.82
4.	Almost no mistakes in my work.	3.48	0.71
5.	Having ability and potential to develop the organization's effectiveness.	4.02	0.77
	<b>Overall Mean</b>	<b>3.91</b>	<b>0.70</b>

Source: Survey Data, 2021

According to the Table (4.5), most of the respondents could accomplish the assigned tasks on time since they have enough experience and RMA Myanmar also provides enough trainings and supports. In additions, most of the respondents could work without close supervision as they have enough delegations and capability in order to perform the work effectively. Respondents state that they seldom make mistakes thus they get recognition from their supervisors and colleagues as RMA Myanmar has transparent performance appraisal and incentive systems. According to the overall mean score, most of the employees state that they feel their performance are good as they get enough professional trainings, and enough supports from the company.

#### 4.2.2 The Effect of Organizational Commitments of Employees on Job Performance

This study analyses the effects of Affective, Continuance and Normative Commitments on Job Performance of employees in RMA Myanmar Co., Ltd. Multiple regression method is used in which employee's job performance is regressed with affective commitment, continuous commitment and normative commitment of the employees. The findings of the analysis are shown in Table (4.6).

**Table (4.6) The Effect of Organizational Commitments of Employees on Job Performance**

Variable	Unstandardized Coefficients		$\beta$	t	Sig
	B	Std Error			
(Constant)	.945	.129		7.324	.000
Affective	.912***	.139	1.005	6.558	.000
Continuance	.247**	.104	.325	2.376	.019
Normative	.336**	.138	.387	2.443	.016
R Square	.894				
Adjusted R Square	.891				
F Value	326.204***				

Source: Survey Data (2021)

\*\*\* Significant at 1% level, \*\* Significant at 5% level, \* Significant at 10% level

According to Table (4.6), the value of  $R^2$  (Correlation Coefficient) is almost 89.4 percent thus this specified model could explain about the variation of three Commitments and Job Performance of the employees at RMA Myanmar. The overall significance of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain 89.1 percent about the variance of the independent variable and dependent variable because Adjusted R square is 0.891.

Affective Commitment has the expected positive sign and the coefficient of the variable is strongly significant at 1 percent level. The positive relationship means that the increase in Affective Commitment leads to raise the Job Performance of employees working at RMA Myanmar. Employees recognize and appreciate the HRM practices of RMA Myanmar and achieve their career goals. Therefore, employees feel that they belong to and part of the

organization. Those employees who have affective commitment work hard for the organization. Thus, performance of the individuals and overall performance of the organization has been improved significantly.

Continuance Commitment has the expected positive sign and the coefficient of the variable is significant at 5 percent level. The positive relationship means that the increase in Continuance Commitment leads to raise the Job Performance of employees working at RMA Myanmar. Employees recognize that it is difficult to get the benefits and supports offered by RMA Myanmar in other companies. Therefore, employees do not want to take risk and there may be huge opportunity cost.

Normative Commitment has the expected positive sign and the coefficient of the variable is significant at 5 percent level. The positive relationship means that the increase in Normative Commitment leads to raise the Job Performance of employees working at RMA Myanmar. Employees acknowledge that the company has developed them and give more delegations thus they have more confidence at work. Therefore, employees feel obligations to work hard for the company.

The standardized coefficient (Beta) of Affective Commitment has the largest value (1.005) among three explanatory variables indicating that Affective Commitment has the greatest contribution to increase the Job Performance of employees when the variance explained by other variables is controlled for. According to the regression result, all three commitments have positive effects on job performance of the employees.

In summary, the results show that all commitments are significant effect on job performance. Among three commitment factors, the main determination of Job Performance is found to be Affective Commitment as employees feel part of the company. Thus, they work hard and always think for the organization how to improve. According to the survey findings, Affective Commitment could significantly raise the Job Performance of the employees at RMA Myanmar.

## **CHAPTER 5**

### **CONCLUSION**

This chapter presents the findings and discussions, suggestions and recommendations and need for further research. Based on the findings, this study suggests and makes recommendations in order to achieve more employee commitment and better performance of the employees.

#### **5.1 Findings and Discussions**

This study is thoroughly done by collecting structured questionnaires from 120 employees who are currently working at RMA Myanmar Co., Ltd. To find out the relationship, the regression analysis is applied to determine the effect of HRM practices and commitment which in turn effect on job performance of the employees.

For affective commitment, decentralization has the greatest impact on affective commitment among nine HRM practices of RMA Myanmar Co., Ltd. RMA Myanmar the employees and give more delegation thus employees acknowledge that they have freedom and authority at their work. It is found that employees feel that they are part of the organization and try hard to achieve the organizational goals. Regression result shows that the more decentralization offered, the more affective commitment would be in employees. Furthermore, training and development has an effect on the affective commitment. It means if there is an increase of training and development, employees will have more affective commitment as the company gives relevant trainings for employees to be skillful at work. Job security has positive relationship with affective commitment. Employees believe that they have employment durability since RMA Myanmar is a leading firm and management has made a lot of future strategic goals and projects. Social interactions also have positive impact on affective commitments as RMA Myanmar provides a social spot where employees could talk freely or make friendship during free time. As employees have strong relationship each other, they are attached to the organization. The regression result show that the more social interactions employees get, the more affective commitment of the employees will be achieved. According to the survey data, majority of the employees have moderate levels of affective commitment towards RMA Myanmar Co., Ltd.

For continuance commitment, among nine HRM practices, compensation practice has most impact on continuance commitment. It means if RMA Myanmar provides more compensation benefits, employees will have more continuance commitment. RMA Myanmar offers good salary when compared to that of local companies. Employees feel that the compensation benefits of RMA Myanmar Co., Ltd is good as the company offers reasonable benefits by monitoring local companies. Thus, employees are afraid of losing those good pay if they move to other companies. It is also found that decentralization has positive affect on continuance commitment as the company allows own way when performing the assigned tasks. The survey data reveals that training and development has positive relationship with continuance commitment as RMA Myanmar provides enough training for the career development. By getting enough training and developments, skills and capability of employees are improved. Employees do less mistake thus they believe that they have job security. Therefore, job security also has the positive impact on continuance commitment. Regression result shows that leadership style is positively related with continuance commitment since leaders give advice and suggestions for career paths. Leaders show fair and equal treatments to all employees. Employees think they could not get that kind of treatment at other companies. It is also found that communication has positive relationship with continuance commitment. RMA Myanmar arranges enough communication channels thus employees have enough information and could perform the work without delay. On the other hand, performance appraisal has negative relationship with continuance commitment. It means the more performance appraisal; the less continuance commitment would be in employees. Because employees do not like examining performance appraisal very often and they are afraid of their performance result. According to the survey data, many employees have moderate levels of continuance commitment towards RMA Myanmar Co., Ltd.

For normative commitment, among nine HRM factors, training and developments is the most influencing factor since employees feel that they get good trainings and their skills and capabilities are improved. Employees feel they have obligation or guilty if they leave the organization. . Thus, employees acknowledge that trainings upgrade their skills and ability. Many employees feel sense of obligation and give their commitment for the organizational goals. If RMA Myanmar makes more organized training and developments, the more normative commitment will be achieved. Compensation has positive relationship with continuance commitment since employees feel that they get fair salary even in crisis time and thank to organization. Employees feel they have obligation or guilty if they leave the organization.

Job security is important for everyone and RMA Myanmar informs employees about updates of the company such as future goals, projects etc. As employees know that company is doing well even in difficult situations like covid and unstable political situations, employees thank to organization. Furthermore, leadership style has positive relationship with normative commitment because leader motivates, guides and develops employees. Thus, employees appreciate the efforts of leaders and they want to pay back their best efforts for the organization. Another factor that has positive relationship with normative commitment is communication. RMA Myanmar spends a lot of money for effective communications by arranging communication channels. The company sets up direct communication channels with superiors and emergency situations. Thus, employees could perform better and rely on those channels. Employees value what company has done for them and they have normative commitment. The more communication efficiency, the better normative commitment would be among employees.

Regarding job performance of the employees, it is found that affective, continuance and normative commitments have a positively significant influence on the performance of the employees. Among these three commitments, affective commitment mostly influence on the performance as employees feel part of the company. If employees have more affective commitment, they will work hard for their organization. Employees believe that they could not get better options from other organizations and they stay at RMA Myanmar Co., Ltd. It means employees continue working for the organization and this also affects on the job performance since they are afraid of losing current good situations and work hard for the current one. In additions, normative commitment also affects on the employee performance as employees perceive what the organization provides them.

## **5.2 Suggestions and Recommendations**

RMA Myanmar could offer better HRM practices according to the findings in order to get more commitment and better job performance of the employees. The company should prioritize the HRM practices that affect the commitments of the employees. RMA Myanmar maintains the most influencing factors on commitments. In additions, the weakness factor should be promoted to improve the commitments and job performance of the employees.

Company should pay more attention to the commitment which improves the job performance of the employees. Based on the findings affective commitment is the main

determinant affecting on job performance. Thus, RMA Myanmar should pay first priority to decentralization, the main determinant factor for affective commitment, by selecting and developing more capable people. In additions, it should make the system how the seniors solved the specific issue so that employees could learn from the system. By doing this, company could give more delegation to employees to perform their tasks.

Training and development effect on all types of commitments and it is the main determinant factor for normative commitment. Therefore, RMA Myanmar should arrange trainings to be convenient for all the employees. Now, employees are very tired of trainings since they have to work six days a week. In additions, RMA Myanmar should give frequent trainings regularly in order to improve the skills and expertise of the employees based on new technology, performance appraisal and job specifications. Furthermore, RMA Myanmar should do more job rotations and develop English skills of the employees so that employees could have more career development. Then, employees will have more positive view by acknowledging their improved performance. Employees will remain in the work by showing commitments if they have career potentials at the organization.

RMA Myanmar should also pay attention to compensation system as it is the main determinant for continuance commitment. RMA Myanmar should provide attractive compensation by monitoring general expense of the employees and compensation systems of competitors. The company should pay salary in cash as employees could have difficulty when they could not withdraw money from the banks easily. Besides salary, RMA Myanmar should support essential foods and medicines for employees so that employees will be motivated and work hard for the company.

Based on the findings, job security also effects on all types of commitment and RMA Myanmar should focus it. RMA Myanmar should usually evaluate the perceptions of employees towards job security as it is very important for all employees. If the employees think company is not doing well, they will start looking for the new job. RMA Myanmar should continue informing the updates of the current and upcoming projects so that employees could see the actual status of the company. Moreover, RMA Myanmar makes sure that employees are not replaced because of advance technology or new process. By doing this, employees will not worried about their jobs and will emphasize for RMA Myanmar Co., Ltd.

RMA Myanmar should pay attention to the weak HRM practices that are not perceived well by the respondents. Thus, RMA Myanmar should also pay attention to the social attention.

The company should arrange large social spots at many as possible. Employees will be happy when they have many friends at the work. By having good relationship among employees, team works and cooperation are enhanced. In additions, the company should arrange staff party or internal department party very often so that employees have close friends at the workplace and they will be attached to the organization. Furthermore, company should setup the social viber group or chitchat group where employees could talk freely. By doing this, employees are attached to the organization and they will give greater commitments.

Regarding performance appraisal, RMA Myanmar should make the performance appraisal more transparently. Line managers and superiors should explain the result if the subordinates have the questions. In additions, performance appraisal should reflect both individual performance and team-based performance. RMA Myanmar needs to do performance appraisal very often in order to evaluate skills and performance of employees. On the other hand, some employees are unhappy about it as they are afraid of their poor result, Thus, RMA should make clear the objectives of the performance appraisal. RMA Myanmar should announce that the performance appraisal is done in order to give necessary trainings for poor performers and rewards for the high performers. As the result, employees will know their performance levels and try hard in order to improve their performance.

Regarding leadership style, employees believe that they receive good leadership of the superiors. To get more commitments and increase job performance of the employees, RMA Myanmar should create supportive and respectful culture where all senior employees need to share information, teach how to work, and give more time to the subordinates for listening the problems and giving suggestions. It should assign all the seniors and managers to develop their subordinates so that employees will have more suggestions and care from their superiors. This will lead to good relationship with supervisor and employees will be happy at work. By doing this, employees will not have job difficulty and they will be happy at their workplace. Thus, it could lead to high commitments which in turn increase job performance of the employees.

Finally, RMA Myanmar should always monitor the commitment levels of the employees. Then, the company needs to update its HRM practices according to the commitment levels and job performance of the employees.

### **5.3 Needs for Further Research**

This study focuses only on the nine HRM practices of the RMA Myanmar and it does not cover other HRM practices that are applying in other foreign based companies in Myanmar. According to motivation literature, there are others theories for employees' motivation such as Maslow's hierarchy of needs theory, and Herzberg two factor theories should also be conducted for further research. Therefore, further researches should study the common HR practices affecting on motivation, organizational commitment and job performance of foreign based companies in Myanmar in order to shape the whole picture of international companies in Myanmar.

## REFERENCE

- Adebayo, O. I., & Lucky, O. I. (2012). *Entrepreneurship development and national job security*. Isolo Campus: Paper presented at the LASPOTECH SM national conference on national job security main auditorium.
- Adnan, S. (2018). *To Evaluate and Study the relationship between employees' commitment and individual performance: A Quantitative Approach- Case Study of Kansai Paints*. Sweden: (Unpublished Master's thesis). Linnaeus University.
- Aguinis, H. (2009). *Performance Management*. New Jersey, Upper Saddle: Pearson Prentice Hall.
- Aguinis, H., & Kraiger, H. (2009). Benefits of training and development for individuals and teams, organizations, and society. *Annual Review of Psychology*, 60(1), 451–474.
- Ainsworth, B. E., Booth, M. L., Pratt, M. I., Ekelund, U., Yngve, A. G., Sallis, J. F., & Oja, P. E. (2004). International physical activity questionnaire: 12-country reliability and validity. *Medicine & Science in Sports & Exercise*, 195-9131.
- Aladwan, K., Bhanugopan, B., & Fish, A. (2013). To What Extent the Arab Workers Committed to their Organisations? *International Journal of Commerce and Management*, 23(4), 306-326.
- Aladwan, K., D'Netto, B. R., & Brian. (2015). The effects of human resource management practices on employees' organisational commitment. *International Journal of Organizational Analysis*, 23(3), 472–492.
- Alkalha, Z., Al-Zu'bi, Z., Al-Dmour, H., & Alshurideh, M. (2012). Investigating the effects of human resource policies on organizational performance: An empirical study on commercial banks operating in Jordan. *European Journal of Economics, Finance and Administrative Sciences*, 51, 44-64.
- Allen, N. J., & Meyer, J. P. (1990). The Measurement and Antecedents of Affective, Continuance, and Normative Commitment to the Organization. *Journal of Occupational Psychology*, 63, 1–18.

- Allen, N. J., & Meyer, J. P. (2000). Construct Validation in Organizational Behaviour Research: The Case of Organizational Commitment. In R. D. Goffin, & E. Helmes, *Problems and Solutions in Human Assessment: Honoring Douglas N* (pp. 285-314). Norwell: Kluwer Academic Publishers.
- Almajali, D. A., Masa'deh, R., & Tarhini, A. (2016). Antecedents of ERP Systems Implementation Success: A Study on Jordanian Healthcare Sector. *Journal of Enterprise Information Management*, 29(4), 549-565.
- Alshurideh, M., Alhadeed, A. Y., & Barween, A. (2015). The effect of internal marketing on organizational citizenship behavior an applicable study on the University of Jordan employees. *International Journal of Marketing Studies*, 7(1), 138-145.
- Altinoz, M., Cakiroglu, D., & Cop, S. (2012). The Effect of Job Satisfaction of the Talented Employees on Organizational Commitment: A Field Research. *Procedia - Social and Behavioral Sciences*, 5(8), 322-330.
- Amador, L., & Vila, L. E. (2003). Education and skill mismatches: wage and job satisfaction consequences. *International Journal of Manpower*, 416-428.
- Appelbaum, E., Bailey, T. R., Berg, P., & Kalleberg, A. L. (2000). Manufacturing Advantage: Why High-Performance Work Systems Pay Off. *The Academy of Management Review*, 26(3).
- Appelbaum, S. H., & Butt, D. (1994). Toxins in the workplace: affect on organizations and employees. *Corporate Governance*, 7(1), 17-28.
- Appiah, B. A. (2010). Impact of training on employee performance: A Case Study of HFC Bank (GHANA) Ltd. *Human Resource Management*, 15-17.
- Armstrong, M. (1995). *A handbook of personnel management practice*. London: Kogan Page.
- Armstrong, M. (2006). *A Handbook of Human Resource Management Practice* (10<sup>th</sup> ed.). London: Kogan Page Publishing.
- Averson, R. D. (1998). High-performance work systems and occupational safety. *Journal of Applied Psychology*, 90(1), 77.
- Awosanya, O., & Ademola, O. (2008). Attitude of employees to work performance in an Organization. *International Journal of Business and Management*, 7(13), 56-69.

- Bass, B. M. (1990). *Bass & Stogdill's Handbook of leadership: Theory, research, and managerial applications* (3<sup>rd</sup> ed.). New York: The Free Press.
- Bell-Ellis, R. S., Jones, L., Longstreth, M., & Neal, J. (2015). Spirit at Work in Faculty and Staff Organizational Commitment. *Journal of Management, Spirituality & Religion*, 12(2), 156-177.
- Blanchard, P. N., & Thacker, J. W. (2013). *Effective training : systems, strategies, and practices* (5<sup>th</sup> ed.). Boston: Pearson.
- Blumberg, M., & Pringle, C. D. (1982). The missing opportunity in organizational research: Some implications for a theory of work performance. *Academy of Management Review*, 7, 560-569.
- Bogenschutz, M., Nord, D., & Hewitt, A. (2015). Competency-based training and worker turnover in community supports for people with IDD: results from a group randomized controlled study. *VI Intellectual and Development Disabilities*, 53(3), 182-195.
- Buck, J. M., & Watson, J. L. (2002). Retaining Staff Employees: The Relationship between Human Resources Management Strategies and Organizational Commitment. *Innovative Higher Education*, 26(3), 175 – 193.
- Byars, L. L., & Rue, L. W. (2000). *Human resource management*. New York: McGraw-Hill
- Campbell, C. G., Bierman, K. L., & Molenaar, P. C. (2015). The individual day-to-day process of social anxiety in vulnerable college students. *Applied Developmental Science*, 20, 1-15.
- Campbell, J. P. (1990). An overview of the army selections and classification project (Project A). *Personnel Psychology*, 9, 309-329.
- Campbell, J. P., McHenry, J. J., & Wise, L. L. (1990). Modeling job performance in a population of jobs. *Personnel Psychology*, 43, 313-333.
- Chadbourne, R. (1994). Reforming teachers' pay systems: The advanced skills teacher in Australia. *Journal of Personnel Evaluation in Education*, 11(1), 7-30.
- Charnov, B. H. (2000). Training and development. *Management, Barrons & Educational Series*, 225.

- Chen, J., Silverthorne, C., & Hung, J. (2006). Organisation communication, job stress, organisational commitment, and job performance of accounting professionals in Taiwan and America. *Leadership & Organisation Development Journal*, 27(4), 242-249.
- Chiu, W. Y., & Ng, F. F. (2015). Enhancement of organizational commitment through propensity to trust. *Engineering, Construction and Architectural Management*, 22(3), 272-294.
- Cho, V., & Huang, X. (2012). Professional Commitment, Organizational Commitment, and the Intention to Leave for Professional Advancement. *Information Technology & People*, 25(1), 31-54.
- Chughtai, A. A., & Zafar, F. (2006). Antecedents and Consequences of Organizational Commitment among Pakistani University Teachers. *Applied H.R.M. Research*, 11(1), 39-64.
- Dansereau, F., Yammarin, F. J., & Markham, S. E. (1995). Leadership: The multiple-level approaches. *The Leadership Quarterly*, 6(9), 251-263.
- Dawson, J. E., Meese, L. E., & Philips, J. L. (1972). Effect of instructor-leader behavior on student performance. *Journal of Applied Psychology*, 56, 369-379.
- Derven, M. G. (1990). The Paradox of Performance Appraisals. *Personnel Journal*, 69.
- Duhaish, A., Alshurideh, M., Masa'deh, R. E., & Al-Zu'bi, Z. B. (2014). The Impact of the Basic Reference Group Usage on the Purchasing Decision of Clothes (A Field Study of Saudi Youth in Riyadh City). *Dirasat: Administrative Sciences*, 41(2), 201-221.
- Dunham, R. B., Grube, J. A., & Castaneda, M. B. (1994). Organizational commitment: The utility of an integrative definition. *Journal of Applied Psychology*, 79(3), 370-380.
- Ejiogu, A. (2000). *Human Resource Management towards Greater Productivity*. Lagos: Generation Press Ltd.
- Enezi, G., Hamoda, M. F., & Fawzi, N. (2004). Heavy metals content of municipal wastewater and sludges in Kuwait. *Journal of Environmental Science and Health*, 37, 397-407.

- Esfahani, A. N., Ghasemi, R. A., & Tabrizi, A. T. (2014). The Relationship between Management Credibility and Affective Commitment in Consultant Engineering Firms: Evidence from Iranian Organizations. *Procedia - Social and Behavioral Sciences*, 143.
- Farrell, D., & Rusbult, C. E. (1981). Exchange variables as predictors of job satisfaction, job commitment and turnover: The impact of rewards, costs, alternatives and investments. *Organiz. Behav. Hum. Perform*, 28, 78-95.
- Garavan, T. N. (1995). Training, development, education and learning: different or the same? *Journal of European Industrial Training*, 21(2), 39-50.
- Gebert, D., & Steinkamp, T. (1991). Leadershipstyle and economic success in Nigeria andTaiwan. *Management International Review*, 31(2), 161-171.
- Glasgow, R. E., McCaul, K. D., & Fisher, K. J. (1993). Participation in worksite health promotion: a critique of the literature and recommendations for future practice. *Health Education Quarterly*, 20, 391-408.
- Goldhaber, G., Porter, D., Yates, M., & Lesniak, R. (1978). Organisational communication: 1978. *Human Communication Research*, 5(1), 76-96.
- Goyal, R., & Shrivastava, M. (2012). A Study of HR Practices and Their Impact on Employees Job Satisfaction and Organizational Commitment in Pharmaceutical industries. *International Journal of Business Trends and Technology*, 2(3), 1-28.
- Greenhalgh, L., & Rosenblatt, Z. (1984). Job Insecurity: Toward conceptual clarity. *Academy of Management Review*, 9, 438-448.
- Hales. (2000). Management and Empowerment Programs. *Work, Employment and Society*, 14(3), 501-519.
- Hasibuan, M. (1997). *Manajemen sumber daya manusia*. Jakarta: Gunung Agung.
- Heady, F. (1996). *Public Administration: A Comparative Perspective* (5<sup>th</sup> ed.). New York: MarcelDekker.
- Henderson, J. M. (1997). Transsaccadic memory and integration during real-world object perception. *Psychological Science*, 8, 51-55.
- Hersey, P., Blanchard, K., & Johnson, D. E. (1996). *Management of Organizational Behavior Utilizing Human Resources* (7<sup>th</sup> ed.). Englewood Cliffs, New Jersey: Prentice-Hall.

- Hill, S. A. (2012). Ambidexterity and survival in corporate venture units. *Journal of Management*, 40, 1899–1931.
- Hollander, E. P. (1978). *Leadership dynamics: A practical guide to effective relationships*. New York: Free Press.
- House, R. (1996). Path-goal theory of leadership: Lessons, legacy, and a reformulated theory. *The Leadership Quarterly*, 7(3), 323.
- Hsu, P. Y. (2000). *The research of the influence of cross-cultural on the job performance: The case on Philippine & Thailand labor in high-tech industry*. Taiwan: Unpublished master's thesis, National Cheng Kung University.
- Hunaiti, Z., Mansour, M., & Al-Nawafleh, A. (2009). Electronic Commerce Adoption Barriers in Small and Medium-Sized Enterprises (SMEs) in Developing Countries: The Case of Libya. *Innovation and Knowledge Management in Twin Track Economies Challenges and Solutions-Proceedings of the 11<sup>th</sup> International Business Information Management Association Conference*, 1(3), 1375-1383.
- Hunter, J. E., & Hunter, R. F. (1984). Validity and utility of alternative predictors of job performance. *Psychological Bulletin*, 96, 72-98.
- Iwe, J. I. (2006). Decentralization as a management strategy in university libraries in South Eastern Nigeria: With special reference to University of Calabar Library. *Library Management*, 27, 531-547.
- Kanter, J. (1984). *Management Information Systems*. Upper Saddle River: Prentice Hall.
- Khan, T. I., Jam, F. A., Akbar, A., Khan, K. M., & Hijazi, S. T. (2011). Job involvement as predictor of employee commitment: Evidence from Pakistan. *International Journal of Business and Management*, 6, 252-262.
- Kimmerle, J., Wodzicki, K., & Cress, U. (2008). The social psychology of knowledge management. *Team Performance Management*, 14(7/8), 381-401.
- Korman, A. K. (1977). *Organization behavior*. Englewood, New Jersey: Prentice-Hall.
- Kurt, L. (2004). Kurt Lewin and the Planned Approach to Change: A Re-appraisal. *Journal of Management Studies*, 41, 977–1002.

- Lado, A., & Wilson, M. (1994). Human Resource Systems and Sustained Competitive Advantage: Competency-based Perspective. *Academy of Management Review*, 19, 699-727.
- Lambert, E. G., Qureshi, H., & Frank, J. (2015). Spilling over: An exploratory study of the correlates of strain-based work-family conflict among police officers in India. *International Journal of Police Science and Management*, 18, 87 - 103.
- Lee, R. (2009). Social capital and business and management: Setting a research agenda. *International Journal of Management Reviews*, 11(3), 247-273.
- Malmelin, N. (2007). Communication capital: Modelling corporate communications as an organisational asset. *Corporate Communications: An International Journal*, 12(3), 298-310.
- Marchington, Goodman, Wilkinson, & Ackers. (1992). New Developments in Employee Involvement. *Employment Department Research Paper Series*, 2.
- Masa'deh, R., Tayeh, M., & Al-Jarrah, I. M. (2015). Accounting vs. Market-based Measures of Firm Performance Related to Information Technology Investments. *International Review of Social Sciences and Humanities*, 9(1), 129-145.
- Mathis, R. L., & Jackson, J. H. (1998). Recruiting. In R. L. Mathis, & J. H. Jackson, *Personnel/Human Resource Management*. St. Paul: West Publishing Company.
- Maxwell, G., & Steele, G. (2003). Organisational commitment: A study of managers in hotels. *International Journal of Contemporary Hospitality Management*, 15(7), 362-369.
- McDonough, E. F., & Barczak, G. (1991). Speeding up new product development: the effects of leadership style and source of technology. *Journal of Product Innovation Management*, 8(3), 203-211.
- Meyer, J. P., & Allen, N. J. (1991). A Three-Component Conception of Organizational Commitment. *Human Resource Management Review*, 1, 61-89.
- Meyer, J. P., & Herscovitch, L. (2001). Commitment in the Work place: Toward a General model. *Human Resource Management Review*, 11(2), 299-326.

- Meyer, J. P., Allen, N. J., & Smith, C. A. (1993). Commitment to organizations and occupations: Extension and test of a three-component conceptualization. *Journal of Applied Psychology, 78*, 538-551.
- Meyer, J. P., Stanley, D. J., & Parfyonova, N. M. (2012). Employee Commitment in Context: The Nature and Implication of Commitment Profiles. *Journal of Vocational Behavior, 80*(1), 1-16.
- Michailova, S. (2002). When common sense becomes uncommon: participation and empowerment in Russian companies with Western participation. *Journal of WorldBusiness, 37*, 180-187.
- Moats, J. (1999). Consequences of the performance appraisal experience. *Personnel Review, 39*(3), 375-396.
- Mowday, R. T., Porter, L. W., & Steers, R. M. (1982). *Organizational linkages: The psychology of commitment, absenteeism, and turnover*. San Diego: Academic Press.
- Murphy, K. R. (1989). Dimensions of job performance. In R. F. Dillon, & J. W. Pellegrino, *Testing: Theoretical and Applied Perspectives* (pp. 218-247). New York: Praeger.
- Murray, L. P., Gregoire, M. B., & Downey, R. g. (1991). Organizational commitment of management employees in restaurant operations. *Hospitality Research Journal, 14*, 339-348.
- Neininger, A. N., Kauffeld, S. L., & Henschel, A. (2010). Effects of team and organizational commitment – A longitudinal study. *Journal of Vocational Behavior, 76*(1), 567–579.
- Nickson, D. (2007). *Human Resource Management for the Hospitality and Tourism Industries*. Oxford: Butterworth-Heinemann.
- Obisi, C. (2001). Employee Development, Issues and Dimension. *Unical Journal of Public Administration for September, 1*, 32-41.
- Opkara, J. O. (2004). *Job Satisfaction and Organizational Commitment: Are there differences between American and Nigerian Managers Employed in the US MNCs in Nigeria?* Switzerland: Academy of Business & Administrative Sciences, Briarcliffe College.
- Plachy, S. J. (1998). *Building a fair pay program* (2<sup>nd</sup> ed.). New York: AMACOM, American Management Association.

- Poole, M., Lansbury, R. D., & Wailes, N. (2001). A Comparative Analysis of Developments in Industrial Democracy: A Comparative Analysis. *Industrial Relations*, 40(3), 490-525.
- Postmes, T., Tanis, M., & De Wit, B. (2001). Communication and commitment in organizations: A social identity approach. *Group Processes & Intergroup Relations*, 4(3), 227-246.
- Rafiei, M. (2014). Studying the impact of the organizational commitment on the job performance. *Management Science Letters*, 4(8), 1841-1848.
- Rego, A., Leite, R., Carvalho, T., Freire, C., & Vieira, A. (2004). Organizational Commitment: Toward a Different Understanding of the Ways People Feel Attached to their Organizations. *Management Research: Journal of the Iberoamerican Academy of Management*, 2(3), 201-218.
- Ritter, M. (2003). The use of balanced scorecards in the strategic management of corporate communication. *Corporate Communications: An International Journal*, 8(1), 44-59.
- Rivai, V., Fawsi, A., Silviana, M., & Abdullah, B. (2005). Performance Appraisal, Sistem yang Tepat untuk menilai kinerja Karyawan dan meningkatkan daya saing perusahaan. *PT. RajaGrafindo Persada*.
- Sager, C. E. (1993). A theory of performance. In N. Schmitt, & W. C. Borman, *Personnel selection in organizations* (pp. 35–70). San Francisco: Jossey-Bass.
- Sarmiento, R., & Beale, J. (2007). Determinants of performance amongst shop-floor employees. *Management Research News*, 30(12), 915-927.
- Schaefer, E., & Lamm, A. (1998). *Sociology* (6<sup>th</sup> ed.). New York: McGraw Hill.
- Schermerhorn, J. R., Hunt, J. G., & Osborn, R. N. (2000). *Organizational behavior* (6<sup>th</sup> ed.). New York: JohnWiley and Sons.
- Selmanmusa, A. (2013). The Impact Of Education And Training Of Employees On Their Performance In The Banking Sector. *Case Study In Raiffeisen Bank*.
- Shelley, S. (1999). Diversity of appraisal and performance-related pay practices in higher education. *Personnel Review*, 28(5/6), 439-454.

- Shiva, M., & Suar, D. (2010). Leadership, LMX, Commitment, and NGO Effectiveness: Transformational Leadership, Leader-Member Exchange, Organizational Commitment, Organizational Effectiveness, and Programme Outcomes in Non-Governmental Organizations. *International Journal of Rural Management*, 6(1), 117-150.
- Shore, L. M., & Tetrick, L. E. (1991). A construct validity of the survey of perceived organizational support. *Journal of Applied Psychology*, 76, 637-643.
- Singh. (2009). A Study on Employee Participation in Decision Making. *Unitar E-Journal*, 5(1), 20 -38.
- Singh, A., & Gupta, B. (2015). Job Involvement, Organizational Commitment, Professional Commitment, and Team Commitment. *Benchmarking: An International Journal*, 22(6), 1192-1211.
- Smeenk, S., Teelke, C., Eisinga, R., & Doorewaard, H. (2008). An international comparison of the effects of HRM practices and organizational commitment on quality of job performances among European university employees. *Higher Education Policy*, 21, 323-344.
- Srithongrung, A. (2011). The Causal Relationships among Transformational Leadership, Organizational Commitment, and Employee Effectiveness. *International Journal of Public Administration*, 34(6), 376-388.
- Stogdill, R. M. (1974). *Handbook of Leadership: A Survey of the Literature*. New York: Free Press.
- Su, S., Baird, K., & Blair, B. (2009). Employee Organizational Commitment: The Influence of Cultural and Organizational Factors in the Australian Manufacturing Industry. *The International Journal of Human Resource Management*, 20(12), 2494-2516.
- Swales, S. (2002). Organizational commitment: A critique of the construct and measures. *International Journal of Management Reviews*, 4(2), 155-178.
- Szilagyi, A. D. (1980). *Organizational Behavior and Performance* (2<sup>nd</sup> ed.). Santa Monica: Goodyear Publishing Company.
- Tornikoski, C. (2011). Fostering Expatriate Affective Commitment: A Total Reward Perspective. *Cross Cultural Management: An International Journal*, 18(2), 214-235.

- Tourish, D., & Hargie, O. (2009). Communication and organisational success. In O. Hargie, & D. Tourish, *Auditing organisational success*. London: Routledge.
- Umberson, D., & Montez, J. K. (2010). Social relationships and health: A flashpoint for health policy. *Journal of Health and Social Behavior*, 51, S54 –S66.
- Verkhohlyad, O., & McLean, G. N. (2012). Applying organizational commitment and human capital theories to emigration research. *European Journal of Training and Development*, 36, 308–328.
- Watson, D. G. (2010). Experimental and Theoretical Advances in Prosody: A Review. *Language and Cognitive Processes*, 25, 905-945.
- Wiener, Y. (1982). Commitment in organizations: a normative view. *Academy of Management Review*, 7, 418-428.
- Wiener, Y., & Gechman, A. S. (1977). Commitment: A behavioural approach to job involvement. *Journal of Vocational Behaviour*, 10, 47-52.
- Wilkinson, A. (1998). Empowerment: theory and practice. *Personnel Review*, 27, 40-56.
- Winston, R. B., & Creamer, D. G. (1997). *Improving staffingaffairs practices in student affairs*. San Francisco: Jossey-Bass.
- Yousef, A. D. (1998). Correlates of perceived leadership style in a culturally mixed environment. *Leadership & Organization Development Journal*, 19(5), 275-284.

## APPENDIX A

### Analysis of HRM Practices

Sr. No	Particular	Mean Score	Std. Dev
<b>Decentralization</b>		<b>3.96</b>	<b>0.75</b>
1.	Enough delegation to perform the task without supervisor approval.	4.05	0.84
2.	No control or monitor employees all time.	3.60	0.73
3.	Enough information to perform my task.	3.98	0.80
4.	Able to determine my work flow (tasks-ordering).	4.22	0.82
5.	Small matters not having to be referred to supervisors	3.69	0.82
<b>Compensation</b>		<b>3.76</b>	<b>0.64</b>
1.	Attractive compensation	3.70	0.68
2.	Salaries, wages or incentives matched my needs.	3.53	0.63
3.	Salaries, wages or incentives relevant to my job and responsibility.	3.74	0.67
4.	Fair compensation when compared to other companies in the industry.	3.76	0.70
5.	Salaries, wages or incentives on time.	4.06	0.74
<b>Participation</b>		<b>3.57</b>	<b>0.80</b>
1.	Allowing more employee involvement in meeting.	3.46	0.73
2.	My supervisor usually asking for my opinions relating tasks.	3.65	0.86
3.	Opportunity to participate in decisions that affect my work.	3.41	0.84
4.	Granting a high degree of employee participation to increase workforce commitment.	3.58	0.86
5.	Having chance to discuss work problems with superior.	3.74	0.91

<b>Training/ development</b>		<b>3.87</b>	<b>0.75</b>
1.	Setting up policies on the amount and type of training the employees can expect to receive.	3.81	0.72
2.	Training programmes supportive to perform my job better.	4.07	0.80
3.	Offering well designed trainings based on the assigned tasks and responsibilities.	3.89	0.84
4.	Getting satisfactory training for my current position	3.68	0.82
5.	Having opportunity for career development within the company	3.89	0.82
<b>Job Security</b>		<b>3.54</b>	<b>0.68</b>
1.	Getting job security as long as I do a good performance.	3.76	0.70
2.	Feeling job security in term of employment durability.	3.71	0.75
3.	Believing my position could not be replaced by technology or other employees.	3.13	0.85
4.	RMA presenting a leading company in the industry.	3.48	0.69
5.	Top management setting up future strategic goals by	3.61	0.74
<b>Social Interactions</b>		<b>2.44</b>	<b>0.52</b>
1.	Having opportunity to get more friends or officemates within this company	2.54	0.63
2.	Feeling as an important person within friends group and the society.	2.51	0.72
3.	Easy to speak at public	2.37	0.59
4.	Feeling so freely talking and attending the activities in a party	2.52	0.50
5.	Having chance for so many incentives to interact with the society	2.24	0.59

<b>Leadership Style</b>		<b>3.57</b>	<b>0.80</b>
1.	The Leader showing care and motivation to subordinates.	3.46	0.73
2.	Letting us do tasks by our own way	3.41	0.84
3.	Having friendly and approachable leaders.	3.74	0.91
4.	Equal and Fair treatment of leader	3.65	0.86
5.	Taking suggestions and recommendations from us.	3.58	0.86
<b>Communication</b>		<b>3.83</b>	<b>0.65</b>
1.	Providing enough update information about company	3.65	0.68
2.	Setting up enough communication channels such as e-mail, voice mail, audio/video conferencing, and web-based ordering.	4.11	0.82
3.	Arranging reference groups, newsletters, monthly bulletins or weekly meetings to communicate people about company status.	3.79	0.75
4.	Knowing how to communicate or which channels to use to contact someone within my organization.	3.94	0.60
5.	Having communication channels for emergencies.	3.65	0.69
<b>Performance Appraisal</b>		<b>3.56</b>	<b>0.84</b>
1.	Fairly evaluation of performance appraisal	3.37	0.90
2.	Performance Appraisals revealing current ability and encourage high performance	3.38	0.98
3.	Performance Appraisal enabling job rotation, enrichment of decision, etc	3.47	0.76
4.	Getting the feedback about the performance appraisal.	3.59	0.78
5.	Help of line managers to subordinates with performance guidance	3.98	0.97

Source: Survey Data, 2021

## APPENDIX B

### Analysis of Organizational Commitment

Sr. No	Particular	Mean Score	Std. Dev
<b>Affective Commitment</b>		<b>3.64</b>	<b>0.76</b>
1.	Very happy to spend the rest of my career at this organization.	3.61	0.73
2.	Considering the company's problems as my own	3.86	0.90
3.	Feeling like 'part of the family' at RMA	3.80	0.77
4.	A great deal of personal meaning towards RMA	3.65	0.72
5.	No intention to join other organization for better benefits	3.30	0.92
<b>Continuance Commitment</b>		<b>3.39</b>	<b>0.91</b>
1.	Afraid of quitting job without having another one	3.53	0.87
2.	Difficult to leave RMA right now	3.69	0.91
3.	Afraid of life disrupted	3.12	0.96
4.	Having too few options to consider leaving the RMA	3.25	1.02
5.	Considerable personal sacrifice	3.34	1.02
<b>Normative Commitment</b>		<b>3.55</b>	<b>0.80</b>
1.	Feeling unethical to switch jobs only for benefits.	3.38	0.80
2.	Remembering amount of time and money company spend on me	3.71	0.81
3.	Feeling not right to leave my organization even receiving better offers	3.45	0.88
4.	Feeling a sense of moral obligation	3.68	0.71
5.	Owing a great deal to my organization.	3.52	1.00

Source: Survey Data, 2021

## APPENDIX C

### Structured Questionnaire

#### PART I: Demographics

1. Gender

Male

Female

2. Age

20-25 years old

26- 30 years old

31-35 years old

36-40 years old

41 to 50 years old

Above 50 years old

3. Educational

High School Student

Undergraduate

Graduate

Master

Other .....

4. What is your Position?

GM

Manager

Supervisor

Staff

Other .....

5. Income

144,000 ~ 250,000 MMK

250,001 ~ 350,000 MMK

350,001 ~ 500,000 MMK

500,001 ~ 700,000 MMK

700,001 ~ 1,000,000 MMK

Above 1,000,000 MMK.

6. Work Experience at RMA

Less than 1 year

1- 3 years

4 – 7 years

8 - 10 years

Above 10 years

**PART II: HRM Practices, Commitment and Job Performance**

Please tick how much degree you agree the following statements.

(5= strongly agree, 4 =Agree, 3 =neither disagree nor agree, 2 = Disagree, 1= strongly disagree)

HRM Practices	Levels				
	5	4	3	2	1
<b>Decentralization</b>					
1. I get enough delegation to perform the task without supervisor approval.					
2. Supervisors do not control or monitor employees all time.					
3. I have enough information to perform my task.					
4. I determine my work flow (tasks-ordering).					
5. Small matters do not have to be referred to someone higher up for a final answer.					
<b>Compensation</b>	5	4	3	2	1
6. Compensation provided by RMA is attractive.					
7. Salaries, wages or incentives given meet my needs.					
8. Salaries, wages or incentives given in accordance with my					
9. Compensation provided by RMA is fair when compared to other companies in the industry.					
10. Company always gives salaries, wages or incentives on time.					
<b>Participation</b>	5	4	3	2	1
11. RMA allows more employee involvement in meeting.					
12. My supervisor usually asks for my opinions relating tasks.					
13. I am given the possibility to participate in decisions that affect my work.					

14. RMA allows a high degree of employee participation to increase workforce commitment.					
15. I can discuss work problems with superior.					
<b>Training/ development</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
16. My organization has stated policies on the amount and type of training the employees can expect to receive.					
17. Training programmes help me perform my job better.					
18. Trainings are well designed and offered based on the assigned tasks and responsibilities.					
19. I am satisfied with the training i received for my current position					
20. I have the opportunity for career development within the company					
<b>Job security</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
21. My job provides me job security as long as I do a good performance.					
22. I feel that I have a job security provided by the ~ the organization in term of employment durability.					
23. I feel that my position could not be replaced by I <sub>xxx</sub> " technology or other employees.					
24. The company is a leading company in the industry.					
25. Top management has made future strategic goals by monitoring the market trends.					
<b>Social interactions</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
26. I believe I can get more friends or officemates within this company					
27. I feel I am the important person within friends group and the society.					

28. I can take it easy when I speak in public					
29. I feel so freely talking and attending the activities in a party					
30. My company has so many incentives for me to interact with the society					
<b>Leadership style</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
31. The Leader cares and motivates subordinates.					
32. RMA leader lets us do our work in the way we think best.					
33. My leader is friendly and approachable.					
34. RMA leader treats all equally and fairly.					
35. The leader takes suggestions and recommendations from us.					
<b>Communication</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
36. I am adequately informed about what is going on in the company.					
37. RMA organizes enough communication channels such as e-mail, voice mail, audio/video conferencing, and web-based ordering.					
38. The company arranges reference groups, newsletters, monthly bulletins or weekly meetings to communicate people about company status.					
39. I know how to communicate or which channels to use in order to contact someone within my organization.					
40. Company sets up communication channels for emergencies.					
<b>Performance appraisal</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
41. Performance appraisal is fairly evaluated.					
42. Performance Appraisals help to recognize current ability and encourage high performance					
43. Performance Appraisal helps in job rotation, enrichment of decision, etc					

44. I get the feedback if I have questions about the performance appraisal.					
45. Line managers help subordinates with performance guidance and spend time needed					
<b>Affective</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
46. I would be very happy to spend the rest of my career at this organization.					
47. I really feel as if the company's problems are my own					
48. I feel like 'part of the family' at RMA					
49. The organization has a great deal of personal meaning for me					
50. I will not join other organization even if I get more benefits.					
<b>Continuance</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
51. I am afraid of what might happen if I quit my job without having another one lined up					
52. It would be very hard for me to leave RMA right now					
53. Too much in my life would be disrupted if I decided to leave RMA now					
54. I feel that I have too few options to consider leaving the RMA					
55. I continue to work for RMA as leaving would require considerable personal sacrifice					
<b>Normative</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
56. I feel it is unethical to switch jobs only for benefits.					
57. As the amount of time and money company spend on me, I prefer to stay loyal to the company					
58. If I got another offer for a better job elsewhere I would feel it was not right to leave my organization					
59. I feel a sense of moral obligation to remain in this organization.					
60. I owe a great deal to my organization.					
<b>Job Performance</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
61. I always completed assigned tasks according to the schedule.					
62. I work without supervision when necessary.					

63. My superior and colleagues always recognize on my work quality					
64. I seldom make mistakes in my work.					
65. I have ability and potential to develop the organization's effectiveness.					

## APPENDIX D

### HRM and Affective Commitment

#### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.989 <sup>a</sup>	.979	.977	.11490

a. Predictors: (Constant), Performance appraisal , Training/ Development , Communication , Leadership style , Decentralization , Compensation , Social interactions , Participation , Job security

#### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Square	F	Sig.
1	Regression	67.442	9	7.494	567.592	.000 <sup>b</sup>
	Residual	1.452	110	.013		
	Total	68.895	119			

a. Dependent Variable: Affective

b. Predictors: (Constant), Performance appraisal , Training/ Development , Communication , Leadership style , Decentralization , Compensation , Social interactions , Participation , Job security

#### Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.013	.086		-.151	.880
	Decentralization	.345	.096	.364	3.596	.000
	Compensation	-.030	.084	-.033	-.353	.725
	Participation	-.176	.122	-.152	-1.448	.150
	Training/ Development	.208	.070	.220	2.966	.004
	Job security	.267	.122	.240	2.194	.030
	Social interactions	.233	.109	.216	2.138	.035
	Leadership style	.014	.080	.014	.182	.856
	Communication	.040	.093	.038	.431	.667
	Performance appraisal	.116	.101	.097	1.152	.252

a. Dependent Variable: Affective

## **HRM and Continuance Commitment**

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.995 <sup>a</sup>	.990	.989	.09566

a. Predictors: (Constant), Performance appraisal , Training/ Development , Communication , Leadership style , Decentralization , Compensation , Social interactions , Participation , Job security

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Square	F	Sig.
1	Regression	97.726	9	10.858	1186.523	.000 <sup>b</sup>
	Residual	1.007	110	.009		
	Total	98.733	119			

a. Dependent Variable: Continuance

b. Predictors: (Constant), Performance appraisal , Training/ Development , Communication , Management style , Decentralization , Compensation , Social interactions , Participation , Job security

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.249	.071		-3.489	.001
	Decentralization	.306	.070	.281	4.385	.000
	Compensation	.799	.080	.705	10.009	.000
	Participation	-.113	.101	-.082	-1.121	.265
	Training/ Development	.174	.058	.153	2.977	.004
	Job Security	.273	.101	.205	2.689	.008
	Social Interactions	-.011	.091	-.008	-.120	.905
	Leadership Style	.252	.066	.208	3.803	.000
	Communication	.229	.078	.180	2.958	.004
	Performance appraisal	-.350	.084	-.245	-4.160	.000

a. Dependent Variable: Continuance

## HRM and Normative Commitment

### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.988 <sup>a</sup>	.976	.974	.12915

a. Predictors: (Constant), Performance appraisal , Training/ Development , Communication , Leadership style , Decentralization , Compensation , Social interactions , Participation , Job security

### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Square	F	Sig.
1	Regression	73.565	9	8.174	490.024	.000 <sup>b</sup>
	Residual	1.835	110	.017		
	Total	75.400	119			

a. Dependent Variable: Normative

b. Predictors: (Constant), Performance appraisal , Training/ Development , Communication , Leadership style , Decentralization , Compensation , Social interactions , Participation , Job security

### Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.067	.096		-.698	.486
	Decentralization	.152	.108	.154	1.415	.160
	Compensation	.200	.079	.202	2.545	.012
	Participation	.108	.137	.089	.793	.430
	Training/ Development	.306	.094	.321	3.244	.002
	Job security	.357	.137	.306	2.603	.011
	Social interactions	-.079	.122	-.070	-.643	.521
	Leadership style	.225	.089	.212	2.514	.013
	Communication	.194	.105	.174	1.857	.066
	Performance appraisal	-.053	.113	-.043	-.470	.639

a. Dependent Variable: Normative

## **HRM and Organizational Commitment**

### **Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.996 <sup>a</sup>	.993	.992	.16810

a. Predictors: (Constant), Performance appraisal , Training/ Development , Communication , Leadership style , Decentralization , Compensation , Social interactions , Participation , Job security

### **ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Square	F	Sig.
1	Regression	435.325	9	48.369	1711.707	.000 <sup>b</sup>
	Residual	3.108	110	.028		
	Total	438.433	119			

a. Dependent Variable: Organizational Commitment

b. Predictors: (Constant), Performance appraisal , Training/ Development , Communication , Leadership style , Decentralization , Compensation , Social interactions , Participation , Job security

### **Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.283	.125		-2.258	.026
	Decentralization	1.197	.140	.501	8.533	.000
	Compensation	.378	.123	.165	3.082	.003
	Participation	-.249	.178	-.085	-1.398	.165
	Training/ Development	.441	.103	.185	4.298	.000
	Job security	.672	.178	.239	3.767	.000
	Social interactions	.197	.159	.072	1.237	.219
	Leadership style	.161	.116	.063	1.380	.170
	Communication	.197	.136	.073	1.445	.151
	Performance appraisal	-.258	.148	-.086	-1.747	.083

a. Dependent Variable: Organizational Commitment

## Affective, Continuance, Normative Commitment and Job Performance

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.946 <sup>a</sup>	.894	.891	.22776

a. Predictors: (Constant), Normative , Continuance , Affective

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Square	F	Sig.
1	Regression	50.766	3	16.922	326.204	.000 <sup>b</sup>
	Residual	6.018	116	.052		
	Total	56.784	119			

a. Dependent Variable: Job Performance

b. Predictors: (Constant), Normative , Continuance , Affective

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.945	.129		7.324	.000
	Affective	.912	.139	1.005	6.558	.000
	Continuance	.247	.104	.325	2.376	.019
	Normative	.336	.138	.387	2.443	.016

a. Dependent Variable: Job Performance