



Employee commitment

Employee commitment is the bond employees experience with their organisation. Broadly speaking, employees who are committed to their organisation generally feel a connection with their organisation, feel that they fit in and, feel they understand the goals of the organisation. The added value of such employees is that they tend to be more determined in their work, show relatively high productivity and are more proactive in offering their support.

The 3 types of organisational commitment

Employee commitment is a general term, however within commitment there exists three distinctive types¹:

1. Affective commitment

Affective commitment relates to how much employees want to stay at their organisation. If an employee is affectively committed to their organisation, it means that they want to stay at their organisation. They typically identify with the organisational goals, feel that they fit into the organisation and are satisfied with their work. Employees who are affectively committed feel valued, act as ambassadors for their organisation and are generally great assets for organisations.

→ ¹ Allen, N.J. and Meyer, J.P. (1990) The Measurement and Antecedents of Affective, Continuance and Normative Commitment to the Organization. *Journal of Occupational Psychology*, Vol. 63, 1-18



2. Continuance commitment

Continuance commitment relates to how much employees feel the need to stay at their organisation. In employees that are continuance committed, the underlying reason for their commitment lies in their need to stay with the organisation. Possible reasons for needing to stay with organisations vary, but the main reasons relate to a lack of work alternatives and remuneration.

A good example of continuance commitment is when employees feel the need to stay with their organisation because their salary and fringe benefits won't improve if they move to another organisation. Such examples can become an issue for organisations as employees that are continuance committed may become dissatisfied (and disengaged) with their work and yet, are unwilling to leave the organisation.

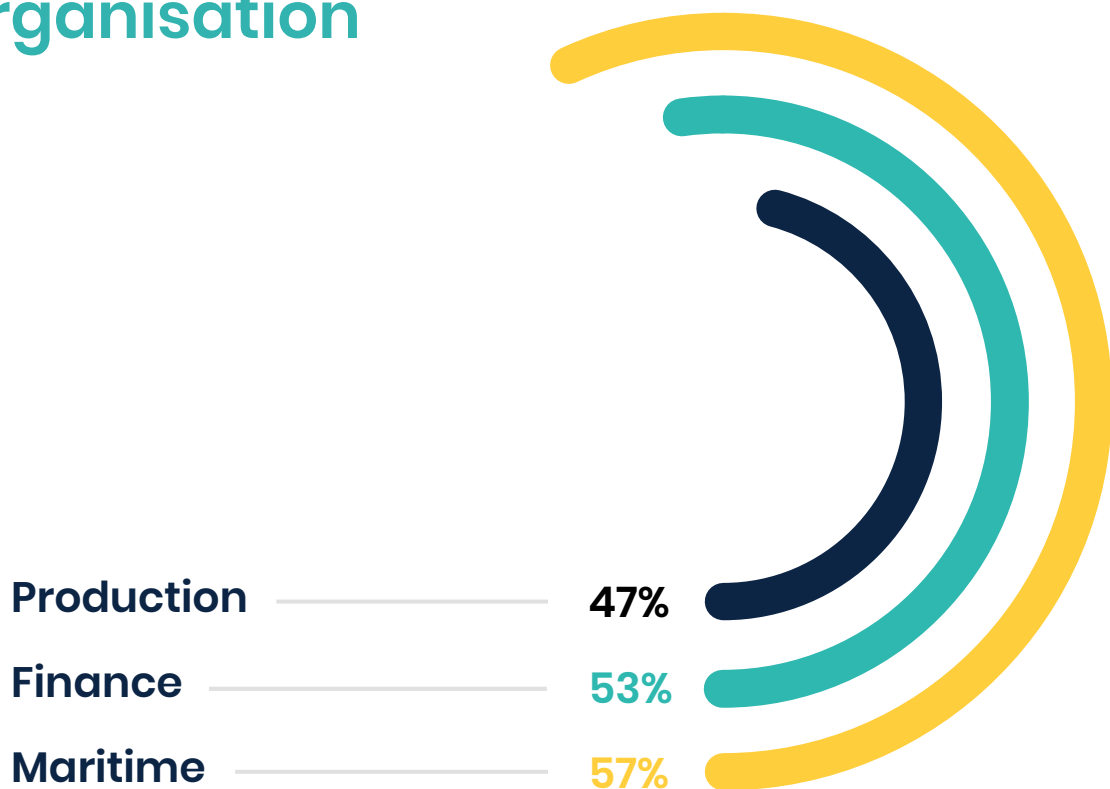


3. Normative commitment

Normative commitment relates to how much employees feel they should stay at their organisation. Employees that are normatively committed generally feel that they should stay at their organisations. Normatively committed employees feel that leaving their organisation would have disastrous consequences, and feel a sense of guilt about the possibility of leaving.

Reasons for such guilt vary, but are often concerned with employees feeling that in leaving the organisation they would create a void in knowledge/skills, which would subsequently increase the pressure on their colleagues. Such feelings can, and do, negatively influence the performance of employees working in organisations.

On average, half of employees are committed to their organisation



Commitment levels in the production, finance and maritime industry

2

The decline of life employment

The pressure on organisations to perform is increasing all the time. Competition between organisations is fiercer than ever, and employees lie at the heart of organisation's success.

Yet today, more than ever, long term employee commitment is less and less of a given. The idea that an employee will spend his or her entire career at one company is almost dead.

For organisation's high performers there lies limitless opportunities. Recruiters and competitors are constantly ready to lure top talent away. Offers of lucrative pay and promotions are commonplace, whilst some adopt a stance of 'name your conditions'. In reality, this has dramatically increased employee mobility. At the other end of the scale, employees who perform badly are more likely to be let go. Organisational units that perform badly are now rarely given the time and freedom to change their performance. Today organisational units that perform badly are nearly always reorganised, which as a rule, nearly always results to job cuts.

As a result of these phenomenon, combined with people's greatly increased individualism, long term employee commitment to the organisation has become much less commonplace.

3 Why employee commitment is important

Committed employees bring added value to the organisation through their determination, proactive support, relatively high productivity and awareness of quality. They are also less likely to call in sick.

Committed employees display positive behaviour within organisations, are more likely to positively refer the company to contacts and are further more likely to adopt the organisation's vision and goals (both professionally and personally).

Alongside this, committed employees are much less likely to leave their current position. In light of the increasing competitive nature of organisations, employee commitment is increasingly playing a key part in retaining top talent.



4 How to increase employee commitment

Using data collected from our employee surveys and correlation analysis, Effectory is able to discover the extent to which factors influence employee commitment.

Our research uncovered four factors have been proven to have the biggest influence on employee commitment levels. The influencers include: clear company goals, gaining energy from work, feeling a fit with the company and a challenging work environment.

In order to help you get to work on increasing employee commitment, the following section discusses the four influencers, why they are important and includes best practices. Simply by addressing one of the following four areas, organisations are able to positively impact employees' commitment.

Clear company goals

Clarity about intended goals helps employees make better day-to-day decisions at work. Employees know what the collective objective is and they can adapt their own contribution to it accordingly. Knowing the companies objectives helps employees co-operate more efficiently with one another and further, reduces the time and resources wasted on issues that do not have any bearing on the big picture.

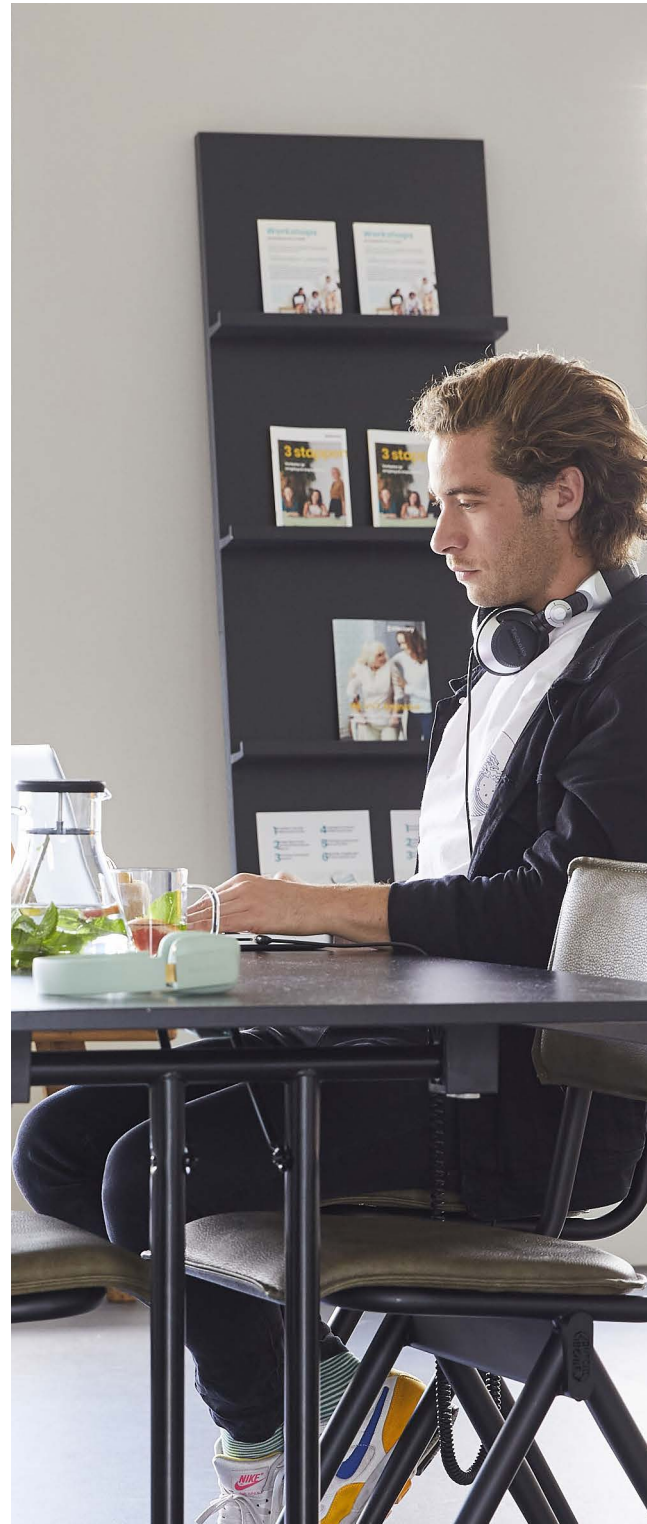
How can you create clear company goals?

1 Think about what your organisation's positive contribution to society may be and include this in the formulation of the organisational goal. Including the how your company benefits society helps make goals more appealing to employees.

2 Ensure top management are clear on what the goals are and that they regularly communicate these both internally and externally. In general the simpler the goal is, the easier it is to communicate, roll out and strive towards.

3 Allow each section/each team to interpret the organisational goals to form their own goals. This will make everything more specific and enables the goals to be aligned to one another.

4 Communicate regularly about any progress and whether or not your organisational goals are being reached. Doing so keeps the process of reaching goals more vibrant, and also helps in motivating employees.



Gaining energy from work

Employees who gain energy from their work feel good about themselves and enjoy doing their work. Apart from the positive effect on the individual employee, organisations benefit when employees gain energy from their work. Employees who gain energy from their work are generally more productive, work better with colleagues and are more willing to develop.

How can you help employees gain energy from their work?

- 1** Ensure a good match between employees and their work. If there turns out to be a mismatch, assistance and/or training should be offered to bridge the gap. In the case of long-term mismatches, every effort should be made to help employees find more suitable work (either inside or outside of the organisation).
- 2** Pay attention to employees' development. Stagnant jobs with limited challenges will diminish the energy employees get from their work. It is therefore vital that employees' jobs evolve, for instance by broadening the scope of work.
- 3** Discuss the biggest frustrations that employees encounter at work and challenge them to come up with solutions. Frustrations consume energy, and once removed, both employee satisfaction and energy increase.

**51% of employees
responded that their
work energises them**

An inspiring best practice: Energy at work

For some time now our team has, at the end of each day, written down how they felt about their energy levels (did they have a lot of energy left, or little to no energy left) and what they had done that day. After two weeks everyone had a good picture of what personally gave them energy and what consumed their energy. Now when we are allocating duties, we take this into account.

Fitting in

When employees feel like they fit in well with an organisation, they feel a bond and commitment to their organisation. If employees feel at home, they put a greater effort into the organisation and tend to remain with the organisation for a longer period of time.

How can you help employees feeling of fitting in?

1 Make sure that employees are clear about the corporate identity. Employees only know if they feel at home if they know what the organisation stands for (mission/vision) and what is important to the organisation (standards/values).

2 Create shared experiences among employees, as they reinforce a feeling of belonging and fitting in. Some of the most effective activities are personal meetings, as well as company-wide events..

3 Involve employees in company-wide decisions. This helps to ensure support of the decisions, as well as clarity about employees' thoughts and feelings.

4 Consider encouraging management to show their commitment to their employees. By showing a regular interest and genuine appreciation, employees are more likely to feel they fit in.

Challenging work environment

In general, employees need variety and a challenge at work. When an employee feels challenged in his or her job their intrinsic motivation, joy at work and sense of achievement all

increase. Overall, employees that are challenged tend to perform better and as a result, are more inclined to stay with their organisation.

How can you create a challenging work environment?

1 Give regular feedback. Constructive feedback about improvement opportunities can bring about a lot of challenges, although don't forget the positives!

2 Discuss in the appraisal and or performance interviews whether the work is still challenging enough. In addition, discuss what makes the work challenging for someone and how best to keep it that way.

3 Ensure that once in a while, employees get to look at other areas of the organisation/departments. Often jobs which remain undone in one department might be seen as a welcome challenge to another.

An inspiring best practice: challenging employees

At Red Bull, employees are encouraged to come up with ideas themselves. These may be internally or externally focused ideas. If an idea is a good one, the employee concerned is given (alone or with others) the freedom to really develop it and put it into practice. Doing so gives employees a great sense of responsibility and they also become the owner of their own promotion or event.

Want to find out which feedback tools correspond with your organizational needs?

For more information about our feedback tools, demos, or pilot surveys, contact us at: inquiries@effectory.com or call +31 (0)20 30 50 100

