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ANALYSING EMPLOYEE COMMITMENT FOR THE YOUNG NEW ZEALAND WORKFORCE

A thesis presented in partial fulfilment of the requirements for the degree of Masters of Business Studies in Human Resource Management at Massey University, New Zealand.

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ABSTRACT

Younger workers are quickly becoming a vital part of our workforce as they are soon to fill a major experience and skill gap brought by the retirement of a large group of experienced employees. Research and popular media suggest that younger workers have different values and attitudes in the workforce compared to older generations, yet there is little empirical research in the area of organisational commitment on younger workers. This knowledge is important as managers and organisations need to understand what values and workforce desires drive young employees to competitively recruit, develop and retain this new workforce to mitigate the imminent retirement of older workers.

The purpose of this thesis is to further the understanding of the Millennial and Generation Z cohorts in the workplace by examining their types of organisational commitment when they first begin their careers. 175 young full-time workers in New Zealand aged between 17 and 30 years participated in the thesis and completed an online cross-sectional survey. The survey contained four shortened-versions of scales concerning organisational commitment, managerial trustworthiness, and well-being. Latent profile analysis was used to identify the profiles, of young employees' organisational commitment.

Four organisational commitment profile groups were discovered within the sample population and were labelled as High AC/NC-Dominant, CC-Dominant, AC-Dominant, Low CC-Dominant. Significant differences were found between profile membership and the measures of perceived managerial trustworthiness, psychological well-being at work, and turnover intention. A large majority of the sample population (63.2%) were found to have positive feelings of organisational commitment and had strong positive relationships with perceived trust in management and psychological well-

being at work. Turnover intentions were low. Thirty two per cent of the young workers felt trapped within their organisation and had high turnover intentions, but due to the nature of commitment feel unable to leave their organisation. Perceived trust in management and psychological well-being at work were significantly low for this group. There were very few uncommitted employees.

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