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Job Embeddedness and Organizational Climate

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Abstract

Issues regarding persons with disability (PWD) at workplace have become an endless argument. PWD faced difficulties at their workplaces after struggling to get the job. They faced with problems that could not make them work longer. This paper examines the relationship between organizational climate and their job embeddedness. It reveals that disabled employees must be supported by an appropriate organizational climate to ensure their embeddedness with the company. The findings can be used in the creation of a better organizational climate specially prepared for the disabled employees as part of the company's responsibilities as the PWD have their rights in receiving the same treatment as received by other normal employees.

Keywords: Organizational Climate; Job Embeddedness; Disabled Employee; Person with Disability

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1.0 Introduction

The issues on a person with disability (PWD) at workplace have been an endless discussion amongst researchers (Adabi, 2011). Extensive research reports and government efforts portray an array of suggestions to look up and improve ways on the employers' decisions. Thus, there is an articulated need to generate ideas and enhance strategies to ensure the employability of PWD can be recognized and well implemented. The revised of Persons with Disabilities Act, 2008 (Act 685) has shown a constant and undivided support given by the Malaysian government in helping the disabled to step in the economy and develop their potential. However, the effort is complicated enough to be realized. Company employing disabled may come across challenges at the first phase of hiring due to the matching process between the job and the impairment (Furuoka, Lim, Pazim & Mahmud; 2011, Newton, Ormerod & Thomas, 2007). Conversely, research has also shown that hiring disabled may have their positive impacts. Buciuniene and Kazlauskaite (2010) and Ta and Leng (2013) postulated that despite the difficulties faced by the company in hiring the disabled, they can be very loyal with their work. It was noted that disabled people are happier at job than non-disabled employees as they have certain expectations on the job that they can achieve (Pagan-Rodriguez, 2009). Companies that hire disabled people are given incentives to encourage them in employing more disabled (Person with Disabilities Act, 2008). This may help employers in creating a better working environment which can attract disabled job seekers and retain good employers' image in the society. Past studies have elucidated that organizational climate is positively related to social interaction (Chen & Huang, 2007) and will be more satisfied with their jobs as well as become high performers (Jackofsky & Slocum Jr., 1988). However, previous researchers have not given consistent attention concerning the effect of disabled employee on their decision to stay on their job as the turnover of them is still high (Social Welfare Department, 2012). There is still lack of research focus in this area that this study will examine the possibility of organizational climate as a predictor of disabled job embeddedness in Malaysia. Therefore, this research hopes to reveal whether organizational climate positively influence disabled job embeddedness or not.

2.0 Literature Review

2.1 Job Embeddedness

Mitchell, Holtom, Lee, Sablynski and Erez (2001) suggested that people is attached in a social web that holds them based on three key characteristics which are referred to as links, fit and sacrifice. Furthermore, they are concerned with "on-the-job" and "off-the-job" experiences. The more connected an employee is with the social web, the more embedded he or she is. Job embeddedness three key dimensions examined in this study are links, fit and sacrifice. Links refer to the formal or informal connections between the individual and

the institutions (Mitchell et al., 2001). The more an employee has the number of thread attached with his or her organization (e.g., work groups) and the community (e.g., belonging to local interest group), the more embedded they will become. Fit is the individual's perceived compatibility with an organization or environment (Mitchell et al., 2001). Employees will feel comfort with the organization if they find that their personal values or goals fit with their jobs or community. Sacrifice is defined as the material cost or psychological benefits that may be forfeited if the employees leave their job (Mitchell et al., 2001). These dimensions are associated with an individual's organization and community.

If employees have no alternative job when they decide to quit from the organization, consideration should be given to the forces of attachment to the organization rather than the forces to leave (Maert Jr. &Griffeth, 2004). Thus, the main objective in this study is on how job embeddedness relates with another work related variable that is the organizational climate. It is believed that employees with high level of job embeddedness will reflect more connection (links) with the organization, have well feeling of comfort with their job which suits with their personal goal (fit) and they will sacrifice valued things if they leave their job (Sekiguchi, Burton &Sablynski, 2008). In other words, when employees with disability feel attached to the job, they could stay longer with the organization.

2.2 Organizational Climate

Denison (1996) defined organizational climate as organizational members' perceptions of observable practices and procedures that are closer to the surface of organizational life. Castro and Martins (2010) pointed organizational climate in their study as shared perceptions, feelings and attitudes that members of the organization have about the basic elements that reflect the norms, values and attitudes of the organization's culture and influence positively or negatively the individual's behavior. Organizational climate is a meaningful concept that brings significant inference to recognize employee's behavior in an organization especially for the employees with disability. It takes place when employees perceive that the climate of their organization as a great place to work for which eventually will make them "stick" with the organization (Mitchell & Lee, 2001).

In this study, definitions by Castro and Martins (2010), Denison (1996) and Schneider et al. (1996) were integrated. Therefore, organizational climate is defined as common perceptions, emotions, and behaviors that members of the organization have which reveal the essential norms, values and attitudes possessed.

2.3 Organizational climate and job embeddedness

Empirical evidence had shown a significant relationship between organizational climate and job satisfaction (Schyns, Veldhoven& Wood, 2009), employee retention (Gentry, Kuhnert, Mandore& Page, 2007), and employee's intention to leave (Stone, Mooney-Kane, Larson, Pastor, Zwanziger& Dick, 2007). These researchers have successfully found evidence that organizational climate experienced by the employees can have the powerful influence on employee's behavior. Therefore, organizational climate is believed to influence an

important role in shaping positive employees' actions. When employees perceive a high level of interaction, commitment and supportive atmosphere, they are more likely to be encouraged to work and be more dedicated to their organization and hence, embedded to the organization. Therefore, it is anticipated that:

H1: Employee's perception towards organizational climate will influence job embeddedness.

Based on the above argument, a research framework is proposed for further analysis.

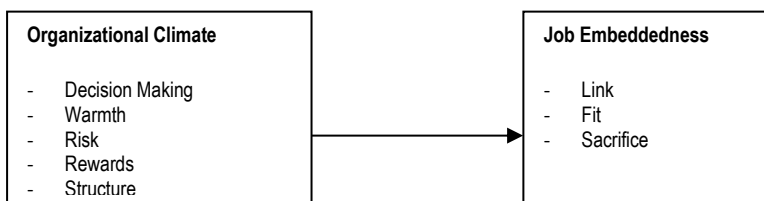


Figure 1: Research Framework

3.0 Methodology

This is a cross-sectional study based on a random sample of 114 disabled employees hired in the private sector chosen from lists provided by the Social Welfare Department, Labour Department and companies related. The respondents chosen were those with physical disability, hearing impaired, visually impaired and speech impaired. Mentally disabled employees were not included as they could not use their mind in their life and action as well. Data were collected either by self-administered questionnaire or interviewed personally by the researchers. If self-answered type was chosen, a copy of the questionnaire was posted or sent personally. Alternatively, an appointment of the availability to be interviewed was requested from those who preferred to be interviewed. The questionnaire consists of items that measured each sub-constructs of organizational climate and job embeddedness as shown in the theoretical framework and some demographic information. The measurements of decision making, warmth, risk, rewards and structure items are based from the work of Downey et al. (1974). While, Mitchell et al. (2001) effort on measuring job embeddedness is used in this study. However only fit and organization-related sacrifice items will be used after taken into consideration the length of the questions prepared. The items were five-point Likert scale from "Strongly Disagree" to "Strongly Agree". Initial analyses include exploratory data analysis, reliability and descriptive analysis. Next, confirmatory factor analysis (CFA) for the measurement model of each construct was conducted to verify its uni-dimensionality, reliability and validity before the structural model was constructed. This statistical procedure is to determine whether the theorized constructs (organizational climate and job embeddedness) loads into a number of underlying sub-

constructs. The research hypothesis was tested using structural equation modelling (SEM). Model fit (Goodness of Fit indexes), regression coefficient, coefficient of determination (R^2) and significance of paths for the proposed model were analysed.

4.0 Results and Discussions

Out of the 114 disabled employees that participated in the study voluntarily, 63.2% were males and 36.8% females. In terms of age category, 3.5% were less than 20 years old, 45.6% between 20 to 29 years old, 33.3% between 30 to 39 years old, 17% between 40 to 49 years old and 2.6% more than 50 years old. The highest type of disability was physical (45.6%), followed by hearing impaired (43.9%), visual and speech disability, both 5.3% each. Most of the respondents were unmarried (67.5%), married (28.9%) and divorced (3.5%). Majority were born with a disability (64.9%) and 35.1% due to accidents. Organizational climate was estimated using five latent sub-constructs which were measured by a number of items. CFA was performed on these five sub-constructs. After removing items with factor loadings less than 0.6 for already established items or 0.5 for newly developed items (Zainudin, 2012), three sub-constructs were retained namely warmth, reward and structure with two usable items each. Then, the second order CFA was performed. The results is shown in Table 1.

Table 1: First and Second Order CFA Results for Organizational Climate Constructs

Path	Factor Loadings for 1 st Order CFA	R ²
Warmth → OCwarm1	0.79	0.63
Warmth → OCwarm2	0.70	0.49
Reward → OCrew2	0.95	0.90
Reward → OCrew3	0.56	0.31
Structure → OCstr1b	0.84	0.71
Structure → OCstr1a	0.57	0.33

Path	Factor Loadings for 2 nd Order CFA	R ²
OC → Warmth	0.86	0.73
OC → Rewards	0.61	0.37
OC → Structure	0.77	0.59

The factor loading of organizational climate on warmth, rewards and strategy are 0.86, 0.61 and 0.77 with R^2 0.73, 0.37 and 0.59 respectively. Thus, the contribution of organizational climate on warmth and structure are good while on rewards it is moderate. How fit the model to the data is shown through several fitness indexes. The absolute fit, incremental fit and parsimonious fit achieved the required level as shown in Table 2.

Table 2: Fitness for Measurement Model of Organizational Climate

Category	Fitness Index	Index Value	Acceptance Level
Absolute Fit	p-value	0.402	> 0.05
	RMSEA	0.017	< 0.08
	GFI	0.982	> 0.90
Incremental Fit	AGFI	0.936	> 0.90
	CFI	0.999	> 0.90
	TLI	0.997	> 0.90
	NFI	0.964	> 0.90
Parsimonious Fit	Chisq / df	1.031	< 5.0

RMSEA, root mean square of error approximation; GFI, goodness of fit index; AGFI, adjusted goodness of fit; CFI, comparative fit index; TLI, Tucker-Lewis index; NFI, normed fit index; Chisq/df, Chi square / degrees of freedom (Zainudin, 2012)

The reliability and validity measures for the constructs in the measuring model are shown in Table 3.

Table 3: Reliability and Validity Measures for Sub-constructs of Organizational Climate

Construct	Cronbach Alpha (above 0.60)	Critical Ratio (above 0.60)	Average Variance Extracted (above 0.50)
Warmth	0.71	0.72	0.56
Reward	0.69	0.74	0.61
Structure	0.65	0.67	0.52

The values in Table 3 indicate that the convergent validity, construct validity, discriminant validity, the internal and composite reliability for sub-constructs of Organizational Climate achieved the required level. (Zainudin, 2012)

The path analysis and its significance are shown in Table 4.

Table 4: The Regression Weight of OC on its Sub-Constructs and its Significance

	Path		Estimate	Std. Error	Critical Ratio.	p- value	Result
Warmth	<---	OC	1.000		Reference Point		Sig
Reward	<---	OC	.590	.227	2.605	.009	Sig
Structure	<---	OC	.746	.251	2.976	.003	Sig

Organizational climate has significant effects on three sub-constructs (warmth, reward, structure) while decision making and risk were not included in the measurement model. The same CFA procedure was repeated for job embeddedness on its three sub-constructs. After removing items with factor loadings less than 0.6, two sub-constructs were retained namely fit and sacrifice with three usable items for fit and sacrifice. After the CFA procedure prepared, two of the items from link show that they belong to another new subconstructs

and it is named as satisfaction. Then, the second order CFA was performed with the following results.

Table 5: First and Second Order CFA Results for Job Embeddedness Constructs

Path	Factor Loadings for 1 st Order CFA	R ²
Fit → JEffit4	0.74	0.54
Fit → JEffit6	0.68	0.46
Fit → JEffit7	0.75	0.56
Sacrifice → JEsac2	0.63	0.40
Sacrifice → JEsac4	0.81	0.65
Sacrifice → JEsac5	0.65	0.43
Satisfaction → Jesatis2	0.74	0.55
Satisfaction → Jesatis3	0.75	0.56

Path	Factor Loadings for 2 nd Order CFA	R ²
Job Embeddedness → Fit	0.96	0.93
Job Embeddedness → Sacrifice	0.75	0.56
Job Embeddedness → Satisfaction	0.77	0.59

The factor loading of job embeddedness on fit, sacrifice and satisfaction are 0.96, 0.75 and 0.77 with R² 0.93, 0.56 and 0.59 respectively. Thus, the contribution of job embeddedness on fit, sacrifice and satisfaction are good. The absolute fit, incremental fit and parsimonious fit achieved the required level as shown in Table 6.

Table 6: Assessment of Fitness for Measurement Model of Job Embeddedness

Category	Fitness Index	Index Value	Acceptance Level
Absolute Fit	p-value	0.27	> 0.05
	RMSEA	0.04	< 0.08
	GFI	0.96	> 0.90
Incremental Fit	AGFI	0.92	> 0.90
	CFI	0.99	> 0.90
	TLI	0.98	> 0.90
	NFI	0.94	> 0.90
Parsimonious Fit	Chisq / df	1.18	< 5.0

The reliability and validity measures for the constructs in the measuring model are shown in Table 7.

Table 7. Reliability and Validity Measures for Sub-constructs of Job Embeddedness

Construct	Cronbach Alpha (above 0.60)	Critical Ratio (above 0.60)	Average Variance Extracted (above 0.50)
Fit	0.77	0.77	0.52
Sacrifice	0.74	0.74	0.50
Satisfaction	0.71	0.71	0.56

The convergent, construct, discriminant validity, together with the internal and composite reliability achieved the required level for sub-constructs of Job Embeddedness. The path analysis and its significance are shown in Table 8.

Table 8: The Regression Weight of Job Embeddedness on its Sub-Constructs and its Significance

Path		Estimate	Std. Error	Critical Ratio	p-value	Result
Fit	<--- JE	1.000		Reference Point		Significant
Sacrifice	<--- JE	.554	.135	4.105	***	Significant
Satisfaction	<--- JE	.756	.172	4.393	***	Significant

*** p-value < 0.001

It is proven that job embeddedness has significant effects on its three sub-constructs, namely, fit, sacrifice and satisfaction. After the issues of uni-dimensionality, validity and reliability of the latent constructs have been addressed, the constructs were modelled into a structural model for analysis using SEM. The final model is shown in Figure 2.

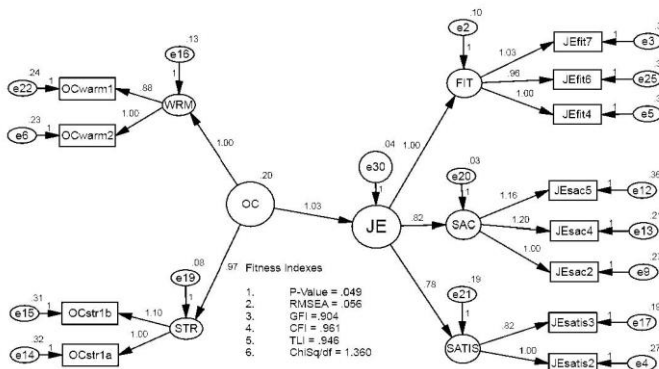


Figure 2: Structural Model with Regression Weights (Unstandardized estimates)

The fitness indexes assessment for the structural model with respect to absolute, incremental and parsimonious fit achieved the required level with RMSEA < 0.08, GFI > 0.90, CFI > 0.90, TLI > 0.90 and ChiSq/df < 5.0 as shown in Figure 2 above. Notice that the sub-construct Rewards is not included in the final structural model since its inclusion give a poor fit of the model. This can be due to its low R² of only 0.37 in the second order CFA..The path analysis and its significance for all the constructs and variables in the model are shown in Table 9.

Table 9. The Path Analysis for all Constructs and Variables in the Structural Model

	Path		Estimate	SE	CR	p-value	Result
JE	<---	OC	1.028	.242	4.248	***	Significant
FIT	<---	JE	1.000		Reference Point		Significant
SAC	<---	JE	.820	.162	5.046	***	Significant
SATIS	<---	JE	.777	.175	4.438	***	Significant
WRM	<---	OC	1.000		Reference Point		Significant
STR	<---	OC	.966	.217	4.448	***	Significant

JE, Job Embeddedness; OC, Organizational Climate; FIT, fit; SAC, sacrifice; SATIS, satisfaction; WRM, warmth; SE, standard error; CR, critical ratio
*** p-value < 0.001

All regression weights are found to be significant. The results showed that organizational climate has significant and direct effects on Job Embeddedness. The R² value is 0.83, implying that organizational climate contributes 83% to the prediction of job embeddedness which implied that the final structural model has a good fit with the data collected at hand.

5.0 Conclusion

The results have demonstrated that organizational climate has a significant positive relationship with the dimensions in job embeddedness namely fit, link and satisfaction which provide support to the hypothesis. The results are consistent with past studies whereby disabled employees are able to embed with their companies due to the support given by the employer by providing a better organizational climate (Ta & Leng, 2013) and concern for their welfare (Combs & Omvig, 1986). Different work group might perceive differently their working and organizational climate which could influence their working outcome. This study has proven the evidence of the need for proper organizational climate that should be address that could encourage disabled employees decision to embed with their current employer. The focus should be given more specially in terms of the warmth and the structure of the organization. Besides, effort must consider on factors to connect and attach the disabled with the company especially the fit, link, and satisfaction aspect.

5.1 Limitations

There are several limitations when considering the outcomes. Firstly, because of the cross-sectional nature of the data which was collected at a single point of time, hence, the causality impact cannot be determined. Secondly, the sample consists of disabled employees from the private sector only so that it has limited the generalizability of this study.

5.2 Practical implications

This study shows both theoretical and practical research with concerns to the organizational climate and how it influences disabled job embeddedness in the private sector in Malaysia. Organizational climate has been agreed as one of the important basic ingredients for many work outcomes. However, very few empirical studies on organizational climate and disabled job embeddedness in the Malaysian industries have been conducted. Thus, this study has proposed for a better mechanism in linking the organizational climate and job embeddedness among disabled employees. It is indicated that the better the organizational climate; the more embed the disabled employee will be.

5.3 Directions for future research

It would be interesting if this study could be replicated to disabled employees in the public sector. It is based on the ideas that there might be different views and unique findings which do not appear in this study. Another future research direction is to examine the possible intermediary or moderating mechanisms that explain the link between organizational climate and job embeddedness. It could be done to look at the associations between the mediating or moderating variables.

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